

PHOENIX CITY COUNCIL FORMAL AGENDA



Mayor
Kate Gallego

Vice Mayor
District 1
Thelda Williams

District 2
Jim Waring

District 3
Debra Stark

District 4
Laura Pastor

District 5
Betty Guardado

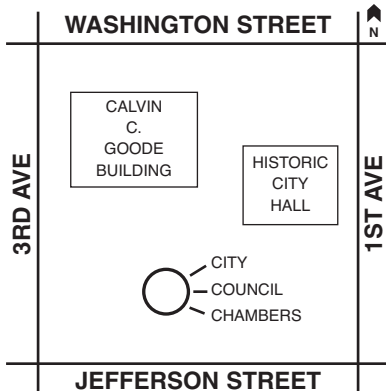
District 6
Sal DiCiccio

District 7
Michael Nowakowski

District 8
Carlos Garcia

Online agendas and
results available at
www.phoenix.gov

City Council Chambers
200 W. Jefferson St.
Phoenix, AZ 85003



WELCOME!

Thank you for participating in the process of representative local government. We welcome your interest and hope you and your neighbors will often attend Phoenix City Council meetings. Democracy cannot endure without an informed and involved electorate.

Phoenix operates under a Council-Manager form of local government. Policy is set by the Mayor and Council, and the City Manager, who is appointed by the Council, directs staff to carry out the policies. This separation of policy-making and policy administration is considered the most economical and efficient form of city government.

FORMAL CITY COUNCIL MEETINGS

The Council generally holds formal meetings at 2:30 p.m. on Wednesdays to take official action on Ordinances, Resolutions, and other items on the agenda. Although the formal agenda is subject to change, all changes to the printed agenda will be available at least 24 hours prior to the meeting. Visit phoenix.gov/cityclerk/publicmeetings to view the agenda and meeting schedule.

The formal meeting may appear to proceed very quickly, with important decisions reached with little discussion. However, councilmembers receive the agenda the week prior to the meeting, giving them the opportunity to study every item and to ask questions of City staff members. If no additional information is presented at the meeting, action may be taken without discussion.

HOW CITIZENS CAN PARTICIPATE

Phoenix City Council meetings are live streamed on phoenix.gov and available to view on Phoenix Channel 11.

For updated information on how residents can provide input on Council agenda items, please visit phoenix.gov/cityclerk/publicmeetings or call 602-262-6001.

For other questions involving the City, you are encouraged to contact your District councilmember at 602-262-7029 or the City Manager's Office at 602-262-4449. To reach the Mayor's Office, call 602-262-7111. We will do everything possible to be responsive to your individual requests.

REGISTERED LOBBYISTS

Individuals paid to lobby on behalf of persons or organizations other than themselves must register with the City Clerk prior to lobbying or within five business days thereafter and must re-register annually. If you have any questions about registration or whether or not you must register, visit lobbyist.phoenix.gov or contact the City Clerk's Office at 602-256-3186.

ACCESSIBILITY

For further information or reasonable accommodations, please call 602-256-3186 or Relay 7-1-1 as early as possible to coordinate needed arrangements.

Si necesita asistencia o traducción en español, favor de llamar lo mas pronto posible a la oficina de la Secretaría Municipal de Phoenix al 602-256-3186.

City of Phoenix Council members and district boundaries



Mayor Kate Gallego
602-262-7111
mayor.gallego@phoenix.gov



Thelda Williams
602-262-7444
council.district.1@phoenix.gov



Jim Waring
602-262-7445
council.district.2
@phoenix.gov



Debra Stark
602-262-7441
council.district.3@phoenix.gov



Laura Pastor
602-262-7447
council.district.4@phoenix.gov



Sal DiCiccio
602-262-7491
council.district.6
@phoenix.gov



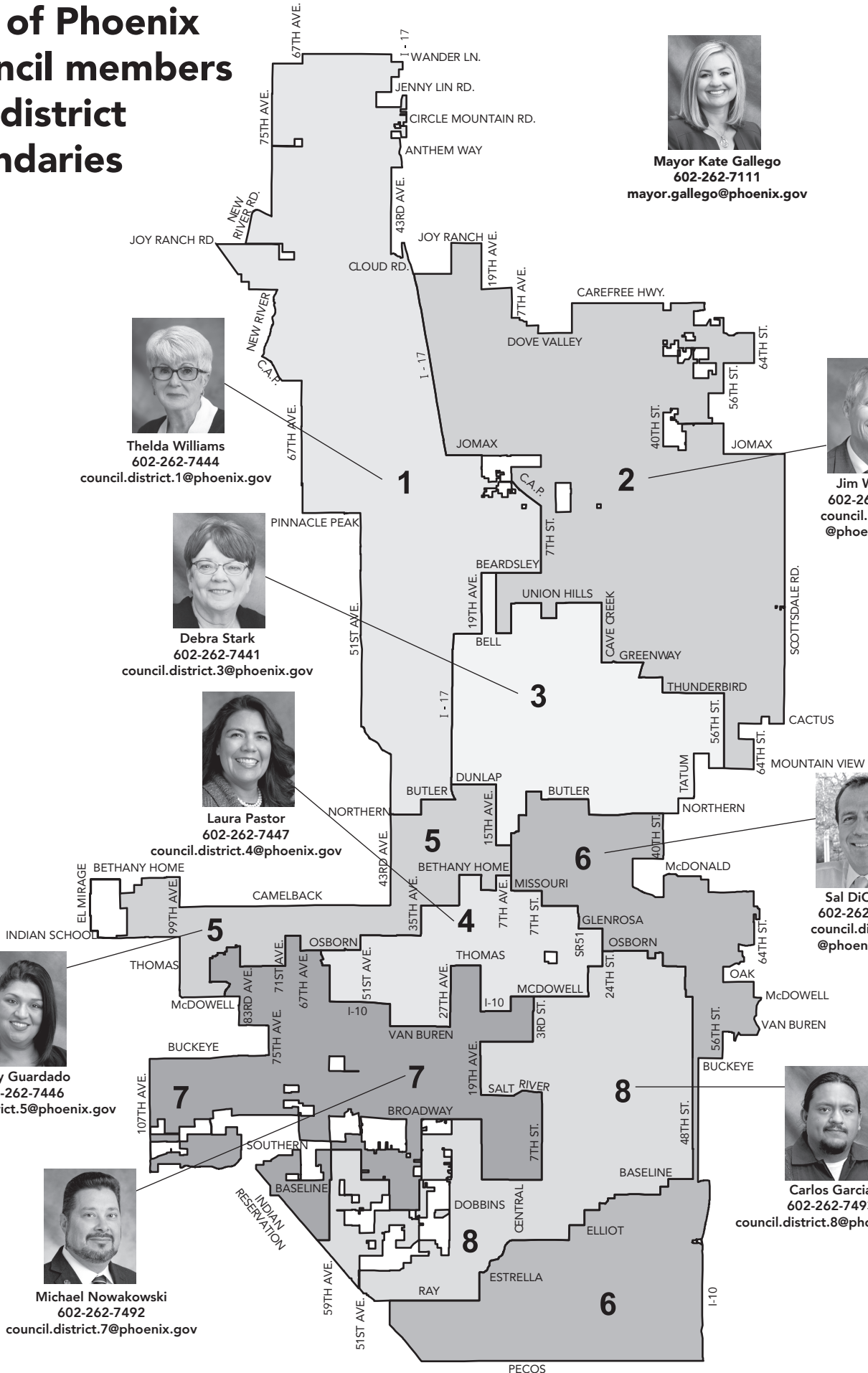
Betty Guardado
602-262-7446
council.district.5@phoenix.gov



Michael Nowakowski
602-262-7492
council.district.7@phoenix.gov



Carlos Garcia
602-262-7493
council.district.8@phoenix.gov





Agenda

City Council Formal Meeting

Wednesday, February 17, 2021

2:30 PM

phoenix.gov

*****REVISED Feb. 16, 2021*****

Item Requested to be Continued: 3; Item Revised: 78

OPTIONS TO ACCESS THIS MEETING

- **Watch** the meeting live streamed on phoenix.gov or Phoenix Channel 11 on Cox Cable.

- **Call-in** to listen to the meeting. Dial 602-666-0783 and Enter Meeting ID 126 555 9915# (for English) or 126 955 5370# (for Spanish). Press # again when prompted for attendee ID.

- **Register and speak during a meeting:**

Register online by visiting the City Council Meetings page on phoenix.gov **at least 1 hour prior to the start of this meeting**. Then, click on this link at the time of the meeting and join the Webex to speak.

<https://phoenixcitycouncil.webex.com/phoenixcitycouncil/onstage/g.php?MTID=ea1a4b8fce2746c0f3aa693ea1e9ace4f>

Register via telephone at 602-262-6001 **at least 1 hour prior to the start of this meeting**, noting the item number. Then, use the Call-in phone number and Meeting ID listed above at the time of the meeting to call-in and speak.

CALL TO ORDER AND ROLL CALL**BOARDS AND COMMISSIONS**

- 1 Mayor and Council Appointments to Boards and Commissions Page 13

LIQUOR LICENSES, BINGO, AND OFF-TRACK BETTING LICENSE APPLICATIONS

- 2 Liquor License - Spice Sea District 1 - Page 16
- *3 Liquor License - Special Event - M.U.S.I.C. Foundation of Arizona, Inc. ***REQUEST TO CONTINUE*** District 2 - Page 21
- 4 Liquor License - Dickey's Barbecue District 3 - Page 22
- 5 Liquor License - 7-Eleven #20622F District 4 - Page 27
- 6 Liquor License - OG Liquor District 4 - Page 32
- 7 Liquor License - Chevron District 5 - Page 37
- 8 Liquor License - West Side Smoke Shop District 5 - Page 42
- 9 Liquor License - Carioca Shell #67 District 7 - Page 48
- 10 Liquor License - Paddock Lounge District 8 - Page 52
- 11 (CONTINUED FROM FEB. 3, 2021) - Liquor License - Lucky Market District 2 - Page 56
- 12 Liquor License - Tennessee Grill District 1 - Page 63
- 13 Liquor License - El Pueblo Restaurant District 7 - Page 69

PAYMENT ORDINANCE (Ordinance S-47292) (Items 14-25)

Page 76

- 14 American Association of Airport Executives
-

- 15 **PFM Financial Advisors, LLC**
- 16 **Settlement of Claim(s) Lucero v. City of Phoenix**
- 17 **Settlement of Claim(s) Mason v. City of Phoenix**
- 18 **Settlement of Claim(s) Garcia v. City of Phoenix**
- 19 **Settlement of Claim(s) Hinds v. City of Phoenix**
- 20 **Settlement of Claim(s) Foster v. City of Phoenix**
- 21 **Settlement of Claim(s) Yakoo v. City of Phoenix**
- 22 **Arizona State University**
- 23 **Arizona Generator Technology, Inc., doing business as Gen-Tech**
- 24 **Ferguson US Holdings Inc., doing business as Ferguson Enterprises, LLC.**
- 25 **Central Arizona Water Conservation District doing business as Central Arizona Project**

ADMINISTRATION

- 26 *****REQUEST TO WITHDRAW*** (CONTINUED FROM FEB. 3, 2021) - 2015-2020 Consolidated Plan's 2019 Annual Action Plan CARES Act Amendment (Ordinance S-47290)** Citywide - Page 79
 - 27 **2015-2020 Consolidated Plan's 2019 Annual Action Plan CARES Act Amendment (Ordinance S-47330)** Citywide - Page 83
 - 28 **Public Hearing and Authorizing Amendment to Chapter 14 of the Phoenix City Code Relating to Taxes (Ordinance G-6808)** Citywide - Page 88
-

- 29 **Acceptance and Dedication of Deeds and Easements for Roadway, Sidewalk and Public Utility Purposes (Ordinance S-47304)** District 1 - Page 211
District 3
District 4
- 30 **Acceptance of Easements for Drainage and Water Purposes (Ordinance S-47305)** District 1 - Page 213
- 31 **Acquisition of Real Property for Sky Harbor International Airport - 4108 E. Air Lane (Ordinance S-47320)** District 8 - Page 214
- 32 **Authorization to Enter into Land Use License with Salt River Project for Patrick Park Plaza (Ordinance S-47309)** District 8 - Page 216
- 33 **Verint Audio Log System Upgrade and Professional Services - Requirements Contract - EXC 21-042 (Ordinance S-47306)** Citywide - Page 218
- 34 **Hardware and Software for Exadata Cloud@Customer (Ordinance S-47295)** Citywide - Page 220
- 35 **Open Data Portal Hosting Annual Renewal (Ordinance S-47322)** Citywide - Page 222
- 36 **Oracle Master Agreement (Ordinance S-47326)** Citywide - Page 223
- 37 **Library Services and Technology Act Grant Application (Ordinance S-47319)** District 7 - Page 225
- 38 **Authorization to Apply for Local Judicial Collection Enhancement Fund Grant to Fund Municipal Court IT Position (Ordinance S-47315)** Citywide - Page 227
- 39 **Add Positions in Planning and Development Department to Meet Increased Construction Activity (Ordinance S-47318)** Citywide - Page 228

COMMUNITY SERVICES

- 40 **Amend Contract for Home Delivered Meals (Ordinance S-47312)** Citywide - Page 246
-

- 41 **Amend Contract for Senior Nutrition Meal Program (Ordinance S-47313)** Citywide - Page 248
- 42 **Agreement Between State of Arizona and City of Phoenix for Maintenance and Operation of Margaret T. Hance Park (Ordinance S-47314)** District 7 - Page 250

ECONOMIC DEVELOPMENT

- 43 **Authorization to Enter into Development Agreement with PV RE Devco LLC for Installation of Public Infrastructure and Public Space Improvements (Ordinance S-47323)** District 3 - Page 262
- 44 **Authorization to Conduct Direct Negotiations for Disposition of City-Owned Land and Improvements Located at 1 S. 24th St. (Ordinance S-47329)** District 8 - Page 265
- 45 **Additional Expenditures for Marketing Services - ADSPO16-145339 (Ordinance S-47321)** Citywide - Page 267

PUBLIC SAFETY

- 46 **Request Authorization to Apply for, Accept and Enter Into Agreements for Fiscal Year 2021-22 Governor's Office of Highway Safety Grants (Ordinance S-47327)** Citywide - Page 269
- 47 **Custodial Services for Fire Locations - Requirements Contract - IFB 17-043B (Ordinance S-47316)** Citywide - Page 273
- 48 **Authorization to Amend Ordinance for FY 2020 Paul Coverdell Forensic Science Improvement Formula Grant Program (Ordinance S-47328)** Citywide - Page 274

TRANSPORTATION AND INFRASTRUCTURE

- 49 **Aviation Department Airport Planning On-Call Consulting Services for Fiscal Years 2022-25 (Ordinance S-47294)** District 1 - Page 276
District 8
Out of City

- | | | |
|----|--|--|
| 50 | Sibran Properties, LLC Lease Extension at Phoenix Deer Valley Airport (Ordinance S-47317) | District 1 - Page 279 |
| 51 | Fare Box Software Upgrade Project (Ordinance S-47324) | Citywide - Page 281 |
| 52 | Heavy Duty Bus Procurement - Request to Issue Request for Proposals (Ordinance S-47325) | Citywide - Page 284 |
| 53 | Routing Information Software - Requirements Contract (Ordinance S-47298) | Citywide - Page 286 |
| 54 | Bard Heating, Ventilation and Air Conditioning Equipment and Parts (Ordinance S-47300) | Citywide - Page 287 |
| 55 | SR85 Litter Removal Cost Sharing Agreement (Ordinance S-47301) | Out of City - Page 289 |
| 56 | Intergovernmental Agreement for Waste Collection and Transportation Mutual Aid (Ordinance S-47307) | Citywide - Page 291
Out of City |
| 57 | Fuel Island Cleaning - Agreement Recommendation (Ordinance S-47310) | Citywide - Page 292 |
| 58 | Intergovernmental Agreement with City of Tolleson for Real-Time Traffic Management Support (Ordinance S-47293) | District 5 - Page 294
District 7
Out of City |
| 59 | Relief Sewer Project: Van Buren and 52nd Streets - Design-Bid-Build Services - WS90500295 (Ordinance S-47296) | District 6 - Page 296 |
| 60 | Agreement with Arizona Department of Transportation For Rights of Way along South Mountain Freeway / Loop 202 (Congressman Ed Pastor Freeway) - Amendment 1 (Ordinance S-47302) | District 6 - Page 298
District 7
District 8 |
| 61 | Agreement with Arizona Department of Transportation for Landscape and Abandonment for Interstate 10 Broadway Curve Improvement Project (Ordinance S-47303) | District 4 - Page 300
District 7
District 8 |
-

- 62 **Intergovernmental Agreement with Arizona Department of Transportation for Maintenance of Congressman Ed Pastor Freeway (South Mountain Freeway / Loop 202) - Amendment 1 (Ordinance S-47311)** District 6 - Page 302
District 7
District 8
- 63 **Support for Formation of Tonka Vista Irrigation Water Delivery District (Resolution 21894)** District 6 - Page 304
- 64 **Zone 3D and 4A Improvements Program: Water Transmission Main - Construction Manager at Risk Services Amendment - WS85500442 and WS90500306 (Ordinance S-47297)** District 2 - Page 313
District 3
District 6
- 65 **Wastewater Collection System Emergency Repair and Replacement - Job Order Contracting Services - 4108JOC196 (Ordinance S-47299)** Citywide - Page 315
- 66 **Intergovernmental Agreement with Arizona Department of Transportation for Right-of-Way Along State Route 51 Near Northern Avenue and 26th Street (Ordinance S-47308)** District 3 - Page 317

PLANNING AND ZONING MATTERS

- 67 **Final Plat - Cachet at Peak View - PLAT 200578 - 42nd Street and Peak View Road** District 2 - Page 318
- 68 **Final Plat - Lot 1, Aldea Centre - PLAT 200606 - 101st and Montebello Avenues** District 5 - Page 319
- 69 **Final Plat - Clarendale Arcadia - PLAT 200574 - 3233 E. Camelback Road** District 6 - Page 320
- 70 **Final Plat - 56th Street and Camelback - PLAT 200625 - 5716 and 5728 E. Camelback Road** District 6 - Page 321
- 71 **Final Plat - Hurley Ranch - Phase 1 - PLAT 200553 - Southeast Corner of 91st Avenue and Illini Street** District 7 - Page 322
- 72 **Final Plat - NWC 7th Street and Mohave Street - PLAT** District 8 - Page 323
-

200532 - Northwest Corner of 7th and Mohave Streets

- 73 **Abandonment of Right-of-Way - ABND 200527 -
Northeast Corner of 42nd Street and Peak View Road
(Resolution 21896)** District 2 - Page 324
- 74 **Abandonment of Right-of-Way - ABND 200559 -
Southeast Corner of Camelback Road and 32nd Street
(Resolution 21895)** District 6 - Page 325
- 75 **Abandonment of Right-of-Way - ABND 200524 -
Southwest Corner of 23rd Avenue and Roeser Road
(Resolution 21897)** District 8 - Page 326
- 76 **Modification of Stipulation Request for Ratification of
Jan. 20, 2021 Planning Hearing Officer Action -
PHO-4-20_Z-273-79-5(7) - Approximately 670 Feet South
of the Southeast Corner of 83rd Avenue and Thomas
Road** District 7 - Page 327
- 77 **Amend City Code - Ordinance Adoption - Rezoning
Application PHO-1-20_Z-43-13-7 - Northwest Corner of
67th Avenue and Broadway Road (Ordinance G-6809)** District 7 - Page 332
- *78 **Formal Action - PCD Major Amendment - Rezoning
Application Z-49-XX-75-3 - Northwest Corner of Tatum
Boulevard and Cactus Road ***REVISED***** District 3 - Page 341
- 79 **Public Hearing - Amend City Code - Ordinance
Adoption - Responsible Adult Use of Marijuana -
Z-TA-8-20 (Ordinance G-6810)** Citywide - Page 398
- 80 **Public Hearing - Rescind Action and Withdraw
Ordinance Adoption - Rezoning Application Z-30-20-5 -
Southeast of the Southeast Corner of 107th Avenue
and Camelback Road (Ordinance G-6811)** District 5 - Page 454
-

REPORTS FROM CITY MANAGER, COMMITTEES OR CITY OFFICIALS

81 Human Services Campus Request

Citywide - Page 455

000 CITIZEN COMMENTS

ADJOURN

City Council Formal Meeting



City of Phoenix

Report

Agenda Date: 2/17/2021, Item No. 1

Mayor and Council Appointments to Boards and Commissions

Summary

This item transmits recommendations from the Mayor and Council for appointment or reappointment to City Boards and Commissions.

Responsible Department

This item is submitted by the Mayor's Office.

ATTACHMENT A



City of Phoenix

To: City Council
From: Mayor Kate Gallego

Date: February 17, 2021

Subject: BOARDS AND COMMISSIONS – APPOINTEES

The purpose of this memo is to provide recommendations for appointments to the following Boards and Commissions:

Alhambra Village Planning Committee

Councilwoman Betty Guardado recommends the following individuals for appointment:

Jim DeGraffenreid

Mr. DeGraffenreid is an Instructional Professional at Arizona State University and a resident of District 5. He fills a vacancy for a term to expire November 19, 2021.

Maurita Harris

Ms. Harris is a Project Manager and Architect III at PHX Architecture and a resident of District 5. She fills a vacancy for a term to expire November 19, 2022.

Desert View Village Planning Committee

Councilman Jim Waring recommends the following individual for appointment:

Michelle Santoro

Ms. Santoro is a Senior Planner at Earl & Curley and a resident of District 2. She fills a vacancy for a term to expire November 19, 2022.

Library Advisory Board

I recommend the following individual for appointment:

Anne Thorne

Ms. Thorne is a Realtor at HomeSmart Real Estate and a resident of District 4. She fills a vacancy for a term to expire February 17, 2024.

Sister Cities Commission

I recommend the following individual for appointment:

Karl Obergh

Mr. Obergh is the President of Ritoch-Powell & Associates and a resident of District 7. He replaces Anne Thorne for a term to expire June 30, 2023.

South Mountain Village Planning Committee

Councilman Sal DiCiccio recommends the following individual for appointment:

Trent Marchuk

Mr. Marchuk works in Technology Operations at Charles Schwab and is a resident of District 8. He fills a vacancy for a term to expire November 19, 2021.

Councilmember Carlos Garcia recommends the following individual for appointment:

Emma Viera

Ms. Viera is the Executive Director of Unlimited Potential and a resident of District 3. She replaces Dolores Levesque for a term to expire November 19, 2022.



Liquor License - Spice Sea

Request for a liquor license. Arizona State License Application 131298.

Summary

Applicant

Yong Huang, Agent

License Type

Series 12 - Restaurant

Location

3345 W. Greenway Road
Zoning Classification: C-2
Council District: 1

This request is for a new liquor license for a restaurant. This location was previously licensed for liquor sales and does not have an interim permit.

The 60-day limit for processing this application is Feb. 20, 2021.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

The ownership of this business has an interest in other active liquor license(s) in the State of Arizona. This information is listed below and includes liquor license violations

on file with the AZ Department of Liquor Licenses and Control and, for locations within the boundaries of Phoenix, the number of aggregate calls for police service within the last 12 months for the address listed.

Lychee Kitchen (Series 12)
23450 N. 19th Ave., Ste. 103, Phoenix
Calls for police service: 9
Liquor license violations: None

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because:
"I have been in restaurant management for 20 years and I have completed all liquor training courses."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:
"The Spice Sea is a great new seafood boiler restaurant that is family and budget friendly. It will be a great addition to the neighborhood."

Staff Recommendation

Staff recommends approval of this application.

Attachments

Liquor License Data - Spice Sea
Liquor License Map - Spice Sea

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the City Clerk Department.

Liquor License Data: SPICE SEA

Liquor License

Description	Series	1 Mile	1/2 Mile
Liquor Store	9	3	2
Beer and Wine Store	10	2	1
Hotel	11	1	0
Restaurant	12	5	3

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	40.98	57.43	83.43
Violent Crimes	7.43	8.33	11.88

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

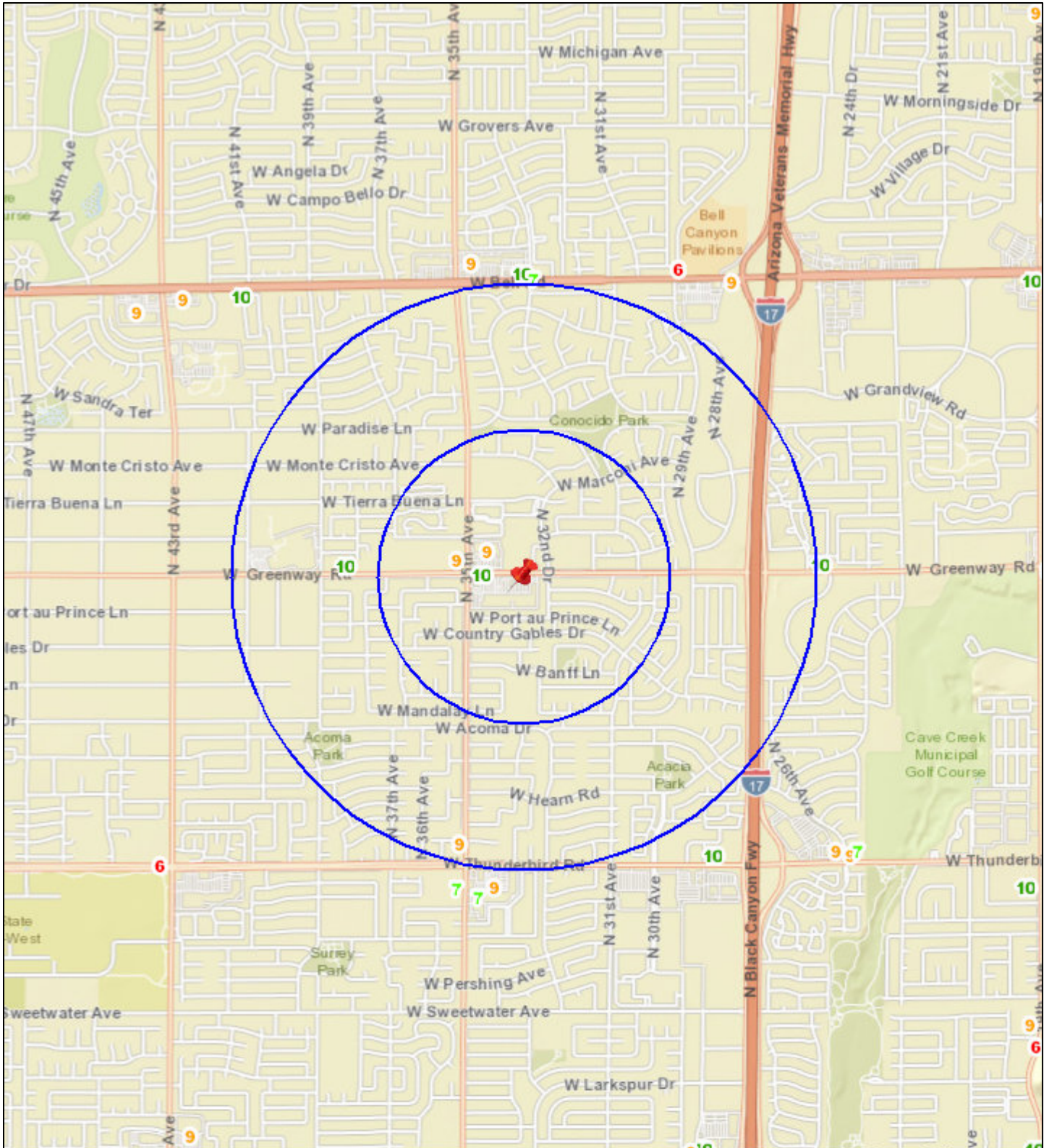
Description	Average	1/2 Mile Average
Parcels w/Violations	62	134
Total Violations	105	193

Census 2010 Data 1/2 Mile Radius

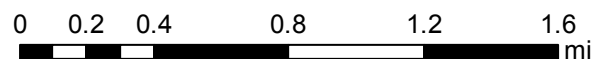
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1041001	1290	40 %	21 %	11 %
1041004	1847	89 %	14 %	9 %
1042022	2649	87 %	0 %	15 %
1042072	1463	95 %	11 %	5 %
1042073	1396	8 %	4 %	34 %
1042263	658	27 %	17 %	37 %
1042264	1538	92 %	7 %	15 %
Average		61 %	13 %	19 %

Liquor License Map: SPICE SEA

3345 W GREENWAY RD



Date: 12/30/2020



City Council Formal Meeting



City of Phoenix

Report

Agenda Date: 2/17/2021, Item No. *3

*****REQUEST TO CONTINUE (SEE ATTACHED MEMO)*** Liquor License - Special Event - M.U.S.I.C. Foundation of Arizona, Inc.**

Request for a Series 15 - Special Event liquor license for the temporary sale of all liquors.

Summary

Applicant

Bradley Laughlin

Location

5410 E. High St.
Council District: 2

Function

Food and Music Festival

Date(s) - Time(s) / Expected Attendance

March 27, 2021 - 2:00 p.m. to 10:30 p.m. / 2,450 attendees
March 28, 2021 - 12:00 Noon to 8:30 p.m. / 2,450 attendees

Staff Recommendation

Staff recommends approval of this application noting that approval of this application is based on criteria set forth in Title IV of the Arizona Revised Statutes and noting that the applicant has agreed to adhere to the implementation and enforcement of safety precautions consistent with the guidance issued by both the Centers for Disease Control and Prevention and the Arizona Department of Health Services.

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the City Clerk Department.



City of Phoenix

To: Toni Maccarone
Deputy City Manager

Date: Feb. 16, 2021

From: Denise Archibald 
City Clerk

Subject: REQUEST TO CONTINUE ITEM 3 - LIQUOR LICENSE – SPECIAL EVENT –
M.U.S.I.C. FOUNDATION OF ARIZONA, INC. FROM THE FEB. 17, 2021
FORMAL AGENDA

The City Clerk Department requests approval to continue Item 3 – Liquor License – Special Event – M.U.S.I.C. Foundation of Arizona, Inc. to the March 3, 2021 formal agenda. The continuance will allow the applicant additional time to review event details with the City work group charged with reviewing events involving more than 50 people.

Approved by:

Toni Maccarone (Feb 16, 2021 14:01 MST)

Toni Maccarone
Deputy City Manager

Feb 16, 2021

Date



Liquor License - Dickey's Barbecue

Request for a liquor license. Arizona State License Application 132095.

Summary

Applicant

Theresa Morse, Agent

License Type

Series 7 - Beer and Wine Bar

Location

402 E. Greenway Pkwy., Ste. 2

Zoning Classification: C-2

Council District: 3

This request is for a new liquor license for a beer and wine bar. This location was previously licensed for liquor sales and does not have an interim permit.

The 60-day limit for processing this application is March 1, 2021.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

This information is not provided due to the multiple ownership interests held by the applicant in the State of Arizona.

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because:
"The owners have experience in owning and operating liquor licensed establishments. The existing liquor establishments have had no violations with city, state or county. Their establishments are geared towards the community by providing a clean and healthy environment for families. Their other businesses average at least 95 percent food sales. Liquor law training for all staff is conducted on a regular basis to ensure compliance with current liquor laws."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:

"This location has been operating without a liquor license for approximately 3 years. Customers have inquired about service of alcohol to complement the service of food. Therefore, the ownership decided to apply for a liquor license for the location."

Staff Recommendation

Staff recommends approval of this application.

Attachments

Liquor License Data - Dickey's Barbecue

Liquor License Map - Dickey's Barbecue

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the City Clerk Department.

Liquor License Data: DICKY'S BARBECUE

Liquor License

Description	Series	1 Mile	1/2 Mile
Bar	6	1	1
Beer and Wine Bar	7	2	0
Liquor Store	9	5	3
Beer and Wine Store	10	8	5
Restaurant	12	19	14

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	42.36	112.79	262.73
Violent Crimes	7.67	14.14	31.52

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

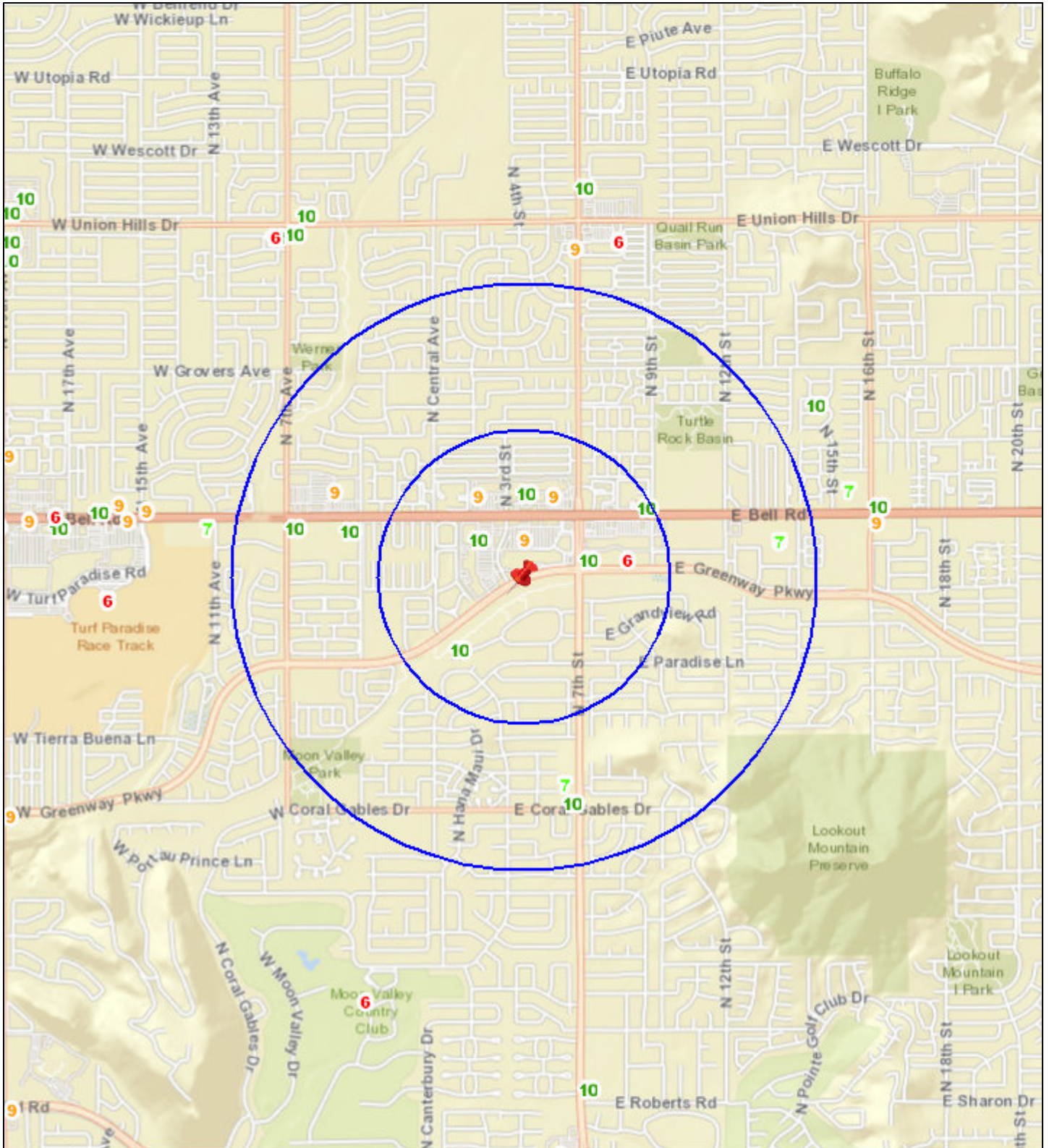
Description	Average	1/2 Mile Average
Parcels w/Violations	60	11
Total Violations	100	16

Census 2010 Data 1/2 Mile Radius

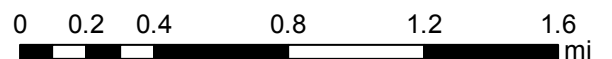
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1036043	1058	42 %	16 %	4 %
1036111	1396	66 %	14 %	3 %
1036112	1335	87 %	10 %	0 %
1036121	649	0 %	41 %	18 %
1036122	1023	87 %	8 %	12 %
1036123	1542	94 %	8 %	0 %
1036124	1189	0 %	19 %	32 %
6189001	1603	54 %	10 %	6 %
6189005	1013	0 %	37 %	22 %
6191001	2198	0 %	11 %	23 %
6192002	1223	0 %	15 %	29 %
Average		61 %	13 %	19 %

Liquor License Map: DICKY'S BARBECUE

402 E GREENWAY PKWY



Date: 1/12/2021



City Clerk Department



Liquor License - 7-Eleven #20622F

Request for a liquor license. Arizona State License Application 126664.

Summary

Applicant

Amarpal Hayer, Agent

License Type

Series 10 - Beer and Wine Store

Location

646 W. Indian School Road
Zoning Classification: C-2 SAUMSO
Council District: 4

This request is for a new liquor license for a convenience store that does not sell gas. This location was previously licensed for liquor sales and may currently operate with an interim permit.

The 60-day limit for processing this application is Feb. 21, 2021.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

This applicant does not hold an interest in any other active liquor license in the State of

Arizona.

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because: "I have worked in 7-Eleven stores for many years, as both a sales associate and Assistant Manager and so I am familiar with the operation and management of 7-Eleven stores. I have completed an extensive corporate training program regarding the operation of 7-Eleven stores and have completed basic and management liquor training by an authorized trained, as required by Arizona liquor laws."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because: "This location has been a 7-Eleven store since 2007. I will operate the store in the same responsible manner and with the high standards required of 7-Eleven franchisees. I plan to continue to provide quality service to the neighbors of this store, and to the general public which they have enjoyed and have come to rely on for many years."

Staff Recommendation

Staff recommends approval of this application.

Attachments

Liquor License Data - 7-Eleven #20622F

Liquor License Map - 7-Eleven #20622F

Responsible Department

This item is submitted by Deputy City Manager Toni MacCarone and the City Clerk Department.

Liquor License Data: 7-ELEVEN #20622F

Liquor License

Description	Series	1 Mile	1/2 Mile
Bar	6	11	6
Beer and Wine Bar	7	3	1
Liquor Store	9	4	2
Beer and Wine Store	10	10	6
Hotel	11	1	1
Restaurant	12	20	6

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	40.98	142.09	157.32
Violent Crimes	7.43	24.81	29.61

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

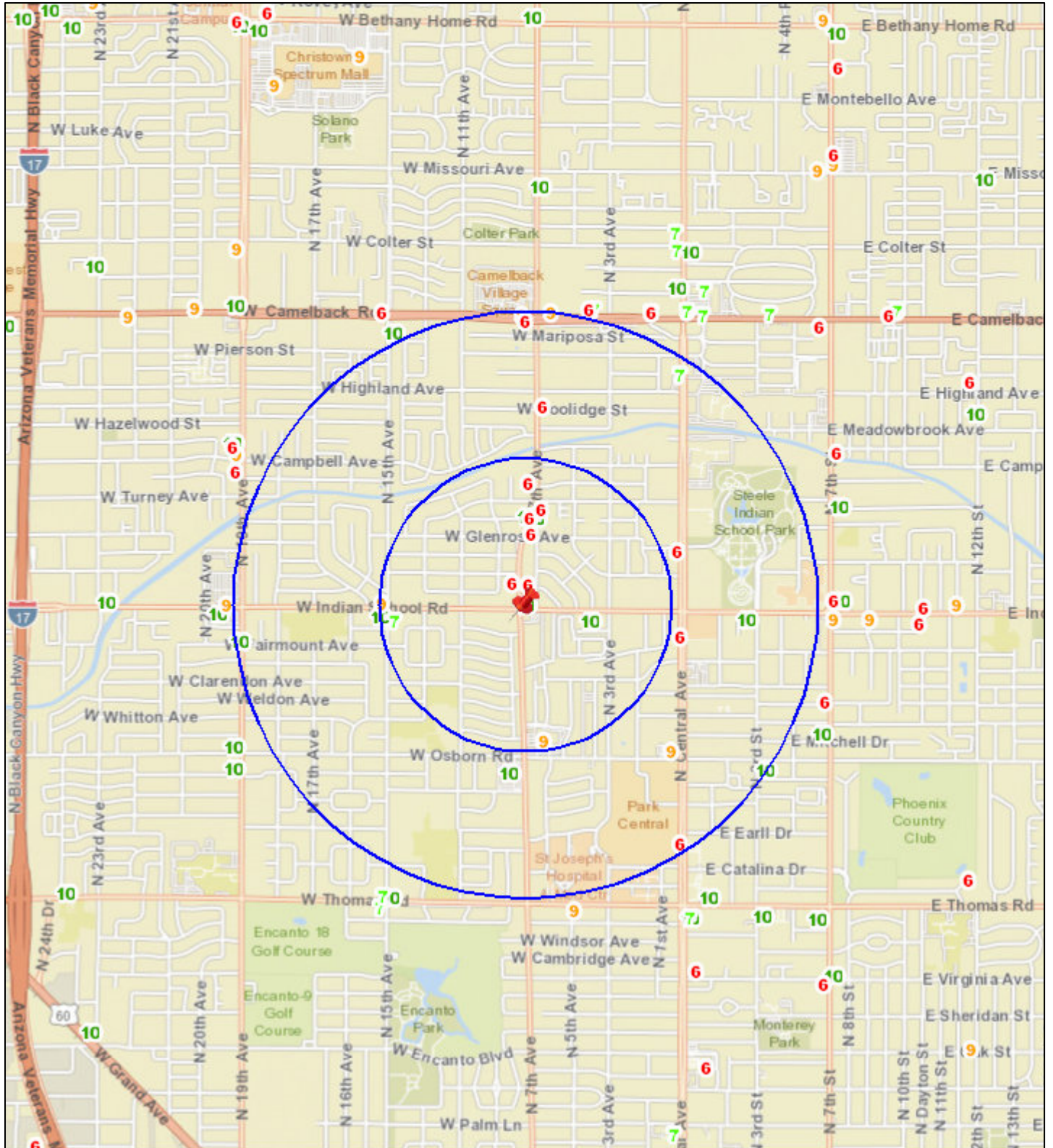
Description	Average	1/2 Mile Average
Parcels w/Violations	62	123
Total Violations	105	225

Census 2010 Data 1/2 Mile Radius

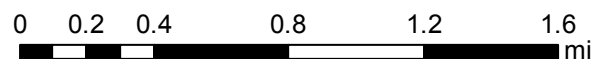
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1089011	988	36 %	15 %	30 %
1089012	1297	31 %	23 %	54 %
1089013	956	82 %	4 %	8 %
1089024	1278	46 %	9 %	21 %
1104001	1724	53 %	6 %	33 %
1104004	1344	49 %	16 %	20 %
1105011	551	49 %	20 %	14 %
1105012	1249	13 %	23 %	11 %
1171001	2126	10 %	15 %	10 %
1171002	703	57 %	27 %	12 %
Average		61 %	13 %	19 %

Liquor License Map: 7-ELEVEN #20622F

646 W INDIAN SCHOOL RD



Date: 12/31/2020





Liquor License - OG Liquor

Request for a liquor license. Arizona State License Application 09070527.

Summary

Applicant

JJ Bazzi, Agent

License Type

Series 9 - Liquor Store

Location

4820 N. 27th Ave.

Zoning Classification: C-2

Council District: 4

This request is for an ownership transfer of a liquor license for a liquor store. This location was previously licensed for liquor sales and may currently operate with an interim permit.

The 60-day limit for processing this application is March 1, 2021.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

The ownership of this business has an interest in other active liquor license(s) in the

State of Arizona. This information is listed below and includes liquor license violations on file with the AZ Department of Liquor Licenses and Control and, for locations within the boundaries of Phoenix, the number of aggregate calls for police service within the last 12 months for the address listed.

Chevron (Series 10)
3501 W. Camelback Road, Phoenix
Calls for police service: 69
Liquor license violations: None

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because:
"In the last 5 years I've owned and operated another business which along with this one I will continue to operate as a responsible retailer abiding and always following all the rules and regulations."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:
"I will bring additional jobs and revenue to the area along with providing a convenient location to the residents in the area with no means of transportation."

Staff Recommendation

Staff recommends approval of this application noting the applicant must resolve any pending City of Phoenix building and zoning requirements, and be in compliance with the City of Phoenix Code and Ordinances.

Attachments

Liquor License Data - OG Liquor
Liquor License Map - OG Liquor

Responsible Department

This item is submitted by Deputy City Manager Toni MacCarone and the City Clerk Department.

Liquor License Data: OG LIQUOR

Liquor License

Description	Series	1 Mile	1/2 Mile
Bar	6	1	1
Beer and Wine Bar	7	2	0
Liquor Store	9	6	2
Beer and Wine Store	10	15	5
Hotel	11	1	1
Restaurant	12	7	1

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	42.36	140.65	148.51
Violent Crimes	7.67	48.24	50.10

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

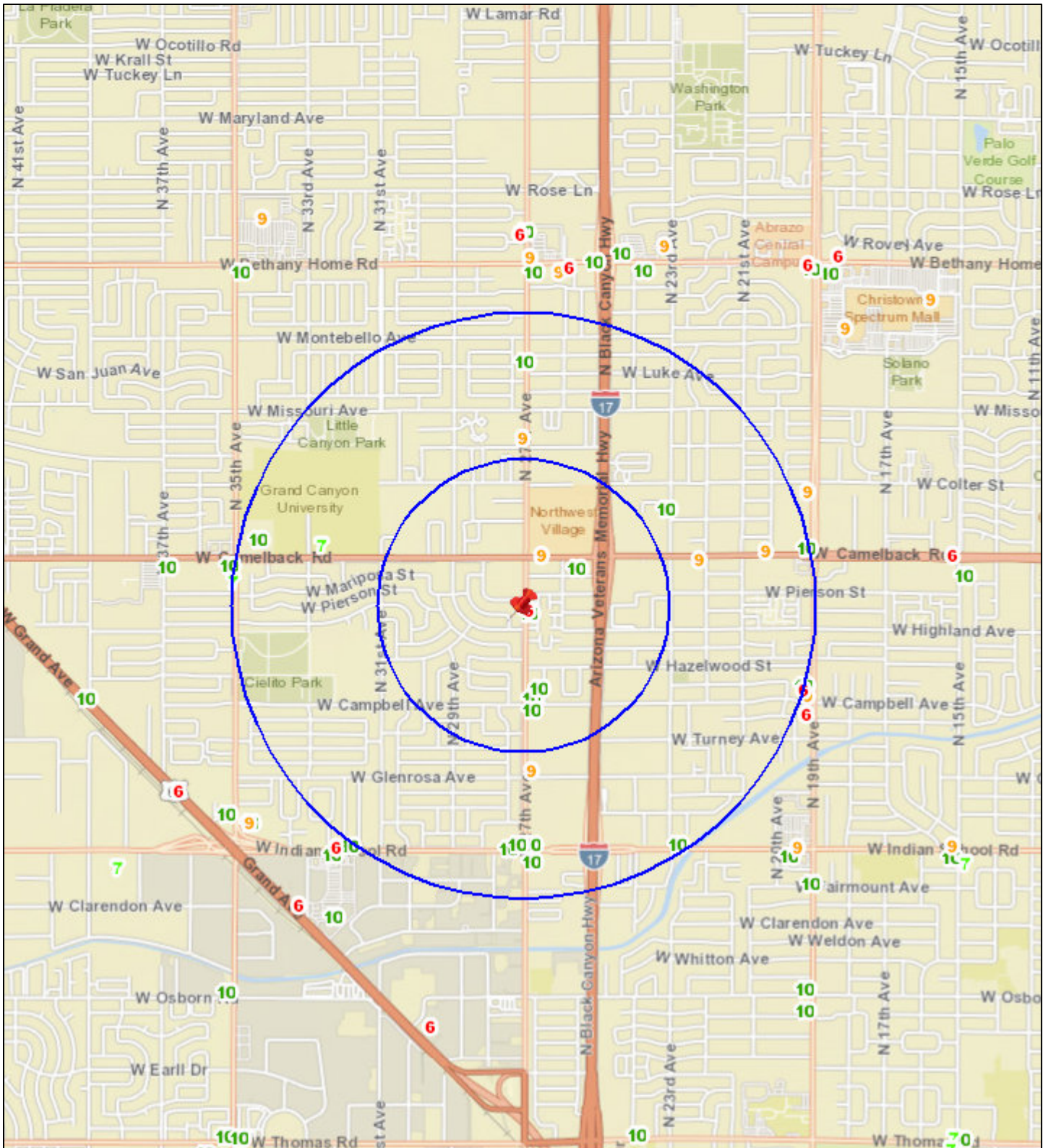
Description	Average	1/2 Mile Average
Parcels w/Violations	60	151
Total Violations	100	261

Census 2010 Data 1/2 Mile Radius

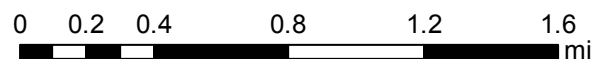
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1072011	2335	21 %	25 %	49 %
1072012	2127	13 %	9 %	63 %
1073003	737	75 %	37 %	24 %
1073004	2614	23 %	5 %	31 %
1090011	1552	19 %	22 %	42 %
1090012	3369	0 %	11 %	59 %
1090022	2291	15 %	18 %	63 %
1090033	1600	22 %	13 %	68 %
1091011	1722	69 %	0 %	34 %
1091012	2067	85 %	10 %	30 %
1091022	2966	78 %	14 %	50 %
Average		61 %	13 %	19 %

Liquor License Map: OG LIQUOR

4820 N 27TH AVE



Date: 1/8/2021





Liquor License - Chevron

Request for a liquor license. Arizona State License Application 131418.

Summary

Applicant

JJ Bazzi, Agent

License Type

Series 9 - Liquor Store

Location

3501 W. Camelback Road

Zoning Classification: C-2

Council District: 5

This request is for a new liquor license for a liquor store. This location is currently licensed for liquor sales with a Series 10 - Beer and Wine Store, liquor license.

The 60-day limit for processing this application is Feb. 21, 2021.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

The ownership of this business has an interest in other active liquor license(s) in the State of Arizona. This information is listed below and includes liquor license violations

on file with the AZ Department of Liquor Licenses and Control and, for locations within the boundaries of Phoenix, the number of aggregate calls for police service within the last 12 months for the address listed.

Chevron (Series 10)
3501 W. Camelback Road, Phoenix
Calls for police service: 69
Liquor license violations: None

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because:
"In the last 5 years and currently operating as a responsible retailer that abides and always follow all the rules and regulations."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:
"I will bring additional jobs and revenue to the area along with providing a convenient location to the residents in the area with no means of transportation."

Staff Recommendation

Staff recommends approval of this application.

Attachments

Liquor License Data - Chevron
Liquor License Map - Chevron

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the City Clerk Department.

Liquor License Data: CHEVRON

Liquor License

Description	Series	1 Mile	1/2 Mile
Bar	6	1	0
Beer and Wine Bar	7	2	2
Liquor Store	9	1	0
Beer and Wine Store	10	8	3
Restaurant	12	5	4

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	42.36	105.59	99.89
Violent Crimes	7.67	29.06	34.92

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

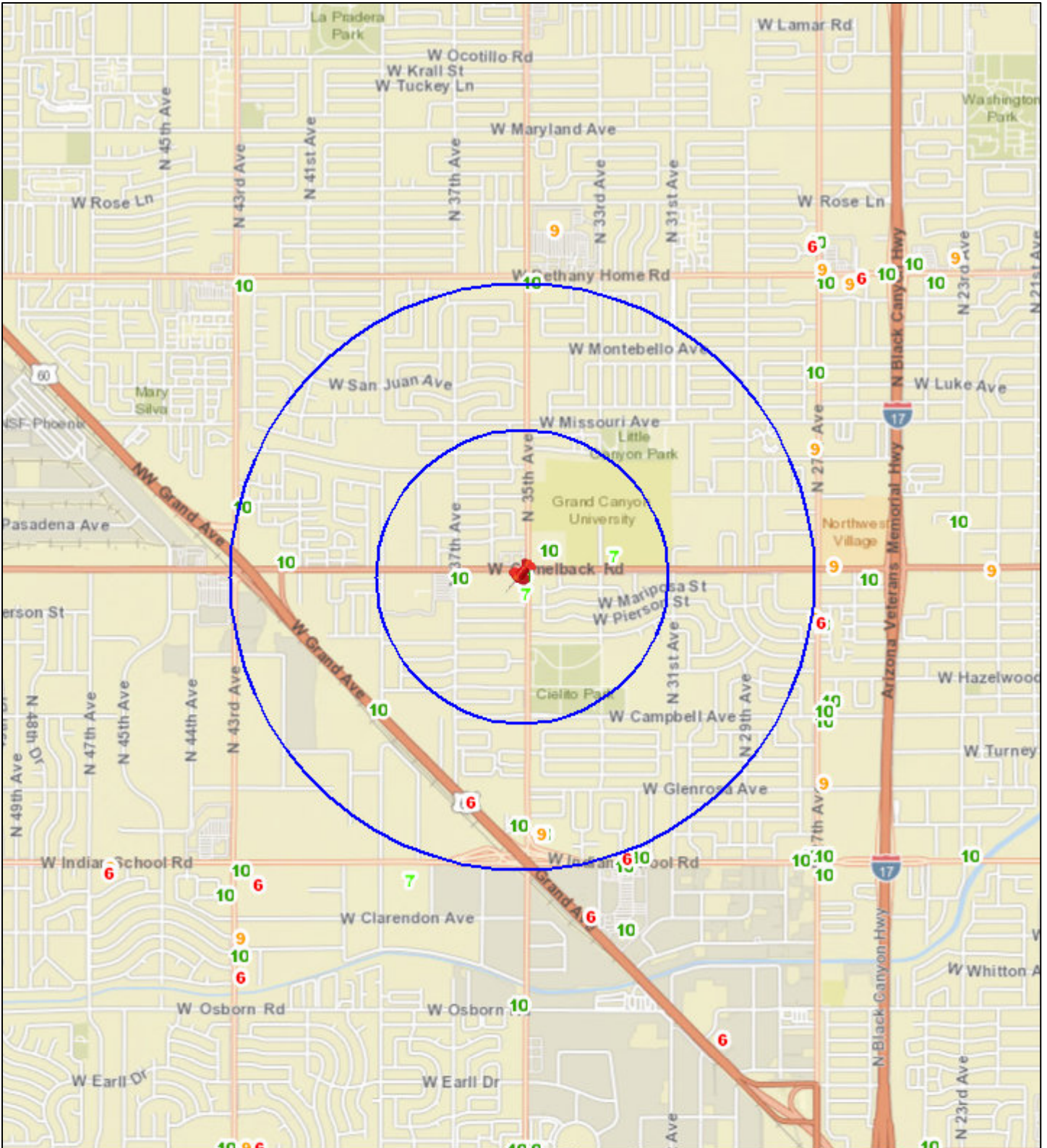
Description	Average	1/2 Mile Average
Parcels w/Violations	60	190
Total Violations	100	320

Census 2010 Data 1/2 Mile Radius

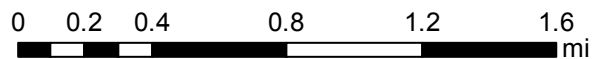
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1071021	1531	50 %	17 %	42 %
1071022	2275	45 %	20 %	45 %
1071023	2082	32 %	14 %	38 %
1072011	2335	21 %	25 %	49 %
1091011	1722	69 %	0 %	34 %
1091021	2115	47 %	14 %	46 %
1092001	1455	52 %	10 %	45 %
1092002	1665	36 %	30 %	46 %
1092003	1593	11 %	26 %	32 %
Average		61 %	13 %	19 %

Liquor License Map: CHEVRON

3501 W CAMELBACK RD



Date: 1/4/2021





Liquor License - West Side Smoke Shop

Request for a liquor license. Arizona State License Application 132070.

Summary

Applicant

Sarkhdon Yonathan, Agent

License Type

Series 10 - Beer and Wine Store

Location

2709 W. Northern Ave.

Zoning Classification: C-2

Council District: 5

This request is for a new liquor license for a tobacco shop. This location was not previously licensed for liquor sales and does not have an interim permit. This location requires a Use Permit to allow package liquor sales.

The 60-day limit for processing this application is March 1, 2021.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

This applicant does not hold an interest in any other active liquor license in the State of

Arizona.

Public Opinion

Four letters protesting the issuance of this license have been received and are on file in the Office of the City Clerk. The letters are from Lane Avenue Block Watch, North Glen Square Neighborhood Association, Alta Vista Neighborhood Block Watch and Ocotillo Glen Neighborhood Association. There are concerns regarding the proximity to a nearby school, and they feel the need and convenience of the community is already met with the existing two licenses that are directly across the street from the proposed location. There are also concerns the issuance of the license in a high crime area will create instability within the neighborhood.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because:
"I am a responsible member of society and have never been arrested or convicted of any crimes. I have previously owned a liquor store and managed the sales within all local and federal regulations. I have registered for all required classes and will comply with all regulations to insure all sales will be legal. I plan on being present and involved in all daily activities pertaining to the business and daily sales."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:

"We will provide personalized service to members of the community to ensure their grocery needs are met with daily provision."

Staff Recommendation

Staff recommends approval of this application noting the applicant must resolve any pending City of Phoenix building and zoning requirements, and be in compliance with the City of Phoenix Code and Ordinances. Staff gave careful consideration to the protest letters received, however after reviewing the application in its entirety staff is recommending approval of this application.

Attachments

Liquor License Data - West Side Smoke Shop
Liquor License Map - West Side Smoke Shop

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the City Clerk Department.

Liquor License Data: WEST SIDE SMOKE SHOP

Liquor License

Description	Series	1 Mile	1/2 Mile
Bar	6	2	0
Beer and Wine Bar	7	1	1
Liquor Store	9	3	0
Beer and Wine Store	10	7	3
Restaurant	12	6	1

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	42.36	132.32	152.97
Violent Crimes	7.67	31.90	42.99

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

Description	Average	1/2 Mile Average
Parcels w/Violations	60	115
Total Violations	100	239

Census 2010 Data 1/2 Mile Radius

BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1055011	1055	38 %	6 %	59 %
1055012	1442	0 %	11 %	38 %
1056012	1895	76 %	6 %	27 %
1056021	2042	80 %	0 %	26 %
1059001	1697	50 %	0 %	42 %
1059003	1609	59 %	5 %	25 %
1060011	1487	31 %	17 %	50 %
1060021	1678	27 %	14 %	27 %
Average		61 %	13 %	19 %



Liquor License - Carioca Shell #67

Request for a liquor license. Arizona State License Application 131395.

Summary

Applicant

Howard Magee, Agent

License Type

Series 10 - Beer and Wine Store

Location

6675 W. Lower Buckeye Road
Zoning Classification: C-1 (Approved C-2)
Council District: 7

This request is for a new liquor license for a convenience store that sells gas. This location was not previously licensed for liquor sales and does not have an interim permit. This location requires a Use Permit to allow package liquor sales. This business is currently under construction with plans to open in March 2021.

The 60-day limit for processing this application is Feb. 20, 2021.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

This information is not provided due to the multiple ownership interests held by the applicant in the State of Arizona.

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because:
"I am the agent/applicant for approx. 40 C-Store locations for the Carioca Company."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:
"The Carioca Company operates 40 C-Store locations in Arizona. The Carioca Company has operated C-Store / gas stations in Arizona / Phoenix metro area for over 40 years."

Staff Recommendation

Staff recommends approval of this application noting the applicant must resolve any pending City of Phoenix building and zoning requirements, and be in compliance with the City of Phoenix Code and Ordinances.

Attachments

Liquor License Data - Carioca Shell #67
Liquor License Map - Carioca Shell #67

Responsible Department

This item is submitted by Deputy City Manager Toni MacCarone and the City Clerk Department.

Liquor License Data: CARIOCA SHELL #67

Liquor License

Description	Series	1 Mile	1/2 Mile
Liquor Store	9	1	1
Beer and Wine Store	10	1	0

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	40.98	27.97	34.92
Violent Crimes	7.43	5.30	6.47

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

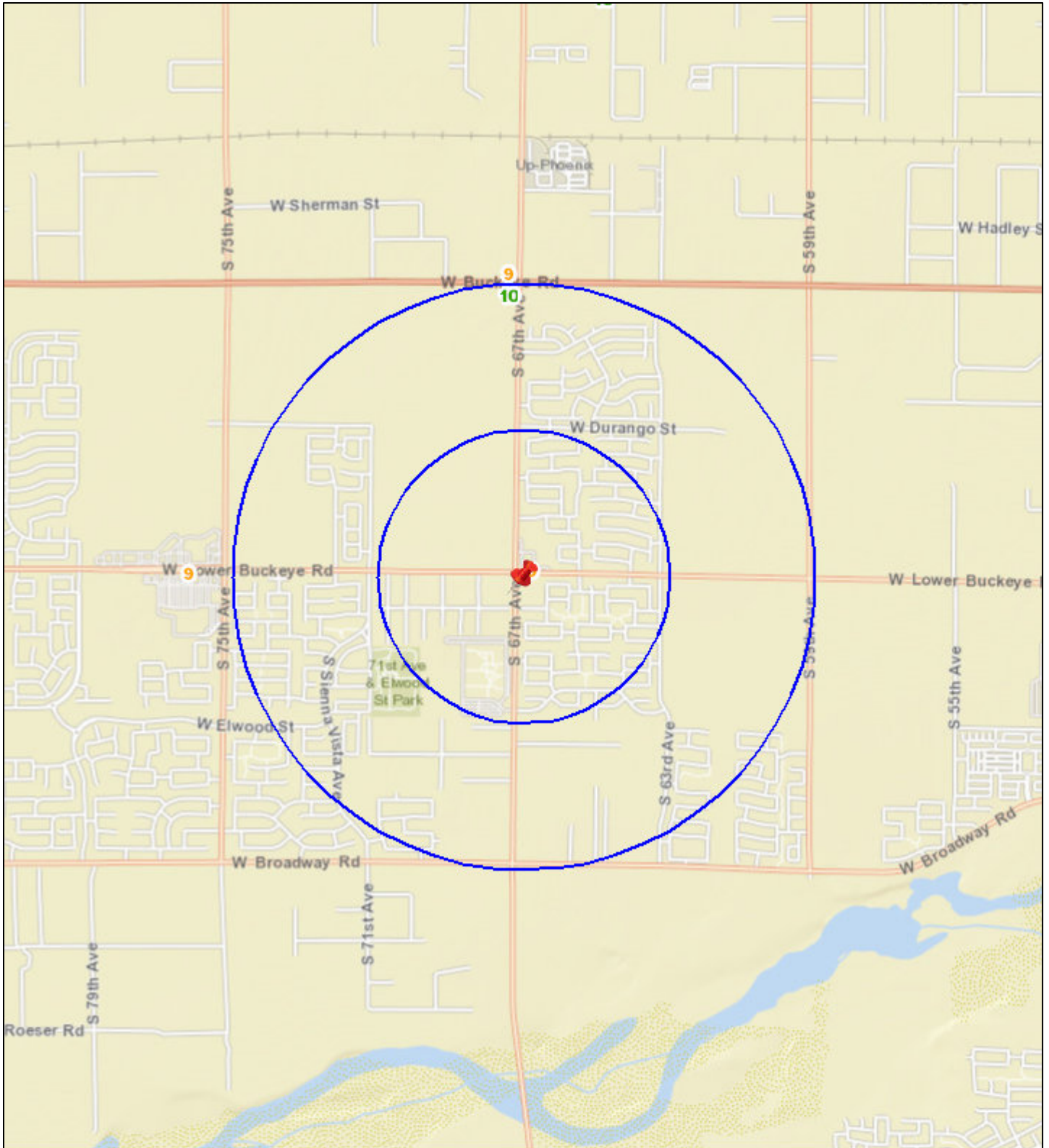
Description	Average	1/2 Mile Average
Parcels w/Violations	62	38
Total Violations	105	43

Census 2010 Data 1/2 Mile Radius

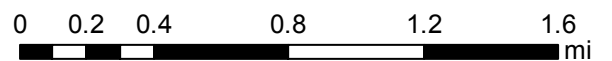
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1125102	931	93 %	10 %	39 %
1125113	1068	84 %	1 %	50 %
1125131	3959	74 %	10 %	14 %
1125132	0	0 %	0 %	0 %
1125133	2068	77 %	9 %	28 %
1125134	2479	75 %	16 %	0 %
Average		61 %	13 %	19 %

Liquor License Map: CARIOCA SHELL #67

6675 W LOWER BUCKEYE RD



Date: 12/31/2020





Liquor License - Paddock Lounge

Request for a liquor license. Arizona State License Application 131391.

Summary

Applicant

Brian Petersen, Agent

License Type

Series 12 - Restaurant

Location

2425 S. 21st St.

Zoning Classification: A-2 RSIO AIO

Council District: 8

This request is for a new liquor license for a restaurant. This location was not previously licensed for liquor sales and does not have an interim permit.

The 60-day limit for processing this application is Feb. 20, 2021.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

This applicant does not hold an interest in any other active liquor license in the State of Arizona.

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because: "I am a businessman who has operated and managed 35 separate K1 Speed kart racing facilities across the U.S. since the first one was opened in Carlsbad, CA in 2005. This business is a safe and popular entertainment activity which occupies between 40,000 sf and 75,000 sf leased spaces, depending upon the center. I employ over 1,000 employees successfully. During this period, I have had no legal or criminal issues. No reasons exist which would disqualify me from holding a liquor license."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:

"The proposed addition of beer & wine to the concession area restaurant (Paddock Lounge) will improve the environment and experience of K1 Speed clientele. This clientele is primarily high-end corporate users. The facility provides a clean, upscale entertainment center as an alternative to expensive corporate retreats or motivational presentations. The alcohol license will allow for a minor increase in tax revenue generated. No schools or churches are located within the area which could be a conflict."

Staff Recommendation

Staff recommends approval of this application.

Attachments

Liquor License Data - Paddock Lounge

Liquor License Map - Paddock Lounge

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the City Clerk Department.

Liquor License Data: PADDOCK LOUNGE

Liquor License

Description	Series	1 Mile	1/2 Mile
Wholesaler	4	3	2
Bar	6	1	0
Conveyance	8	1	0
Beer and Wine Store	10	1	0
Restaurant	12	1	1

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	40.98	19.61	14.64
Violent Crimes	7.43	1.48	0.74

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

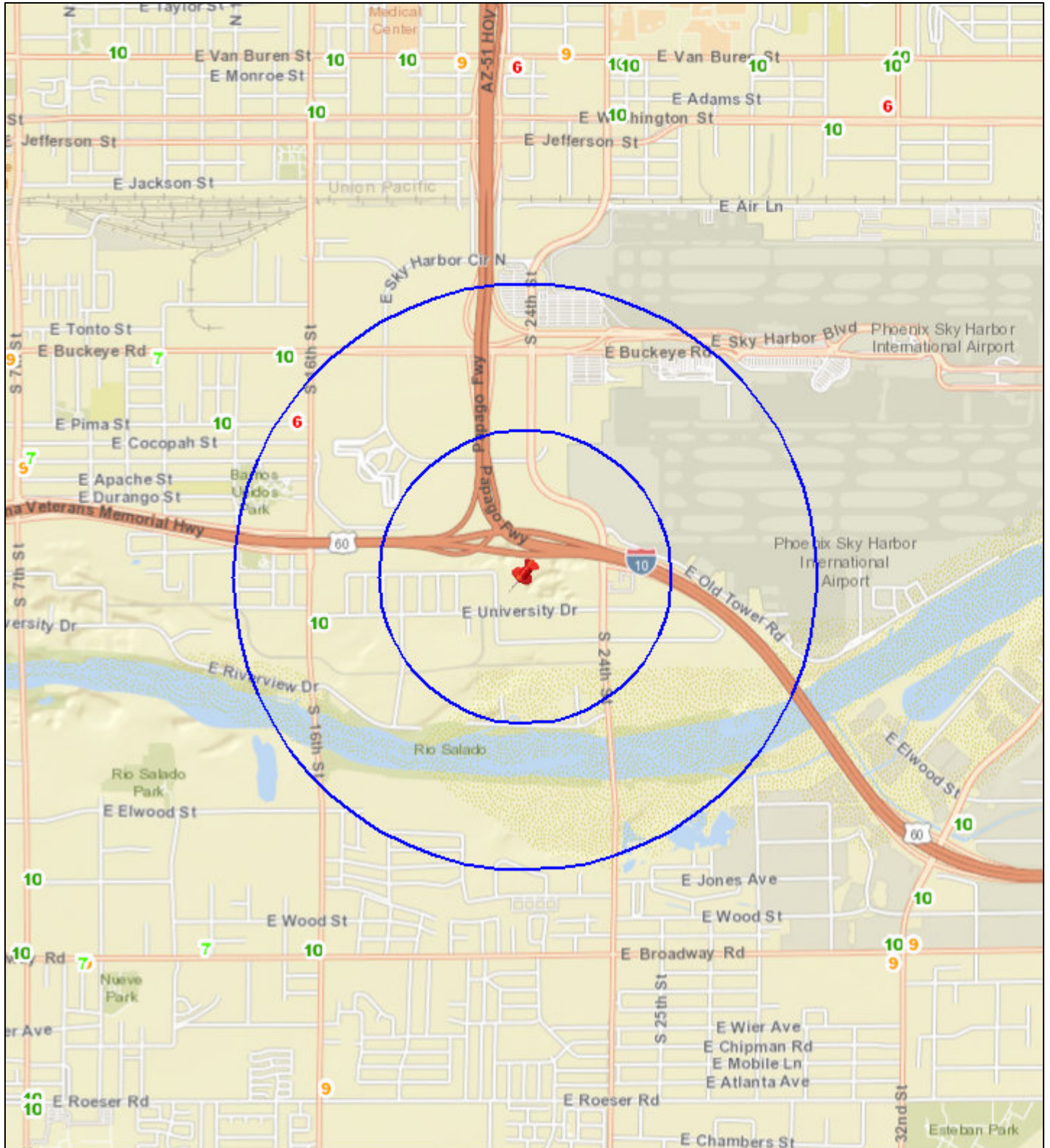
Description	Average	1/2 Mile Average
Parcels w/Violations	62	9
Total Violations	105	13

Census 2010 Data 1/2 Mile Radius

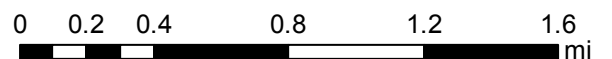
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1138021	0	0 %	0 %	0 %
1172001	823	25 %	17 %	70 %
Average		61 %	13 %	19 %

Liquor License Map: PADDOCK LOUNGE

2425 S 21ST ST



Date: 12/30/2020





(CONTINUED FROM FEB. 3, 2021) - Liquor License - Lucky Market

Request for a liquor license. Arizona State License Application 09070322.

Summary

Applicant

Geeta Bhatt, Agent

License Type

Series 9 - Liquor Store

Location

16401 N. Cave Creek Road

Zoning Classification: C-2

Council District: 2

This request is for an ownership transfer of a liquor license for a liquor store. This location was previously licensed for liquor sales and may currently operate with an interim permit.

The 60-day limit for processing this application was Jan. 12, 2021. However, the applicant has submitted a written request for more time.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

The ownership of this business has an interest in other active liquor license(s) in the State of Arizona. This information is listed below and includes liquor license violations on file with the AZ Department of Liquor Licenses and Control and, for locations within the boundaries of Phoenix, the number of aggregate calls for police service within the last 12 months for the address listed.

Jerry's Drive In Liquor (Series 9)

1217 S. Rural Road, Tempe

Calls for police service: N/A - not in Phoenix

Liquor license violations: In October 2017, a fine of \$750 was paid for selling liquor to an intoxicated or disorderly person. In October 2018, a fine of \$750 was paid for failure to request ID from underage buyer and for selling, giving or furnishing underage person with alcohol. In November 2019, a fine of \$750 was paid for employee consuming on duty and off-sale open container on premises.

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because: "I have the experience since 2002 in the liquor business. It is a good community store and I have ability to handle the business."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:

"I should get the license because the community is safe to sell liquor and it is a good small store and it is convenient to the community."

Staff Recommendation

Staff recommends disapproval of this application based on a Police Department recommendation of disapproval. The Police Department disapproval is based on concerns regarding multiple recent violations demonstrating a lack of control over another liquor establishment operated by the same applicant. The applicant has not demonstrated the capability, qualification and reliability to hold and control a liquor license.

Attachments

Liquor License Data - Lucky Market

Liquor License Map - Lucky Market

Liquor License Police Department Recommendation - Lucky Market

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the City Clerk Department.

Liquor License Data: LUCKY MARKET

Liquor License

Description	Series	1 Mile	1/2 Mile
Bar	6	4	1
Beer and Wine Bar	7	2	2
Liquor Store	9	5	1
Beer and Wine Store	10	9	6
Restaurant	12	12	8

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	40.27	75.71	118.04
Violent Crimes	7.26	14.57	20.16

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

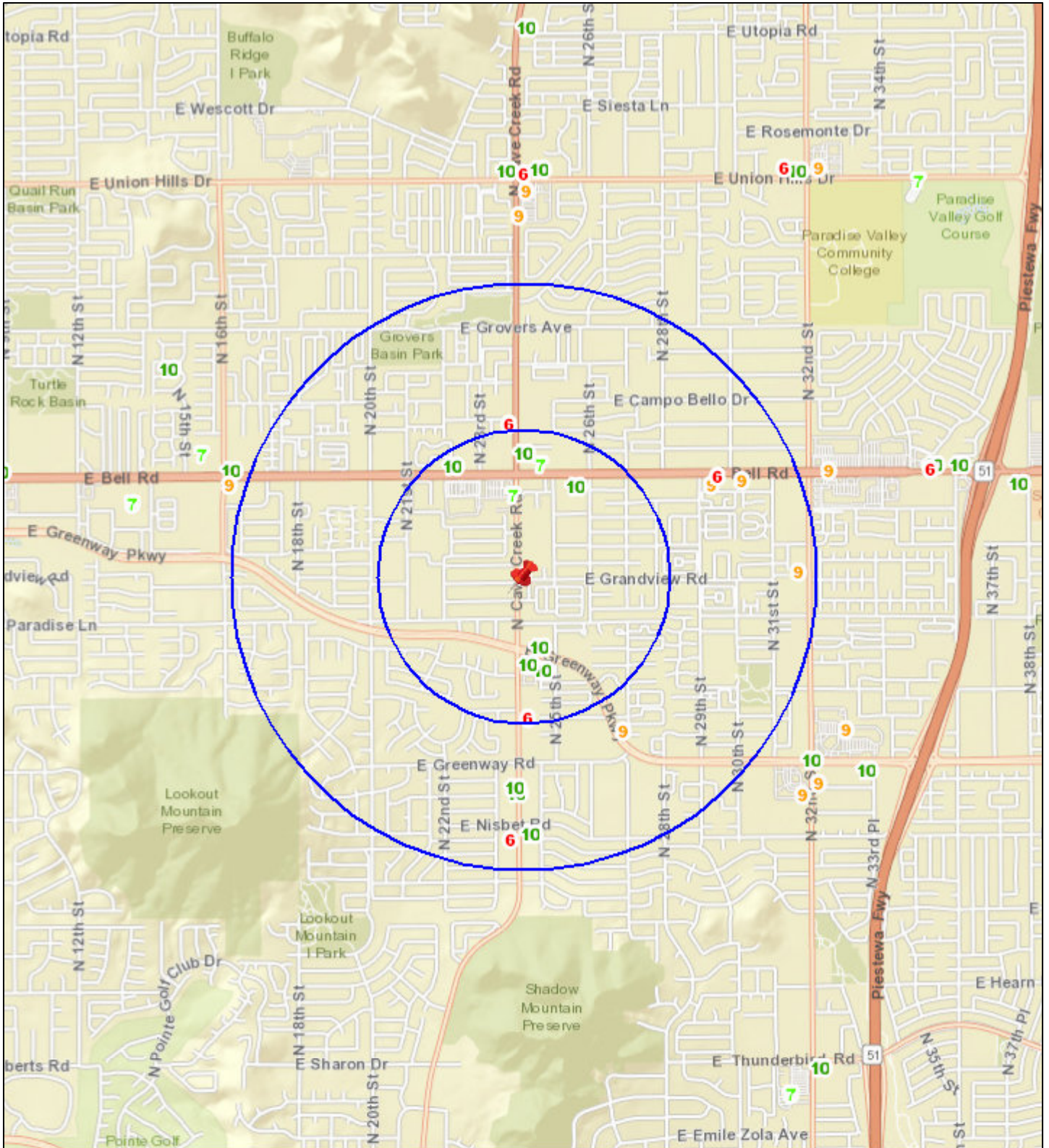
Description	Average	1/2 Mile Average
Parcels w/Violations	61	89
Total Violations	103	174

Census 2010 Data 1/2 Mile Radius

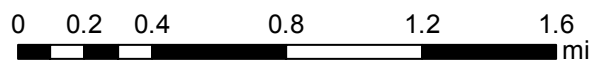
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1033051	1180	47 %	29 %	35 %
1033052	2333	59 %	9 %	30 %
1033061	921	18 %	28 %	32 %
1033062	2272	17 %	22 %	37 %
1036061	1067	84 %	15 %	13 %
1036063	2174	78 %	13 %	25 %
6194001	1068	54 %	32 %	9 %
6195003	2362	65 %	14 %	8 %
Average		61 %	13 %	19 %

Liquor License Map: LUCKY MARKET

16401 N CAVE CREEK RD



Date: 11/19/2020



LIQUOR LICENSE DISAPPROVAL FORM

Police Department Liquor License Disapproval Recommendation

Application Information

Business Name	Lucky Market	District	2
Business Location	16401 N. Cave Creek Road		
Applicant Name	Geeta Bhatt	Series Type	09

Geeta Bhatt and Shiv One LLC have applied for a Series 09 liquor license for the Lucky Market located at 16401 North Cave Creek Road.

The Police Department recommends disapproval of this liquor license application for the following reasons:

A.R.S. 4-203.A states "A spirituous liquor license shall be issued only after satisfactory showing of the capability, qualification and reliability of the applicant"

Applicant Geeta Bhatt and Shiv One LLC have applied for this license within the City of Phoenix. A review of the applicant and background on Geeta Bhatt revealed the following.

Geeta Bhatt is listed as the agent for Bhatt Enterprises LLC as well as a part of the Shivam Irrevocable Trust. Applicant Bhatt under Bhatt Enterprises LLC owned, and operated Jerry's Drive in Liquor located at 1217 South Rural Road, Tempe, Arizona 85281. Jerry's Drive in Liquor under license #09070333 was found to have serious violations which place into question the applicant's capability, qualifications, and reliability to operate within the City of Phoenix.

On 09/11/2018 Jerry's Drive in Liquor violated:

A.R.S. 4-241.A Failure to request ID from underage buyer

A.R.S. 4-244.9 Sell, give, furnish underage person with alcohol.

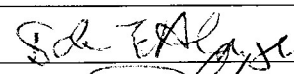

On 10/21/2019 Jerry's Drive in Liquor violated:

A.R.S. 4-244.19 Off-sale open container on premises

A.R.S. 4-244.13 Employee consuming on duty.

These violations are of public record and could be found documented with the Arizona Department of Liquor and Control. They are also the reasoning for this request of denial. Applicant Geeta has shown through the violations a lack of institutional control over a liquor establishment in which she controlled and has proven herself to be incapable and/or unreliable.

This recommendation for disapproval is submitted by: Det. D. Hurt #7109

SIGNATURES	
Administrative Licensing Investigator	I Alonge A4289 
Liquor Enforcement Detail Supervisor	Lt. D. Saflar 6138 



Liquor License - Tennessee Grill

Request for a liquor license. Arizona State License Application 125380.

Summary

Applicant

Phillip Ladiser, Agent

License Type

Series 12 - Restaurant

Location

4220 W. Summit Walk Court, Ste. 1202

Zoning Classification: C-2 PCD

Council District: 1

This request is for a new liquor license for a restaurant. This location was previously licensed for liquor sales and may currently operate with an interim permit. This business is currently being remodeled.

The 60-day limit for processing this application was Jan. 9, 2021. However, the applicant has submitted a written request for more time.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

This applicant does not hold an interest in any other active liquor license in the State of Arizona.

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because:
"I have worked in the food sales industry for over 10 years. I have completed the Title 4 basic and management liquor law training courses with ALIC. All employees will be required to attend the liquor class."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:
"This restaurant has been open for several years. I would like to continue to offer my patrons great food and beverages while dining at the Tennessee Grill."

Staff Recommendation

Staff recommends disapproval of this application based on a Police Department recommendation for disapproval. The Police Department disapproval is based on concerns of undisclosed funding and significant discrepancies between the application and statements made during the police interview. The applicant has not demonstrated the capability, qualifications and reliability to hold and control a liquor license.

Attachments

- Liquor License Data - Tennessee Grill
- Liquor License Map - Tennessee Grill
- Liquor License Police Department Recommendation - Tennessee Grill

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the City Clerk Department.

Liquor License Data: TENNESSEE GRILL

Liquor License

Description	Series	1 Mile	1/2 Mile
Bar	6	1	1
Beer and Wine Bar	7	1	1
Liquor Store	9	1	1
Beer and Wine Store	10	2	2
Restaurant	12	1	1

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	40.27	11.25	41.50
Violent Crimes	7.26	0.55	1.69

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

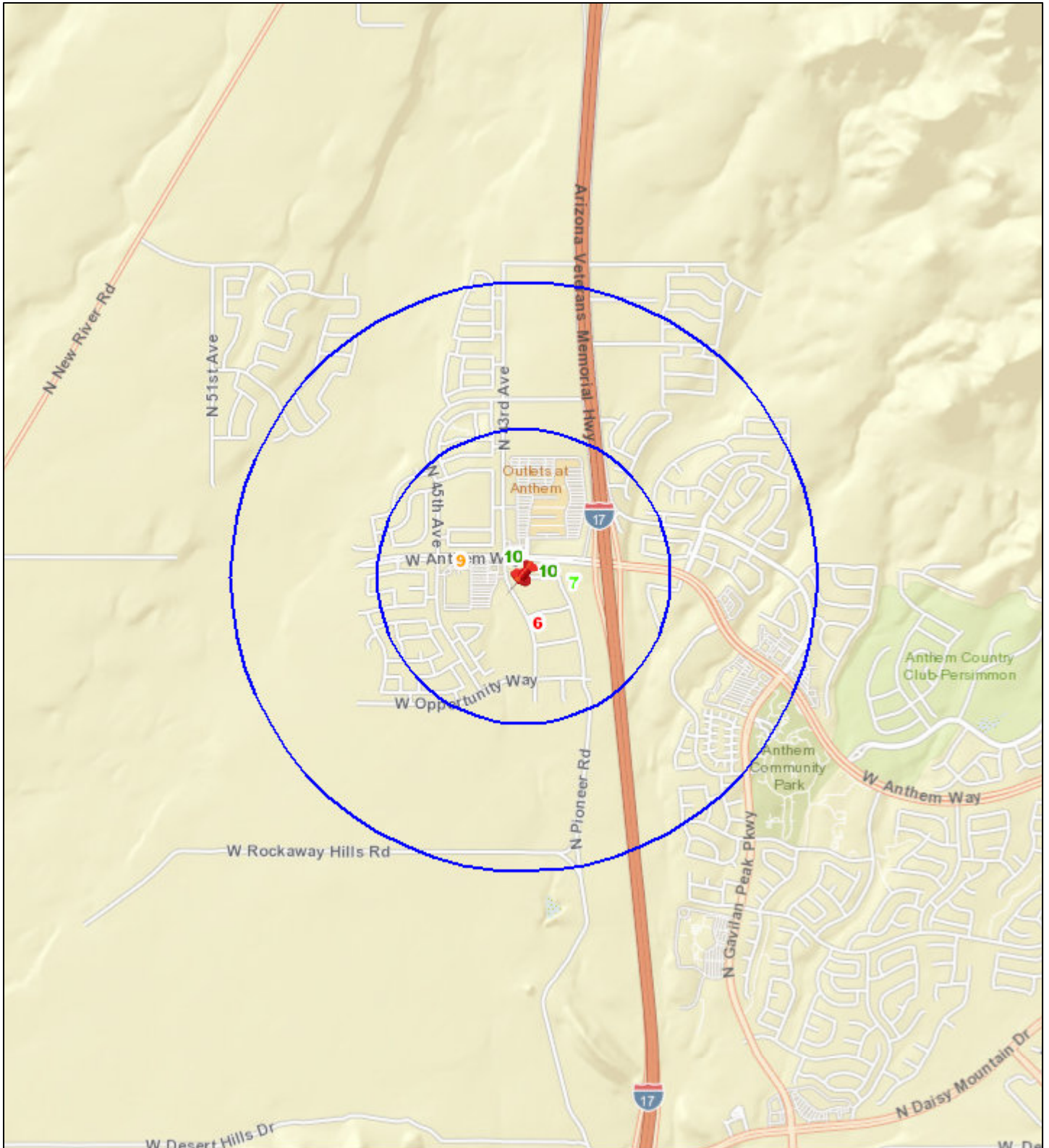
Description	Average	1/2 Mile Average
Parcels w/Violations	61	1
Total Violations	103	2

Census 2010 Data 1/2 Mile Radius

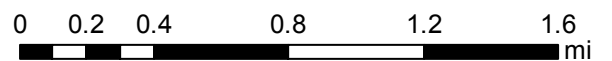
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
6100003	1546	54 %	25 %	3 %
6100004	2234	70 %	6 %	4 %
6102003	1703	53 %	21 %	5 %
Average		61 %	13 %	19 %

Liquor License Map: TENNESSEE GRILL

4220 W SUMMIT WALK CT



Date: 11/13/2020



Police Department Liquor License Disapproval Recommendation

Application Information

Business Name	Tennessee Grill	District	1
Business Location	4220 W. Summit Walk Court, Suite 1202	Series Type	12
Applicant Name	Philip Ladiser		

The Police Department recommends disapproval of this liquor license application for the following reasons:

A.R.S. 4-203.A states "A spirituous liquor license shall be issued only after satisfactory showing of the capability, qualification and reliability of the applicant"

This application is the first submitted by the applicant, Philip Ladiser. He is attempting to purchase the already operational business known as the Tennessee Grill and Bar. Mr. Ladiser is currently employed by Shamrock Foods Company as a salesman. He has held that position for 12 years now and per his own admission does not have personal experience operating a restaurant/bar.

On November 24, 2020, Detective Hurt #7109 went to the Tennessee Grill and Bar and met with Mr. Philip Ladiser in person. During this meeting Mr. Ladiser walked Det. Hurt through the business while discussing desired changes to the layout. In doing so he stated that he would be moving the bar area from one side of the business to the other to expand it. The current layout of the business is approximately 25-30% bar area and 70-75% restaurant. There is a small cashier/accessories area which separates the two spaces.

Mr. Ladiser has already started construction on the interior. Mr. Ladiser advised of having the newly constructed bar in a position which would access an outdoor patio area he planned on building, thus changing the layout to be approximately 70-75% bar area and only 25-30% restaurant. Mr. Ladiser was questioned about turning the place into a bar which he denied after stating "I can see why you'd think that". He mentioned that he did not want to be like "Rosati's" or any other places on the other side of the freeway. It should be noted that on Mr. Ladiser's city application he answered "no" to question #21 which specifically ask if any construction or remodeling will be done to the business. His statements provided during the interview clearly indicate he is attempting to turn the business into more of a bar atmosphere.

During the conversation with Mr. Ladiser he was questioned about the operation of the business as he was listed as the sole applicant. Mr. Ladiser admitted that he would only be working there on Mondays and Tuesdays due to having to work for Shamrock on Wednesday and Thursday. When queried on question #12 of the Arizona liquor license application, which he replied "yes" to being physically present and operating the licensed premises, he stated that he had "two managers", one for the bar and another for the restaurant who would be running things. He then stated that although he would only be there on Mondays and Tuesdays, he would most likely be there more since he just lives in the Desert Hills area. This statement did not coincide with either his City of Phoenix or Arizona State paperwork where he listed a home address on the opposite side of town. Additionally, neither of the managers mentioned by Mr. Ladiser are listed anywhere in the applications he submitted.

The applicant's financial information as provided also appears incomplete or insufficient. Mr. Ladiser claimed to have paid \$25,000 for the business with money obtained from a

LIQUOR LICENSE DISAPPROVAL FORM

Police Department Liquor License Disapproval Recommendation

Application Information

Business Name	Tennessee Grill	District	1
Business Location	4220 W. Summit Walk Court, Suite 1202		
Applicant Name	Philip Ladiser	Series Type	12

mutual fund. In addition to this he is claiming a debt of \$100,000 still to be paid to the previous owner Robert Adler. Per the lease agreement provided by Mr. Ladiser, he is also to pay \$8,273.74 for the previous owner's unpaid rent. The previous owner's security deposit of \$4,000 is also to be forfeited. Mr. Ladiser is then to pay a \$6,000 security deposit for the lease agreement on the business space with a monthly rent payment of \$4,500 plus taxes. Additionally, Mr. Ladiser is incurring the expenses of remodeling, funds for which have not been noted or disclosed within the city questionnaire as required.

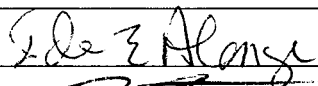
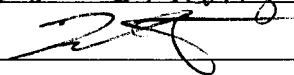
On November 30, 2020, Det. Hurt phoned Mr. Ladiser to speak with him about the discrepancies found between his interview and applications. While doing so Mr. Ladiser stated that he is between homes and living with a roommate at the moment. When referring to the financial questions, he mentioned that he was paying for the remodel out of money he had saved up and from what he made "last week" from his other job. He stated that he did not know he had to provide a floorplan of his future changes to the business and then made a statement about being upset with his consultant who filled out his paperwork.

This secondary conversation, via telephone, provided Det. Hurt with further doubt about Mr. Ladiser's capabilities to own and/or operate an establishment which serves spirituous liquors. His inattention to details and lack of candor suggest he would not provide capable or sufficient monitoring to ensure compliance measures were followed regarding such services under legal requirements.

This process and investigation found Mr. Ladiser to be less than truthful which goes directly towards his reliability. He has no actual previous or current experience in the ownership or operation of an establishment which serves spirituous liquors which puts into question his qualifications. This coupled with the actions or appearance of trying to circumvent a Series 6 – Bar liquor license shows he is not able to satisfy the requirements or meet the standards of being capable, qualified, or reliant as an applicant.

Due to the aforementioned information, Mr. Ladiser has not proven to be reliable, capable or qualified to hold a liquor license. It is recommended that the license be denied because it is not in the best interest of the surrounding community and businesses.

This recommendation for disapproval is submitted by: Detective D. Hurt #7109

SIGNATURES	
Administrative Licensing Investigator	I Alonge A4289 
Liquor Enforcement Detail Supervisor	Sgt. M Doty 5785 



Liquor License - El Pueblo Restaurant

Request for a liquor license. Arizona State License Application 128136.

Summary

Applicant

Amanda Arriaza, Agent

License Type

Series 12 - Restaurant

Location

2270 N. 75th Ave., Ste. 101

Zoning Classification: C-2

Council District: 7

This request is for a new liquor license for a restaurant. This location was not previously licensed for liquor sales and does not have an interim permit.

The 60-day limit for processing this application was Feb. 1, 2021. However, the applicant submitted a written request for more time.

Pursuant to A.R.S. 4-203, a spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and that the public convenience and the best interest of the community will be substantially served by the issuance. If an application is filed for the issuance of a license for a location, that on the date the application is filed has a valid license of the same series issued at that location, there shall be a rebuttable presumption that the public convenience and best interest of the community at that location was established at the time the location was previously licensed. The presumption shall not apply once the licensed location has not been in use for more than 180 days.

Other Active Liquor License Interest in Arizona

This applicant does not hold an interest in any other active liquor license in the State of

Arizona.

Public Opinion

No protest or support letters were received within the 20-day public comment period.

Applicant's Statement

The applicant submitted the following statement in support of this application. Spelling, grammar and punctuation in the statement are shown exactly as written by the applicant on the City Questionnaire.

I have the capability, reliability and qualifications to hold a liquor license because: "I Amanda consider myself a very responsible, honest person with good moral standings, and I believe that I have the ability to handle a liquor license."

The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because: "They will have more options for alcoholic beverage with their meals."

Staff Recommendation

Staff recommends disapproval of this application based on a Police Department recommendation for disapproval. The Police Department disapproval is based on possible hidden ownership concerns, falsifying information on both City and State questionnaires, and concerns associated with financing of the business. The applicant has not demonstrated the capability, qualifications and reliability to hold and control a liquor license.

Attachments

Liquor License Data - El Pueblo Restaurant

Liquor License Map - El Pueblo Restaurant

Liquor License Police Department Recommendation - El Pueblo Restaurant

Responsible Department

This item is submitted by Deputy City Manager Toni MacCarone and the City Clerk Department.

Liquor License Data: EL PUEBLO RESTAURANT

Liquor License

Description	Series	1 Mile	1/2 Mile
Bar	6	1	0
Beer and Wine Bar	7	1	1
Liquor Store	9	3	2
Beer and Wine Store	10	4	1
Restaurant	12	17	11

Crime Data

Description	Average *	1 Mile Average **	1/2 Mile Average***
Property Crimes	42.36	181.15	278.76
Violent Crimes	7.67	26.56	25.47

*Citywide average per square mile **Average per square mile within 1 mile radius ***Average per square mile within 1/2 mile radius

Property Violation Data

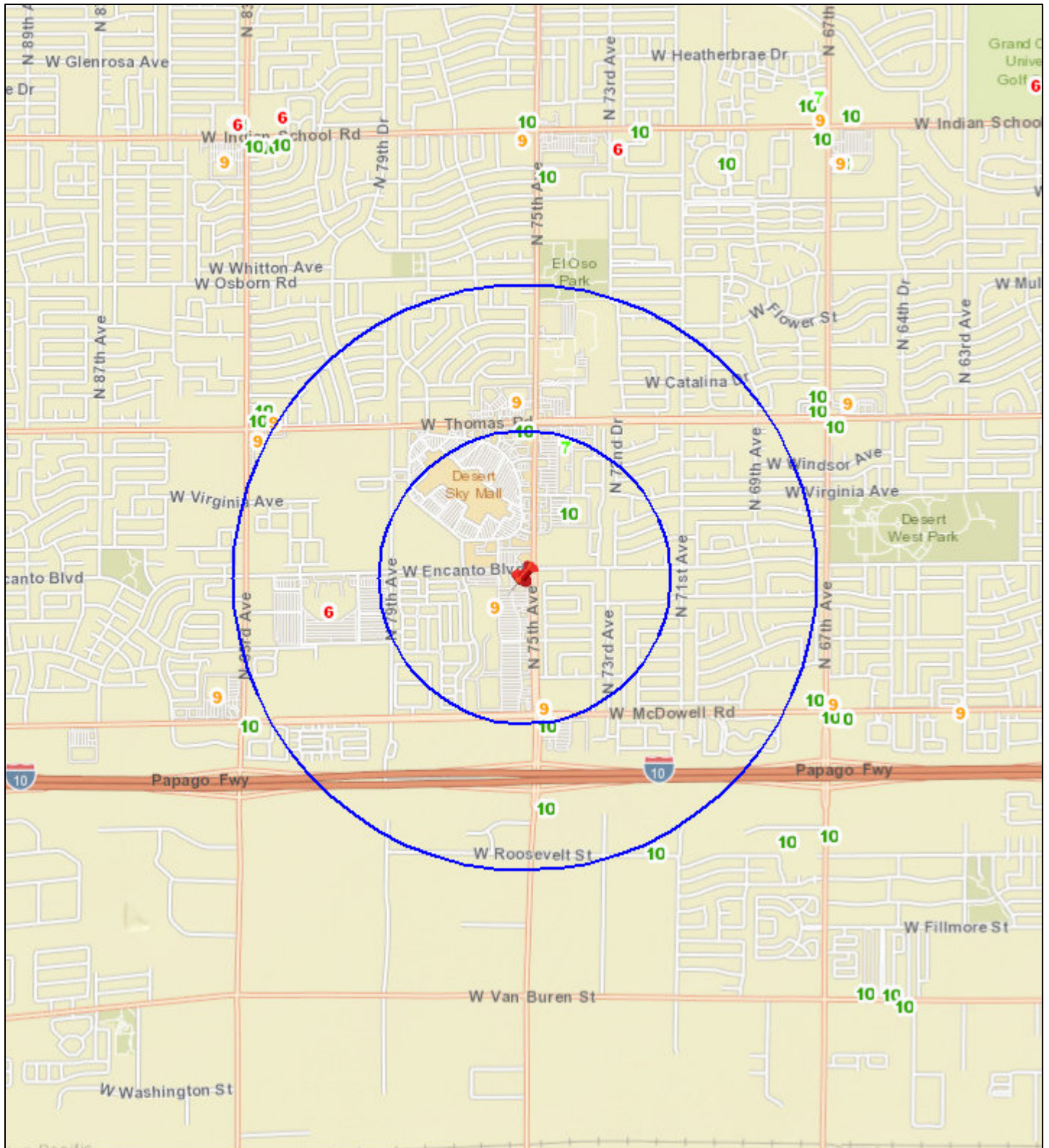
Description	Average	1/2 Mile Average
Parcels w/Violations	60	87
Total Violations	100	143

Census 2010 Data 1/2 Mile Radius

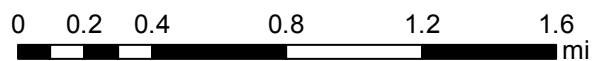
BlockGroup	2010 Population	Owner Occupied	Residential Vacancy	Persons in Poverty
1125033	1448	67 %	6 %	8 %
1125034	1913	70 %	12 %	32 %
1125091	1905	0 %	15 %	22 %
1125092	1564	47 %	23 %	9 %
1125093	2841	0 %	14 %	49 %
Average		61 %	13 %	19 %

Liquor License Map: EL PUEBLO RESTAURANT

2270 N 75TH AVE



Date: 12/7/2020



Police Department Liquor License Disapproval Recommendation

Application Information

Business Name	EL PUEBLO RESTAURANT	District	7
Business Location	2270 N. 75th Avenue, Suite 101		
Applicant Name	Amanda Elena Arriaza	Series Type	12

The Police Department recommends disapproval of this liquor license application for the following reasons:

There are possible hidden ownership concerns:

The State application and City of Phoenix Questionnaire indicate that Amanda Arriaza is the sole owner of El Pueblo Restaurant LLC. This is also supported by research and documentation filed with the Arizona Corporation Commission. Ms. Arriaza listed no other persons as having ownership or financial interest in the business. In a recorded interview on Jan. 15, 2021, Mr. & Mrs. Arriaza were asked what Mr. Arriaza's role would be in the operation of El Pueblo Restaurant. Ms. Arriaza responded saying Mr. Arriaza would be responsible for "everything". Both stated that Mr. Arriaza intends to act as an owner of the restaurant and make business and financial decisions related to El Pueblo Restaurant. Officer James Rodriguez provided Spanish to English translation during this interview and is a certified translator for the City of Phoenix.

During their interview on Jan. 15, 2021, it was discovered that funds from a Small Business Association (SBA) loan obtained by Mr. Arriaza for his trucking company, Tahuapa Express DBA, were used to cover building renovation costs, application fees, and other start-up costs associated with El Pueblo Restaurant.

In an amendment of her Liquor License Application Questionnaire filed with the City of Phoenix on Jan. 18, 2021, Ms. Arriaza listed herself as having sole ownership interest in the business. She also indicated for a second time that there is no outstanding debt associated with the business, but made a hand-written note stating that her spouse, Mr. Arriaza, is "financing everything" for her business because he "owns a business".

The application was falsified in the following manner:

The applicant stated on the City Questionnaire and State application that she paid \$25,000 from her personal savings for the business. This statement is false. Ms. Arriaza stated in a recorded interview on Jan. 15, 2021, that this was merely her contribution to the start-up costs. The remainder of the start-up costs derived from an SBA loan (COVID relief) in the amount of \$150,000 obtained by her husband, Enrique Arriaza Esquivel, to offset losses incurred by his trucking business, Tahuapa Express DBA. This was not indicated on the State application, the City of Phoenix Questionnaire or any amendments.

The applicant stated on the State application and City of Phoenix Questionnaire that she owes \$0 in outstanding debt associated with the "purchase or start-up" of the business. This is also a false statement. Ms. Arriaza's actual start-up costs were approximated by her and her husband Mr. Arriaza to be over \$100,000 as

Police Department Liquor License Disapproval Recommendation

Application Information

Business Name	EL PUEBLO RESTAURANT	District	7
Business Location	2270 N. 75th Avenue, Suite 101		
Applicant Name	Amanda Elena Arriaza	Series Type	12

stated in a recorded interview with Detective Falcone on Jan. 15, 2021. The misused funds were provided by the US SBA in the form of an EIDL loan (COVID relief) that were intended to relieve losses incurred by Mr. Arriaza's trucking company.

The applicant indicated on the State Application that the licensed premises was not closed due to "construction, renovation or redesign or rebuild". Detective Falcone met the applicant and her husband at the restaurant and noted that the proposed licensed premises was in fact under renovation. This was also acknowledged by the applicant and her husband when Mr. Arriaza indicated that he used his SBA loan to pay for "all of this" as he physically gestured to the surroundings.

There is possible fraud associated with the financing of the business:

As part of the administrative investigation process the applicant, Amanda Arriza, was asked to provide documentation of any loans associated with her business, El Pueblo Restaurant. She provided an SBA Loan Authorization and Agreement for SBA EDIL (COVID relief) loan number 17322688100 in the amount of \$150,000 naming her husband Enrique Arriaza Esquivel as the borrower dated 07/10/2020. When asked where they acquired the funds to renovate the restaurant in a recorded interview with Detective Falcone 9549 on Jan. 15, 2021 Mr. & Mrs. Arriaza stated that the funds provided by the SBA loan were used to cover start-up and operational costs of establishing El Pueblo Restaurant including building renovations and application fees. Mr. Arriaza stated that he understood that the loan was intended to cover operating costs associated with his trucking company, Tahuapa Express DBA but stated he changed his mind once the funds were received and decided to use the funds to help his wife establish El Pueblo Restaurant.

The above stated use of this SBA loan is fraudulent due to the following: Within the Loan Authorization and Agreement document provided by Ms. Arriaza it states in the "Use of Loan Proceeds" section that the borrower, Mr. Arriaza, "will use all the proceeds of this Loan solely as working capital to alleviate economic injury caused by disaster...". The document also states in section titled "Limits on Distribution of Assets" that the borrower, Mr. Arriaza, will not "without the prior written consent of SBA, make any distribution of Borrower's assets, or give any preferential treatment, make any advance, directly or indirectly, by way of loan, gift, bonus, or otherwise, to any owner or partner or any of its employees, or to any company directly or indirectly controlling or affiliated with or controlled by Borrower, or any other company". These sections clearly indicate that the funds provided are to be used solely to cover capital needed for the borrowers business and not to establish new businesses. The proceeds provided to Mr. Arriaza associated with this loan were misused and the loan was possibly obtained under fraudulent pretext.

LIQUOR LICENSE DISAPPROVAL FORM

Police Department Liquor License Disapproval Recommendation

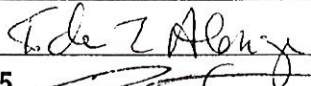
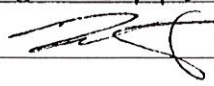
Application Information

Business Name	EL PUEBLO RESTAURANT	District	7
Business Location	2270 N. 75th Avenue, Suite 101		
Applicant Name	Amanda Elena Arriaza	Series Type	12

The applicant did not exhibit an understanding of basic business practices and therefore does not meet the Capable, Qualified, and Reliable standard for the following reasons:

1. The applicant did not have an established business plan and furthermore did not know what liquor beverages she intended to serve at her restaurant
2. The applicant's husband answered many of the questions during an interview with Detective Falcone on Jan. 15, 2021. At one-point Detective Falcone had to ask Mr. Arriaza to allow Ms. Arriaza to answer questions at which point it was apparent that Ms. Arriaza did not know what her expectation were for her business.
3. Ms. Arriaza indicated in an interview that she would need only ten employees to run her restaurant seven days a week for thirteen hours a day. Ms. Arriaza took several minutes to answer this question and did not seems to know how many employees were necessary to run her restaurant. She indicated on her State application that twenty-five employees were necessary.
4. When asked if they would have a bar area in the restaurant the couple looked around the restaurant as Mr. Arriaza stated "yes" after several seconds and pointed to the corner area that looked to be set up as a serving line.
5. When asked about a discrepancy regarding the documented rent amount of \$9,500 and the graduated amounts indicated on their lease agreement the couple stated that the landlord had told them \$9,500. It appeared that they were unfamiliar with the lease and they were unable to show or explain the graduated table indicated rent amount increases over time.
6. The applicant had no plan for accounting associated with the restaurant.

This recommendation for disapproval is submitted by: **Det. Leonard Falcone 9549**

SIGNATURES	
Administrative Licensing Investigator	I. Alonge A4289 
Liquor Enforcement Detail Supervisor	Sgt. M. Doty 5785 



PAYMENT ORDINANCE (Ordinance S-47292) (Items 14-25)

Ordinance S-47292 is a request to authorize the City Controller to disburse funds, up to amounts indicated below, for the purpose of paying vendors, contractors, claimants and others, and providing additional payment authority under certain existing city contracts. This section also requests continuing payment authority, up to amounts indicated below, for the following contracts, contract extensions and/or bids awarded. As indicated below, some items below require payment pursuant to Phoenix City Code Section 42-13.

14 American Association of Airport Executives

For \$59,375.00 in payment authority for 2021 American Association of Airport Executives (AAAE) Federal Affairs membership dues for the Aviation Department. The AAAE advocates on behalf of airports and works to prevent shifting of costs and federal responsibilities to airports, ensuring that unfunded mandates are not imposed. It is the primary interface with elected officials and regulatory agencies on issues affecting airports across the country. AAAE provides important information, alerts, updates and insight on legislation and proposed regulations, security policy, and congressional hearing reports.

15 PFM Financial Advisors, LLC

For \$75,000.00 in payment authority for a new contract, entered on or about Feb. 20, 2021 for a term of five years for the Finance Department. The contract will provide financial advisory services to the Public Transit and Street Transportation departments for work related to the development and maintenance of long-term financial planning models necessary for future financings. The vendor was selected from the City of Phoenix Financial Advisor Qualified Vendor List established through RFQ-2017FIN-003.

16 Settlement of Claim(s) Lucero v. City of Phoenix

To make payment of up to \$36,000.00 in settlement of claim(s) in *Lucero v. City of Phoenix*, CV2019-010686, 18-0727-002, AU, BI, for the Finance Department pursuant to Phoenix City Code chapter 42. This is a settlement of a bodily injury claim arising from a motor vehicle accident on July 16, 2018 involving the Police Department.

17 Settlement of Claim(s) Mason v. City of Phoenix

To make payment of up to \$100,000.00 in settlement of claim(s) in *Mason v. City of Phoenix*, CV2020-053869, 19-0823-001, GL, BI, for the Finance Department pursuant to Phoenix City Code chapter 42. This is a settlement of a bodily injury claim arising from a non-vehicular accident that occurred on Aug. 28, 2019.

18 Settlement of Claim(s) Garcia v. City of Phoenix

To make payment of up to \$60,000.00 in settlement of claim(s) in *Garcia v. City of Phoenix*, CV2019-002195, 18-0246-001, GL, BI, for the Finance Department pursuant to Phoenix City Code chapter 42. This is a settlement of a bodily injury claim arising from a non-vehicular accident that occurred on March 10, 2018.

19 Settlement of Claim(s) Hinds v. City of Phoenix

To make payment of up to \$40,000.00 in settlement of claim(s) *Hinds v. City of Phoenix*, CV2019-012874, 18-0917-001, AU, BI, for the Finance Department pursuant to Phoenix City Code chapter 42. This is a settlement of a bodily injury claim arising from a motor vehicle accident on Sept. 22, 2018, involving the Police Department.

20 Settlement of Claim(s) Foster v. City of Phoenix

To make payment up to \$52,500.00 in settlement of claim(s) in *Foster v. City of Phoenix*, CV2020-012773, 19-1025-001, AU, BI, for the Finance Department pursuant to Phoenix City Code chapter 42. This is a settlement of a bodily injury claim arising from a motor vehicle accident on Oct. 12, 2019, involving the Police Department.

21 Settlement of Claim(s) Yakoo v. City of Phoenix

To make payment of up to \$43,550.00 in settlement of claim(s) in *Yakoo v. City of Phoenix*, 20-0080-001, GL, PD, for the Finance Department

pursuant to Phoenix City Code chapter 42. This is a settlement for a property damage claim arising from a sewer backup on July 14, 2020.

22 Arizona State University

For \$65,000.00 in payment authority for Contract 119092 for the annual operating and maintenance fees for the Downtown Phoenix Civic Space A.E. England Building, which is paid to Arizona Board of Regents on behalf of Arizona State University, for the Parks and Recreation Department.

23 Arizona Generator Technology, Inc., doing business as Gen-Tech

For \$13,195.41 in payment authority to repair a failed generator located at the Fire Academy, for the Public Works Department. The generator provides backup power to the training facility for emergency response teams, including safety training. The generator was diagnosed with needing a new electronic control module. The part can only be purchased, replaced, and calibrated by Arizona Generator Technology, the original equipment manufacturer in the area.

24 Ferguson US Holdings Inc., doing business as Ferguson Enterprises, LLC.

For \$58,230.00 in payment authority for a one-time purchase of three Quick View Pole Cameras for the Water Services Department (WSD). The equipment will allow WSD staff to inspect sanitary sewer structures including manholes, vaults, wet wells and other confined space structures safely throughout the City by removing staff from the potential exposure to hazardous gasses. The equipment will also allow staff to quickly and efficiently collect videos and pictures of the structures which can be used for rehabilitation or repair.

25 Central Arizona Water Conservation District doing business as Central Arizona Project

For \$26,993.00 in payment authority for a land use license necessary for the ongoing right to use Central Arizona Project land and maintain three underground sewer lines along Cave Creek Road for the five-year term of 2016-2021 for the Water Services Department.



*****REQUEST TO WITHDRAW (SEE ATTACHED MEMO)*** (CONTINUED FROM FEB. 3, 2021) - 2015-2020 Consolidated Plan's 2019 Annual Action Plan CARES Act Amendment (Ordinance S-47290)**

Request City Council approval of a Substantial Amendment to the 2015-2020 Consolidated Plan's 2019-2020 Annual Action Plan to include a second Emergency Solutions Grant (ESG-CV2) allocation authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, enacted March 27, 2020, for the specific purpose of preventing, preparing for, and responding to the Coronavirus (COVID-19) public health crisis. Further request authorization for the City Treasurer to accept and the City Controller to disburse all funds related to this item.

Summary

The 2015-2020 Consolidated Plan's 2019 Annual Action Plan defines how the City's Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) funds will be used to address the priorities and goals outlined in the five-year Consolidated Plan.

A previous substantial amendment to the 2019 Annual Action Plan was completed for the first round of the CARES Act ESG funding in May of 2020 (ESG-CV1). This second substantial amendment is to allocate \$19,212,248 provided to the City in the second round of ESG funding (ESG-CV2) authorized by the CARES Act to support the City's effort to prevent, prepare for, and respond to the COVID-19 pandemic.

The following summarizes the second ESG-CV2 allocation and the proposed activities that will be funded to address the growing effects of the public health crisis:

ESG-CV2: \$19,212,248

\$19,212,248 will be used to prevent, prepare for, and respond to the COVID-19 pandemic, focusing on individuals and families who are experiencing homelessness or receiving homeless assistance, and to support homelessness prevention activities to mitigate the impacts of COVID-19. The following eligible activities will be funded with this allocation:

- Street Outreach: \$1,922,285 will be used to fund essential services necessary to reach out to unsheltered homeless individuals and families and connect them with emergency shelter, housing or other critical services.
- Emergency Shelter: \$4,253,669 will be used to extend temporary shelter to vulnerable individuals who are receiving homeless assistance.
- Homelessness/Eviction Prevention: \$3,192,259 will be used to support additional homelessness prevention activities.
- Rapid Re-Housing: \$7,922,810 will be used to support additional homelessness assistance activities.
- Administration, Planning and Coordination: \$1,921,225 will be used for the purposes of program administration, planning and coordination.

Further City Council action will be required to enter into any new contracts, or to modify any existing contracts, with service providers for services funded under these eligible activities. If any additional federal funds are provided, a subsequent substantial amendment will be brought to council for approval.

Procurement Information

Services may be procured, as needed, by utilizing procurement practices in accordance with Administrative Regulation 3.10 to implement and administer U.S. Department of Housing and Urban Development (HUD) funded programs intended to prevent, prepare for, and respond to the COVID-19 pandemic.

Financial Impact

These activities are funded by the U.S. Department of Housing and Urban Development through the Coronavirus Aid, and Economic Security Act (CARES) Act. There is no impact to the General Fund.

Concurrence/Previous Council Action

On May 6, 2020, City Council authorized a Substantial Amendment to the 2015-2020 Consolidated Plan's 2019-2020 Annual Action Plan to include the first release of allocations and waivers authorized by the CARES Act.

On Jan. 21, 2021, the Land Use and Livability Subcommittee recommended City Council approval of this item.

Public Outreach

As part of the CARES Act, HUD approved an expedited public outreach process that allows the flexibility to institute more streamlined requirements to address immediate needs regarding to the Coronavirus. The HUD process includes the following:

- The reduction of the 30-day public comment period and the implementation of a public comment period of no less than five days in an effort to expedite the Consolidated Plan Substantial Amendment process and allow the City to respond as quickly as possible to the immediate needs in the community.
- The elimination of in-person public hearings and the implementation of virtual public hearings when 1) national and/or local health authorities recommend social distancing and limiting public gatherings for public health reasons, and 2) virtual hearing provide reasonable notification and access for citizens in accordance with Phoenix's certifications, timely responses from local officials and to all citizen questions and issues, and public access to all questions and responses.

The comment period for this substantial amendment was open from Jan. 18 to Jan. 22, 2021. The virtual public hearing took place on Jan. 22, 2021.

Responsible Department

This item is submitted by Deputy City Manager Inger Erickson and the Neighborhood Services and Human Services Departments.



City of Phoenix

To: Inger Erickson
Deputy City Manager

Date: February 10, 2021

From: Spencer J. Self
Neighborhood Services Director

Subject: WITHDRAW ITEM #26 ON THE FEBRUARY 17, 2021 FORMAL AGENDA REGARDING THE 2015-2020 CONSOLIDATED PLAN'S 2019 ANNUAL ACTION PLAN CARES ACT AMENDMENT.

This memo requests that Item #26 regarding the 2015-2020 Consolidated Plan's Annual Action Plan CARES Act Amendment be withdrawn from the February 17, 2021 Formal Agenda. This continued item will be replaced with a new item that also addresses the City's second round of CARES Act Community Development Block Grant funds.

Approved: 
Inger Erickson, Deputy City Manager

February 10, 2021
Date



2015-2020 Consolidated Plan's 2019 Annual Action Plan CARES Act Amendment (Ordinance S-47330)

Request City Council approval of a Substantial Amendment to the 2015-2020 Consolidated Plan's 2019-2020 Annual Action Plan to include a second Emergency Solutions Grant (ESG-CV2) and Community Development Block Grant (CDBG-CV2) allocations, and to amend the first round of Community Development Block Grant (CDBG-CV1) authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, enacted March 27, 2020, for the specific purpose of preventing, preparing for, and responding to the Coronavirus (COVID-19) public health crisis. Further request authorization for the City Treasurer to accept and the City Controller to disburse all funds related to this item.

Summary

The 2015-2020 Consolidated Plan's 2019 Annual Action Plan defines how the City's Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) funds will be used to address the priorities and goals outlined in the five-year Consolidated Plan.

A previous substantial amendment to the 2019 Annual Action Plan was completed for the first round of the CARES Act ESG and CDBG funding in May of 2020 (ESG-CV1 and CDBG-CV1). This second substantial amendment is to allocate \$19,212,248 of ESG funds (ESG-CV2) and \$14,096,369 of CDBG funds (CDBG-CV2) provided to the City in the second round of funding authorized by the CARES Act, and to amend the first allocation of CDBG-CV1 to support the City's effort to prevent, prepare for, and respond to the COVID-19 pandemic.

The following summarizes the ESG-CV2 and CDBG-CV2 allocations and the proposed activities that will be funded to address the growing effects of the public health crisis:

ESG-CV2: \$19,212,248

\$19,212,248 will be used to prevent, prepare for, and respond to the COVID-19 pandemic, focusing on individuals and families who are experiencing homelessness or receiving homeless assistance, and to support homelessness prevention activities to

mitigate the impacts of COVID-19.

The following eligible activities will be funded with this allocation:

- \$2,973,199 will be used to expand the beds at Project Haven shelter.
- \$2,303,165 will be used to expand Rapid Rehousing for women and families.
- \$1,800,000 will be used to expand Rapid Rehousing for men.
- \$600,000 will be used for operational costs at the new US Vets shelter.

Additionally, \$11,535,884 will be used to fund homeless support in an effort to prevent, prepare for, and respond to the Coronavirus pandemic amongst individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homeless prevention activities to mitigate the impacts of COVID-19 as directed by City Council.

CDBG-CV2: \$14,096,369

\$11,277,095 will be used to fund homeless support in an effort to prevent, prepare for, and respond to the Coronavirus pandemic amongst individuals and families who are homeless, receiving homeless assistance; and to support additional homeless assistance and homeless prevention activities to mitigate the impacts of COVID-19. Homeless support activities may include public services, public facility improvements, or strategic acquisition of properties in an effort to address community needs related to homelessness in response to the national pandemic.

\$2,819,274 will be used for the purpose of program administration, planning and coordination as it relates to the CDBG-CV allocations.

Additionally, \$298,445 of uncommitted funds from the first round of CDBG funding will be added to the \$4 million of CDBG-CV1 funds allocated by City Council to fund homeless support activities.

The aforementioned allocations, as summarized in Attachment A, would allow for \$27,111,423 of ESG-CV2, CDBG-CV1 and CDBG-CV2 funds to be available to fund homeless support activities to prevent, prepare for, and respond to the Coronavirus pandemic in one of the City's most vulnerable populations through the following:

- \$3 million for Human Services Campus operations and/or facility improvements support.
- \$15 million for RFP(s) to fund facility acquisition and/or improvement of up to four shelters.
- \$9.1 million for RFP(s) to support homeless services providers.

Further City Council action will be required to enter into any new contracts, or to modify any existing contracts, with service providers for services funded under these eligible activities. If any additional federal funds are provided, a subsequent substantial amendment will be brought to Council for approval.

Procurement Information

Services may be procured, as needed, by utilizing procurement practices in accordance with Administrative Regulation 3.10 to implement and administer U.S. Department of Housing and Urban Development (HUD) funded programs intended to prevent, prepare for, and respond to the COVID-19 pandemic.

Financial Impact

These activities are funded by the HUD through the CARES Act. There is no impact to the General Fund.

Concurrence/Previous Council Action

On May 6, 2020, City Council authorized a Substantial Amendment to the 2015-2020 Consolidated Plan's 2019-2020 Annual Action Plan to include the first release of allocations and waivers authorized by the CARES Act.

On Jan. 21, 2021, the Land Use and Livability Subcommittee recommended City Council approval of broad allocations of ESG-CV2 allocations to prevent, prepare for, and respond to the COVID-19 pandemic, focusing on individuals and families who are experiencing homelessness or receiving homeless assistance, and to support homelessness prevention activities to mitigate the impacts of COVID-19.

Public Outreach

As part of the CARES Act, HUD approved an expedited public outreach process that allows the flexibility to institute more streamlined requirements to address immediate needs regarding the Coronavirus. The HUD process includes the following:

- The reduction of the 30-day public comment period and the implementation of a public comment period of no less than five days in an effort to expedite the Consolidated Plan Substantial Amendment process and allow the City to respond as quickly as possible to the immediate needs in the community.
- The elimination of in-person public hearings and the implementation of virtual public hearings when 1) national and/or local health authorities recommend social distancing and limiting public gatherings for public health reasons, and 2) virtual

hearings provide reasonable notification and access for citizens in accordance with Phoenix's certifications, timely responses from local officials and to all citizen questions and issues, and public access to all questions and responses.

The comment period for this substantial amendment will be advertised for two weeks and open for five days. Additionally, a virtual public hearing will be hosted to receive comment from the public prior to finalization and submission to HUD.

Responsible Department

This item is submitted by Deputy City Manager Inger Erickson and the Neighborhood Services and Human Services departments.

**ATTACHMENT A:
CARES Act CDBG and ESG \$27,111,423 Summary**

Total ESG-CV and CDBG-CV Funding (both rounds)	\$48,105,259
Total Otherwise Committed/Expended	\$20,993,836
Total Remaining One-Time Funds Available	\$27,111,423

Summary:

A total of two rounds of CDBG and ESG allocations were provided to the City of Phoenix in CARES Act funding. On May 6, 2020, City Council gave direction to staff for the first-round allocations.

Item 27 from February 3 formal meeting requested to allocate the second round of ESG funds for general categories and then staff would come back with specifics at a later date. This item was continued to the February 17 meeting, has been requested to be withdrawn, and has been replaced with this new item.

This new item for February 17 formal includes the complete package of round two ESG (\$19,212,248) and CDBG (\$14,096,369) for a substantial amendment to the annual action plan, as required by HUD, and reallocate a portion of unspent CDBG round one funds (\$4,298,445). After previous allocations and other commitments mentioned in the Council Report, \$27,111,423 is proposed to be used in the manner outlined below.

Proposed Allocation of \$27,111,423 Identified in the Council Item:

- \$3M - Human Services Campus operations and/or facility improvement support
- \$15M - RFP(s) to fund facility acquisition and/or improvement of up to four shelters
- \$9.1M – RFP to support for homeless services providers



Public Hearing and Authorizing Amendment to Chapter 14 of the Phoenix City Code Relating to Taxes (Ordinance G-6808)

Request to hold a public hearing on the request for the following item to authorize an amendment to Chapter 14 of the Phoenix City Code. An ordinance authorizing the City Manager, or his designee, to amend Chapter 14 of the Phoenix City Code, where the model city tax code is maintained, with corresponding statutory model city tax code amendments approved in 2018 and 2019 by the Municipal Tax Code Commission (MTCC), which was established by the State Legislature to review and approve all changes to the local model city tax code. The 2018 and 2019 conforming amendments align the model city tax code with state statutes. Arizona Revised Statute § 42-6052 (H) requires that the governing bodies of all cities and towns adopt the changes to the model city tax code adopted by the commission and therefore, the City of Phoenix must adopt these changes to bring Chapter 14 of the Phoenix City Code into conformance with State statutes accordingly.

Summary

The Model City Tax Code, adopted in 1987, was a coordinated effort on the part of Arizona cities to achieve uniformity in tax administration. Consequently, statutory changes made by the Arizona Legislature during its regular sessions between years 2014 and 2018 required that equivalent changes be incorporated in the local model city tax code (**Attachments A and B**). These changes were prepared by the League of Arizona Cities and Towns in consultation with representatives from Arizona cities, approved by the business community, and presented before the MTCC. The MTCC held public hearings and approved adoption of the proposed amendments on Dec. 14, 2018; Feb. 22, 2019; and May 31, 2019. The delay in obtaining MTCC adoption was due to the need to await final determination of evolving State Transaction Privilege Tax (TPT) Simplification administrative issues that were clarified through subsequent State legislature session actions, collaborative deliberation and concurrence with the business community on complex construction contracting tax issues that required multiple State legislature session actions to clarify legislative intent, and challenges in securing the required quorum of 10 non-compensated appointive members, each restricted to a 3-year term limit, to serve on the commission.

Financial Impact

Arizona cities and towns must comply with statutory changes recommended for incorporation into the model city tax code when approved for adoption by the MTCC and because the City of Phoenix has been in compliance since then, no fiscal impacts from City Transaction Privilege Tax revenues - neither increases nor decreases - are expected to arise from these recommended changes.

Concurrence/Previous Council Action

Due to the need to maintain uniformity with State statutes and the approval of the business community, City staff recommends that the City Council adopt the proposed 2018 and 2019 amendments already approved by the Municipal Tax Code Commission.

Responsible Department

This item is submitted by City Manager Ed Zuercher and the Finance Department.

ATTACHMENT A

This document details the various changes incorporated into the local version of the Model City Tax Code approved by the Municipal Tax Code Commission in public hearings held in the years 2018 and 2019. These changes are summarized below by Ordinance Section number, identifying the bills that initiated them, and the statutory effective dates per item.

The amendments titled “2014-2018 Legislative Actions Amendment” incorporates several changes to the local version of the Model City Tax Code that relate to statutory changes made by the legislature during its regular sessions between years 2014 and 2018. These amendments were approved by the Municipal Tax Code Commission in a public hearing held on Friday, December 14th, 2018.

2014-2018 Legislative Actions Amendments

Section I: Amends Sec. 14-110, Definitions: Income-producing capital equipment.

Legislation (Year: Bill Numbers) – 2015: SB1446; 2016: HB2133, HB2533; 2017: SB1416

The definition of “income producing capital equipment” is expanded by these four bills. First, two clauses are amended to ensure that contractors performing maintenance, repair, replacement, and alteration (MRRA) jobs can purchase otherwise exempt machinery and equipment for projects involving telecommunications, effective January 1, 2015 (SB1446). Second, add agricultural aircraft such as crop dusters to the list of exempt farm machinery and equipment, effective retroactively from April 17, 1985 (HB2133). Third, the subsection related to aircraft, navigational and communication instruments and accessories is expanded to include charter planes, helicopters, and other air tour operators who are exempt from holding a Federal certificate of public convenience, effective retroactively from June 1, 1998 (HB2533). Finally, aircraft exemptions for common carriers are amended to include fractional ownership scenarios, effective January 1, 2018 (SB1416).

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective Date	A.R.S. Section 42-XXXX	PCC Section 14-XXXX	Description
2015	4	SB1446	1/1/2015	9-467 6004/ 5005/5008.1/5009/ 5010/5061/5075/5159	110/415/415.1/ 465/660	Building permit requirements; create liability for Retail equivalent on MRRA used in Prime; clarify Retail exemptions for Contractors/MRRA; revises MRRA to limit "alteration", etc.
2016	181	HB2133	4/17/1985	5061/5159	110	Adds agricultural aircraft (crop dusters) to exempt farm equipment

2016	367	HB2533	6/1/1998	5009/5061/5159	110	Expands airline exemptions for charter aircraft/helicopters by adding carriers exempt from having a certificate of public convenience
2017	340	SB1416	1/1/2018	5061/5159	110	Adds fractional jet ownership to common carrier exemptions

Section II: Amends Sec. 14-410, Amusements, exhibitions, and similar activities.

Legislation (Year: Bill Numbers) – 2016: HB2674; 2018: SB1120

The Amusements classification is amended to add an exemption for a charity run, walk, swim, bike ride or similar event operated by a 501(c)(3) non-profit organization, effective August 6, 2016 (HB2674). Also, this section adds the exemption for events operated by groups associated with Major League Baseball or a professional golf tour and edits the language to limit application of the exemption for groups owned or controlled by a Major League team, MLB, or a pro golf tour unless they operated such events before 2018, effective from and after January 1, 2018 (SB1120). Additionally, a long-standing policy by those cities and towns that have adopted Local Option #H exempting one-on-one instruction or training as a personal service is added to the code for improved clarity. Under Local Option #H, instruction charges for health-related activities are included in the gross receipts subject to tax. Cities have long held that this applies to group instruction, but does not apply to individual instruction, such as personal training and other situations wherein the customer hires the provider for singular attention for a period of time. This addition codifies this policy and practice, effective January 1, 2019.

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2016	373	HB2674	8/6/2016	5073	410	Exempts entry fees from non-profit charity races
2018	249	SB1120	1/1/2018	6004/5061/5069/ 5073/5074/5159	410/445/455/ 465/660	Edits the exemption for MLB & pro golf events

Section III: Amends Sec. 14-415, Construction contracting: construction contractors.

Legislation (Year: Bill Numbers) – 2014: HB2389, HB2415; 2015: SB1446; 2018: SB1409

As an element of the TPT Simplification bill in 2013 (HB2111), the Construction Contracting classification was modified to remove most maintenance and repair contractors from the classification, allowing them to pay tax to the vendor on the materials used in their jobs, and eliminating all other tax liability for their construction activity. Subsequent sessions included three attempts to refine the concept and rules

surrounding the taxation of materials only for “Maintenance, Repair, Replacement, and Alteration” (MRRA) projects. The changes in this section are an amalgamation of the original language in HB2111 and the three subsequent bills (HB2389, SB1446, and SB1409), arriving at conformity with the current version of Contracting at the State level in A.R.S. 42-5075. The changes related to HB2389 and SB 1446 are effective January 1, 2015. The most recent amendment (SB1409) which added an exclusion for contractors who qualify for the “handyman” exemption from R.O.C. licensing, and also simplified the definition of “Alteration” on commercial projects is effective as of January 1, 2019 (the prior definition of “Alteration” applies to jobs where the contract was entered into before January 1, 2019). In addition, a new exemption for construction of a mixed waste processing facility was also added and is effective retroactively from January 1, 2013 (HB2415).

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2014	263	HB2389	1/1/2015	6001/6002/ 6004/6009/6056/ 1125/2003/2075/ 5005/5009/5014/ 5015/5074/ 5075/5102	Article III/ 415/455/462/ 530	TPT Simplification clean-up - municipal licenses/penalties; MRRA exemption certificate; electronic filing; exempt SNAP under R&B; create MRRA; SNAP under Food; transition IGA/electronic reporting; city Admin (Art. V) under state rules; initial MRRA preemption; MTHO end date; Session Law: refunds, appeals, license renewal; has multiple effective dates, only 1/1/2015 matters
2014	228	HB2415	1/1/2015 1/1/2013	5075	415	MRRA edits; 1/1/2015 Exempt mixed waste processing facility 1/1/2013
2015	4	SB1446	1/1/2015	9-467 6004/ 5005/5008.1/5009/ 5010/5061/5075/5159	110/415/415. 1/ 465/660	Building permit requirements; create liability for Retail equivalent on MRRA used in Prime; clarify Retail exemptions for Contractors/MRRA; revises MRRA to limit "alteration", etc.
2018	341	SB1409	1/1/2019	6004/5075	415	Adds ROC Handyman exclusion to 415; simplifies "alteration"

Section IV: Adds Sec. 14-415.1, Liability for MRRA amounts equal to Retail transaction privilege tax due.

Legislation (Year: Bill Numbers) – 2015: SB1446

A component of the primary amendment addressing the taxation of materials only for “Maintenance, Repair, Replacement, and Alteration” (MRRA) projects was creating a mechanism for hybrid contractors (those who perform both regular Contracting jobs and also perform MRRA jobs) to efficiently purchase materials that could be used in either

job type without having to maintain two separate inventories. The solution was to allow these hybrid contractors to purchase all materials tax exempt, as if they would be used in traditional prime contracting jobs but allow them to pay tax on the “materials only” if they were used in a MRRA job. At the State level, A.R.S. 42-5008.1 was created. This required anyone who used materials purchased without tax to pay the equivalent of the Retail tax rate based on the job site for any such materials used in a MRAA job. New Section 415.1 mirrors this section of State law to apply the same principle relative to the local tax. The section is added effective January 1, 2015 to coincide with the effective date of A.R.S. 42-5008.1 (SB1446).

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2015	4	SB1446	1/1/2015	9-467 6004/ 5005/5008.1/5009/ 5010/5061/5075/5159	110/415/415.1/ 465/660	Building permit requirements; create liability for Retail equivalent on MRRA used in Prime; clarify Retail exemptions for Contractors/MRRA; revises MRRA to limit "alteration", etc.

Section V: Amends Sec. 14-422, Jet fuel sales.

Legislation (Year: Bill Numbers) – 2017: HB2064

This section adds the new exemption for Jet Fuel sales, limiting the tax imposition to only the first 10 million gallons sold to any individual purchaser during a calendar year. The same limitation also applies to purchases subject to Jet Fuel Use Tax and appears in Section XV, amending Section 660 of the code. Additionally, new language is added restricting the use of funds collected from this classification to being dedicated to support the local airport or airport system in accordance with FAA rules. Both changes are effective as of December 1, 2017.

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2017	50	HB2064	12/1/2017	6014	422/660	Exempts Jet Fuel over 10 million gallons; requires tax collected to be spent on airport operations

Section VI: Amends Sec. 14-445, Rental, leasing, and licensing for use of real property.

Legislation (Year: Bill Numbers) – 2015: 2147; 2018: SB1120

This section adds cable operators to utility and telecommunication companies who can exempt charges for joint pole usage to others in the same line of business, mirroring a similar new exemption for all three industries in State statute, effective August 1, 2015. This section also adds the exemption for events operated by groups associated with Major League Baseball or a professional golf tour, including the new edits to limit the application of the exemption for groups owned or controlled by a Major League team, MLB, or a pro golf tour unless they operated such events before 2018, effective from and after January 1, 2018.

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2018	249	SB1120	1/1/2018	6004/5061/5069 / 5073/5074/5159	410/450/445 / 455/465/660	Edits the exemption for MLB & pro golf events

Section VII: Amends Sec. 14-450, Rental, leasing, and licensing for use of tangible personal property.

Legislation (Year: Bill Numbers) – 2015: HB2147

This section adds cable operators to utility and telecommunication companies who can exempt charges for joint pole usage to others in the same line of business, mirroring a similar new exemption for all three industries in State statute, effective August 1, 2015.

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2015	72	HB2147	8/1/2015 1/1/2015	6004/5063/5064/ 5069/5071/5075	450	Adds cable operators to exemption for joint pole usage; 8/1/2015, edits definition of "replacement" under Contracting - 1/1/2015

Section VIII: Amends Sec. 14-455, Restaurants and Bars.

Legislation (Year: Bill Numbers) – 2014: HB2389; 2018: HB2484, SB1120

First, this section adds the exemption for prepared food and beverages sold to eligible seniors, homeless, or disabled persons using SNAP benefits, effective January 1, 2015 (HB2389). Second, this section adds the exemption for restaurant sales at events

operated by groups associated with Major League Baseball or a professional golf tour, including the new edits to limit the application of the exemption for groups owned or controlled by a Major League team, MLB, or a pro golf tour unless they operated such events before 2018, effective from and after January 1, 2018 (SB1120). Third, this section adds a restriction prohibiting cities and towns from imposing a discriminatory tax on any particular food or beverage item (i.e., no “soda” tax), effective August 3, 2018 (HB2484).

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2014	263	HB2389	1/1/2015	6001/6002/ 6004/6009/6056/ 1125/2003/2075/5005/ 5009/5014/5015/5074/ 5075/5102	Article III/ 415/455/462/530	TPT Simplification clean-up - municipal licenses/penalties; MRRA exemption certificate; electronic filing; exempt SNAP under R&B; create MRRA; SNAP under Food; transition IGA/electronic reporting; city Admin (Art. V) under state rules; initial MRRA preemption; MTHO end date; Session Law: refunds, appeals, license renewal; has multiple effective dates, only 1/1/2015 matters
2018	17	HB2484	8/3/2018	6004/6015	455/462/ 465/660	Moves existing food preemptions into new section; prohibits any differential tax on a specific food (no soda tax allowed)
2018	249	SB1120	1/1/2018	6004/5061/5069/ 5073/5074/5159	410/445/ 455/465/660	Edits the exemption for MLB & pro golf events

Section IX: Amends Sec. 14-462, Retail sales: food for home consumption.

Legislation (Year: Bill Numbers) – 2014: HB2389; 2018: HB2484

This section adds the exemption for prepared food and beverages sold to eligible seniors, homeless, or disabled persons using SNAP benefits, effective January 1, 2015 (HB2389). Additionally, this section adds a restriction prohibiting cities and towns from imposing a discriminatory tax on any particular food or beverage item (i.e., no “soda” tax), effective August 3, 2018 (HB2484).

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2014	263	HB2389	1/1/2015	6001/6002/ 6004/6009/6056/ 1125/2003/2075/5005/ 5009/5014/5015/5074/ 5075/5102	Article III/ 415/455/462/530	TPT Simplification clean-up - municipal licenses/penalties; MRRA exemption certificate; electronic filing; exempt SNAP under R&B; create MRRA; SNAP under Food; transition IGA/electronic reporting; city Admin (Art. V) under state rules; initial MRRA preemption; MTHO end date; Session Law: refunds, appeals, license renewal; has multiple effective dates, only 1/1/2015 matters
2018	17	HB2484	8/3/2018	6004/6015	455/462/ 465/660	Moves existing food preemptions into new section; prohibits any differential tax on a specific food (no soda tax allowed)

Section X: Amends Sec. 14-465, Retail sales: exemptions.

Legislation (Year: Bill Numbers) – 2014: HB2285; 2015: SB1446; 2016: HB2326, HB2536, HB2584; 2018: HB2484, SB1120

There were multiple changes to the exemptions from the Retail classification added or amended by the legislature, listed here in order of year enacted and bill number, followed by effective date and the subsection impacted.

- 1) 2014, HB2285: Added an exemption for the transfer of coal back and forth between a power plant and a coal refinery under certain circumstances, effective January 1, 2015; Subsection (ss).
- 2) 2015, SB1446: Added persons possessing a “MRRA” exemption certificate to the current exemption for sales of construction materials to a contractor, effective January 1, 2015; Subsection (k).
- 3) 2016, HB2326: Added farmers who produce animal feed to the statutory definition of “Food Producer” thus making their sales exempt from tax when selling directly to other farmers to feed their livestock, to other animal owners, or to livestock boarding facilities, effective August 6, 2016; Subsection (v).
- 4) 2016, HB2536: Created new Local Option #QQ, allowing the exemption of fine art sold by an auction house to a non-resident if shipped out-of-state, available for selection with an effective date any time from and after September 1, 2016 to match the effective date of the similar State exemption; Subsection (tt).

- 5) 2016, HB2584: Edited the requirements to qualify for the exemption of data center equipment that qualifies for tax relief offered by the Arizona Commerce Authority, effective retroactively from September 12, 2013; Subsection (uu).
- 6) 2018, HB2484: Added exemptions for the sale, manufacture or distribution among wholesalers of food for human consumption, as well any container or packaging used exclusively for transporting, protecting or consuming food items intended for human consumption (as part of the preemption against a "soda" tax), effective August 3, 2018; Subsections (vv) and (ww).
- 7) 2018, SB1120: Added the exemption for retail sales at events operated by groups associated with Major League Baseball or a professional golf tour, including the new edits to limit the application of the exemption for groups owned or controlled by a Major League team, MLB, or a pro golf tour unless they operated such events before 2018, effective from and after January 1, 2018; Subsection (y).

Note that a conditional exemption for all sales of coal has not been included at this time, as the required conditions for enactment have not been met (2018, HB2003).

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2014	54	HB2285	1/1/2015	6004/5061/5072/ 5151/5159	465/660	Exempt coal transfers between the mine and refiner
2015	4	SB1446	1/1/2015	9-467 6004/ 5005/5008.1/5009/ 5010/5061/5075/5159	110/415/415.1/ 465/660	Building permit requirements; create liability for Retail equivalent on MRRA used in Prime; clarify Retail exemptions for Contractors/MRRA; revises MRRA to limit "alteration", etc.
2016	361	HB2326	8/6/2016	3-561/3-563 5009/5022/5061/5159	465/660	Adds farmers who sell livestock feed to the definition of "food producers"
2016	368	HB2536	9/1/2016	5061	465	Adds new Option #QQ for fine art sold by auction to non-resident
2016	369	HB2584	9/12/2013	6004/5061/5159	465/660	Edits exemption for data center equipment
2018	263	HB2003	1/1/2023	6004/2061/5072	465	Preemption of tax on sales of coal - NOT EFFECTIVE UNLESS the Navajo Nation sells its generating station before 12/31/2022
2018	17	HB2484	8/3/2018	6004/6015	455/462/ 465/660	Moves existing food preemptions into new section; prohibits any differential tax on a specific food (no soda tax allowed)
2018	249	SB1120	1/1/2018	6004/5061/5069/ 5073/5074/5159	410/445/ 455/465/660	Edits the exemption for MLB & pro golf events

Section XI: Amends Sec. 14-470, Telecommunication services.

Legislation (Year: Bill Numbers) – 2014: HB2546

This section adds an exemption for alarm monitoring when performed by an in-state company. Previously, the Arizona Supreme Court ruled that out of state alarm monitoring was considered exempt interstate telecommunications. This bill placed in-state monitoring companies on a level playing field with out of state ones. Per this bill, the change related to in-state monitoring companies is effective from and after January 1, 2015. Based on the court decision, out of state monitoring companies are deemed exempt at any time.

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2014	174	HB2546	1/1/2015	6004	470	Exempts alarm monitoring from Telecommunications

Section XII: Amends Sec. 14-475, Transporting for hire.

Legislation (Year: Bill Numbers) – 2016: SB1492

This section adds exemptions for “vehicles for hire” services (taxis, livery vehicles, and limousines), as well as “Transportation Network Company” drivers, as those terms are defined in A.R.S. Sections 28-9501 and 28-9551. This bill clarifies prior legislation related to companies such as Uber and Lyft, and attempts to create equal tax treatment for traditional taxi and limo services. The new exemptions are effective beginning September 1, 2016.

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2016	171	SB1492	9/1/2016	6004/5062	475	Exempts "vehicles for hire" (taxis, livery, and limos) and Transportation Network Company drivers (Uber)

Section XIII: Amends Sec. 14-480, Utility services.

Legislation (Year: Bill Numbers) – 2015: HB2670; 2016: HB2025, HB2676, SB1505

Changes to this section are all related to the 2014 State level adoption of an exemption for electricity or natural gas used in manufacturing or smelting operations (SB1413). While the cities and towns were not required to adopt this exemption, A.R.S. 42-6012

does require each city and town to either tax this area in full or exempt it in the exact same manner as the State. Therefore, at the municipal level an option to adopt this exemption was added to the Model City Tax Code as Local Option #PP in 2014, however, no city or town has ever chosen to adopt it. Changes in this section reflect subsequent modifications made by the legislature to the State exemption, intended to maintain the Local Option in conformity with the State version. In 2015, HB2670 added “international operations centers” (a type of data center) to the eligible types of facilities that could qualify for the exemption, effective August 1, 2015. In 2016 three bills made additional changes to the State exemption. First, HB2025 added “liquefied petroleum gas” to the list of eligible utilities that could be exempted. Second, SB1505 removed a clause from the original language that specifically stated gas transportation charges were excluded from the exemption, thus making them included. These two changes are added with effective dates matching the State effective date of September 1, 2016. Finally in 2016, HB2676 significantly altered the energy usage and other requirements necessary for a company to qualify for the exemption, as well as removing authority to verify the qualification from the DOR. This change is added as of the same date it applies at the State level: January 1, 2017.

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2014	7	SB1413	8/1/2015	6012/5063/5159	480/660	Electricity, natural gas to a manufacturer exempt; Local Option #PP ALREADY ADOPTED
2015	6	HB2670	8/1/2015	6012/5063/5159	480/660	Adds "international operations center" to Option #PP for Utilities exemption for manufacturers
2016	359	HB2025	9/1/2016	6012/5063/5159	480/660	Adds "liquefied petroleum gas" to Option #PP
2016	374	HB2676	1/1/2017	6012/5009/5063/5159	480/660	Alters the qualifications, etc. for Option #PP
2016	357	SB1505	9/1/2016	6012/5063/5159	480/660	Adds gas transportation charges to Option #PP

Section XIV: Amends Sec. 14-530, When tax due; when delinquent; verification of return; extensions.

Legislation (Year: Bill Numbers) – 2014: HB2283, HB2288, HB2389

Note that in 2014, HB2389 amended A.R.S. 42-6002(A) to state that, unless the context otherwise requires, Chapter 1 and Chapter 5, Article 1 of Title 42 governs the administration of the municipal privilege taxes levied by a city or town, effective from and after January 1, 2015. The impact of this amendment on the Model City Tax Code will ultimately lead to the elimination of most of Article V – Administration, along with the elimination of Appendix I – Modifications to Model City Code for Cities and Towns in the State Collection System. However, this effective date anticipated the DOR would begin

complete TPT administration for all cities and towns not later than January 1, 2015. In reality, this did not occur with regard to the 15 former self-collecting cities until January 1, 2017. As such, Article V and Appendix I remained in place to govern the ongoing activities of cities and towns prior to completion of the TPT Simplification project. With the successful transition to Department administration, the changes necessitated by HB2389 will be taken up in future modifications to the MCTC. For the moment, the first two bills noted above have created significant return filing changes that we wish to reflect in the Model until such time as the complete implementation of HB2389 can be adopted into the body of the MCTC.

HB2283 changes the filing delinquency date for the Department and for cities by eliminating the State reliance on postmark dates and changing the city rule of accepting returns on the last business day. The new rules for both cities and the State deem a tax return delinquent if it is not received by the State electronically by the last business day of the month or received by the State by the day before the last business day if filed by paper. HB2288 increased the minimum filing frequency thresholds to determine when a taxpayer may file and pay on a less than monthly basis, and HB2389 further amended this section to require that the combined total tax due from all jurisdictions including counties and cities/towns must be considered, rather than just the State liability as had been the previous determinant. The new thresholds call for all taxpayers to file on a monthly basis unless their total annual tax liability to all jurisdictions is between \$8,000 and \$2,000, in which case they may choose to file and pay quarterly, or if their annual tax liability is less than \$2,000 they may choose to file and pay annually.

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2014	139	HB2283	1/1/2015	5014	530	Filing is delinquent if not received by last day electronically or day before last filed by paper
2014	141	HB2288	1/1/2015	5014	530	Changes M/Q/A filing thresholds
2014	263	HB2389	1/1/2015	6001/6002/ 6004/6009/6056/ 1125/2003/2075/5005/ 5009/5014/5015/5074/ 5075/5102/	Article III/ 415/455/462 530	TPT Simplification clean-up - municipal licenses/penalties; MRRA exemption certificate; electronic filing; exempt SNAP under R&B; create MRRA; SNAP under Food; transition IGA/electronic reporting; city Admin (Art. V) under state rules; initial MRRA preemption; MTHO end date; Session Law: refunds, appeals, license renewal; has multiple effective dates, only 1/1/2015 matters

Section XV: Amends Sec. 14-660, Use tax: exemptions.

Legislation (Year: Bill Numbers) – 2014: HB2285; 2015: HB2670, SB1446; 2016: HB2025, HB2326, HB2584, HB2676, SB1505; 2017: HB2064; 2018: HB2484, SB1120

There were multiple changes to Use tax exemptions, reflecting similar exemptions added or amended to the Contracting, Jet Fuel, Restaurant & Bar, Retail, and Utilities classifications. They are listed here in order of year enacted and bill number, and they are each followed by the effective date and the subsection impacted.

- 1) 2014, HB2285: Added exemption for the transfer of coal back and forth between a power plant and coal refinery, effective January 1, 2015; Subsection (tt).
- 2) 2015, HB2670: Added “international operations centers” to the eligible facilities that can qualify for exempt purchases of Utilities used in manufacturing and smelting (Local Option #PP), effective August 1, 2015; Subsection (ss).
- 3) 2015, SB1446: Added persons possessing a “MRRA” exemption certificate to the current exemption for purchases of construction materials by a contractor, effective January 1, 2015; Subsection (k).
- 4) 2016, HB2025: Added “liquefied petroleum gas” to the eligible utilities that could be purchased exempt for use in manufacturing, smelting, and international operation centers (Local Option #PP), effective September 1, 2016; Subsection (ss).
- 5) 2016, HB2326: Added farmers who produce animal feed to the statutory definition of “Food Producer” thus making all purchases of their feed exempt from tax, effective August 6, 2016; Subsection (v).
- 6) 2016, HB2584: Edited the requirements for the exemption of data center equipment that qualifies for tax relief offered by the Arizona Commerce Authority, effective retroactively from September 12, 2013; Subsection (uu).
- 7) 2016, HB2676: Amended the minimum energy usage and other requirements necessary to qualify for purchasing exempt utilities for use in manufacturing, smelting, and international operation centers (Local Option #PP), effective January 1, 2017; Subsection (ss).
- 8) 2016, SB1505: Removed a clause from the original language that stated gas transportation charges were excluded from the exemption for utilities for use in manufacturing, smelting, and international operation centers (Local Option #PP), thus making them exempt, effective September 1, 2016; Subsection (ss).
- 9) 2017, HB2064: Added a new limitation on Jet Fuel Use tax (Local Option #LL), limiting Use tax imposition to only the first 10 million gallons purchased during a calendar year, effective December 1, 2018; Subsection (vv).
- 10) 2018, HB2484: Added exemptions for the purchase, manufacture or distribution among wholesalers of food for human consumption, as well any container or packaging used exclusively for transporting, protecting or consuming food items intended for human consumption (as part of the preemption against a “soda” tax), effective August 3, 2018; Subsections (ww) and (yy).
- 11) 2018, SB1120: Added the exemption for purchases of tangible personal property sold at events operated by groups associated with Major League Baseball or a professional golf tour, including new amendments to prohibit application of the exemption for groups owned or controlled by a Major League team, MLB, or a pro

golf tour unless they operated such events before 2018, effective from and after January 1, 2018; Subsection (ee).

Legislative Bills 2014 - 2018						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2014	54	HB2285	1/1/2015	6004/5061/5072/ 5151/5159	465/660	Exempt coal transfers between the mine and refiner
2014	7	SB1413	8/1/2015	6012/5063/5159	480/660	Electricity, natural gas to a manufacturer exempt; Local Option #PP ALREADY ADOPTED
2015	6	HB2670	8/1/2015	6012/5063/5159	480 / 660	Adds "international operations center" to Option #PP for Utilities exemption for manufacturers
2015	4	SB1446	1/1/2015	9-467 6004/ 5005/5008.1/5009/ 5010/5061/5075/5159	110/415/415.1/ 465/660	Building permit requirements; create liability for Retail equivalent on MRRA used in Prime; clarify Retail exemptions for Contractors/MRRA; revises MRRA to limit "alteration", etc.
2016	359	HB2025	9/1/2016	6012/5063/5159	480/660	Adds "liquefied petroleum gas" to Option #PP
2016	361	HB2326	8/6/2016	3-561/3-563 5009/5022/5061/5159	465/660	Adds farmers who sell livestock feed to the definition of "food producers"
2016	369	HB2584	9/12/2013	6004/5061/5159	465/660	Edits exemption for data center equipment
2016	374	HB2676	1/1/2017	6012/5009/5063/5159	480/660	Alters the qualifications, etc. for Option #PP
2016	357	SB1505	9/1/2016	6012/5063/5159	480/660	Adds gas transportation charges to Option #PP
2017	50	HB2064	12/1/2017	6014	422/660	Exempts Jet Fuel over 10 million gallons; requires tax collected to be spent on airport operations
2018	17	HB2484	8/3/2018	6004/6015	455/462/ 465/660	Moves existing food preemptions into new section; prohibits any differential tax on a specific food (no soda tax allowed)
2018	249	SB1120	1/1/2018	6004/5061/5069/ 5073/5074/5159	410/445/ 455/465/660	Edits the exemption for MLB & pro golf events

2019 Speculative Builder Amendment

This amendment addresses certain issues presented in bills at the legislature by resolving the concerns of proponents, along with numerous clean-up edits, and the transfer of selected Regulations to the main body of the MCTC as new Sections. These amendments were approved by the Municipal Tax Code Commission in a public hearing held on February 22, 2019.

Section XVI: Amends Sec. 14-416, Construction Contracting - speculative builders.

Speculative builders are taxed at the local level only. These changes are effective on April 1, 2019. The amendment changed the definition of "Improved Real Property" to clarify that only the first sale after the Certificate of Occupancy or similar document is issued is subject to tax, and any subsequent improvements, remodeling or expansion of the original building is not considered taxable as reconstruction or the creation of a new structure; changed the definition of "Partially Improved Residential Real Property" by removing the word "residential" in several places and making grammatical edits, opening up the exemption for sales between two developers for both residential and commercial builders, including those who only do non-structural improvements to vacant land or add water, power, and streets; eliminated Local Option #M which allowed a deduction from the selling price for the cost of land. Local Option #N remains in place, allowing for a deduction based on the "fair market value" of land, with 20% of total selling price as the default safe harbor; removed the requirement that developers attach a written statement to their tax return for any sale to another developer; added an exemption for in-place leases allowing a reduction in total selling price for the present value of obligated future lease receipt, which recognizes the sale of a property with existing leases is really the sale of a building combined with the sale of the business of residential or commercial lease; placed in code a deduction that has been applied for decades in accordance with a practice decision and written direction provided by the cities, allowing a seller to reduce the selling price by the amount of taxes paid by their contractor to the state and county; added language clarifying that a tax credit is allowed for any Spec builder tax paid by a prior owner if a subsequent sale is subjected to the tax; and added "Qualified Trust" to the list of persons who can make a bona fide sale of a home and thus be exempt from the tax, provided at least one resident in the home is a beneficiary of the trust.

2019 Speculative Builder Amendment						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2019	N/A	N/A	4/1/2019	N/A	416/416.1/416.2	Speculative builders- taxable at the <u>local level only</u> ; adds clarifying language to definitions for "improved real property" and "partially improved residential real property" regarding exemption for sales between two developers; sets the agreed-upon calculation of the tax base deduction; eliminates the developer sales written statement requirement; adds exemption for in-place leases; codifies practice of allowing sales price reduction for taxes already paid by contractor; clarifies sales of Qualified Trusts; and transfers corresponding Section 416 Regulations to the main body of the MCTC as new Sections.

2019 Rental of Real Property and Telecommunications Amendments

The amendments titled “2019 Rental of Real Property Amendment” with a retroactive effective date of January 1, 2012 and “2019 Telecommunications Amendment” with an effective date of July 1, 2019 address certain issues presented in bills at the legislature by resolving the concerns of proponents, along with various clean-up edits, and the transfer of selected Regulations to the main body of the MCTC as new Sections. These amendments were approved by the Municipal Tax Code Commission in a public hearing held on May 31, 2019.

Included in Section VI: Amends Sec. 14-445, Rental, leasing, and licensing for use of real property.

Amends Sec. 445, Rental, leasing, and licensing for use of real property with a retroactive effective date of January 1, 2012. It removes an obsolete Local Option #T related to affiliated corporations; adds an exemption for payments by residents pursuant to life care contracts to a provider that holds a permit issued by the Department of Insurance; and establishes a limit on refund claims and the process for seeking claims.

2019 Rental of Real Property Amendment						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2019	N/A	N/A	1/1/2012	N/A	445	Removes an obsolete Local Option #T related to affiliated corporations; adds an exemption for payments by residents pursuant to life care contracts to a provider that holds a permit issued by the Department of Insurance; and establishes a limit on refund claims and the process for seeking claims.

Included in Section XI: Amends Sec. 14-470, Telecommunication services.

Amends Sec. 470, Telecommunication services with an effective date of July 1, 2019. It incorporates the language of former Regulation 470.1 into the Section; adds an exemption for “over-the-top” audio and video programming and related on-demand programming provided without an additional charge; and repeals Regulation 470.1.

2019 Telecommunications Amendment						
Year	Chapter	Bill #	Effective date	ARS Section 42-XXXX	PCC Section 14-XXXX	Description
2019	N/A	N/A	7/1/2019	N/A	470	Incorporates the language of former Regulation 470.1 into the Section; adds an exemption for “over-the-top” audio and video programming and related on-demand programming provided without an additional charge; and repeals Regulation 470.1.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **Section I. Phoenix City Code Section 14-110 is amended as follows, with the following**
2 **effective dates per subsection: (a)(3) January 1, 2015; (a)(6) June 1, 1998; (a)(6)(A)(iv)**
3 **January 1, 2018; (a)(14) April 17, 1985.**

4
5 **Sec.14-110. Definitions: Income-producing capital equipment.**

6 (a) The following tangible personal property, other than items excluded in subsection (d)
7 below, shall be deemed "income-producing capital equipment" for the purposes of this
8 Chapter:

9 (1) machinery or equipment used directly in manufacturing, processing, fabricating,
10 job printing, refining or metallurgical operations. The terms "manufacturing",
11 "processing", "fabricating", "job printing", "refining", and "metallurgical" as used
12 in this paragraph refer to and include those operations commonly understood
13 within their ordinary meaning. "Metallurgical operations" includes leaching,
14 milling, precipitating, smelting and refining.

15 (2) mining machinery, or equipment, used directly in the process of extracting ores or
16 minerals from the earth for commercial purposes, including equipment required to
17 prepare the materials for extraction and handling, loading or transporting such
18 extracted material to the surface. "Mining" includes underground, surface and
19 open pit operations for extracting ores and minerals.

20 (3) tangible personal property, sold to persons engaged in business classified under
21 the telecommunications classification, **INCLUDING A PERSON**
22 **REPRESENTING OR WORKING ON BEHALF OF SUCH A PERSON IN A**
23 **MANNER DESCRIBED IN SECTION 14-415(B)(12) AND A.R.S. SECTION**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **42-5075, SUBSECTION O**, consisting of central office switching equipment;

2 switchboards; private branch exchange equipment; microwave radio equipment,

3 and carrier equipment including optical fiber, coaxial cable, and other

4 transmission media which are components of carrier systems.

5 (4) machinery, equipment, or transmission lines used directly in producing or
6 transmitting electrical power, but not including distribution. Transformers and
7 control equipment used at transmission substation sites constitute equipment used
8 in producing or transmitting electrical power.

9 (5) pipes or valves four inches (4") in diameter or larger and related equipment, used
10 to transport oil, natural gas, artificial gas, water, or coal slurry. For the purpose of
11 this Section, related equipment includes: compressor units, regulators, machinery
12 and equipment, fittings, seals and any other parts that are used in operating the
13 pipes or valves.

14 (6) aircraft, navigational and communication instruments, and other accessories and
15 related equipment sold to:

16 (A) a person:

17 (i) holding, **OR EXEMPTED BY FEDERAL LAW FROM**
18 **OBTAINING**, a federal certificate of public convenience and
19 necessity **FOR USE AS, IN CONJUNCTION WITH OR**
20 **BECOMING PART OF AN AIRCRAFT TO BE USED TO**
21 **TRANSPORT PERSONS FOR HIRE IN INTRASTATE,**
22 **INTERSTATE OR FOREIGN COMMERCE.**

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (ii) **THAT IS CERTIFICATED OR LICENSED UNDER FEDERAL**
- 2 **AVIATION ADMINISTRATION REGULATIONS (14 CODE**
- 3 **OF FEDERAL REGULATIONS PART 121 OR 135) AS A**
- 4 **SCHEDULED OR UNSCHEDULED CARRIER OF PERSONS**
- 5 **FOR HIRE FOR USE AS OR IN CONJUNCTION WITH OR**
- 6 **BECOMING PART OF AN AIRCRAFT TO BE USED TO**
- 7 **TRANSPORT PERSONS FOR HIRE IN INTRASTATE,**
- 8 **INTERSTATE OR FOREIGN COMMERCE.**
- 9 (iii) **HOLDING A** foreign air carrier permit for air transportation for
- 10 use as or in conjunction with or becoming a part of aircraft to be
- 11 used to transport persons, property or United States mail in
- 12 intrastate, interstate or foreign commerce.
- 13 (iv) **OPERATING AN AIRCRAFT TO TRANSPORT PERSONS IN**
- 14 **ANY MANNER FOR COMPENSATION OR HIRE, OR FOR**
- 15 **USE IN A FRACTIONAL OWNERSHIP PROGRAM THAT**
- 16 **MEETS THE REQUIREMENTS OF FEDERAL AVIATION**
- 17 **ADMINISTRATION REGULATIONS (14 CODE OF FEDERAL**
- 18 **REGULATIONS PART 91, SUBPART K), INCLUDING AS AN**
- 19 **AIR CARRIER, A FOREIGN AIR CARRIER OR A**
- 20 **COMMERCIAL OPERATOR OR UNDER A RESTRICTED**
- 21 **CATEGORY, WITHIN THE MEANING OF 14 CODE OF**
- 22 **FEDERAL REGULATIONS, REGARDLESS OF WHETHER**
- 23 **THE OPERATION OR AIRCRAFT IS REGULATED OR**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 CERTIFIED UNDER PART 91, 119, 121, 133, 135, 136 OR 137,
2 OR ANOTHER PART OF 14 CODE OF FEDERAL
3 REGULATIONS.

4 (v) THAT WILL LEASE OR OTHERWISE TRANSFER
5 OPERATIONAL CONTROL, WITHIN THE MEANING OF
6 FEDERAL AVIATION ADMINISTRATION OPERATIONS
7 SPECIFICATION A008, OR ITS SUCCESSOR, OF THE
8 AIRCRAFT, INSTRUMENTS OR ACCESSORIES TO ONE OR
9 MORE PERSONS DESCRIBED IN ITEM (i), (ii), (iii) OR (iv)
10 OF THIS SUBDIVISION, SUBJECT TO A.R.S. SECTION 42-
11 5009, SUBSECTION N.

12 (B) any foreign government.

13 (C) persons who are not residents of this State and who will not use such
14 property in this State other than in removing such property from this State.
15 This subdivision also applies to corporations that are not incorporated in
16 this State, regardless of maintaining a place of business in this State, if the
17 principal corporate office is located outside this State and the property will
18 not be used in this State other than in removing the property from this
19 State.

20 (7) machinery, tools, equipment and related supplies used or consumed directly in
21 repairing, remodeling or maintaining aircraft, aircraft engines or aircraft
22 component parts by or on behalf of a certificated or licensed carrier of persons or
23 property.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (8) railroad rolling stock, rails, ties and signal control equipment used directly to
2 transport persons or property.
- 3 (9) machinery or equipment used directly to drill for oil or gas or used directly in the
4 process of extracting oil or gas from the earth for commercial purposes.
- 5 (10) buses or other urban mass transit vehicles which are used directly to transport
6 persons or property for hire or pursuant to a governmentally adopted and
7 controlled urban mass transportation program and which are sold to bus
8 companies holding a federal certificate of convenience and necessity or operated
9 by a city, town or other governmental entity or by any person contracting with
10 such governmental entity as part of a governmentally adopted and controlled
11 program to provide urban mass transportation.
- 12 (11) metering, monitoring, receiving, and transmitting equipment acquired by persons
13 engaged in the business of providing utility services or telecommunications
14 services; but only to the extent that such equipment is to be used by the customers
15 of such persons and such persons separately charge or bill their customers for use
16 of such equipment.
- 17 (12) groundwater measuring devices required under A.R.S. **SECTION** 45-604.
- 18 (13) machinery or equipment used in research and development. In this paragraph,
19 "research and development" means basic and applied research in the sciences and
20 engineering, and designing, developing or testing prototypes, processes or new
21 products, including research and development of computer software that is
22 embedded in or an integral part of the prototype or new product or that is required
23 for machinery or equipment otherwise exempt under this Section to function

Attachment B
Amendments to the Phoenix City (Tax) Code

1 effectively. Research and development do not include manufacturing quality
2 control, routine consumer product testing, market research, sales promotion, sales
3 service, research in social sciences or psychology, computer software research
4 that is not included in the definition of research and development, or other
5 nontechnological activities or technical services.

6 (14) (Reserved)

7 (15) Included in income producing capital equipment are liquid, solid or gaseous
8 chemicals used in manufacturing, processing, fabricating, mining, refining,
9 metallurgical operations, research and development or job printing, if using or
10 consuming the chemicals, alone or as part of an integrated system of chemicals,
11 involving direct contact with the materials from which the product is produced for
12 the purpose of causing or permitting a chemical or physical change to occur in the
13 materials as part of the production process. This subsection does not include
14 chemicals that are used or consumed in activities such as packaging, storage or
15 transportation but does not affect any deduction for such chemicals that is
16 otherwise provided by this Code. Chemicals meeting the requirements of this
17 subsection are deemed not to be expendable under subsection (d) of this Section.

18 (16) cleanrooms that are used for manufacturing, processing, fabrication or research
19 and development, as defined in paragraph (13) of this subsection, of
20 semiconductor products. For purposes of this paragraph, "cleanroom" means all
21 property that comprises or creates an environment where humidity, temperature,
22 particulate matter and contamination are precisely controlled within specified
23 parameters, without regard to whether the property is actually contained within

Attachment B
Amendments to the Phoenix City (Tax) Code

1 that environment or whether any of the property is affixed to or incorporated into
2 real property. Cleanroom:

3 (A) includes the integrated systems, fixtures, piping, movable partitions,
4 lighting and all property that is necessary or adapted to reduce
5 contamination or to control airflow, temperature, humidity, chemical
6 purity or other environmental conditions or manufacturing tolerances, as
7 well as the production machinery and equipment operating in conjunction
8 with the cleanroom environment.

9 (B) does not include the building or other permanent, nonremovable
10 component of the building that houses the cleanroom environment.

11 (17) machinery and equipment that are purchased by or on behalf of the owners of a
12 soundstage complex and primarily used for motion picture, multimedia or
13 interactive video production in the complex. This paragraph applies only if the
14 initial construction of the soundstage complex begins after June 30, 1996 and
15 before January 1, 2002 and the machinery and equipment are purchased before
16 the expiration of five years after the start of initial construction. For purposes of
17 this paragraph:

18 (A) "motion picture, multimedia or interactive video production" includes
19 products for theatrical and television release, educational presentations,
20 electronic retailing, documentaries, music videos, industrial films, cd-rom,
21 video game production, commercial advertising and television episode
22 production and other genres that are introduced through developing
23 technology.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (B) "soundstage complex" means a facility of multiple stages including
2 production offices, construction shops and related areas, prop and costume
3 shops, storage areas, parking for production vehicles and areas that are
4 leased to businesses that complement the production needs and orientation
5 of the overall facility.

6 (18) tangible personal property that is used by either of the following to receive, store,
7 convert, produce, generate, decode, encode, control or transmit
8 telecommunications information:

9 (A) any direct broadcast satellite television or data transmission service that
10 operates pursuant to 47 Code of Federal Regulations parts 25 and 100.

11 (B) any satellite television or data transmission facility, if both of the
12 following conditions are met:

13 (i) over two-thirds of the transmissions, measured in megabytes,
14 transmitted by the facility during the test period were transmitted
15 to or on behalf of one or more direct broadcast satellite television
16 or data transmission services that operate pursuant to 47 Code of
17 Federal Regulations parts 25 and 100.

18 (ii) over two-thirds of the transmissions, measured in megabytes,
19 transmitted by or on behalf of those direct broadcast television or
20 data transmission services during the test period were transmitted
21 by the facility to or on behalf of those services.

22 For purposes of subdivision (B) of this paragraph, "test period" means the
23 three hundred sixty-five day period beginning on the later of the date on

Attachment B
Amendments to the Phoenix City (Tax) Code

1 which the tangible personal property is purchased or the date on which the
2 direct broadcast satellite television or data transmission service first
3 transmits information to its customers.

4 (19) machinery and equipment that is used directly in the feeding of poultry, the
5 environmental control of housing for poultry, the movement of eggs within a
6 production and packaging facility or the sorting or cooling of eggs. This
7 exemption does not apply to vehicles used for transporting eggs.

8 (20) machinery or equipment, including related structural components, that is
9 employed in connection with manufacturing, processing, fabricating, job printing,
10 refining, mining, natural gas pipelines, metallurgical operations,
11 telecommunications, producing or transmitting electricity or research and
12 development that is used directly to meet or exceed rules or regulations adopted
13 by the Federal Energy Regulatory Commission, the United States Environmental
14 Protection Agency, the United States Nuclear Regulatory Commission, the
15 Arizona Department of Environmental Quality or a political subdivision of this
16 state to prevent, monitor, control or reduce land, water or air pollution.

17 (21) machinery or equipment that enables a television station to originate and
18 broadcast or to receive and broadcast digital television signals and that was
19 purchased to facilitate compliance with the Telecommunications Act of 1996
20 (P.L. 104-104; 110 Stat. 56; 47 United States Code Section 336) and the Federal
21 Communications Commission Order issued April 21, 1997, 47 Code of Federal
22 Regulations Part 73. This paragraph does not exempt any of the following:

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (A) repair or replacement parts purchased for the machinery or equipment
2 described in this paragraph.
- 3 (B) machinery or equipment purchased to replace machinery or equipment for
4 which an exemption was previously claimed and taken under this
5 paragraph.
- 6 (C) any machinery or equipment purchased after the television station has
7 ceased analog broadcasting, or purchased after November 1, 2009,
8 whichever occurs first.
- 9 (b) The term "income-producing capital equipment" shall further include ancillary machinery
10 and equipment used for the treatment of waste products created by the business activities
11 which are allowed to purchase "income-producing capital equipment" defined in
12 subsection (a) above.
- 13 (c) The term "income-producing capital equipment" shall further include repair and
14 replacement parts, other than the items in subsection (d) below, where the property is
15 acquired to become an integral part of another item itemized in subsections (a) or (b)
16 above.
- 17 (d) The tangible personal property defined as income-producing capital equipment in this
18 Section shall not include:
- 19 (1) expendable materials. For purposes of this paragraph, expendable materials do not
20 include any of the categories of tangible personal property specified in
21 subsection (a), (b) or (c) of this Section regardless of the cost or useful life of
22 that property.
- 23 (2) janitorial equipment and hand tools.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (3) office equipment, furniture, and supplies.
- 2 (4) tangible personal property used in selling or distributing activities.
- 3 (5) motor vehicles required to be licensed by the State of Arizona, except buses or
- 4 other urban mass transit vehicles specifically exempted pursuant to subsection
- 5 (a)(10) above without regard to the use of such motor vehicles.
- 6 (6) shops, buildings, docks, depots, and all other materials of whatever kind or
- 7 character not specifically included as exempt.
- 8 (7) motors and pumps used in drip irrigation systems.
- 9 (8) **(RESERVED)**
- 10 (e) For the purposes of this Section:
- 11 (1) "aircraft" includes:
- 12 (A) an airplane flight simulator that is approved by the Federal Aviation
- 13 Administration for use as a Phase II or higher flight simulator under
- 14 Appendix H, 14 Code of Federal Regulations Part 121.
- 15 (B) tangible personal property that is permanently affixed or attached as a
- 16 component part of an aircraft that is owned or operated by a certificated or
- 17 licensed carrier of persons or property.
- 18 (2) "other accessories and related equipment" includes aircraft accessories and
- 19 equipment such as ground service equipment that physically contact aircraft at
- 20 some point during the overall carrier operation.

21

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **Section II. Phoenix City Code Section 14-410 is amended as follows with the following**
2 **effective dates per subsection: (b)(6) January 1, 2018; (b)(7) January 1, 2010; (b)(8) August**
3 **6, 2016; (b)(9) January 1, 2019.**

4
5 **Sec. 14-410. Amusements, exhibitions, and similar activities.**

6 (a) The tax rate shall be at an amount equal to two and three-tenths percent (2.3%) of the
7 gross income from the business activity upon every person engaging or continuing in the
8 business of providing amusement that begins in the city or takes place entirely within the
9 City, which includes the following type or nature of businesses:

- 10 (1) operating or conducting theaters, movies, operas, shows of any type or nature,
11 exhibitions, concerts, carnivals, circuses, amusement parks, menageries, fairs,
12 races, contests, games, billiard or pool parlors, bowling alleys, skating rinks,
13 tennis courts, golf courses, video games, pinball machines, public dances, dance
14 halls, sports events, jukeboxes, batting and driving ranges, animal rides, or any
15 other business charging admission for exhibition, amusement, or entertainment.

16 (2) (Reserved)

17 (b) Deductions or exemptions. The gross proceeds of sales or gross income derived from the
18 following sources is exempt from the tax imposed by this Section:

19 (1) (Reserved)

20 (2) Amounts retained by the Arizona Exposition and State Fair Board from ride ticket
21 sales at the annual Arizona State Fair.

22 (3) Income received from a hotel business subject to tax under Section 14-444, if all
23 of the following apply:

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (A) The hotel business receives gross income from a customer for the specific
2 business activity otherwise subject to amusement tax.
- 3 (B) The consideration received by the hotel business is equal to or greater than
4 the amount to be deducted under this subsection.
- 5 (C) The hotel business has provided an exemption certificate to the person
6 engaging in business under this Section.
- 7 (4) Income that is specifically included as the gross income of a business activity
8 upon which another Section of this Article imposes a tax, that is separately stated
9 to the customer and is taxable to the person engaged in that classification not to
10 exceed consideration paid to the person conducting the activity.
- 11 (5) Income from arranging transportation connected to amusement activity that is
12 separately stated to the customer, not to exceed consideration paid to the
13 transportation business.
- 14 (6) EXHIBITION EVENTS IN THIS STATE SPONSORED, CONDUCTED OR
15 OPERATED BY A NONPROFIT ORGANIZATION THAT IS EXEMPT FROM
16 TAXATION UNDER SECTION 501(C)(3), 501(C)(4) OR 501(C)(6) OF THE
17 INTERNAL REVENUE CODE IF THE ORGANIZATION IS ASSOCIATED
18 WITH A MAJOR LEAGUE BASEBALL TEAM OR A NATIONAL TOURING
19 PROFESSIONAL GOLFING ASSOCIATION AND NO PART OF THE
20 ORGANIZATION'S NET EARNINGS INURES TO THE BENEFIT OF ANY
21 PRIVATE SHAREHOLDER OR INDIVIDUAL. THIS PARAGRAPH DOES
22 NOT APPLY TO AN ORGANIZATION THAT IS OWNED, MANAGED OR
23 CONTROLLED, IN WHOLE OR IN PART, BY A MAJOR LEAGUE

Attachment B
Amendments to the Phoenix City (Tax) Code

1 BASEBALL TEAM, OR ITS OWNERS, OFFICERS, EMPLOYEES OR
2 AGENTS, OR BY A MAJOR LEAGUE BASEBALL ASSOCIATION OR
3 PROFESSIONAL GOLFING ASSOCIATION, OR ITS OWNERS, OFFICERS,
4 EMPLOYEES OR AGENTS, UNLESS THE ORGANIZATION CONDUCTED
5 OR OPERATED EXHIBITION EVENTS IN THIS STATE BEFORE
6 JANUARY 1, 2018 THAT WERE EXEMPT FROM STATE TRANSACTION
7 PRIVILEGE TAX UNDER A.R.S. SECTION 42-5073.

8 (7) UNTIL MARCH 1, 2017, THE GROSS PROCEEDS OF SALES OR GROSS
9 INCOME DERIVED FROM ENTRY FEES PAID BY PARTICIPANTS FOR
10 EVENTS THAT CONSIST OF A RUN, WALK, SWIM OR BICYCLE RIDE
11 OR A SIMILAR EVENT, OR ANY COMBINATION OF THESE EVENTS.

12 (8) THE GROSS PROCEEDS OF SALES OR GROSS INCOME DERIVED FROM
13 ENTRY FEES PAID BY PARTICIPANTS FOR EVENTS THAT ARE
14 OPERATED OR CONDUCTED BY NONPROFIT ORGANIZATIONS THAT
15 ARE EXEMPT FROM TAXATION UNDER SECTION 501(c)(3) OF THE
16 INTERNAL REVENUE CODE AND OF WHICH NO PART OF THE
17 ORGANIZATION'S NET EARNINGS INURES TO THE BENEFIT OF ANY
18 PRIVATE SHAREHOLDER OR INDIVIDUAL, IF THE EVENT CONSISTS
19 OF A RUN, WALK, SWIM OR BICYCLE RIDE OR A SIMILAR EVENT, OR
20 ANY COMBINATION OF THESE EVENTS.

21 (9) (RESERVED)

22 (c) The tax imposed by this Section shall not include arranging an amusement activity as a
23 service to a person's customers if that person is not otherwise engaged in the business of

Attachment B
Amendments to the Phoenix City (Tax) Code

1 operating or conducting an amusement themselves or through others. This exception does
2 not apply to businesses that operate or conduct amusements pursuant to customer orders
3 and send the billings and receive the payments associated with that activity, including
4 when the amusement is performed by third party independent contractors. For the
5 purposes of this paragraph, "arranging" includes billing for or collecting amusement
6 charges from a person's customers on behalf of the persons providing the amusement.

7
8 **Section III. Phoenix City Code Section 14-415 is amended as follows, with an effective date**
9 **of January 1, 2015.**

10
11 **Sec. 14-415. Construction contracting: construction contractors.**

12 (a) The tax rate shall be at an amount equal to two and three-tenths percent (2.3%) of the
13 gross income from the business upon every construction contractor engaging or
14 continuing in the business activity of construction contracting within the City.

15 (1) However, gross income from construction contracting shall not include charges
16 related to groundwater measuring devices required by A.R.S. Section § 45-604.

17 (2) (Reserved)

18 (3) Gross income from construction contracting shall not include gross income from
19 the sale of manufactured buildings taxable under Section 14-427.

20 (4) For taxable periods beginning from and after July 1, 2008, the portion of gross
21 proceeds of sales or gross income attributable to the actual direct costs of
22 providing architectural or engineering services that are incorporated in a contract

Attachment B
Amendments to the Phoenix City (Tax) Code

1 is not subject to tax under this Section. For the purposes of this subsection, "direct
2 costs" means the portion of the actual costs that are directly expended in
3 providing architectural or engineering services.

4 (5) **HANDYMAN EXCLUSION. THIS CLASSIFICATION DOES NOT INCLUDE**
5 **GROSS INCOME FROM ANY WORK OR OPERATION PERFORMED BY A**
6 **PERSON THAT IS NOT REQUIRED TO BE LICENSED BY THE**
7 **REGISTRAR OF CONTRACTORS PURSUANT TO A.R.S. SECTION 32-**
8 **1121.**

9 (b) Deductions and exemptions.

10 (1) Gross income derived from acting as a "subcontractor" shall be exempt from the
11 tax imposed by this Section.

12 (2) All construction contracting gross income subject to the tax and not deductible
13 herein shall be allowed a deduction of thirty-five percent (35%).

14 (3) The gross proceeds of sales or gross income attributable to the purchase of
15 machinery, equipment or other tangible personal property that is exempt from or
16 deductible from privilege or use tax under:

17 (A) Section 14-465, subsections (g) and (p)

18 (B) Section 14-660, subsections (g) and (p);

19 shall be exempt or deductible, respectively, from the tax imposed by this Section.

20 (4) The gross proceeds of sales or gross income that is derived from a contract
21 entered into for the installation, assembly, repair or maintenance of income-
22 producing capital equipment, as defined in Section 14-110, that is deducted from

Attachment B
Amendments to the Phoenix City (Tax) Code

1 the retail classification pursuant to Section 14-465(g), that does not become a
2 permanent attachment to a building, highway, road, railroad, excavation or
3 manufactured building or other structure, project, development or improvement
4 shall be exempt from the tax imposed by this Section. If the ownership of the
5 realty is separate from the ownership of the income-producing capital equipment,
6 the determination as to permanent attachment shall be made as if the ownership
7 was the same. The deduction provided in this paragraph does not include gross
8 proceeds of sales or gross income from that portion of any contracting activity
9 which consists of the development of, or modification to, real property in order to
10 facilitate the installation, assembly, repair, maintenance or removal of the income-
11 producing capital equipment. For purposes of this paragraph, "permanent
12 attachment" means at least one of the following:

- 13 (A) to be incorporated into real property.
- 14 (B) to become so affixed to real property that it becomes part of the real
15 property.
- 16 (C) to be so attached to real property that removal would cause substantial
17 damage to the real property from which it is removed.

18 (5) The gross proceeds of sales or gross income received from a contract for the
19 construction of an environmentally controlled facility for the raising of poultry for
20 the production of eggs and the sorting, or cooling and packaging of eggs shall be
21 exempt from the tax imposed under this Section.

22 (6) The gross proceeds of sales or gross income that is derived from the installation,
23 assembly, repair or maintenance of cleanrooms that are deducted from the tax

Attachment B
Amendments to the Phoenix City (Tax) Code

1 base of the retail classification pursuant to Section 14-465, subsection (g) shall be
2 exempt from the tax imposed under this Section.

3 (7) The gross proceeds of sales or gross income that is derived from a contract
4 entered into with a person who is engaged in the commercial production of
5 livestock, livestock products or agricultural, horticultural, viticultural or
6 floricultural crops or products in this State for the construction, alteration, repair,
7 improvement, movement, wrecking or demolition or addition to or subtraction
8 from any building, highway, road, excavation, manufactured building or other
9 structure, project, development or improvement used directly and primarily to
10 prevent, monitor, control or reduce air, water or land pollution shall be exempt
11 from the tax imposed under this Section.

12 (8) The gross proceeds of sales or gross income received from a post construction
13 contract to perform post-construction treatment of real property for termite and
14 general pest control, including wood destroying organisms, shall be exempt from
15 tax imposed under this Section.

16 (9) Through December 31, 2009, the gross proceeds of sales or gross income received
17 from a contract for constructing any lake facility development in a commercial
18 enhancement reuse district that is designated pursuant to A.R.S. SECTION 9-
19 499.08 if the contractor maintains the following records in a form satisfactory to
20 the Arizona Department of Revenue and to the City:

21 (A) The certificate of qualification of the lake facility development issued by
22 the City pursuant to A.R.S. SECTION 9-499.08, subsection D.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (B) All state and local transaction privilege tax returns for the period of time
2 during which the contractor received gross proceeds of sales or gross
3 income from a contract to construct a lake facility development in a
4 designated commercial enhancement reuse district, showing the amount
5 exempted from state and local taxation.
- 6 (C) Any other information considered to be necessary.
- 7 (10) Any amount attributable to development fees that are incurred in relation to the
8 construction, development or improvement of real property and paid by the
9 taxpayer as defined in the model city tax code or by a contractor providing
10 services to the taxpayer. For the purposes of this paragraph:
- 11 (A) the attributable amount shall not exceed the value of the development fees
12 actually imposed.
- 13 (B) the attributable amount is equal to the total amount of development fees
14 paid by the taxpayer or by a contractor providing services to the taxpayer
15 and the total development fees credited in exchange for the construction
16 of, contribution to or dedication of real property for providing public
17 infrastructure, public safety or other public services necessary to the
18 development. The real property must be the subject of the development
19 fees.
- 20 (C) "development fees" means fees imposed to offset capital costs of
21 providing public infrastructure, public safety or other public services to a
22 development and authorized pursuant to A.R.S. Section 9-463.05, A.R.S.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 Section 11-1102 or A.R.S. Title 48 regardless of the jurisdiction to which
2 the fees are paid.

3 (11) For taxable periods beginning from and after July 1, 2008 and ending before
4 January 1, 2017, the gross proceeds of sales or gross income derived from a
5 contract to provide and install a solar energy device. The contractor shall register
6 with the department of revenue as a solar energy contractor. By registering, the
7 contractor acknowledges that it will make its books and records relating to sales
8 of solar energy devices available to the department of revenue and the city, as
9 applicable, for examination.

10 (12) THE GROSS PROCEEDS OF SALES OR GROSS INCOME DERIVED FROM
11 A CONTRACT WITH THE OWNER OF REAL PROPERTY OR
12 IMPROVEMENTS TO REAL PROPERTY FOR THE MAINTENANCE,
13 REPAIR, REPLACEMENT OR ALTERATION OF EXISTING PROPERTY IS
14 NOT SUBJECT TO TAX UNDER THIS SECTION IF THE CONTRACT DOES
15 NOT INCLUDE MODIFICATION ACTIVITIES, EXCEPT AS SPECIFIED IN
16 THIS PARAGRAPH. THE GROSS PROCEEDS OF SALES OR GROSS
17 INCOME DERIVED FROM A DE MINIMIS AMOUNT OF MODIFICATION
18 ACTIVITY DOES NOT SUBJECT THE CONTRACT OR ANY PART OF THE
19 CONTRACT TO TAX UNDER THIS SECTION. FOR THE PURPOSES OF
20 THIS PARAGRAPH:

21 (A) ANY TERM NOT DEFINED IN THIS PARAGRAPH THAT IS
22 DEFINED IN A.R.S. SECTION 42-5075 HAS THE SAME MEANING
23 PRESCRIBED IN A.R.S. SECTION 42-5075.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (B) TANGIBLE PERSONAL PROPERTY THAT IS INCORPORATED OR
2 FABRICATED INTO A PROJECT DESCRIBED IN THIS
3 SUBSECTION MAY BE SUBJECT TO THE AMOUNT PRESCRIBED
4 IN SECTION 14-415.1.

5 (C) EACH CONTRACT IS INDEPENDENT OF ANY OTHER
6 CONTRACT, EXCEPT THAT ANY CHANGE ORDER THAT
7 DIRECTLY RELATES TO THE SCOPE OF WORK OF THE
8 ORIGINAL CONTRACT SHALL BE TREATED THE SAME AS THE
9 ORIGINAL CONTRACT UNDER THIS CHAPTER, REGARDLESS OF
10 THE AMOUNT OF MODIFICATION ACTIVITIES INCLUDED IN
11 THE CHANGE ORDER. IF A CHANGE ORDER DOES NOT
12 DIRECTLY RELATE TO THE SCOPE OF WORK OF THE ORIGINAL
13 CONTRACT, THE CHANGE ORDER SHALL BE TREATED AS A
14 NEW CONTRACT, WITH THE TAX TREATMENT OF ANY
15 SUBSEQUENT CHANGE ORDER TO FOLLOW THE TAX
16 TREATMENT OF THE CONTRACT TO WHICH THE SCOPE OF
17 WORK OF THE SUBSEQUENT CHANGE ORDER DIRECTLY
18 RELATES.

19 (D) THIS PARAGRAPH DOES NOT APPLY TO A CONTRACT THAT
20 PRIMARILY INVOLVES SURFACE OR SUBSURFACE
21 IMPROVEMENTS TO LAND AND THAT IS SUBJECT TO A.R.S.
22 TITLE 28, CHAPTER 19, 20 OR 22 OR A.R.S. TITLE 34, CHAPTER 2
23 OR 6 EVEN IF THE CONTRACT ALSO INCLUDES VERTICAL

Attachment B
Amendments to the Phoenix City (Tax) Code

1 IMPROVEMENTS. IF A CITY OR TOWN IMPOSES A TAX ON
2 CONTRACTS THAT ARE SUBJECT TO PROCUREMENT
3 PROCESSES UNDER THOSE PROVISIONS, THE CITY OR TOWN
4 SHALL INCLUDE IN THE REQUEST FOR PROPOSALS A NOTICE
5 TO BIDDERS WHEN THOSE PROJECTS ARE SUBJECT TO THE
6 TAX. THIS SUBDIVISION DOES NOT APPLY TO CONTRACTS
7 WITH:

8 (i) COMMUNITY FACILITIES DISTRICTS, FIRE DISTRICTS,
9 COUNTY TELEVISION IMPROVEMENT DISTRICTS,
10 COMMUNITY PARK MAINTENANCE DISTRICTS, COTTON
11 PEST CONTROL DISTRICTS, HOSPITAL DISTRICTS, PEST
12 ABATEMENT DISTRICTS, HEALTH SERVICE DISTRICTS,
13 AGRICULTURAL IMPROVEMENT DISTRICTS, COUNTY
14 FREE LIBRARY DISTRICTS, COUNTY JAIL DISTRICTS,
15 COUNTY STADIUM DISTRICTS, SPECIAL HEALTH CARE
16 DISTRICTS, PUBLIC HEALTH SERVICES DISTRICTS,
17 THEME PARK DISTRICTS, REGIONAL ATTRACTION
18 DISTRICTS OR REVITALIZATION DISTRICTS.

19 (ii) ANY SPECIAL TAXING DISTRICT NOT SPECIFIED IN ITEM
20 (i) OF THIS SUBDIVISION IF THE DISTRICT DOES NOT
21 SUBSTANTIALLY ENGAGE IN THE MODIFICATION,
22 MAINTENANCE, REPAIR, REPLACEMENT OR

Attachment B
Amendments to the Phoenix City (Tax) Code

ALTERATION OF SURFACE OR SUBSURFACE

IMPROVEMENTS TO LAND.

(13) THE GROSS PROCEEDS OF SALES OR GROSS INCOME DERIVED FROM A CONTRACT ENTERED INTO FOR THE CONSTRUCTION OF A MIXED WASTE PROCESSING FACILITY THAT IS LOCATED ON A MUNICIPAL SOLID WASTE LANDFILL AND THAT IS CONSTRUCTED FOR THE PURPOSE OF RECYCLING SOLID WASTE OR PRODUCING RENEWABLE ENERGY FROM LANDFILL WASTE. FOR THE PURPOSES OF THIS PARAGRAPH:

(A) "MIXED WASTE PROCESSING FACILITY" MEANS A SOLID WASTE FACILITY THAT IS OWNED, OPERATED OR USED FOR THE TREATMENT, PROCESSING OR DISPOSAL OF SOLID WASTE, RECYCLABLE SOLID WASTE, CONDITIONALLY EXEMPT SMALL QUANTITY GENERATOR WASTE OR HOUSEHOLD HAZARDOUS WASTE. FOR THE PURPOSES OF THIS SUBDIVISION, "CONDITIONALLY EXEMPT SMALL QUANTITY GENERATOR WASTE", "HOUSEHOLD HAZARDOUS WASTE" AND "SOLID WASTE FACILITY" HAVE THE SAME MEANINGS PRESCRIBED IN A.R.S. SECTION 49-701, EXCEPT THAT SOLID WASTE FACILITY DOES INCLUDE A SITE THAT STORES, TREATS OR PROCESSES PAPER, GLASS, WOOD, CARDBOARD, HOUSEHOLD TEXTILES, SCRAP METAL, PLASTIC,

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **VEGETATIVE WASTE, ALUMINUM, STEEL OR OTHER**
2 **RECYCLABLE MATERIAL.**

3 **(B) "MUNICIPAL SOLID WASTE LANDFILL" HAS THE SAME**
4 **MEANING PRESCRIBED IN A.R.S. SECTION 49-701.**

5 **(C) "RECYCLING" MEANS COLLECTING, SEPARATING, CLEANSING,**
6 **TREATING AND RECONSTITUTING RECYCLABLE SOLID WASTE**
7 **THAT WOULD OTHERWISE BECOME SOLID WASTE, BUT DOES**
8 **NOT INCLUDE INCINERATION OR OTHER SIMILAR PROCESSES.**

9 **(D) "RENEWABLE ENERGY" HAS THE SAME MEANING PRESCRIBED**
10 **IN A.R.S. SECTION 41-1511.**

11 (c) "Subcontractor" means a construction contractor performing work for either:

12 (1) a construction contractor who has provided the subcontractor with a written
13 declaration that he is liable for the tax for the project and has provided the
14 subcontractor his City Privilege License number.

15 (2) an owner-builder who has provided the subcontractor with a written declaration
16 that:

17 (A) the owner-builder is improving the property for sale; and

18 (B) the owner-builder is liable for the tax for such construction contracting
19 activity; and

20 (C) the owner-builder has provided the contractor his City Privilege License
21 number.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (3) a person selling new manufactured buildings who has provided the subcontractor
2 with a written declaration that he is liable for the tax for the site preparation and
3 set-up; and provided the subcontractor his City Privilege License number.

4 Subcontractor also includes a construction contractor performing work for another
5 subcontractor as defined above.

6
7 **Section IV. Phoenix City Code Section 14-415.1 is adopted as follows, with an effective date**
8 **of January 1, 2015.**

9
10 **Sec. 14-415.1. LIABILITY FOR MRRA AMOUNTS, EQUAL TO RETAIL**

11 **TRANSACTION PRIVILEGE TAX DUE.**

12 **(A) PERSON THAT IS EITHER A PRIME CONTRACTOR SUBJECT TO TAX UNDER**
13 **SECTION 14-415 OR A SUBCONTRACTOR WORKING UNDER THE CONTROL**
14 **OF SUCH A PRIME CONTRACTOR, THAT PURCHASES TANGIBLE PERSONAL**
15 **PROPERTY, THE PURCHASE PRICE OF WHICH WAS EXCLUDED FROM THE**
16 **TAX BASE UNDER THE RETAIL CLASSIFICATION UNDER SECTION 14-465(K)**
17 **OR WAS EXCLUDED FROM THE USE TAX UNDER SECTION 14-660(K) AT THE**
18 **TIME OF PURCHASE, AND THAT INCORPORATES OR FABRICATES THE**
19 **TANGIBLE PERSONAL PROPERTY INTO A PROJECT DESCRIBED IN SECTION**
20 **14-415(B)(12) AND A.R.S. SECTION 42-5075, SUBSECTION O IS LIABLE FOR AN**
21 **AMOUNT EQUAL TO ANY TAX THAT A SELLER WOULD HAVE BEEN**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 REQUIRED TO PAY UNDER SECTION 14-460 AND A.R.S. TITLE 42, CHAPTER 5
2 AS FOLLOWS:

3 (1) THE AMOUNT OF LIABILITY SHALL BE CALCULATED AND
4 REPORTED BASED ON THE LOCATION OF THE PROJECT AND THE
5 TAXES IMPOSED UNDER SECTION 14-460 AND A.R.S. TITLE 42,
6 CHAPTER 5.

7 (2) ALL DEDUCTIONS, EXEMPTIONS AND EXCLUSIONS FOR THE COST
8 OF TANGIBLE PERSONAL PROPERTY PROVIDED IN SECTION 14-415
9 APPLY TO THE TANGIBLE PERSONAL PROPERTY INCORPORATED OR
10 FABRICATED INTO THE PROJECT.

11 (3) THIS SUBSECTION DOES NOT APPLY TO TANGIBLE PERSONAL
12 PROPERTY THAT IS INCORPORATED OR FABRICATED INTO ANY
13 PROJECT UNDER A CONTRACT THAT WOULD OTHERWISE BE
14 EXCLUDED FROM THE TAX BASE UNDER SECTION 14-415, WITHOUT
15 REGARD TO SECTION 14-415(B)(12).

16 (4) THE AMOUNT OF LIABILITY SHALL BE REPORTED WITHIN THE
17 REPORTING PERIOD THAT INCLUDES THE MONTH IN WHICH THE
18 PERSON INCORPORATES OR FABRICATES THE TANGIBLE PERSONAL
19 PROPERTY INTO THE PROJECT.

20 (5) THE PERSON IS NOT LIABLE FOR THE AMOUNT IF THE CONTRACTOR
21 WHO HIRED THE PERSON EXECUTES AND PROVIDES TO THE PERSON
22 A CERTIFICATE STATING THAT THE CONTRACTOR PROVIDING THE
23 CERTIFICATE IS LIABLE FOR ANY AMOUNT DUE UNDER THIS

Attachment B
Amendments to the Phoenix City (Tax) Code

1 SUBSECTION. THE DEPARTMENT OF REVENUE SHALL PRESCRIBE
2 THE FORM OF THE CERTIFICATE. IF THE PERSON HAS REASON TO
3 BELIEVE THAT THE INFORMATION CONTAINED ON THE
4 CERTIFICATE IS ERRONEOUS OR INCOMPLETE, THE CITY MAY
5 DISREGARD THE CERTIFICATE. THE CONTRACTOR PROVIDING THE
6 CERTIFICATE IS LIABLE FOR THE AMOUNT THAT OTHERWISE
7 WOULD BE DUE FROM THE PERSON UNDER THIS SUBSECTION.

8 (B) PERSON THAT PURCHASED TANGIBLE PERSONAL PROPERTY, THE
9 PURCHASE PRICE OF WHICH WAS EXCLUDED FROM THE TAX BASE UNDER
10 SECTION 14-465(K) OR WAS EXCLUDED FROM THE USE TAX UNDER
11 SECTION 14-660(K) AT THE TIME OF PURCHASE, WHOSE TRANSACTION
12 PRIVILEGE TAX LICENSE HAS BEEN CANCELED AND THAT SUBSEQUENTLY
13 USES, CONSUMES, SELLS OR DISCARDS THE TANGIBLE PERSONAL
14 PROPERTY IS LIABLE FOR AN AMOUNT OF TAX DETERMINED UNDER THIS
15 SUBSECTION. FOR THE PURPOSES OF THIS SUBSECTION:

16 (1) IF THE TANGIBLE PERSONAL PROPERTY IS INCORPORATED OR
17 FABRICATED INTO A PROJECT DESCRIBED IN SECTION 14-415(B)(12)
18 AND A.R.S. SECTION 42-5075, SUBSECTION O, OR OTHERWISE USED
19 OR CONSUMED BY THE PERSON, THE AMOUNT OF LIABILITY SHALL
20 BE CALCULATED AND REPORTED BASED ON THE PERSON'S
21 PURCHASE PRICE OF THE TANGIBLE PERSONAL PROPERTY, THE
22 LOCATION OF THE PROJECT, USE OR CONSUMPTION AND THE TAXES
23 IMPOSED UNDER SECTION 14-460 AND A.R.S. TITLE 42, CHAPTER 5.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (2) IF THE TANGIBLE PERSONAL PROPERTY IS SOLD IN A MANNER THAT
2 IS NOT SUBJECT TO TAX UNDER THIS CHAPTER OR IS DISCARDED,
3 THE AMOUNT SHALL BE CALCULATED AND REPORTED BASED ON
4 THE PAYMENT RECEIVED BY THE PERSON, THE LOCATION OF THE
5 PERSON'S PRINCIPAL PLACE OF BUSINESS IN THIS STATE AND THE
6 TAXES IMPOSED UNDER SECTION 14-460 AND A.R.S. TITLE 42,
7 CHAPTER 5.
- 8 (3) THE PERSON IS NOT LIABLE UNDER THIS SUBSECTION FOR ANY
9 AMOUNT IF THE PERSON DISCARDS THE TANGIBLE PERSONAL
10 PROPERTY AND DOES NOT RECEIVE PAYMENT OF ANY KIND.
- 11 (4) THE AMOUNT OF LIABILITY SHALL BE REPORTED ON OR BEFORE
12 THE BUSINESS DAY PRECEDING THE LAST BUSINESS DAY OF THE
13 MONTH FOLLOWING THE MONTH IN WHICH THE PERSON USES THE
14 TANGIBLE PERSONAL PROPERTY IN A MANNER DESCRIBED IN
15 PARAGRAPH 1 OR 2 OF THIS SUBSECTION. NO AMOUNT IS DUE
16 UNDER THIS SUBSECTION AT ANY TIME THAT THE PERSON STORES
17 THE TANGIBLE PERSONAL PROPERTY WITHOUT USING IT IN A
18 MANNER DESCRIBED IN PARAGRAPH 1 OR 2 OF THIS SUBSECTION.
- 19 (5) ALL DEDUCTIONS, EXEMPTIONS AND EXCLUSIONS FOR THE COST
20 OF TANGIBLE PERSONAL PROPERTY PROVIDED IN SECTION 14-415
21 APPLY TO THE TANGIBLE PERSONAL PROPERTY INCORPORATED OR
22 FABRICATED INTO A PROJECT DESCRIBED IN SECTION 14-415(B)(12)
23 AND A.R.S. SECTION 42-5075, SUBSECTION O.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (6) THIS SUBSECTION DOES NOT APPLY TO TANGIBLE PERSONAL
2 PROPERTY THAT IS INCORPORATED OR FABRICATED INTO ANY
3 PROJECT UNDER A CONTRACT THAT WOULD OTHERWISE BE
4 EXCLUDED FROM THE TAX BASE UNDER SECTION 14-415 AND A.R.S.
5 SECTION 42-5075, WITHOUT REGARD TO SECTION 14-415(B)(12) AND
6 A.R.S. SECTION 42-5075, SUBSECTION O.

7 (7) THE PERSON IS NOT LIABLE FOR THE AMOUNT IF THE CONTRACTOR
8 WHO HIRED THE PERSON EXECUTES AND PROVIDES TO THE PERSON
9 A CERTIFICATE STATING THAT THE CONTRACTOR PROVIDING THE
10 CERTIFICATE IS LIABLE FOR ANY AMOUNT DUE UNDER THIS
11 SUBSECTION FOR TANGIBLE PERSONAL PROPERTY INCORPORATED
12 OR FABRICATED INTO A PROJECT DESCRIBED IN A.R.S. SECTION 42-
13 5075, SUBSECTION O. THE DEPARTMENT SHALL PRESCRIBE THE
14 FORM OF THE CERTIFICATE. IF THE PERSON HAS REASON TO
15 BELIEVE THAT THE INFORMATION CONTAINED ON THE
16 CERTIFICATE IS ERRONEOUS OR INCOMPLETE, THE DEPARTMENT
17 MAY DISREGARD THE CERTIFICATE. THE CONTRACTOR PROVIDING
18 THE CERTIFICATE IS LIABLE FOR THE AMOUNT THAT OTHERWISE
19 WOULD BE DUE FROM THE PERSON UNDER THIS SUBSECTION.

20 (C) PERSON THAT FAILS TO REPORT OR PAY ANY AMOUNT DUE UNDER
21 SUBSECTION A OR B OF THIS SECTION IS LIABLE FOR INTEREST IN A
22 MANNER CONSISTENT WITH A.R.S. SECTION 42-1123 AND PENALTIES IN A
23 MANNER CONSISTENT WITH A.R.S. SECTION 42-1125.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (D) IF A PERSON HAS PAID AN AMOUNT DESCRIBED IN THIS SECTION ON
2 TANGIBLE PERSONAL PROPERTY THAT THE PERSON REASONABLY
3 BELIEVED TO BE DESCRIBED UNDER SECTION 14-415(B)(12) AND A.R.S.
4 SECTION 42-5075, SUBSECTION O AND A FINAL DETERMINATION IS MADE
5 THAT SECTION 14-415(B)(12) AND A.R.S. SECTION 42-5075, SUBSECTION O
6 DOES NOT APPLY, THE PERSON IS ENTITLED TO AN OFFSET FOR THE
7 AMOUNT PAID UNDER THIS SECTION AGAINST THE AMOUNT OF TAX
8 LIABILITY ASSESSED UNDER THIS CHAPTER.

9
10 **Section V. Phoenix City Code Section 14-422 is amended as follows, with an effective date**
11 **of December 1, 2017.**

12
13 **Sec. 14-422. Jet fuel sales.**

14 (a) The tax rate shall be at an amount of 0.732 cents per gallon sold from the business
15 activity upon every person engaging or continuing in the business of selling jet fuel.

16 (1) Gallons sold includes all gallons sold, bartered, exchanged, included as part or
17 whole of a trade-out, or similar transactions regardless of the type or form of
18 payment.

19 (2) For purposes of this Section the following terms are substitutable in Articles III
20 and V of this chapter, and corresponding regulations:

21 (A) "gallons" for "gross income"

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (B) "gallon(s)" for "amount(s)".

2 (b) The burden of proving that a sale of jet fuel is not a taxable sale shall be upon the person
3 who made the sale.

4 (c) When this city and another Arizona city or town with an equivalent excise tax could
5 claim nexus for taxing a jet fuel sale, the city or town where the permanent business
6 location of the seller at which the order was received shall be deemed to have precedence,
7 and for the purposes of this chapter such city or town has sole and exclusive right to such
8 tax.

9 (d) The appropriate tax liability for any jet fuel sale where the order is received at a
10 permanent business location of the seller located in this city or in an Arizona city or town
11 that levies an equivalent excise tax shall be at the rate of the city or town of such seller's
12 location.

13 (E) THE APPLICATION OF THE TAX IS LIMITED TO AMOUNTS OF NOT MORE
14 THAN TEN MILLION GALLONS OF JET FUEL PURCHASED BY EACH
15 PURCHASER IN EACH CALENDAR YEAR. PURCHASES IN EXCESS OF TEN
16 MILLION GALLONS PER PURCHASER PER YEAR ARE EXEMPT.

17 (F) BEGINNING FROM AND AFTER NOVEMBER 30, 2017, THE REVENUES
18 GENERATED BY EACH PUBLIC AIRPORT MUST BE SEGREGATED IN
19 SEPARATE ACCOUNTS FOR THE EXCLUSIVE EXPENDITURE FOR THE
20 CAPITAL OR OPERATING COSTS OF THE AIRPORT, THE AIRPORT SYSTEM
21 OR OTHER LOCAL AIRPORT FACILITIES OWNED OR OPERATED BY THE

Attachment B
Amendments to the Phoenix City (Tax) Code

**MUNICIPALITY AND DIRECTLY AND SUBSTANTIALLY RELATED TO THE
AIR TRANSPORTATION OF PASSENGERS OR PROPERTY.**

- (G) Exemptions. Notwithstanding Section 14-400(d), the exemptions in Section 14-465(a), (b) and (d) through (z) will apply to sales of jet fuel taxed under this Section.

Section VI. Phoenix City Code Section 14-445 is amended as follows, with the following effective dates per subsection: (d) & (k) January 1, 2018; (i) & Footnote January 1, 2012.

Sec. 14-445. Rental, leasing, and licensing for use of real property.

- (a) The tax rate shall be at an amount equal to two and three-tenths percent (2.3%) of the gross income from the business activity upon every person engaging or continuing in the business of leasing or renting real property located within the City for a consideration, to the tenant in actual possession, or the licensing for use of real property to the final licensee located within the City for a consideration including any improvements, rights, or interest in such property; provided further that:

- (1) Payments made by the lessee to, or on behalf of, the lessor for property taxes, repairs, or improvements are considered to be part of the taxable gross income.
- (2) Charges for such items as telecommunications, utilities, pet fees, or maintenance are considered to be part of the taxable gross income.
- (3) However, if the lessor engages in telecommunication activity, as evidenced by installing individual metering equipment and by billing each tenant based upon actual usage, such activity is taxable under Section 14-470.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (b) If individual utility meters have been installed for each tenant and the lessor separately
2 charges each single tenant for the exact billing from the utility company, such charges are
3 exempt.
- 4 (c) Charges by a qualifying hospital, qualifying community health center or a qualifying
5 health care organization to patients of such facilities for use of rooms or other real
6 property during the course of their treatment by such facilities are exempt.
- 7 (d) Charges for joint pole usage by a person engaged in the business of providing or
8 furnishing utility or telecommunication services **OR THAT IS A CABLE OPERATOR,**
9 **OR CHARGES FOR JOINT POLE USAGE** to **A** person engaged in the business of
10 providing or furnishing utility or telecommunication services **OR THAT IS A CABLE**
11 **OPERATOR** are exempt from the tax imposed by this Section. **“CABLE OPERATOR”**
12 **HAS THE SAME MEANING AS PRESCRIBED BY A.R.S. SECTION 9-505.**
- 13 (e) Exempt from the tax imposed by this Section is gross income derived from the rental,
14 leasing, or licensing for use of real property to a qualifying hospital, qualifying
15 community health center or a qualifying health care organization, except when the
16 property so rented, leased, or licensed is for use in activities resulting in gross income
17 from unrelated business income as that term is defined in 26 U.S.C. Section 512.
- 18 (f) A person who has less than three (3) apartments, houses, trailer spaces, or other lodging
19 spaces rented, leased or licensed or available for rent, lease, or license within the State
20 and no units of commercial property for rent, lease, or license within the State, is not
21 deemed to be in the rental business, and is therefore exempt from the tax imposed by this
22 Section on such income. However, a person who has one (1) or more units of commercial

Attachment B
Amendments to the Phoenix City (Tax) Code

1 property is subject to the tax imposed by this Section on rental, lease and license income
2 from all such lodging spaces and commercial units of real estate even though said person
3 may have fewer than three (3) lodging spaces.

4 (g) (Reserved)

5 (h) (Reserved)

6 (i) EXEMPT FROM THE TAX IMPOSED BY THIS SECTION IS THE GROSS INCOME
7 DERIVED FROM PAYMENTS MADE PURSUANT TO A LIFE CARE CONTRACT
8 BY A RESIDENT TO A PROVIDER THAT HOLDS A PERMIT TO ENTER INTO
9 LIFE CARE CONTRACTS ISSUED BY THE ARIZONA DEPARTMENT OF
10 INSURANCE. FOR THE PURPOSES OF THIS PARAGRAPH, "LIFE CARE
11 CONTRACT", "PROVIDER" AND "RESIDENT" HAVE THE SAME MEANINGS
12 PRESCRIBED IN A.R.S. SECTION 20-1801.

13 (j) Exempt from the tax imposed by this Section is gross income derived from the activities
14 taxable under Section 14-444 of this code.

15 (k) LEASING OR RENTING REAL PROPERTY OR THE RIGHT TO USE REAL
16 PROPERTY AT EXHIBITION EVENTS IN THIS STATE SPONSORED, OPERATED
17 OR CONDUCTED BY A NONPROFIT ORGANIZATION THAT IS EXEMPT FROM
18 TAXATION UNDER SECTION 501(C)(3), 501(C)(4) OR 501(C)(6) OF THE
19 INTERNAL REVENUE CODE IF THE ORGANIZATION IS ASSOCIATED WITH
20 MAJOR LEAGUE BASEBALL TEAMS OR A NATIONAL TOURING
21 PROFESSIONAL GOLFING ASSOCIATION AND NO PART OF THE
22 ORGANIZATION'S NET EARNINGS INURES TO THE BENEFIT OF ANY

Attachment B
Amendments to the Phoenix City (Tax) Code

1 PRIVATE SHAREHOLDER OR INDIVIDUAL. THIS PARAGRAPH DOES NOT
2 APPLY TO AN ORGANIZATION THAT IS OWNED, MANAGED OR
3 CONTROLLED, IN WHOLE OR IN PART, BY A MAJOR LEAGUE BASEBALL
4 TEAM, OR ITS OWNERS, OFFICERS, EMPLOYEES OR AGENTS, OR BY A
5 MAJOR LEAGUE BASEBALL ASSOCIATION OR PROFESSIONAL GOLFING
6 ASSOCIATION, OR ITS OWNERS, OFFICERS, EMPLOYEES OR AGENTS,
7 UNLESS THE ORGANIZATION CONDUCTED OR OPERATED EXHIBITION
8 EVENTS IN THIS STATE BEFORE JANUARY 1, 2018 THAT WERE EXEMPT
9 FROM TAXATION UNDER A.R.S. SECTION 42-5073.

10 (l) (Reserved)

11 (m) (Reserved)

12 (n) Notwithstanding the provisions of Section 14-200(b), the fair market value of one (1)
13 apartment, in an apartment complex provided rent free to an employee of the apartment
14 complex is not subject to the tax imposed by this Section. For an apartment complex with
15 more than fifty (50) units, an additional apartment provided rent free to an employee for
16 every additional fifty (50) units is not subject to the tax imposed by this Section.

17 (o) Income derived from incarcerating or detaining prisoners who are under the jurisdiction
18 of the United States, this State or any other state or a political subdivision of this State or
19 of any other state in a privately-operated prison, jail or detention facility is exempt from
20 the tax imposed by this Section.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (p) Charges by any hospital, any licensed nursing care institution, or any kidney dialysis
2 facility to patients of such facilities for the use of rooms or other real property during the
3 course of their treatment by such facilities are exempt.
- 4 (q) Charges to patients receiving "personal care" or "directed care", by any licensed assisted
5 living facility, licensed assisted living center or licensed assisted living home as defined
6 and licensed pursuant to Chapter 4 Title 36 Arizona Revised Statutes and Title 9 of the
7 Arizona Administrative Code are exempt.
- 8 (r) Income received from the rental of any "low-income unit" as established under Section
9 42 of the Internal Revenue Code, including the low-income housing credit provided by
10 IRC Section 42, to the extent that the collection of tax on rental income causes the "gross
11 rent" defined by IRC Section 42 to exceed the income limitation for the low-income unit
12 is exempt. This exemption also applies to income received from the rental of individual
13 rental units subject to statutory or regulatory "low-income unit" rent restrictions similar to
14 IRC Section 42 to the extent that the collection of tax from the tenant causes the rental
15 receipts to exceed a rent restriction for the low-income unit. This subsection also applies
16 to rent received by a person other than the owner or lessor of the low-income unit,
17 including a broker. This subsection does not apply unless a taxpayer maintains the
18 documentation to support the qualification of a unit as a low-income unit, the "gross rent"
19 limitation for the unit and the rent received from that unit.
- 20 (s) The gross proceeds of a commercial lease of real property between affiliated companies,
21 businesses, persons or reciprocal insurers are exempt. For the purposes of this paragraph:

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (1) "affiliated companies, businesses, persons or reciprocal insurers" means the lessor
2 holds a controlling interest in the lessee, the lessee holds a controlling interest in
3 the lessor, an affiliated entity holds a controlling interest in both the lessor and the
4 lessee or an unrelated person holds a controlling interest in both the lessor and
5 lessee.

6 (2) "controlling interest" means direct or indirect ownership of at least eighty (80) per
7 cent of the voting shares of a corporation or of the interests in a company,
8 business or person other than a corporation.

9 (3) "reciprocal insurer" has the same meaning as prescribed in A.R.S. Section 20-762
10 Arizona Revised Statutes.

11
12 **FOOTNOTE TO SECTION 14-445. Retroactivity; refunds; nonseverability pertaining to**
13 **Section 445.**

14 A. The transaction privilege tax exemption for gross income derived from payments made
15 pursuant to a life care contract by a resident to a provider as provided in Model City Tax
16 Code Section 445(i) applies retroactively to taxable periods beginning from and after
17 January 1, 2012.

18 B. Any claim for refund of transaction privilege tax based on the retroactive application of
19 Model City Tax Code Section 445(i) shall be submitted to the Department of Revenue on
20 or before December 31, 2019, pursuant to section 42-1118, Arizona Revised Statutes. A
21 failure to file a claim on or before December 31, 2019 constitutes a waiver of the claim
22 for refund under this section.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 C. The burden is on the taxpayer to establish by competent evidence the amount of tax paid
2 for all taxable periods and the amount, if any, attributable to gross income derived from
3 payments made pursuant to a life care contract by a resident to a provider that qualify for
4 exemption under the amendment to Model City Tax Code Section 445, as provided by
5 this act. The Department of Revenue shall:

6 1. Review all timely filed claims.

7 2. Determine, on audit if necessary, the correct amount of each claim.

8 3. Notify the taxpayer of its determination. The notice is final unless a taxpayer
9 appeals in the manner provided in section 42-1251, Arizona Revised Statutes.

10 D. Notwithstanding section 42-1119, Arizona Revised Statutes, the Department of Revenue
11 may not make a refund until after determination of the amount of all refund claims filed
12 pursuant to this section. If a taxpayer appeals the Department's determination, the
13 Department, pursuant to the rules protecting confidentiality under Title 42, Chapter 2,
14 Article 1, Arizona Revised Statutes, may notify other taxpayers who have filed claims as
15 to the nature of any delay and, if possible, estimate the possible extent of the delay.

16 E. The aggregate amount of refunds under this section may not exceed ten thousand dollars
17 (\$10,000). If the aggregate amount of claims under this section that are ultimately
18 determined to be correct exceeds ten thousand dollars, the Department of Revenue shall
19 reduce each claim proportionately so that the total refund amount equals ten thousand
20 dollars.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 F. Interest may not be allowed or compounded on any refundable amount if paid before July
2 1, 2020, but if the amount cannot be determined or paid until after June 30, 2020, interest
3 accrues from and after July 1, 2020 under section 42-1123, Arizona Revised Statutes.

4 G. If any part of this section is finally adjudicated to be invalid, this entire section is void.
5 The provisions of this section are intended to be nonseverable.

6
7 **Section VII. Phoenix City Code Section 14-450 is amended as follows, with an effective**
8 **date of August 1, 2015.**

9
10 **Sec. 14-450. Rental, leasing, and licensing for use of tangible personal property.**

11
12 (a) The tax rate shall be at an amount equal to two and three-tenths percent (2.3%) of the
13 gross income from the business activity upon every person engaging or continuing in the
14 business of leasing, licensing for use, or renting tangible personal property for a
15 consideration, including that which is semi-permanently or permanently installed within
16 the City as provided by Regulation.

17 (b) Special provisions relating to long-term motor vehicle leases. A lease transaction
18 involving a motor vehicle for a minimum period of twenty-four (24) months shall be
19 considered to have occurred at the location of the motor vehicle dealership, rather than
20 the location of the place of business of the lessor, even if the lessor's interest in the lease
21 and its proceeds are sold, transferred, or otherwise assigned to a lease financing

Attachment B
Amendments to the Phoenix City (Tax) Code

1 institution; provided further that the city or town where such motor vehicle dealership is
2 located levies a Privilege Tax or an equivalent excise tax upon the transaction.

3 (c) Gross income derived from the following transactions shall be exempt from Privilege
4 Taxes imposed by this Section:

5 (1) rental, leasing, or licensing for use of tangible personal property to persons
6 engaged or continuing in the business of leasing, licensing for use, or rental of
7 such property.

8 (2) rental, leasing, or licensing for use of tangible personal property that is semi-
9 permanently or permanently installed within another city or town that levies an
10 equivalent excise tax on the transaction.

11 (3) rental, leasing, or licensing for use of film, tape, or slides to a theater or other
12 person taxed under Section 14-410, or to a radio station, television station, or
13 subscription television system.

14 (4) rental, leasing, or licensing for use of the following:

15 (A) prosthetics.

16 (B) income-producing capital equipment.

17 (C) mining and metallurgical supplies.

18 These exemptions include the rental, leasing, or licensing for use of tangible
19 personal property which, if it had been purchased instead of leased, rented, or
20 licensed by the lessee or licensee, would qualify as income-producing capital
21 equipment or mining and metallurgical supplies.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (5) rental, leasing, or licensing for use of tangible personal property to a qualifying
2 hospital, qualifying community health center or a qualifying health care
3 organization, except when the property so rented, leased, or licensed is for use in
4 activities resulting in gross income from unrelated business income as that term is
5 defined in 26 U.S.C. Section 512 or rental, leasing, or licensing for use of tangible
6 personal property in this State by a nonprofit charitable organization that has
7 qualified under Section 501(c)(3) of the United States Internal Revenue Code and
8 that engages in and uses such property exclusively for training, job placement or
9 rehabilitation programs or testing for mentally or physically handicapped persons.
- 10 (6) separately billed charges for delivery, installation, repair, and/or maintenance as
11 provided by Regulation.
- 12 (7) charges for joint pole usage by a person engaged in the business of providing or
13 furnishing utility or telecommunication services **OR THAT IS A CABLE**
14 **OPERATOR, OR CHARGES FOR JOINT POLE USAGE** to **A** person engaged
15 in the business of providing or furnishing utility or telecommunication services
16 **OR THAT IS A CABLE OPERATOR. “CABLE OPERATOR” HAS THE**
17 **SAME MEANING AS PRESCRIBED BY A.R.S. SECTION 9-505.**
- 18 (8) the gross income from coin-operated washing, drying, and dry cleaning machines,
19 or from coin-operated car washing machines. This exemption shall not apply to
20 suppliers or distributors renting, leasing, or licensing for use of such equipment to
21 persons engaged in the operation of coin-operated washing, drying, dry cleaning,
22 or car washing establishments.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **Sec. 14-455. Restaurants and Bars.**

2

3 (a) The tax rate shall be at an amount equal to two and three-tenths percent (2.3%) of the
4 gross income from the business activity upon every person engaging or continuing in the
5 business of preparing or serving food or beverage in a bar, cocktail lounge, restaurant, or
6 similar establishment where articles of food or drink are prepared or served for
7 consumption on or off the premises, including also the activity of catering. Cover charges
8 and minimum charges must be included in the gross income of this business activity.

9 (b) Caterers and other taxpayers subject to the tax who deliver food and/or serve such food
10 off premises, shall also be allowed to exclude separately charged delivery, set-up, and
11 clean-up charges, provided that the charges are also maintained separately in the books
12 and records. When a taxpayer delivers food and/or serves such food off premises, his
13 regular business location shall still be deemed the location of the transaction for the
14 purposes of the tax imposed by this Section.

15 (c) The tax imposed by this Section shall not apply to sales to a qualifying hospital,
16 qualifying community health center or a qualifying health care organization, except when
17 sold for use in activities resulting in gross income from unrelated business income as that
18 term is defined in 26 U.S.C. Section 512.

19 (d) The tax imposed by this Section shall not apply to sales of food, beverages, condiments
20 and accessories used for serving food and beverages to a commercial airline, as defined
21 in A.R.S. **SECTION** 42-5061, that serves the food and beverages to its passengers,
22 without additional charge, for consumption in flight.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (e) The tax imposed by this Section shall not apply to sales of prepared food, beverages,
2 condiments or accessories to a public educational entity, pursuant to any of the provisions
3 of Title 15, Arizona Revised Statutes, to the extent such items are to be prepared or
4 served to individuals for consumption on the premises of a public educational entity
5 during school hours.

6 (F) THE TAX IMPOSED BY THIS SECTION SHALL NOT APPLY TO SALES OF LOW
7 OR REDUCED COST ARTICLES OF FOOD OR DRINK TO ELIGIBLE ELDERLY
8 OR HOMELESS PERSONS OR PERSONS WITH A DISABILITY BY A BUSINESS
9 SUBJECT TO TAX UNDER A.R.S. SECTION 42-5074 THAT CONTRACTS WITH
10 THE DEPARTMENT OF ECONOMIC SECURITY AND THAT IS APPROVED BY
11 THE FOOD AND NUTRITION SERVICE OF THE UNITED STATES
12 DEPARTMENT OF AGRICULTURE PURSUANT TO THE SUPPLEMENTAL
13 NUTRITION ASSISTANCE PROGRAM ESTABLISHED BY THE FOOD AND
14 NUTRITION ACT OF 2008 (P.L. 110-246; 122 STAT. 1651; 7 UNITED STATES
15 CODE SECTIONS 2011 THROUGH 2036a), IF THE PURCHASES ARE MADE
16 WITH THE BENEFITS ISSUED PURSUANT TO THE SUPPLEMENTAL
17 NUTRITION ASSISTANCE PROGRAM.

18 (G) THE TAX IMPOSED BY THIS SECTION SHALL NOT APPLY TO SALES BY A
19 NONPROFIT ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER
20 SECTION 501(C)(3), 501(C)(4) OR 501(C)(6) OF THE INTERNAL REVENUE CODE
21 IF THE ORGANIZATION IS ASSOCIATED WITH A MAJOR LEAGUE BASEBALL
22 TEAM OR A NATIONAL TOURING PROFESSIONAL GOLFING ASSOCIATION
23 AND NO PART OF THE ORGANIZATION'S NET EARNINGS INURES TO THE

Attachment B
Amendments to the Phoenix City (Tax) Code

1 BENEFIT OF ANY PRIVATE SHAREHOLDER OR INDIVIDUAL. THIS
2 PARAGRAPH DOES NOT APPLY TO AN ORGANIZATION THAT IS OWNED,
3 MANAGED OR CONTROLLED, IN WHOLE OR IN PART, BY A MAJOR LEAGUE
4 BASEBALL TEAM, OR ITS OWNERS, OFFICERS, EMPLOYEES OR AGENTS, OR
5 BY A MAJOR LEAGUE BASEBALL ASSOCIATION OR PROFESSIONAL
6 GOLFING ASSOCIATION, OR ITS OWNERS, OFFICERS, EMPLOYEES OR
7 AGENTS, UNLESS THE ORGANIZATION CONDUCTED OR OPERATED
8 EXHIBITION EVENTS IN THIS STATE BEFORE JANUARY 1, 2018 THAT WERE
9 EXEMPT FROM TAXATION UNDER A.R.S. SECTION 42-5073.

10 (H) IF A CITY, TOWN OR OTHER TAXING JURISDICTION IMPOSES A
11 TRANSACTION PRIVILEGE, SALES, USE, FRANCHISE OR OTHER SIMILAR
12 TAX OR FEE, HOWEVER DENOMINATED, ON THE SALE OF FOOD ITEMS
13 INTENDED FOR HUMAN CONSUMPTION AS DEFINED BY RULE ADOPTED
14 PURSUANT TO A.R.S. SECTION 42-5106 OR ITEMS PRESCRIBED BY A.R.S.
15 SECTION 42-5106, SUBSECTION D FOR CONSUMPTION ON THE PREMISES,
16 THE TAX MUST BE APPLIED UNIFORMLY WITH RESPECT TO ALL FOOD
17 ITEMS, AND AN ADDITIONAL TAX OR FEE DIFFERENTIAL MAY NOT BE
18 ASSESSED OR APPLIED WITH RESPECT TO ANY SPECIFIC FOOD ITEM.

19 (I) For the purposes of this Section, "accessories" means paper plates, plastic eating utensils,
20 napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other
21 items which facilitate the consumption of the food.

22

Attachment B
Amendments to the Phoenix City (Tax) Code

Section IX. Phoenix City Code Section 14-462 is amended as follows, with an effective date of January 1, 2015, except new subsection (f) which has an effective date of August 3, 2018.

Sec. 14-462. Retail sales: food for home consumption.

(a) The tax rate shall be at an amount equal to zero percent (0%) of the gross income from the business activity upon every person engaging or continuing in the business of selling food for home consumption at retail.

(b) For the purposes of this Section only, the following definitions shall be applicable:

(1) "Eligible grocery business" means an establishment **THAT IS DEEMED ELIGIBLE TO PARTICIPATE IN THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ESTABLISHED BY THE FOOD AND NUTRITION ACT OF 2008 (P.L. 110-246; 122 STAT. 1651; 7 UNITED STATES CODE SECTIONS 2011 THROUGH 2036A) BY THE UNITED STATES DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE OR AN ESTABLISHMENT THAT PROVES TO THE SATISFACTION OF THE DEPARTMENT OF REVENUE THAT, BASED ON THE NATURE OF THE ESTABLISHMENT'S FOOD SALES, COULD BE ELIGIBLE TO PARTICIPATE IN THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ESTABLISHED BY THE FOOD AND NUTRITION ACT OF 2008** ~~whose sales of food are such that it is eligible to participate in the Food Stamp Program established by the Food Stamp Act of~~

Attachment B
Amendments to the Phoenix City (Tax) Code

1 1977 (P.L. 95-113; 91 Stat. 958.7 U.S.C. Section 2011 et seq.), according to
2 regulations in effect on January 1, 1979. An establishment is deemed eligible to
3 participate in the Food Stamp Program if it is authorized to participate in the
4 program by the United States Department of Agriculture Food and Nutrition
5 Service Field Office on the effective date of the ordinance codified in this section,
6 or if, prior to a reporting period for which the return is filed, such retailer proves
7 to the satisfaction of the tax collector that the establishment, based on the nature
8 of the retailer's food sales, could be eligible to participate in the Food Stamp
9 Program established by the Food Stamp Act of 1977 according to regulations in
10 effect on January 1, 1979.

- 11 (2) "Facilities for the consumption of food" means tables, chairs, benches, booths,
12 stools, counters, and similar conveniences, trays, glasses, dishes, or other
13 tableware and parking areas for the convenience of in-car consumption of food in
14 or on the premises on which the retailer conducts business.
- 15 (3) "Food for consumption on the premises" means any of the following:
- 16 (A) "Hot prepared food" as defined below.
- 17 (B) Hot or cold sandwiches.
- 18 (C) Food served by an attendant to be eaten at tables, chairs, benches, booths,
19 stools, counters, and similar conveniences and within parking areas for the
20 convenience of in-car consumption of food.
- 21 (D) Food served with trays, glasses, dishes, or other tableware.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (E) Beverages sold in cups, glasses, or open containers.
- 2 (F) Food sold by caterers.
- 3 (G) Food sold within the premises of theatres, movies, operas, shows of any
4 type or nature, exhibitions, concerts, carnivals, circuses, amusement parks,
5 fairs, races, contests, games, athletic events, rodeos, billiard and pool
6 parlors, bowling alleys, public dances, dance halls, boxing, wrestling and
7 other matches, and any business which charges admission, entrance, or
8 cover fees for exhibition, amusement, entertainment, or instruction.
- 9 (H) Any items contained in subsections (a)(3)(A) through (G) above even
10 though they are sold on a "take-out" or "to go" basis, and whether or not
11 the item is packaged, wrapped, or is actually taken from the premises.
- 12 (4) "Hot prepared food" means those products, items, or ingredients of food which
13 are prepared and intended for consumption in a heated condition. "Hot prepared
14 food" includes a combination of hot and cold food items or ingredients if a single
15 price has been established.
- 16 (5) "Premises" means the total space and facilities in or on which a vendor conducts
17 business and which are owned or controlled, in whole or in part, by a vendor or
18 which are made available for the use of customers of the vendor or group of
19 vendors, including any building or part of a building, parking lot, or grounds.
- 20 (6) "Food for home consumption" means all food, except food for consumption on
21 the premises, if sold by any of the following:

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (A) An eligible grocery business.
- 2 (B) A person who conducts a business whose primary business is not the sale
3 of food but who sells food which is displayed, packaged, and sold in a
4 similar manner as an eligible grocery business.
- 5 (C) A person who sells food and does not provide or make available any
6 facilities for the consumption of food on the premises.
- 7 (D) A person who conducts a delicatessen business either from a counter
8 which is separate from the place and cash register where taxable sales are
9 made or from a counter which has two cash registers and which are used
10 to record taxable and tax exempt sales, or a retailer who conducts a
11 delicatessen business who uses a cash register which has at least two tax
12 computing keys which are used to record taxable and tax exempt sales.
- 13 (E) Vending machines and other types of automatic retailers.
- 14 (F) A person's sales of food, drink and condiment for consumption within the
15 premises of any prison, jail or other institution under the jurisdiction of the
16 state department of corrections, the department of public safety, the
17 department of juvenile corrections or a county sheriff.
- 18 (c) Income derived from the following sources is exempt from the tax imposed by this
19 Section:
- 20 (1) Sales of food for home consumption to a person regularly engaged in the business
21 of selling such property.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (2) Out-of-city sales or out-of-state sales.
- 2 (3) Charges for delivery or other “direct customer services” as prescribed by
3 regulation.
- 4 (4) Food purchased **UNDER THE SUPPLEMENTAL NUTRITION ASSISTANCE**
5 **PROGRAM (SNAP) ESTABLISHED BY THE FOOD AND NUTRITION ACT**
6 **OF 2008 (P.L. 110-246; 122 STAT. 1651; 7 UNITED STATES CODE**
7 **SECTIONS 2011 THROUGH 2036A) BY THE UNITED STATES**
8 **DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE** but
9 only to the extent that **SNAP BENEFITS USING AN ELECTRONIC BENEFITS**
10 **TRANSFER (EBT) CARD OR OTHER METHOD OF CONVEYING SNAP**
11 **BENEFITS WAS** actually used to purchase such food.
- 12 (5) Sales of food products by producers as provided for by A.R.S. Sections 3-561, 3-
13 562 and 3-563.
- 14 (6) Sales of food, beverages, condiments and accessories to a public educational
15 entity, pursuant to any of the provisions of Title 15, Arizona Revised Statutes,
16 including a regularly organized private or parochial school that offers an
17 educational program for grade twelve or under which may be attended in
18 substitution for a public school pursuant to **A.R.S.** Section 15-802 ; to the extent
19 such items are to be prepared or served to individuals for consumption on the
20 premises of a public educational entity during school hours. for the purposes of
21 this subsection, "accessories" means paper plates, plastic eating utensils, napkins,

Attachment B
Amendments to the Phoenix City (Tax) Code

1 paper cups, drinking straws, paper sacks or other disposable containers, or other
2 items which facilitate the consumption of the food.

3 (7) Sales of food, beverages, condiments and accessories to a nonprofit charitable
4 organization that has qualified as an exempt organization under 26 U.S.C. Section
5 501(c)(3) and regularly serves meals to the needy and indigent on a continuing
6 basis at no cost. for the purposes of this subsection, "accessories" means paper
7 plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or
8 other disposable containers, or other items which facilitate the consumption of the
9 food.

10 (d) Reporting. such persons who sell food for home consumption shall, in conjunction with
11 the return required pursuant to Section 14-520, report to the tax collector in a manner
12 prescribed by the tax collector all sales of food for home consumption exempted from
13 taxes imposed by this Chapter.

14 (e) Recordkeeping.

15 (1) Retailers shall maintain accurate, verifiable, and complete records of all purchases
16 and sales of tangible personal property in order to verify exemptions from taxes
17 imposed by this chapter. A retailer may use any method of reporting that properly
18 reflects all purchases and sales of food for home consumption, as well as all
19 purchases and sales of items subject to taxes imposed by this Chapter, provided
20 that such records are maintained in accordance with Article III, and regulations of
21 the tax collector.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (2) Any person who fails to maintain records as provided herein shall be deemed to
2 have had no sales of food for home consumption, and if upon request by the tax
3 collector, a person cannot demonstrate to the tax collector that such records and
4 reports do properly reflect all sales of food for home consumption, the tax
5 collector may recompute the amount of tax to be paid as provided in Sections 14-
6 370 and 14-545(b).

7 (F) **IF A CITY, TOWN OR OTHER TAXING JURISDICTION IMPOSES A**
8 **TRANSACTION PRIVILEGE, SALES, USE, FRANCHISE OR OTHER SIMILAR**
9 **TAX OR FEE, HOWEVER DENOMINATED, ON THE SALE OF FOOD ITEMS**
10 **INTENDED FOR HUMAN CONSUMPTION AS DEFINED BY RULE ADOPTED**
11 **PURSUANT TO A.R.S. SECTION 42-5106 OR ITEMS PRESCRIBED BY A.R.S.**
12 **SECTION 42-5106, SUBSECTION D FOR HOME CONSUMPTION, THE TAX**
13 **MUST BE APPLIED UNIFORMLY WITH RESPECT TO ALL FOOD, AND AN**
14 **ADDITIONAL TAX OR FEE DIFFERENTIAL MAY NOT BE ASSESSED OR**
15 **APPLIED WITH RESPECT TO ANY SPECIFIC FOOD ITEM.**

16
17 **Section X. Phoenix City Code Section 14-465 is amended as follows, with the following**
18 **effective dates per subsection: (k) January 1, 2015; (v) August 6, 2016; (y) January 1, 2018;**
19 **(ss) July 24, 2014; (tt) September 1, 2016; (uu) September 12, 2013; (vv) August 3, 2018;**
20 **(ww) August 3, 2018.**

21
22 **Sec. 14-465. Retail sales: exemptions.**

Attachment B
Amendments to the Phoenix City (Tax) Code

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

Income derived from the following sources is exempt from the tax imposed by Section 14-460:

- (a) sales of tangible personal property to a person regularly engaged in the business of selling such property.
- (b) out-of-City sales or out-of-State sales.
- (c) charges for delivery, installation, or other direct customer services as prescribed by Regulation.
- (d) charges for repair services as prescribed by Regulation, when separately charged and separately maintained in the books and records of the taxpayer.
- (e) sales of warranty, maintenance, and service contracts, when separately charged and separately maintained in the books and records of the taxpayer.
- (f) sales of prosthetics.
- (g) sales of income-producing capital equipment.
- (h) sales of rental equipment and rental supplies.
- (i) sales of mining and metallurgical supplies.
- (j) sales of motor vehicle fuel and use fuel which are subject to a tax imposed under the provisions of Article I or II, Chapter 16, Title 28, Arizona Revised Statutes; or sales of use fuel to a holder of a valid single trip use fuel tax permit issued under A.R.S. Section 28-5739, or sales of natural gas or liquefied petroleum gas used to propel a motor vehicle.
- (k) sales of tangible personal property to:

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **(1)** a construction contractor who holds a valid Privilege Tax License for engaging or
2 continuing in the business of construction contracting where the tangible personal
3 property sold is incorporated into any structure or improvement to real property as
4 part of construction contracting activity.

5 **(2) A PERSON THAT IS NOT SUBJECT TO TAX UNDER SECTION 415(B)(12)**
6 **AND THAT HAS BEEN PROVIDED A COPY OF A CERTIFICATE UNDER**
7 **A.R.S. SECTION 42-5009, SUBSECTION L, IF THE PROPERTY SO SOLD IS**
8 **INCORPORATED OR FABRICATED BY THE PERSON INTO THE REAL**
9 **PROPERTY, STRUCTURE, PROJECT, DEVELOPMENT OR**
10 **IMPROVEMENT DESCRIBED IN THE CERTIFICATE.**

11 (l) sales of motor vehicles to nonresidents of this State for use outside this State if the vendor
12 ships or delivers the motor vehicle to a destination outside this State.

13 (m) sales of tangible personal property which directly enters into and becomes an ingredient
14 or component part of a product sold in the regular course of the business of job printing,
15 manufacturing, or publication of newspapers, magazines, or other periodicals. Tangible
16 personal property which is consumed or used up in a manufacturing, job printing,
17 publishing, or production process is not an ingredient nor component part of a product.

18 (n) sales made directly to the Federal government to the extent of:

19 (1) one hundred percent (100%) of the gross income derived from retail sales made
20 by a manufacturer, modifier, assembler, or repairer.

21 (2) fifty percent (50%) of the gross income derived from retail sales made by any
22 other person.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (o) sales to hotels, bars, restaurants, dining cars, lunchrooms, boarding houses, or similar
2 establishments of articles consumed as food, drink, or condiment, whether simple, mixed,
3 or compounded, where such articles are customarily prepared or served to patrons for
4 consumption on or off the premises, where the purchaser is properly licensed and paying
5 a tax under Section 14-455 or the equivalent excise tax upon such income.
- 6 (p) sales of tangible personal property to a qualifying hospital, qualifying community health
7 center or a qualifying health care organization, except when the property sold is for use in
8 activities resulting in gross income from unrelated business income as that term is
9 defined in 26 U.S.C. Section 512 or sales of tangible personal property purchased in this
10 State by a nonprofit charitable organization that has qualified under Section 501(c)(3) of
11 the United States Internal Revenue Code and that engages in and uses such property
12 exclusively for training, job placement or rehabilitation programs or testing for mentally
13 or physically handicapped persons.
- 14 (q) (Reserved) (see Mesa city page).
- 15 (r) sales of the following to persons engaging or continuing in the business of farming,
16 ranching, or feeding livestock, poultry or ratites:
- 17 (1) seed, fertilizer, fungicides, seed treating chemicals, and other similar chemicals.
- 18 (2) feed for livestock, poultry or ratites, including salt, vitamins, and other additives
19 to such feed.
- 20 (3) livestock, poultry or ratites purchased or raised for slaughter, but not including
21 livestock purchased or raised for production or use, such as milch cows, breeding
22 bulls, laying hens, riding or work horses.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (4) (Reserved)

2 This exemption shall not be construed to include machinery, equipment, fuels, lubricants,
3 pharmaceuticals, repair and replacement parts, or other items used or consumed in the
4 running, maintenance, or repair of machinery, equipment, buildings, or structures used or
5 consumed in the business of farming, ranching, or feeding of livestock, poultry or ratites.

6 (s) sales of groundwater measuring devices required by A.R.S. Section 45-604.

7 (t) (Reserved)

8 (u) sales of aircraft acquired for use outside the State, as prescribed by Regulation.

9 (v) sales of food products by producers as provided for by A.R.S. Sections 3-561, 3-562 and
10 3-563. THIS INCLUDES SALES MADE DIRECTLY BY OWNERS, PROPRIETORS
11 OR TENANTS OF AGRICULTURAL LANDS OR FARMS WHO SELL LIVESTOCK
12 OR POULTRY FEED THAT IS GROWN OR RAISED ON THEIR LANDS TO ANY
13 OF THE FOLLOWING:

14 (1) PERSONS WHO FEED THEIR OWN LIVESTOCK OR POULTRY.

15 (2) PERSONS WHO ARE ENGAGED IN THE BUSINESS OF PRODUCING
16 LIVESTOCK OR POULTRY COMMERCIALY.

17 (3) PERSONS WHO ARE ENGAGED IN THE BUSINESS OF FEEDING
18 LIVESTOCK OR POULTRY COMMERCIALY OR WHO BOARD
19 LIVESTOCK NONCOMMERCIALY.

20 (w) (Reserved)

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (x) sales of food and drink to a person who is engaged in business that is classified under the
2 restaurant classification and that provides such food and drink without monetary charge
3 to its employees for their own consumption on the premises during such employees'
4 hours of employment.

5 (y) SALES OF TANGIBLE PERSONAL PROPERTY BY A NONPROFIT
6 ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER SECTION
7 501(C)(3), 501(C)(4) OR 26 501(C)(6) OF THE INTERNAL REVENUE CODE IF THE
8 ORGANIZATION IS ASSOCIATED WITH A MAJOR LEAGUE BASEBALL TEAM
9 OR A NATIONAL TOURING PROFESSIONAL GOLFING ASSOCIATION AND NO
10 PART OF THE ORGANIZATION'S NET EARNINGS INURES TO THE BENEFIT OF
11 ANY PRIVATE SHAREHOLDER OR INDIVIDUAL. THIS PARAGRAPH DOES
12 NOT APPLY TO AN ORGANIZATION THAT IS OWNED, MANAGED OR
13 CONTROLLED, IN WHOLE OR IN PART, BY A MAJOR LEAGUE BASEBALL
14 TEAM, OR ITS OWNERS, OFFICERS, EMPLOYEES OR AGENTS, OR BY A
15 MAJOR LEAGUE BASEBALL ASSOCIATION OR PROFESSIONAL GOLFING
16 ASSOCIATION, OR ITS OWNERS, OFFICERS, EMPLOYEES OR AGENTS,
17 UNLESS THE ORGANIZATION CONDUCTED OR OPERATED EXHIBITION
18 EVENTS IN THIS STATE BEFORE JANUARY 1, 2018 THAT WERE EXEMPT
19 FROM TAXATION UNDER A.R.S. SECTION 42-5073.

20 (z) (Reserved)

21 (aa) the sale of tangible personal property used in remediation contracting as defined in
22 Section 14-100 and Regulation 14-100.5.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (bb) sales of materials that are purchased by or for publicly funded libraries including school
2 district libraries, charter school libraries, community college libraries, state university
3 libraries or federal, state, county or municipal libraries for use by the public as follows:
- 4 (1) printed or photographic materials.
- 5 (2) electronic or digital media materials.
- 6 (cc) sales of food, beverages, condiments and accessories used for serving food and beverages
7 to a commercial airline, as defined in A.R.S. Section 42-5061, that serves the food and
8 beverages to its passengers, without additional charge, for consumption in flight. For the
9 purposes of this subsection, "accessories" means paper plates, plastic eating utensils,
10 napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other
11 items which facilitate the consumption of the food.
- 12 (dd) in computing the tax base in the case of the sale or transfer of wireless
13 telecommunication equipment as an inducement to a customer to enter into or continue a
14 contract for telecommunication services that are taxable under Section 14-470, gross
15 proceeds of sales or gross income does not include any sales commissions or other
16 compensation received by the retailer as a result of the customer entering into or
17 continuing a contract for the telecommunications services.
- 18 (ee) for the purposes of this Section, a sale of wireless telecommunication equipment to a
19 person who holds the equipment for sale or transfer to a customer as an inducement to
20 enter into or continue a contract for telecommunication services that are taxable under
21 Section 14-470 is considered to be a sale for resale in the regular course of business.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (ff) sales of alternative fuel as defined in A.R.S. Section 1-215, to a used oil fuel burner who
2 has received a Department of Environmental Quality permit to burn used oil or used oil
3 fuel under A.R.S. SECTION § 49-426 or A.R.S. SECTION § 49-480.
- 4 (gg) sales of food, beverages, condiments and accessories to a public educational entity
5 pursuant to any of the provisions of Title 15, Arizona Revised Statutes, including a
6 regularly organized private or parochial school that offers an educational program for
7 grade twelve (12) or under which may be attended in substitution for a public school
8 pursuant to A.R.S. SECTION Section 15-802; to the extent such items are to be prepared
9 or served to individuals for consumption on the premises of a public educational entity
10 during school hours. For the purposes of this subsection, "accessories" means paper
11 plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other
12 disposable containers, or other items which facilitate the consumption of the food.
- 13 (hh) sales of personal hygiene items to a person engaged in the business of and subject to tax
14 under Section 14-444 of this code if the tangible personal property is furnished without
15 additional charge to and intended to be consumed by the person during his occupancy.
- 16 (ii) for the purposes of this Section, the diversion of gas from a pipeline by a person engaged
17 in the business of operating a natural or artificial gas pipeline, for the sole purpose of
18 fueling compressor equipment to pressurize the pipeline, is not a sale of the gas to the
19 operator of the pipeline.
- 20 (jj) sales of food, beverages, condiments and accessories to a nonprofit charitable
21 organization that has qualified as an exempt organization under 26 U.S.C Section
22 501(c)(3) and regularly serves meals to the needy and indigent on a continuing basis at no

Attachment B
Amendments to the Phoenix City (Tax) Code

1 cost. For the purposes of this subsection, "accessories" means paper plates, plastic eating
2 utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers,
3 or other items which facilitate the consumption of the food.

4 (kk) sales of motor vehicles that use alternative fuel if such vehicle was manufactured as a
5 diesel fuel vehicle and converted to operate on alternative fuel and sales of equipment
6 that is installed in a conventional diesel fuel motor vehicle to convert the vehicle to
7 operate on an alternative fuel, as defined in A.R.S. Section 1-215.

8 (ll) sales of solar energy devices, for taxable periods beginning from and after July 1, 2008.
9 The retailer shall register with the department of revenue as a solar energy retailer. By
10 registering, the retailer acknowledges that it will make its books and records relating to
11 sales of solar energy devices available to the department of revenue and city, as
12 applicable, for examination.

13 (mm) sales or other transfers of renewable energy credits or any other unit created to track
14 energy derived from renewable energy resources. For the purposes of this paragraph,
15 "renewable energy credit" means a unit created administratively by the corporation
16 commission or governing body of a public power utility to track kilowatt hours of
17 electricity derived from a renewable energy resource or the kilowatt hour equivalent of
18 conventional energy resources displaced by distributed renewable energy resources.

19 (nn) sales of magazines or other periodicals or other publications by this state to encourage
20 tourist travel.

21 (oo) sales of paper machine clothing, such as forming fabrics and dryer felts, sold to a paper
22 manufacturer and directly used or consumed in paper manufacturing.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (pp) sales of overhead materials or other tangible personal property that is used in performing
2 a contract between the United States government and a manufacturer, modifier,
3 assembler or repairer, including property used in performing a subcontract with a
4 government contractor who is a manufacturer, modifier, assembler or repairer, to which
5 title passes to the government under the terms of the contract or subcontract.

6 (qq) sales of coal, petroleum, coke, natural gas, virgin fuel oil and electricity sold to a
7 qualified environmental technology manufacturer, producer or processor as defined in
8 A.R.S. Section 41-1514.02 and directly used or consumed in the generation or provision
9 of on-site power or energy solely for environmental technology manufacturing,
10 producing or processing or environmental protection. This paragraph shall apply for
11 twenty full consecutive calendar or fiscal years from the date the first paper
12 manufacturing machine is placed in service. In the case of an environmental technology
13 manufacturer, producer or processor who does not manufacture paper, the time period
14 shall begin with the date the first manufacturing, processing or production equipment is
15 placed in service.

16 (rr) sales or gross income derived from sales of machinery, equipment, materials and other
17 tangible personal property used directly and predominantly to construct a qualified
18 environmental technology manufacturing, producing or processing facility as described in
19 A.R.S. Section 41-1514.02. This subsection applies for ten full consecutive calendar or
20 fiscal years after the start of initial construction.

21 **(ss) THE TRANSFER OF TITLE OR POSSESSION OF COAL BACK AND FORTH**
22 **BETWEEN AN OWNER OR OPERATOR OF A POWER PLANT AND A PERSON**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 WHO IS RESPONSIBLE FOR REFINING COAL IF BOTH OF THE FOLLOWING

2 APPLY:

3 (1) THE TRANSFER OF TITLE OR POSSESSION OF THE COAL IS FOR THE
4 PURPOSE OF REFINING THE COAL; AND

5 (2) THE TITLE OR POSSESSION OF THE COAL IS TRANSFERRED BACK TO
6 THE OWNER OR OPERATOR OF THE POWER PLANT AFTER
7 COMPLETION OF THE COAL REFINING PROCESS. FOR THE PURPOSES
8 OF THIS SUBDIVISION, "COAL REFINING PROCESS" MEANS THE
9 APPLICATION OF A COAL ADDITIVE SYSTEM THAT AIDS THE
10 REDUCTION OF POWER PLANT EMISSIONS DURING THE
11 COMBUSTION OF COAL AND THE TREATMENT OF FLUE GAS.

12 (TT) (RESERVED)

13 (UU) COMPUTER DATA CENTER EQUIPMENT SOLD TO THE OWNER, OPERATOR
14 OR QUALIFIED COLOCATION TENANT OF A COMPUTER DATA CENTER
15 THAT IS CERTIFIED BY THE ARIZONA COMMERCE AUTHORITY UNDER
16 A.R.S. SECTION 41-1519 OR AN AUTHORIZED AGENT OF THE OWNER,
17 OPERATOR OR QUALIFIED COLOCATION TENANT DURING THE
18 QUALIFICATION PERIOD FOR USE IN THE QUALIFIED COMPUTER DATA
19 CENTER. FOR THE PURPOSES OF THIS PARAGRAPH, "COMPUTER DATA
20 CENTER", "COMPUTER DATA CENTER EQUIPMENT", "QUALIFICATION
21 PERIOD" AND "QUALIFIED COLOCATION TENANT" HAVE THE SAME
22 MEANINGS PRESCRIBED IN A.R.S. SECTION 41-1519.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (VV) THE SALE, MANUFACTURE, WHOLESALE OR DISTRIBUTION TO OR AMONG
2 ANY WHOLESALERS, DISTRIBUTORS OR RETAILERS, OF FOOD ITEMS
3 INTENDED FOR HUMAN CONSUMPTION AS DEFINED BY RULE ADOPTED
4 PURSUANT TO A.R.S. SECTION 42-5106 OR ITEMS PRESCRIBED BY A.R.S.
5 SECTION 42-5106, SUBSECTION D FOR HOME CONSUMPTION OR FOR
6 CONSUMPTION ON THE PREMISES.

7 (WW) THE SALE OF ANY CONTAINER OR PACKAGING USED EXCLUSIVELY FOR
8 TRANSPORTING, PROTECTING OR CONSUMING FOOD ITEMS INTENDED
9 FOR HUMAN CONSUMPTION AS DEFINED BY RULE ADOPTED PURSUANT
10 TO A.R.S. SECTION 42-5106 OR ITEMS PRESCRIBED BY A.R.S. SECTION 42-
11 5106, SUBSECTION D FOR HOME CONSUMPTION OR FOR CONSUMPTION ON
12 THE PREMISES.

13
14 **Section XI. Phoenix City Code Section 14-470 is amended as follows, with the following**
15 **effective dates per subsection: (h) July 24, 2014; (a)(3)(A), (a)(3)(B), (a)(4), & (i) July**
16 **1, 2019. Phoenix City Tax Code Regulation 14-470.1 is repealed effective July 1,**
17 **2019.**

18
19 **Sec. 14-470. Telecommunication services.**

20 (a) The tax rate shall be at an amount equal to four and seven-tenths percent (4.7%) of the
21 gross income from the business activity upon every person engaging or continuing in the
22 business of providing telecommunication services to consumers within this City.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (1) Telecommunication services shall include:
- 2 (A) two-way voice, sound, and/or video communication over a
- 3 communications channel.
- 4 (B) one-way voice, sound, and/or video transmission or relay over a
- 5 communications channel.
- 6 (C) facsimile transmissions.
- 7 (D) providing relay or repeater service.
- 8 (E) providing computer interface services over a communications channel.
- 9 (F) time-sharing activities with a computer accomplished through the use of a
- 10 communications channel.
- 11 (2) Gross income from the business activity of providing telecommunication services
- 12 to consumers within this City shall include:
- 13 (A) all fees for connection to a telecommunication system.
- 14 (B) toll charges, charges for transmissions, and charges for other
- 15 telecommunications services; provided that such charges relate to
- 16 transmissions originating in the City and terminating in this State.
- 17 (C) fees charged for access to or subscription to or membership in a
- 18 telecommunication system or network.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 ~~(D) Charges for monitoring services relating to a security or burglar alarm system~~
2 ~~located within the City where such system transmits or receives signals or~~
3 ~~data over a communications channel.~~

4 (D) charges for telephone, fax or internet access services provided at an
5 additional charge by a hotel business subject to taxation under Section 14-
6 444.

7 (3) Gross income from the business activity of providing telecommunication services
8 to consumers within this City shall not include:

9 (A) charges for installation, maintenance, and repair of telecommunication
10 equipment which are subject to the provisions of Sections 14-415, 14-416,
11 or 14-417 (construction contracting); 14-445 (real property rental); 14-450
12 (tangible personal property rental); or 14-460 (retail sales); depending
13 upon the nature of the work performed.

14 (B) separately billed advertising charges which are subject to the provisions of
15 Section 14-405 (advertising) or 14-435 (publishing).

16 (4) Mobile equipment. In cases where the customer is being provided
17 telecommunication services to receiving/transmission equipment designed to be
18 mobile in nature (for example, mobile telephones, portable hand-held two-way
19 radios, paging devices, etc.), the provider shall, for the purposes of the tax
20 imposed by this Section, determine whether such provider's customers are "within
21 this City" by the billing address of the customer, provided that such address is a
22 permanent residence or business location of the consumer within the State.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (b) Resale telecommunication services. Gross income from sales of telecommunication
2 services to another provider of telecommunication services for the purpose of providing
3 the purchaser's customers with such service shall be exempt from the tax imposed by this
4 Section; provided, however, that such purchaser is properly licensed by the City to
5 engage in such business.
- 6 (c) Interstate transmissions. Charges by a provider of telecommunication services for
7 transmissions originating in the City and terminating outside the State are exempt from
8 the tax imposed by this Section.
- 9 (d) Tax credit offset for franchise fees. There shall be allowed as an offset, up to the amount
10 of tax due, any amounts paid to the City for license fees or franchise fees, but such offset
11 shall not be allowed against taxes imposed by any other Section of this Chapter. Such
12 offset shall not be deemed in conflict with or violation of subsection 14-400(b).
- 13 (e) (Reserved)
- 14 (f) Prepaid calling cards. Telecommunications services purchased with a prepaid calling card
15 that are taxable under Section 14-460 are exempt from the tax imposed under this
16 Section.
- 17 (g) Internet access services. The gross income subject to tax under this Section shall not
18 include sales of internet access services to the person's subscribers and customers. For the
19 purposes of this subsection:
- 20 (1) "Internet" means the computer and telecommunications facilities that comprise
21 the interconnected worldwide network of networks that employ the transmission

Attachment B
Amendments to the Phoenix City (Tax) Code

1 control protocol or internet protocol, or any predecessor or successor protocol, to
2 communicate information of all kinds by wire or radio.

3 (2) "Internet Access" means a service that enables users to access content,
4 information, electronic mail or other services over the internet. Internet access
5 does not include telecommunication services provided by a common carrier.

6 (H) **ALARM MONITORING SERVICES. THE GROSS INCOME SUBJECT TO TAX**
7 **UNDER THIS SECTION SHALL NOT INCLUDE SALES OF MONITORING**
8 **SERVICES RELATING TO AN ALARM SYSTEM AS DEFINED IN A.R.S.**
9 **SECTION 32-101.**

10 (I) **OVER-THE-TOP-SERVICES. THE GROSS INCOME SUBJECT TO TAX UNDER**
11 **THIS SECTION SHALL NOT INCLUDE SALES OF OVER-THE-TOP SERVICES.**
12 **FOR THE PURPOSES OF THIS PARAGRAPH "OVER-THE-TOP SERVICES"**
13 **MEANS AUDIO OR VIDEO PROGRAMMING SERVICES THAT ARE RECEIVED**
14 **BY THE PURCHASER BY MEANS OF AN INTERNET CONNECTION,**
15 **REGARDLESS OF THE TECHNOLOGY USED, THAT INCLUDE LINEAR OR LIVE**
16 **PROGRAMMING AND THAT ARE GENERALLY CONSIDERED COMPARABLE**
17 **TO PROGRAMMING PROVIDED BY RADIO OR TELEVISION BROADCAST**
18 **STATION AND INCLUDES RELATED ON DEMAND PROGRAMMING**
19 **PROVIDED AT NO ADDITIONAL CHARGE, REGARDLESS OF WHETHER THE**
20 **SERVICES ARE PROVIDED INDEPENDENTLY OR PACKAGED WITH OTHER**
21 **AUDIO OR VIDEO PROGRAMMING.**

22 **Phoenix City Code Regulation 14-470.1. Telecommunications services.**

Attachment B
Amendments to the Phoenix City (Tax) Code

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

a. ~~Gross income from the business activity of providing telecommunication services to consumers within this City shall not include:~~

1. ~~Charges for installation, maintenance, and repair of telecommunication equipment which are subject to the provisions of Section 14-415, 14-416, or 14-417 (construction contracting); 14-445 (real property rental); 14-450 (tangible personal property rental); or 14-460 (retail sales); depending upon the nature of the work performed.~~

2. ~~Separately billed advertising charges which are subject to the provisions of Section 14-405 or 14-435.~~

b. ~~Mobile equipment. In cases where the customer is being provided telecommunication services to receiving/transmission equipment designed to be mobile in nature (for example, mobile telephones, portable handheld two-way radios, paging devices, etc.), the provider shall, for the purposes of the tax imposed by this section, determine whether such provider's customers are "within this City" as follows:~~

1. ~~By the billing address of the customer, provided that such address is a permanent residence or business location of the consumer within the State.~~

2. ~~In all other cases, the business location of the telecommunications provider.~~

Section XII. Phoenix City Code Section 14-475 is amended as follows, with an effective date of September 1, 2016.

Attachment B
Amendments to the Phoenix City (Tax) Code

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

Sec. 14-475. Transporting for hire.

The tax rate shall be at an amount equal to two and three-tenths percent (2.3%) of the gross income from the business activity upon every person engaging or continuing in the business of providing the following forms of transportation for hire from this City to another point within the State:

(a) transporting of persons or property by railroad; provided, however, that the tax imposed by this subsection shall not apply to transporting freight or property for hire by a railroad operating exclusively in this State if the transportation comprises a portion of a single shipment of freight or property, involving more than one railroad, either from a point in this State to a point outside this State or from a point outside this State to a point in this State. For purposes of this paragraph, "a single shipment" means the transportation that begins at the point at which one of the railroads first takes possession of the freight or property and continues until the point at which one of the railroads relinquishes possession of the freight or property to a party other than one of the railroads.

(b) transporting of oil or natural or artificial gas through pipe or conduit.

(c) transporting of property by aircraft.

(d) (Reserved)

(1) (Reserved)

(2) (Reserved)

(3) (Reserved)

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (4) (Reserved)

2 (e) (Reserved)

3 (f) Deductions or exemptions. The gross proceeds of sales or gross income derived from the
4 following sources is exempt from the tax imposed by this Section:

5 (1) income that is specifically included as the gross income of a business activity
6 upon which another Section of Article IV imposes a tax, that is separately stated
7 to the customer and is taxable to the person engaged in that classification not to
8 exceed consideration paid to the person conducting the activity.

9 (2) income from arranging amusement or transportation when the amusement or
10 transportation is conducted by another person not to exceed consideration paid to
11 the amusement or transportation business.

12 (3) ANY AMOUNT ATTRIBUTABLE TO FEES COLLECTED BY
13 TRANSPORTATION NETWORK COMPANIES ISSUED A PERMIT
14 PURSUANT TO A.R.S. SECTION 28-9552.

15 (4) TRANSPORTING FOR HIRE PERSONS BY TRANSPORTATION
16 NETWORK COMPANY DRIVERS ON TRANSACTIONS INVOLVING
17 TRANSPORTATION NETWORK SERVICES AS DEFINED IN A.R.S.
18 SECTION 28-9551.

19 (5) TRANSPORTING FOR HIRE PERSONS BY VEHICLE FOR HIRE
20 COMPANIES ISSUED A PERMIT PURSUANT TO A.R.S. SECTION 28-9503.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **(6) TRANSPORTING FOR HIRE PERSONS BY VEHICLE FOR HIRE DRIVERS**
2 **ON TRANSACTIONS INVOLVING VEHICLE FOR HIRE SERVICES AS**
3 **DEFINED IN A.R.S. SECTION 28-9501.**

4 (g) The tax imposed by this Section shall not include arranging transportation as a
5 convenience to a person's customers if that person is not otherwise engaged in the
6 business of transporting persons, freight or property for hire. This exception does not
7 apply to businesses that dispatch vehicles pursuant to customer orders and send the
8 billings and receive the payments associated with that activity, including when the
9 transportation is performed by third party independent contractors. For the purposes of
10 this paragraph, "arranging" includes billing for or collecting transportation charges from a
11 person's customers on behalf of the persons providing the transportation.

12
13 **Section XIII. Phoenix City Code Section 14-480 is amended as follows, with an effective**
14 **date of August 1, 2015.**

15
16 **Sec. 14-480. Utility services.**

17 (a) The tax rate shall be at an amount equal to two and seven-tenths percent (2.7%) of the
18 gross income from the business activity upon every person engaging or continuing in the
19 business of producing, providing, or furnishing utility services, including electricity,
20 electric lights, current, power, gas (natural or artificial), or water to:
21 (1) consumers or ratepayers who reside within the City.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (2) (Reserved)
- 2 (b) Exclusion of certain sales of natural gas to a public utility. Notwithstanding the
3 provisions of subsection (a) above, the gross income derived from the sale of natural gas
4 to a public utility for the purpose of generation of power to be transferred by the utility to
5 its ratepayers shall be considered a retail sale of tangible personal property subject to
6 Sections 14-460 and 14-465, and not considered gross income taxable under this Section.
- 7 (c) Resale utility services. Sales of utility services to another provider of the same utility
8 services for the purpose of providing such utility services either to another properly
9 licensed utility provider or directly to such purchaser's customers or ratepayers shall be
10 exempt and deductible from the gross income subject to the tax imposed by this Section,
11 provided that the purchaser is properly licensed by all applicable taxing jurisdictions to
12 engage or continue in the business of providing utility services, and further provided that
13 the seller maintains proper documentation, in a manner similar to that for sales for resale,
14 of such transactions.
- 15 (d) (Reserved)
- 16 (e) The tax imposed by this Section shall not apply to sales of utility services to a qualifying
17 hospital, qualifying community health center or a qualifying health care organization,
18 except when sold for use in activities resulting in gross income from unrelated business
19 income as that term is defined in 26 U.S.C. Section 512.
- 20 (f) The tax imposed by this Section shall not apply to sales of natural gas or liquefied
21 petroleum gas used to propel a motor vehicle.
- 22 (g) The tax imposed by this Section shall not apply to:

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (1) revenues received by a municipally owned utility in the form of fees charged to
2 persons constructing residential, commercial or industrial developments or
3 connecting residential, commercial or industrial developments to a municipal
4 utility system or systems if the fees are segregated and used only for capital
5 expansion, system enlargement or debt service of the utility system or systems.

6 (2) revenues received by any person or persons owning a utility system in the form of
7 reimbursement or contribution compensation for property and equipment installed
8 to provide utility access to, on or across the land of an actual utility consumer if
9 the property and equipment become the property of the utility. This exclusion
10 shall not exceed the value of such property and equipment.

11 (h) The tax imposed by this Section shall not apply to sales of alternative fuel as defined in
12 A.R.S. SECTION § 1-215, to a used oil fuel burner who has received a Department of
13 Environmental Quality permit to burn used oil or used oil fuel under A.R.S. SECTION §
14 49-426 or A.R.S. SECTION § 49-480.

15 (i) The tax imposed by this Section shall not apply to sales or other transfers of renewable
16 energy credits or any other unit created to track energy derived from renewable energy
17 resources. For the purposes of this paragraph, "renewable energy credit" means a unit
18 created administratively by the corporation commission or governing body of a public
19 power utility to track kilowatt hours of electricity derived from a renewable energy
20 resource or the kilowatt hour equivalent of conventional energy resources displaced by
21 distributed renewable energy resources.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (j) The tax imposed by this Section shall not apply to the portion of gross proceeds of sales
2 or gross income attributable to transfers of electricity by any retail electric customer
3 owning a solar photovoltaic energy generating system to an electric distribution system,
4 if the electricity transferred is generated by the customer's system.

5 (k) (Reserved)

6

7 **Section XIV. Phoenix City Code Section 14-530 is amended as follows, with an effective**
8 **date of January 1, 2015.**

9

10 **Sec. 14-530. When tax due; when delinquent; verification of return; extensions.**

11 (a) Except as provided elsewhere in this Section, the taxes shall be due and payable monthly
12 on or before the twentieth (20th) day of the month next succeeding the month in which
13 the tax accrues.

14 **(B) ANY PERSON WHO IS ENGAGED IN OR CONDUCTING BUSINESS IN TWO OR**
15 **MORE LOCATIONS OR UNDER TWO OR MORE BUSINESS NAMES SHALL**
16 **FILE THE RETURN REQUIRED UNDER THIS CHAPTER BY ELECTRONIC**
17 **MEANS.**

18 **(C) THE DEPARTMENT, FOR ANY TAXPAYER WHOSE ESTIMATED ANNUAL**
19 **LIABILITY FOR TAXES IMPOSED OR ADMINISTERED BY A.R.S TITLE 42,**
20 **CHAPTER 5, ARTICLE 1 OR A.R.S. TITLE 42, CHAPTER 6 IS BETWEEN TWO**
21 **THOUSAND DOLLARS AND EIGHT THOUSAND DOLLARS, SHALL**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 AUTHORIZE SUCH TAXPAYER TO PAY SUCH TAXES ON A QUARTERLY
2 BASIS. THE DEPARTMENT, FOR ANY TAXPAYER WHOSE ESTIMATED
3 ANNUAL LIABILITY FOR TAXES IMPOSED OR ADMINISTERED BY A.R.S
4 TITLE 42, CHAPTER 5, ARTICLE 1 OR A.R.S. TITLE 42, CHAPTER 6 IS LESS
5 THAN TWO THOUSAND DOLLARS SHALL AUTHORIZE SUCH TAXPAYER TO
6 PAY SUCH TAXES ON AN ANNUAL BASIS.

7 (D) Delinquency Date. THE TAXES LEVIED UNDER THIS CHAPTER WILL BE
8 CONSIDERED DELINQUENT IN ACCORDANCE WITH A.R.S. SECTION 42-5014,
9 AS FOLLOWS:

10 (1) FOR TAXPAYERS THAT ARE REQUIRED OR ELECT TO FILE AND PAY
11 ELECTRONICALLY IN ANY MONTH, IF NOT RECEIVED BY THE
12 DEPARTMENT ON OR BEFORE THE LAST BUSINESS DAY OF THE
13 MONTH.

14 (2) FOR ALL OTHER TAXPAYERS, IF NOT RECEIVED BY THE
15 DEPARTMENT ON OR BEFORE THE BUSINESS DAY PRECEDING THE
16 LAST BUSINESS DAY OF THE MONTH

17 (E) Jeopardy reporting. If the Tax Collector determines that the collection of any tax due to
18 the City is in jeopardy, the Tax Collector may direct the taxpayer to file his return and
19 remit the tax on a weekly, daily, or transaction-by-transaction basis. Such return and
20 remittance shall be due upon the date fixed by the Tax Collector, and the "delinquency
21 date" shall be the following day.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **(F)** Extensions. The Tax Collector may extend the time for filing a return, for good cause
2 shown, and only when requested in writing and received by the Tax Collector prior to the
3 tax due date. However, the time for filing such return shall not be extended beyond the
4 last business day of the month next succeeding the due date of such return. In such cases,
5 only the penalties for late filing and late payment may be waived by the Tax Collector for
6 filing and payment within the extension period. Notwithstanding the granting of an
7 extension, the interest payable for late payment of taxes shall be paid for the period
8 commencing upon the original delinquency date and ending on the date the tax is paid.
9 The interest may not be waived by the Tax Collector.

10
11 **Section XV. Phoenix City Code Section 14-660 is amended as follows, with the following**
12 **effective dates per subsection: (k) January 1, 2015; (ee) January 1, 2018; (ss) August 1,**
13 **2015; (tt) July 24, 2014; (uu) September 12, 2013; (vv) December 1, 2017; (ww) August 3,**
14 **2018; (yy) August 3, 2018.**

15
16 **Sec. 14-660. Use tax: exemptions.**

17 The storage or use in this City of the following tangible personal property is exempt from the
18 Use Tax imposed by this Article:

19 (a) tangible personal property brought into the City by an individual who was not a resident
20 of the City at the time the property was acquired for his own use, if the first actual use of
21 such property was outside the City, unless such property is used in conducting a business
22 in this City.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (b) tangible personal property, the value of which does not exceed the amount of one
2 thousand dollars (\$1,000) per item, acquired by an individual outside the limits of the
3 City for his personal use and enjoyment.
- 4 (c) charges for delivery, installation, or other customer services, as prescribed by Regulation.
- 5 (d) charges for repair services, as prescribed by Regulation.
- 6 (e) separately itemized charges for warranty, maintenance, and service contracts.
- 7 (f) prosthetics.
- 8 (g) income-producing capital equipment.
- 9 (h) rental equipment and rental supplies.
- 10 (i) mining and metallurgical supplies.
- 11 (j) motor vehicle fuel and use fuel which are used upon the highways of this State and upon
12 which a tax has been imposed under the provisions of Article I or II, Chapter 16, Title 28,
13 Arizona Revised Statutes.
- 14 (k) tangible personal property purchased by:
- 15 **(1)** a construction contractor, but not an owner-builder, when such person holds a
16 valid Privilege License for engaging or continuing in the business of construction
17 contracting, and where the property acquired is incorporated into any structure or
18 improvement to real property in fulfillment of a construction contract.
- 19 **(2) A PERSON THAT IS NOT SUBJECT TO TAX UNDER SECTION 415(B)(12)**
20 **AND THAT HAS BEEN PROVIDED A COPY OF A CERTIFICATE UNDER**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 A.R.S. SECTION 42-5009, SUBSECTION L, IF THE PROPERTY SO SOLD IS
2 INCORPORATED OR FABRICATED BY THE PERSON INTO THE REAL
3 PROPERTY, STRUCTURE, PROJECT, DEVELOPMENT OR
4 IMPROVEMENT DESCRIBED IN THE CERTIFICATE.

- 5 (l) sales of motor vehicles to nonresidents of this State for use outside this State if the vendor
6 ships or delivers the motor vehicle to a destination outside this State.
- 7 (m) tangible personal property which directly enters into and becomes an ingredient or
8 component part of a product sold in the regular course of the business of job printing,
9 manufacturing, or publication of newspapers, magazines or other periodicals. Tangible
10 personal property which is consumed or used up in a manufacturing, job printing,
11 publishing, or production process is not an ingredient nor component part of a product.
- 12 (n) rental, leasing, or licensing for use of film, tape, or slides by a theater or other person
13 taxed under Section 14-410, or by a radio station, television station, or subscription
14 television system.
- 15 (o) food served to patrons for a consideration by any person engaged in a business properly
16 licensed and taxed under Section 14-455, but not food consumed by owners, agents, or
17 employees of such business.
- 18 (p) tangible personal property acquired by a qualifying hospital, qualifying community
19 health center or a qualifying health care organization, except when the property is in fact
20 used in activities resulting in gross income from unrelated business income as that term is
21 defined in 26 U.S.C. Section 512.
- 22 (q) (Reserved) (See Mesa City Page).

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (r) the following tangible personal property purchased by persons engaging or continuing in
2 the business of farming, ranching, or feeding livestock, poultry or ratites:

3 (1) seed, fertilizer, fungicides, seed treating chemicals, and other similar chemicals.

4 (2) feed for livestock, poultry or ratites, including salt, vitamins, and other additives
5 to such feed.

6 (3) livestock, poultry or ratites purchased or raised for slaughter, but not including
7 livestock purchased or raised for production or use, such as milch cows, breeding
8 bulls, laying hens, riding or work horses.

9 (4) (Reserved)

10 This exemption shall not be construed to include machinery, equipment, fuels, lubricants,
11 pharmaceuticals, repair and replacement parts, or other items used or consumed in the
12 running, maintenance, or repair of machinery, equipment, buildings, or structures used or
13 consumed in the business of farming, ranching, or feeding of livestock, poultry or ratites.

14 (s) groundwater measuring devices required by A.R.S. Section 45-604.

15 (t) (Reserved)

16 (u) aircraft acquired for use outside the State, as prescribed by Regulation.

17 (v) food products **SOLD** by **FOOD** producers as provided for by A.R.S. Section 3-561, 3-562
18 and 3-563.

19 (w) (Reserved)

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (x) food and drink provided by a person who is engaged in business that is classified under
2 the restaurant classification without monetary charge to its employees for their own
3 consumption on the premises during such employees' hours of employment.
- 4 (y) Tangible personal property donated to an organization or entity qualifying as an exempt
5 organization under 26 U.S.C. Section 501(c)(3); if and only if:
- 6 (1) the donor is engaged or continuing in a business activity subject to a tax imposed
7 by Article IV; and
- 8 (2) the donor originally purchased the donated property for resale in the ordinary
9 course of the donor's business; and
- 10 (3) the donor obtained from the donee a letter or other evidence satisfactory to the
11 Tax Collector of qualification under 26 U.S.C. Section 501(c)(3) from the Internal
12 Revenue Service or other appropriate federal agency; and
- 13 (4) the donor maintains, and provides upon demand, such evidence to the Tax
14 Collector, in a manner similar to other documentation required under Article III.
- 15 (z) (Reserved)
- 16 (aa) tangible personal property used in remediation contracting as defined in Section 14-100
17 and Regulation 14-100.5.
- 18 (bb) materials that are purchased by or for publicly funded libraries including school district
19 libraries, charter school libraries, community college libraries, state university libraries or
20 federal, state, county or municipal libraries for use by the public as follows:
- 21 (1) printed or photographic materials.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (2) electronic or digital media materials.
- 2 (cc) food, beverages, condiments and accessories used for serving food and beverages by a
3 commercial airline, as defined in A.R.S. Section 42-5061, that serves the food and
4 beverages to its passengers, without additional charge, for consumption in flight. For the
5 purposes of this subsection, "accessories" means paper plates, plastic eating utensils,
6 napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other
7 items which facilitate the consumption of the food.
- 8 (dd) wireless telecommunication equipment that is held for sale or transfer to a customer as an
9 inducement to enter into or continue a contract for telecommunication services that are
10 taxable under Section 14-470.
- 11 (ee) **TANGIBLE PERSONAL PROPERTY SOLD BY A NONPROFIT ORGANIZATION**
12 **THAT IS EXEMPT FROM TAXATION UNDER SECTION 501(C)(3), 501(C)(4) OR**
13 **501(C)(6) OF THE INTERNAL REVENUE CODE IF THE ORGANIZATION IS**
14 **ASSOCIATED WITH A MAJOR LEAGUE BASEBALL TEAM OR A NATIONAL**
15 **TOURING PROFESSIONAL GOLFING ASSOCIATION AND NO PART OF THE**
16 **ORGANIZATION'S NET EARNINGS INURES TO THE BENEFIT OF ANY**
17 **PRIVATE SHAREHOLDER OR INDIVIDUAL. THIS PARAGRAPH DOES NOT**
18 **APPLY TO AN ORGANIZATION THAT IS OWNED, MANAGED OR**
19 **CONTROLLED, IN WHOLE OR IN PART, BY A MAJOR LEAGUE BASEBALL**
20 **TEAM, OR ITS OWNERS, OFFICERS, EMPLOYEES OR AGENTS, OR BY A**
21 **MAJOR LEAGUE BASEBALL ASSOCIATION OR PROFESSIONAL GOLFING**
22 **ASSOCIATION, OR ITS OWNERS, OFFICERS, EMPLOYEES OR AGENTS,**
23 **UNLESS THE ORGANIZATION CONDUCTED OR OPERATED EXHIBITION**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **EVENTS IN THIS STATE BEFORE JANUARY 1, 2018 THAT WERE EXEMPT**
2 **FROM TRANSACTION PRIVILEGE TAX UNDER A.R.S. SECTION 42-5073.**

3 (ff) alternative fuel as defined in A.R.S. **SECTION §**1-215, by a used oil fuel burner who has
4 received a Department of Environmental Quality permit to burn used oil or used oil fuel
5 under A.R.S. **SECTION §** 49-426 or **A.R.S. SECTION §** 49-480.

6 (gg) food, beverages, condiments and accessories purchased by or for a public educational
7 entity, pursuant to any of the provisions of Title 15, Arizona Revised Statutes, including a
8 regularly organized private or parochial school that offers an educational program for
9 grade twelve **(12)** or under which may be attended in substitution for a public school
10 pursuant to A.R.S. **SECTION §** 15-802; to the extent such items are to be prepared or
11 served to individuals for consumption on the premises of a public educational entity
12 during school hours. For the purposes of this subsection, "accessories" means paper
13 plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other
14 disposable containers, or other items which facilitate the consumption of the food.

15 (hh) personal hygiene items purchased by a person engaged in the business of and subject to
16 tax under Section 14-444 of this code if the tangible personal property is furnished
17 without additional charge to and intended to be consumed by the person during his
18 occupancy.

19 (ii) the diversion of gas from a pipeline by a person engaged in the business of operating a
20 natural or artificial gas pipeline, for the sole purpose of fueling compressor equipment to
21 pressurize the pipeline, is not a sale of the gas to the operator of the pipeline.

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (jj) food, beverages, condiments and accessories purchased by or for a nonprofit charitable
2 organization that has qualified as an exempt organization under 26 U.S.C. Section
3 501(c)(3) and regularly serves meals to the needy and indigent on a continuing basis at no
4 cost. For the purposes of this subsection, "accessories" means paper plates, plastic eating
5 utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers,
6 or other items which facilitate the consumption of the food.
- 7 (kk) sales of motor vehicles that use alternative fuel if such vehicle was manufactured as a
8 diesel fuel vehicle and converted to operate on alternative fuel and sales of equipment
9 that is installed in a conventional diesel fuel motor vehicle to convert the vehicle to
10 operate on an alternative fuel, as defined in A.R.S. SECTION § 1-215.
- 11 (ll) the storage, use or consumption of tangible personal property in the city or town by a
12 school district or charter school.
- 13 (mm) renewable energy credits or any other unit created to track energy derived from
14 renewable energy resources. For the purposes of this paragraph, "renewable energy
15 credit" means a unit created administratively by the corporation commission or governing
16 body of a public power utility to track kilowatt hours of electricity derived from a
17 renewable energy resource or the kilowatt hour equivalent of conventional energy
18 resources displaced by distributed renewable energy resources.
- 19 (nn) magazines or other periodicals or other publications by this state to encourage tourist
20 travel.
- 21 (oo) paper machine clothing, such as forming fabrics and dryer felts, sold to a paper
22 manufacturer and directly used or consumed in paper manufacturing.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (pp) overhead materials or other tangible personal property that is used in performing a
2 contract between the United States government and a manufacturer, modifier, assembler
3 or repairer, including property used in performing a subcontract with a government
4 contractor who is a manufacturer, modifier, assembler or repairer, to which title passes to
5 the government under the terms of the contract or subcontract.

6 (qq) coal, petroleum, coke, natural gas, virgin fuel oil and electricity sold to a qualified
7 environmental technology manufacturer, producer or processor as defined in A.R.S.
8 **SECTION § 41-1514.02** and directly used or consumed in the generation or provision of
9 on-site power or energy solely for environmental technology manufacturing, producing
10 or processing or environmental protection. This paragraph shall apply for twenty full
11 consecutive calendar or fiscal years from the date the first paper manufacturing machine
12 is placed in service. In the case of an environmental technology manufacturer, producer
13 or processor who does not manufacture paper, the time period shall begin with the date
14 the first manufacturing, processing or production equipment is placed in service.

15 (rr) machinery, equipment, materials and other tangible personal property used directly and
16 predominantly to construct a qualified environmental technology manufacturing,
17 producing or processing facility as described in A.R.S. **SECTION § 41-1514.02**. This
18 subsection applies for ten full consecutive calendar or fiscal years after the start of initial
19 construction.

20 (ss) (Reserved)

21 **(TT) THE TRANSFER OF TITLE OR POSSESSION OF COAL BACK AND FORTH**
22 **BETWEEN AN OWNER OR OPERATOR OF A POWER PLANT AND A PERSON**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 WHO IS RESPONSIBLE FOR REFINING COAL IF BOTH OF THE FOLLOWING
2 APPLY:

3 (1) THE TRANSFER OF TITLE OR POSSESSION OF THE COAL IS FOR THE
4 PURPOSE OF REFINING THE COAL; AND

5 (2) THE TITLE OR POSSESSION OF THE COAL IS TRANSFERRED BACK TO
6 THE OWNER OR OPERATOR OF THE POWER PLANT AFTER
7 COMPLETION OF THE COAL REFINING PROCESS. FOR THE PURPOSES
8 OF THIS SUBDIVISION, "COAL REFINING PROCESS" MEANS THE
9 APPLICATION OF A COAL ADDITIVE SYSTEM THAT AIDS THE
10 REDUCTION OF POWER PLANT EMISSIONS DURING THE
11 COMBUSTION OF COAL AND THE TREATMENT OF FLUE GAS.

12 (UU) COMPUTER DATA CENTER EQUIPMENT PURCHASED BY THE OWNER,
13 OPERATOR OR QUALIFIED COLOCATION TENANT OF THE A COMPUTER
14 DATA CENTER THAT IS CERTIFIED BY THE ARIZONA COMMERCE
15 AUTHORITY UNDER A.R.S. SECTION 41-1519 OR AN AUTHORIZED AGENT OF
16 THE OWNER, OPERATOR OR QUALIFIED COLOCATION TENANT DURING
17 THE QUALIFICATION PERIOD FOR USE IN THE QUALIFIED COMPUTER DATA
18 CENTER. FOR THE PURPOSES OF THIS PARAGRAPH, "COMPUTER DATA
19 CENTER", "COMPUTER DATA CENTER EQUIPMENT", "QUALIFICATION
20 PERIOD" AND "QUALIFIED COLOCATION TENANT" HAVE THE SAME
21 MEANINGS PRESCRIBED IN A.R.S. SECTION 41-1519.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (VV) JET FUEL USE TAX IMPOSED UNDER SECTION 14-610 ON THE STORAGE, USE
2 OR CONSUMPTION IN THIS CITY OF JET FUEL PURCHASED FROM A
3 RETAILER IN ANY CASE IN WHICH THE TAX IMPOSED UNDER SECTION 14-
4 422 HAS NOT BEEN PAID IS LIMITED TO AMOUNTS OF NOT MORE THAN TEN
5 MILLION GALLONS OF JET FUEL PURCHASED IN EACH CALENDAR YEAR.
6 PURCHASES IN EXCESS OF TEN MILLION GALLONS PER YEAR ARE DEEMED
7 EXEMPT.

8 (WW) THE PURCHASE MANUFACTURE, WHOLESALE OR DISTRIBUTION TO OR
9 AMONG ANY WHOLESALERS, DISTRIBUTORS OR RETAILERS, OF FOOD
10 ITEMS INTENDED FOR HUMAN CONSUMPTION AS DEFINED BY RULE
11 ADOPTED PURSUANT TO A.R.S. SECTION 42-5106 OR ITEMS PRESCRIBED BY
12 A.R.S. SECTION 42-5106, SUBSECTION D FOR HOME CONSUMPTION OR FOR
13 CONSUMPTION ON THE PREMISES.

14 (YY) THE PURCHASE OF ANY CONTAINER OR PACKAGING USED EXCLUSIVELY
15 FOR TRANSPORTING, PROTECTING OR CONSUMING FOOD ITEMS
16 INTENDED FOR HUMAN CONSUMPTION AS DEFINED BY RULE ADOPTED
17 PURSUANT TO A.R.S. SECTION 42-5106 OR ITEMS PRESCRIBED BY A.R.S.
18 SECTION 42-5106, SUBSECTION D FOR HOME CONSUMPTION OR FOR
19 CONSUMPTION ON THE PREMISES.

20
21 **Section XVI. Phoenix City Code Section 14-416 is amended as follows; Section 14-416.1 is**
22 **added as follows, repealing and replacing Regulation 14-416.1; and Section 416.2 is added**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 as follows, repealing and replacing Regulation 416.2, all effective from and after April 1,
2 2019.

3
4 **Sec. 14-416. Construction contracting: speculative builders.**

5 (a) The tax shall be equal to two and three-tenths percent (2.3%) of the gross income from
6 the business activity upon every person engaging or continuing in business as a
7 speculative builder within the City.

8 (1) The gross income of a speculative builder considered taxable shall include the
9 total selling price from the sale of improved real property at the time of closing of
10 escrow or transfer of title.

11 (2) "Improved Real Property" means any real property:

12 (A) upon which a **NEW** structure has been **constructed SUBSTANTIALLY**
13 **COMPLETED**; or

14 (B) where improvements have been made to land containing no structure (such
15 as paving or landscaping); or

16 (C) which has been reconstructed as provided by **Regulation SECTION 14-**
17 **416.2**; or

18 (D) where water, power, and streets have been constructed to the property line.

19 **FOR THE PURPOSE OF PARAGRAPH (A), ONCE A STRUCTURE HAS**
20 **BEEN DEEMED "SUBSTANTIALLY COMPLETE", SUBSEQUENT**
21 **IMPROVEMENTS TO THE STRUCTURE SHALL NOT BE CONSIDERED**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 **FOR THE PURPOSE OF DETERMINING THE DATE ON WHICH A SALE**
2 **TRANSACTION WOULD BE TAXABLE UNDER THIS SECTION.**

3 (3) "Sale of Improved Real Property" includes any form of transaction, whether
4 characterized as a lease or otherwise, which in substance is a transfer of title of, or
5 equitable ownership in, improved real property and includes any lease of the
6 property for a term of thirty (30) years or more (with all options for renewal being
7 included as a part of the term). In the case of multiple unit projects, "sale" refers
8 to the sale of the entire project or to the sale of any individual parcel or unit.

9 (4) "Partially Improved Residential Real Property", as used in this Section, means
10 any improved real property, as defined in subsection (a)(2) above, being
11 developed for sale ~~to individual homeowners~~, where the ~~construction of the~~
12 ~~residence upon~~ **IMPROVEMENT TO** such property is not substantially complete
13 at the time of the sale.

14 (b) Exclusions.

15 (1) In cases involving reconstruction contracting, the speculative builder may exclude
16 from gross income the prior value allowed for reconstruction contracting in
17 determining his taxable gross income, as provided by ~~Regulation~~ **SECTION** 14-
18 416.2.

19 (2) Neither the cost nor the fair market value of the land which constitutes part of the
20 improved real property sold may be excluded or deducted from gross income
21 subject to the tax imposed by this Section.

22 (3) (Reserved)

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (4) A speculative builder may exclude gross income from the sale of partially
2 improved residential real property as defined in (a)(4) above to another
3 speculative builder only if all of the following conditions are satisfied:
- 4 (A) The speculative builder purchasing the partially improved residential real
5 property has a valid City MUNICIPAL privilege TAX license for
6 construction contracting as a speculative builder; and
- 7 (B) At the time of the transaction, the purchaser provides the seller with a
8 properly completed written declaration that the purchaser assumes liability
9 for and will pay all privilege taxes which would otherwise be due the City
10 at the time of sale of the partially improved residential real property; and
- 11 (C) The seller also:
- 12 (i) maintains proper records of such transactions in a manner similar
13 to the requirements provided in this chapter relating to sales for
14 resale; and
- 15 (ii) retains a copy of the written declaration provided by the buyer for
16 the transaction; and
- 17 (iii) is properly licensed with the City as a speculative builder and
18 provides the City with the written declaration attached to the City
19 privilege tax return where he claims the exclusion.
- 20 (5) For taxable periods beginning from and after July 1, 2008, the portion of gross
21 proceeds of sales or gross income attributable to the actual direct costs of

Attachment B
Amendments to the Phoenix City (Tax) Code

1 providing architectural or engineering services that are incorporated in a contract
2 is not subject to tax under this section. For the purposes of this subsection, "direct
3 costs" means the portion of the actual costs that are directly expended in
4 providing architectural or engineering services.

5 (c) Tax liability for speculative builders occurs at close of escrow or transfer of title,
6 whichever occurs earlier, and is subject to the following provisions, relating to
7 exemptions, deductions and tax credits:

8 (1) Exemptions.

9 (A) The gross proceeds of sales or gross income attributable to the purchase of
10 machinery, equipment or other tangible personal property that is exempt
11 from or deductible from privilege or use tax under:

12 (i) Section 14-465, subsections (g) and (p)

13 (ii) Section 14-660, subsections (g) and (p);

14 shall be exempt or deductible, respectively, from the tax imposed by this
15 section.

16 (B) The gross proceeds of sales or gross income received from a contract for
17 the construction of an environmentally controlled facility for the raising of
18 poultry for the production of eggs and the sorting, or cooling and
19 packaging of eggs shall be exempt from the tax imposed under this
20 section.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (C) The gross proceeds of sales or gross income that is derived from the
2 installation, assembly, repair or maintenance of cleanrooms that are
3 deducted from the tax base of the retail classification pursuant to Section
4 14-465, subsection (g) shall be exempt from the tax imposed under this
5 section.

6 (D) The gross proceeds of sales or gross income that is derived from a contract
7 entered into with a person who is engaged in the commercial production of
8 livestock, livestock products or agricultural, horticultural, viticultural or
9 floricultural crops or products in this state for the construction, alteration,
10 repair, improvement, movement, wrecking or demolition or addition to or
11 subtraction from any building, highway, road, excavation, manufactured
12 building or other structure, project, development or improvement used
13 directly and primarily to prevent, monitor, control or reduce air, water or
14 land pollution shall be exempt from the tax imposed under this section.

15 (E) Any amount attributable to development fees that are incurred in relation
16 to the construction, development or improvement of real property and paid
17 by the taxpayer as defined in the model city tax code or by a contractor
18 providing services to the taxpayer shall be exempt from the tax imposed
19 under this section. For the purposes of this paragraph:

20 (i) the attributable amount shall not exceed the value of the
21 development fees actually imposed.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (ii) the attributable amount is equal to the total amount of development
2 fees paid by the taxpayer or by a contractor providing services to
3 the taxpayer and the total development fees credited in exchange
4 for the construction of, contribution to or dedication of real
5 property for providing public infrastructure, public safety or other
6 public services necessary to the development. The real property
7 must be the subject of the development fees.

8 (iii) "development fees" means fees imposed to offset capital costs of
9 providing public infrastructure, public safety or other public
10 services to a development and authorized pursuant to A.R.S.
11 Section 9-463.05, A.R.S. Section 11-1102 or A.R.S. Title 48
12 regardless of the jurisdiction to which the fees are paid.

13 (F) THE GROSS PROCEEDS OF SALES OR GROSS INCOME THAT IS
14 DERIVED FROM THE VALUE OF EXISTING TENANT LEASES IN
15 PLACE AT THE TIME OF THE SALE SHALL BE EXEMPT FROM
16 TAX IMPOSED UNDER THIS SECTION. THE VALUE OF THE IN-
17 PLACE LEASES SHALL BE DETERMINED AS OF THE CLOSE OF
18 ESCROW OR TRANSFER OF TITLE AS FOLLOWS:

19 (I) FOR A RESIDENTIAL LEASE, THE VALUE OF THE IN-
20 PLACE LEASE IS THE TOTAL VALUE OF ALL EXPECTED
21 LEASE RECEIPTS THROUGH THE END OF THE CURRENT
22 LEASE TERM MULTIPLIED BY A FACTOR OF 1.5.
23 EXPECTED LEASE RECEIPTS INCLUDE NON-

Attachment B
Amendments to the Phoenix City (Tax) Code

1 REFUNDABLE DEPOSITS AND EXCLUDES ALL
2 REFUNDABLE DEPOSITS REGARDLESS OF WHETHER
3 THE REFUNDABLE DEPOSIT MAY BE FORFEITED.

4 (II) FOR A COMMERCIAL LEASE, THE VALUE OF THE IN-
5 PLACE LEASE IS THE PRESENT VALUE OF THE
6 EXPECTED LEASE RECEIPTS THROUGH THE END OF THE
7 CURRENT LEASE TERM OR FIRST OPTION OF EITHER
8 PARTY TO TERMINATE THE LEASE, WHICHEVER IS LESS.
9 THE DISCOUNT RATE USED TO CALCULATE THE
10 PRESENT VALUE SHALL BE THE 100% MID-TERM
11 APPLICABLE FEDERAL RATE PUBLISHED BY THE
12 INTERNAL REVENUE SERVICE ASSOCIATED WITH THE
13 PAYMENT TERMS OF THE LEASE RELATED TO THE
14 MONTH PRECEDING THE CLOSE OF ESCROW PLUS
15 THREE (3) PERCENTAGE POINTS.

16 A TRANSACTION, WHETHER CHARACTERIZED AS A LEASE OR
17 OTHERWISE, WHICH IN SUBSTANCE IS A TRANSFER OF TITLE
18 OF OR EQUITABLE OWNERSHIP IN IMPROVED REAL
19 PROPERTY, INCLUDING ANY LEASE OF THE PROPERTY FOR A
20 TERM OF THIRTY (30) YEARS OR MORE (WITH ALL OPTIONS
21 FOR RENEWAL BEING INCLUDED AS A PART OF THE TERM) IS
22 DEEMED TO BE A SALE OF IMPROVED REAL PROPERTY

Attachment B
Amendments to the Phoenix City (Tax) Code

1 PURSUANT TO SUBSECTION (A)(3) OF THIS SECTION AND IS
2 NOT CONSIDERED AN IN-PLACE LEASE.

3 (2) Deductions.

4 (A) ALL STATE AND COUNTY TAXES ASSOCIATED WITH THE
5 PROJECT AND REPORTED AND PAID TO THE DEPARTMENT OF
6 REVENUE BY A CONTRACTOR CONSTRUCTING THE
7 IMPROVEMENTS ON THE PROPERTY SHALL BE DEDUCTED
8 FROM THE SELLING PRICE.

9 (B) All amounts subject to the tax shall be allowed a deduction in the amount
10 of thirty-five percent (35%).

11 ~~(B)~~(C) The gross proceeds of sales or gross income that is derived from a contract
12 entered into for the installation, assembly, repair or maintenance of
13 income-producing capital equipment, as defined in Section 14-110, that is
14 deducted from the retail classification pursuant to Section 14-465(g), that
15 does not become a permanent attachment to a building, highway, road,
16 railroad, excavation or manufactured building or other structure, project,
17 development or improvement shall be exempt from the tax imposed by
18 this Section. If the ownership of the realty is separate from the ownership
19 of the income-producing capital equipment, the determination as to
20 permanent attachment shall be made as if the ownership was the same.
21 The deduction provided in this paragraph does not include gross proceeds
22 of sales or gross income from that portion of any contracting activity

Attachment B
Amendments to the Phoenix City (Tax) Code

1 which consists of the development of, or modification to, real property in
2 order to facilitate the installation, assembly, repair, maintenance or
3 removal of the income-producing capital equipment. For purposes of this
4 paragraph, "permanent attachment" means at least one of the following:

- 5 (i) to be incorporated into real property.
- 6 (ii) to become so affixed to real property that it becomes part of the
7 real property.
- 8 (iii) to be so attached to real property that removal would cause
9 substantial damage to the real property from which it is removed.

10 ~~(C)~~(D) For taxable periods beginning from and after July 1, 2008 and ending
11 before January 1, 2017, the gross proceeds of sales or gross income
12 derived from a contract to provide and install a solar energy device. The
13 contractor shall register with the Department of Revenue as a solar energy
14 contractor. By registering, the contractor acknowledges that it will make
15 its books and records relating to sales of solar energy devices available to
16 the Department of Revenue and the City, as applicable, for examination.

17 (3) Tax credits.

18 The following tax credits are available to owner-builders or speculative builders, not to
19 exceed the tax liability against which such credits apply, provided such credits are
20 documented to the satisfaction of the Tax Collector:

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (A) A tax credit equal to the amount of city privilege or use tax, or the equivalent
2 excise tax, paid directly to a taxing jurisdiction or as a separately itemized charge
3 paid directly to the vendor with respect to the tangible personal property
4 incorporated into the said structure or improvement to real property undertaken by
5 the owner-builder or speculative builder.

6 (B) A tax credit equal to the amount of privilege taxes paid to this City, or charged
7 separately to the speculative builder, by a construction contractor, on the gross
8 income derived by said person from the construction of any improvement to the
9 real property.

10 **(C) A TAX CREDIT EQUAL TO THE AMOUNT OF PRIVILEGE TAXES PAID**
11 **TO THIS CITY BY ANY SPECULATIVE BUILDER ON THE GROSS**
12 **INCOME DERIVED BY SAID PERSON FROM THE SALE OF IMPROVED**
13 **REAL PROPERTY PURSUANT TO SUBSECTIONS (A)(2)(B) or (A)(2)(D) OF**
14 **THIS SECTION AGAINST THE GROSS INCOME OF ANY SPECULATIVE**
15 **BUILDER FROM THE SALE OF IMPROVED REAL PROPERTY**
16 **PURSUANT TO SUBSECTION (A)(2)(A).**

17 ~~(C)(D)~~ No credits provided herein may be claimed until such time that the gross income
18 against which said credits apply is reported.

19
20 **SECTION 14-416.1. SPECULATIVE BUILDERS: HOMEOWNER'S BONA FIDE NON-**
21 **BUSINESS SALE OF A FAMILY RESIDENCE.**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (A) A SALE OF A HOME, REGARDLESS OF THE STAGE OF COMPLETION OF SUCH
2 HOME SHALL BE CONSIDERED A "HOMEOWNER'S BONA FIDE NON-
3 BUSINESS SALE" AND NOT SUBJECT TO THE TAX ON SPECULATIVE
4 BUILDERS IF:

5 (1) THE PROPERTY WAS ACTUALLY USED AS THE PRINCIPAL PLACE OF
6 FAMILY RESIDENCE OR VACATION RESIDENCE BY THE IMMEDIATE
7 FAMILY OF THE SELLER FOR THE SIX (6) MONTHS NEXT PRIOR TO
8 THE OFFER FOR SALE; AND

9 (2) THE SELLER HAS NOT SOLD MORE THAN TWO (2) SUCH RESIDENCES
10 (OR, IF THE RESIDENCE IS A VACATION RESIDENCE, TWO (2) SUCH
11 VACATION RESIDENCES) WITHIN THE THIRTY-SIX (36) MONTHS
12 IMMEDIATELY PRIOR TO THE OFFER FOR SALE; AND

13 (3) THE SELLER HAS NOT LICENSED, LEASED, OR RENTED THE SOLD
14 PREMISES FOR ANY PERIOD WITHIN TWENTY-FOUR (24) MONTHS
15 PRIOR TO THE OFFER FOR SALE.

16 (B) IN THE EVENT THAT A HOMEOWNER OF A FAMILY RESIDENCE
17 CONTRACTS WITH A LICENSED CONSTRUCTION CONTRACTOR FOR
18 IMPROVEMENTS TO A RESIDENCE, THE CONSTRUCTION CONTRACTING ON
19 A FAMILY RESIDENCE SHALL BE PRESUMED TO BE FOR AN OWNER'S BONA
20 FIDE NON-BUSINESS PURPOSE AND ALL CONSTRUCTION CONTRACTORS
21 SHALL BE REQUIRED TO REPORT AND PAY THE TAX IMPOSED ON ALL
22 SUCH IMPROVEMENTS.

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (C) PURCHASES BY A HOMEOWNER OF TANGIBLE PERSONAL PROPERTY FOR
2 INCLUSION IN ANY CONSTRUCTION, ALTERATION, OR REPAIR OF HIS
3 RESIDENCE SHALL BE SUBJECT TO TAX AS RETAIL SALES TO THE
4 ULTIMATE CONSUMER.

5 (D) "OWNER", "HOMEOWNER", AND "SELLER" AS USED IN THIS SECTION SHALL
6 ONLY MEAN AN INDIVIDUAL OR QUALIFIED TRUST, AND NO OTHER
7 ENTITY, ASSOCIATION, OR REPRESENTATIVE SHALL QUALIFY; EXCEPT
8 THAT AN ADMINISTRATOR, EXECUTOR, PERSONAL REPRESENTATIVE, OR
9 GUARDIAN IN GUARDIANSHIP OR PROBATE PROCEEDINGS, FOR THE
10 ESTATE OF A DECEASED OR INCOMPETENT PERSON OR A MINOR, MAY
11 CLAIM "HOMEOWNER" STATUS FOR SUCH PERSON IF SUCH PERSON
12 WOULD HAVE OTHERWISE QUALIFIED WITH RESPECT TO THE SPECIFIC
13 PROPERTY INVOLVED.

14 (E) "QUALIFIED TRUST" AS USED IN THIS SECTION MEANS ANY LEGAL TRUST
15 WHERE A BENEFICIARY OF THE TRUST IS AN INDIVIDUAL THAT HAS BEEN
16 THE RESIDENT OF THE PROPERTY AND THAT INDIVIDUAL MEETS THE
17 CRITERIA LISTED IN SUBSECTION (A) OF THIS SECTION.

18
19 ~~Reg. 14-416.1. Speculative builders: homeowner's bona fide non-business sale of a family~~
20 ~~residence.~~

21

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (a) — A sale of a custom home, regardless of the stage of completion of such home shall be
2 considered a "homeowner's bona fide non-business sale" and not subject to the tax on
3 speculative builders if:

4 (1) — the property was actually used as the principal place of family residence or
5 vacation residence by the immediate family of the seller for the six (6) months
6 next prior to the offer for sale; and

7 (2) — the seller has not sold more than two (2) such residences (or, if the residence is a
8 vacation residence, two (2) such vacation residences) within the thirty-six (36)
9 months immediately prior to the offer for sale; and

10 (3) — the seller has not licensed, leased, or rented the sold premises for any period
11 within twenty-four (24) months prior to the offer for sale.

12 (b) — In the event that a homeowner of a family residence contracts with a licensed
13 construction contractor for improvements to a residence, the construction contracting on a
14 family residence shall be presumed to be for an owner's bona fide non-business purpose
15 and all construction contractors shall be required to report and pay the tax imposed on all
16 such improvements.

17 (c) — Purchases by a homeowner of tangible personal property for inclusion in any
18 construction, alteration, or repair of his residence shall be subject to tax as retail sales to
19 the ultimate consumer.

20 (d) — "Owner" and "Homeowner" as used in this Regulation shall only mean an individual, and
21 no other entity, association, or representative shall qualify; except that an administrator,
22 executor, personal representative, or guardian in guardianship or probate proceedings, for

Attachment B
Amendments to the Phoenix City (Tax) Code

1 ~~the estate of a deceased or incompetent person or a minor, may claim "homeowner" status~~
2 ~~for such person if such person would have otherwise qualified with respect to the specific~~
3 ~~property involved.~~

4
5 **SECTION 14-416.2. RECONSTRUCTION CONTRACTING.**

6
7 (A) **"RECONSTRUCTION (OF REAL PROPERTY)" SHALL MEAN THE SUBDIVIDING**
8 **OF REAL PROPERTY AND, IN ADDITION, ALL CONSTRUCTION**
9 **CONTRACTING ACTIVITIES PERFORMED UPON SAID REAL PROPERTY;**
10 **PROVIDED, HOWEVER, THAT EACH OF THE FOLLOWING CONDITIONS ARE**
11 **MET:**

12 (1) **A STRUCTURE EXISTED ON SAID REAL PROPERTY PRIOR TO THE**
13 **RECONSTRUCTION ACTIVITY; AND**

14 (2) **THE "PRIOR VALUE" OF SAID STRUCTURE EXCEEDS FIFTEEN**
15 **PERCENT (15%) OF THE "PRIOR VALUE" OF THE INTEGRATED**
16 **PROPERTY (LAND, IMPROVEMENTS, AND STRUCTURE); AND**

17 (3) **THE TOTAL COST OF ALL CONSTRUCTION CONTRACTING**
18 **ACTIVITIES PERFORMED ON SAID REAL PROPERTY IN THE TWENTY-**
19 **FOUR (24) MONTH PERIOD PRIOR TO THE SALE OF ANY PART OF THE**
20 **REAL PROPERTY EXCEEDS FIFTEEN PERCENT (15%) OF THE "PRIOR**
21 **VALUE" OF THE REAL PROPERTY; AND**

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (4) THE STRUCTURE WHICH EXISTED ON THE REAL PROPERTY PRIOR TO
2 THE RECONSTRUCTION ACTIVITY STILL EXISTS IN SOME FORM
3 UPON THE PROPERTY, AND IS INCLUDED, IN WHOLE OR IN PART, IN
4 THE PROPERTY SOLD.

5 (B) EXCEPT AS PROVIDED IN SUBSECTION (C) BELOW, "PRIOR VALUE" MEANS
6 THE VALUE OF THE TOTAL INTEGRATED PROPERTY, WITH
7 IMPROVEMENTS, AS EXISTING IMMEDIATELY PRIOR TO ANY
8 RECONSTRUCTION ACTIVITY. WHERE, ACCORDING TO TITLE 42 OF THE
9 ARIZONA REVISED STATUTES, A PROPERTY'S FULL CASH VALUE FOR
10 SECONDARY TAX PURPOSES IS INTENDED TO REPRESENT THE PROPERTY'S
11 FAIR MARKET VALUE, "PRIOR VALUE" SHALL BE THE PROPERTY'S FULL
12 CASH VALUE FOR SECONDARY PROPERTY TAX PURPOSES AS
13 DETERMINED BY THE COUNTY ASSESSOR IN THE YEAR IMMEDIATELY
14 PRECEDING THE YEAR IN WHICH THE RECONSTRUCTION IMPROVEMENT(S)
15 ARE OR COULD HAVE BEEN INCLUDED IN THE COUNTY ASSESSOR'S
16 VALUATION. IF THE COUNTY ASSESSOR'S VALUATION IS CONTESTED OR
17 APPEALED, THE FINAL DETERMINATION AT EITHER THE ADMINISTRATIVE
18 OR JUDICIAL LEVEL SHALL APPLY. WHERE, ACCORDING TO TITLE 42 OF
19 THE ARIZONA REVISED STATUTES, A PROPERTY'S FULL CASH VALUE FOR
20 SECONDARY PROPERTY TAX PURPOSES IS NOT INTENDED TO REPRESENT
21 THE PROPERTY'S FAIR MARKET VALUE, "PRIOR VALUE" SHALL BE THE
22 PROPERTY'S FAIR MARKET VALUE PRIOR TO THE RECONSTRUCTION
23 IMPROVEMENT(S).

Attachment B
Amendments to the Phoenix City (Tax) Code

- 1 (C) "ALTERNATIVE PRIOR VALUE" SHALL MEAN THAT AS AN ALTERNATIVE
2 TO THE "PRIOR VALUE" DEFINED ABOVE, THE TAXPAYER MAY USE HIS
3 ACTUAL COST OF THE RECONSTRUCTED PROPERTY PRIOR TO
4 RECONSTRUCTION, PROVIDED THAT EVIDENCE OF SUCH COST IS
5 PRESENTED TO THE TAX COLLECTOR AND IS DETERMINED BY THE TAX
6 COLLECTOR, IN HIS SOLE DISCRETION, TO BE SATISFACTORY. SUCH
7 EVIDENCE SHALL CONSIST, AT A MINIMUM, OF PROOF OF THE ACTUAL,
8 ARMS-LENGTH ACQUISITION PRICE, ACCOMPANIED BY A FULL APPRAISAL
9 OF ALL PROPERTY INVOLVED WHICH APPRAISAL SHALL HAVE BEEN
10 PERFORMED BY A REAL ESTATE BROKER OR MAI APPRAISER
11 SPECIFICALLY FOR THE PURPOSE OF ASSISTING IN THE ACQUISITION AND
12 FURTHER SHALL HAVE BEEN PERFORMED ON BEHALF OF THE SELLER OR
13 A LENDING INSTITUTION WHICH HAS LENT AT LEAST SIXTY-FIVE
14 PERCENT (65%) OF THE ACQUISITION PRICE. (ONLY LONG-TERM LENDING -
15 NOT INTERIM OR CONSTRUCTION FINANCING WILL BE CONSIDERED.) THIS
16 ALTERNATIVE VALUE SHALL BE USED ONLY IF THE PROPERTY WAS
17 ACQUIRED BY THE RECONSTRUCTION TAXPAYER NOT MORE THAN
18 THIRTY-SIX (36) MONTHS PRIOR TO A "SALE" AS DEFINED BELOW.
- 19 (D) A "SALE" FOR THE PURPOSE OF DETERMINING "ALTERNATIVE PRIOR
20 VALUE" OR "RECONSTRUCTION" ONLY SHALL BE DEEMED TO HAVE
21 OCCURRED AS OF THE DATE OF THE EXECUTION OF A CONTRACT OF SALE
22 OR A DEED (JOINT TENANCY OR WARRANTY) WHICHEVER IS EARLIER, TO
23 A PURCHASER OR GRANTEE OF ANY SINGLE RESIDENTIAL OR OTHER

Attachment B
Amendments to the Phoenix City (Tax) Code

1 OCCUPANCY UNIT. IN ADDITION TO THE FOREGOING, A LEASE WITH
2 OPTION TO PURCHASE A SINGLE RESIDENTIAL UNIT SHALL BE
3 CONSIDERED A "SALE" AT THE DATE OF EXECUTION OF SUCH LEASE IF
4 SAID OPTION IS EXERCISABLE BY THE LESSEE IN NOT LATER THAN NINE
5 (9) MONTHS. FURTHER IN THE CASE OF COOPERATIVE APARTMENTS, THE
6 SALE DATE SHALL BE THE DATE OF EXECUTION OF THE CONTRACT
7 SELLING (SUBJECT OR NOT TO ENCUMBRANCES, LIENS OR SECURITY
8 INTERESTS) OF A SHARE, OR A SUFFICIENT NUMBER OF SHARES WHICH
9 ENTITLE THE PURCHASER TO THE OCCUPANCY OF A RESIDENTIAL UNIT.
10 IN ALL CASES A PERSON SHALL INCLUDE A HUSBAND AND WIFE AS A
11 COMMUNITY, OR ANY CO-OCCUPANTS OF A SINGLE UNIT AS JOINT
12 TENANTS.

13
14 **Reg. 14-416.2. Reconstruction contracting.**

15
16 ~~(a) "Reconstruction (of Real Property)" shall mean the subdividing of real property and, in~~
17 ~~addition, all construction contracting activities performed upon said real property;~~
18 ~~provided, however, that each of the following conditions are met:~~

19 ~~(1) a structure existed on said real property prior to the reconstruction activity; and~~

20 ~~(2) the "prior value" of said structure exceeds fifteen percent (15%) of the "prior~~
21 ~~value" of the integrated property (land, improvements, and structure); and~~

Attachment B
Amendments to the Phoenix City (Tax) Code

1 (3) — the total cost of all construction contracting activities performed on said real
2 property in the twenty-four (24) month period prior to the sale of any part of the
3 real property exceeds fifteen percent (15%) of the "prior value" of the real
4 property; and

5 (4) — the structure which existed on the real property prior to the reconstruction activity
6 still exists in some form upon the property, and is included, in whole or in part, in
7 the property sold.

8 (b) — Except as provided in subsection (c) below, "prior value" means the value of the total
9 integrated property, with improvements, as existing immediately prior to any
10 reconstruction activity. Where, according to Title 42 of the Arizona Revised Statutes, a
11 property's full-cash value for secondary tax purposes is intended to represent the
12 property's fair market value, "prior value" shall be the property's full-cash value for
13 secondary property tax purposes as determined by the County Assessor in the year
14 immediately preceding the year in which the reconstruction improvement(s) are or could
15 have been included in the County Assessor's valuation. If the County Assessor's valuation
16 is contested or appealed, the final determination at either the administrative or judicial
17 level shall apply. Where, according to Title 42 of the Arizona Revised Statutes, a
18 property's full-cash value for secondary property tax purposes is not intended to represent
19 the property's fair market value, "prior value" shall be the property's fair market value
20 prior to the reconstruction improvement(s).

21 (c) — "Alternative Prior Value" shall mean that as an alternative to the "prior value" defined
22 above, the taxpayer may use his actual cost of the reconstructed property prior to
23 reconstruction, provided that evidence of such cost is presented to the Tax Collector and

Attachment B
Amendments to the Phoenix City (Tax) Code

1 is determined by the Tax Collector, in his sole discretion, to be satisfactory. Such
2 evidence shall consist, at a minimum, of proof of the actual, arms-length acquisition
3 price, accompanied by a full appraisal of all property involved which appraisal shall have
4 been performed by a real estate broker or MAI appraiser specifically for the purpose of
5 assisting in the acquisition and further shall have been performed on behalf of the seller
6 or a lending institution which has lent at least sixty-five percent (65%) of the acquisition
7 price. (Only long-term lending – not interim or construction financing will be considered.)
8 This alternative value shall be used only if the property was acquired by the
9 reconstruction taxpayer not more than thirty-six (36) months prior to a "sale" as defined
10 below.

11 (d) — A "sale" for the purpose of determining "alternative prior value" or "reconstruction" only
12 shall be deemed to have occurred as of the date of the execution of a contract of sale or a
13 deed (joint tenancy or warranty) whichever is earlier, to a purchaser or grantee of any
14 single residential or other occupancy unit. In addition to the foregoing, a lease with
15 option to purchase a single residential unit shall be considered a "sale" at the date of
16 execution of such lease if said option is exercisable by the lessee in not later than nine (9)
17 months. Further in the case of cooperative apartments, the sale date shall be the date of
18 execution of the contract selling (subject or not to encumbrances, liens or security
19 interests) of a share, or a sufficient number of shares which entitle the purchaser to the
20 occupancy of a residential unit. In all cases a person shall include a husband and wife as a
21 community, or any co-occupants of a single unit as joint tenants.

22



Acceptance and Dedication of Deeds and Easements for Roadway, Sidewalk and Public Utility Purposes (Ordinance S-47304)

Request for the City Council to accept and dedicate deeds and easements for roadway, sidewalk and public utility purposes; further ordering the ordinance recorded.

Summary

Accepting the property interests below will meet the Planning and Development Department's Single Instrument Dedication Process requirement prior to releasing any permits to applicants.

Deed (a)

Applicant: RD Deer Valley, LLC, its successor and assigns

Purpose: Roadway

Location: 24100 N. 19th Ave.

File: FN 200605

Council District: 1

Deed (b)

Applicant: James Frank Cole and Marlene Michelle Cole aka Michele Cole, its successor and assigns

Purpose: Roadway

Location: 25513 N. 15th Ave.

File: FN 200615

Council District: 1

Easement (c)

Applicant: North Valley Romanian Pentecostal Church Inc., its successor and assigns

Purpose: Sidewalk

Location: 25435 N. 15th Ave.

File: FN 200633

Council District: 1

Easement (d)

Applicant: Sharon Kay Thompson, its successor and assigns

Purpose: Public Utility

Location: 8807 N. 11th Ave.

File: FN 200620

Council District: 3

Easement (e)

Applicant: Marisol Zenaida Aragon Herold, its successor and assigns

Purpose: Public Utility

Location: 2610 N. 15th St.

File: FN 200634

Council District: 4

Easement (f)

Applicant: Timothy Herold, its successor and assigns

Purpose: Public Utility

Location: 1432 E. Virginia Ave.

File: FN 200634

Council District: 4

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development and Finance departments.



Acceptance of Easements for Drainage and Water Purposes (Ordinance S-47305)

Request for the City Council to accept easements for drainage and water purposes; further ordering the ordinance recorded.

Summary

Accepting the property interests below will meet the Planning and Development Department's Single Instrument Dedication Process requirement prior to releasing any permits to applicants.

Easement (a)

Applicant: Elux Deer Valley Project, LLC, its successor and assigns

Purpose: Drainage

Location: 1717 W. Happy Valley Road

File: FN 200618

Council District: 1

Easement (b)

Applicant: Elux Deer Valley Project, LLC, its successor and assigns

Purpose: Water

Location: 1717 W. Happy Valley Road

File: FN 200618

Council District: 1

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development and Finance departments.



Acquisition of Real Property for Sky Harbor International Airport - 4108 E. Air Lane (Ordinance S-47320)

Request to authorize the City Manager, or his designee, to perform all acts necessary to acquire fee title to and possession of certain real property located at 4108 E. Air Lane, Phoenix, Arizona, together with associated improvements, appurtenances, and other property rights (Property). Acquisition is to be by voluntary purchase from Adonai Properties, LLC at a price not to exceed the Property's appraised value of \$775,000.

Further request authorization to enter into a temporary occupancy agreement to allow the occupant time to vacate the Property as may be necessary to and in furtherance of this acquisition. The purchase agreement may contain other terms and conditions deemed necessary or appropriate. Additionally request to authorize the City Controller to disburse, and the City Treasurer to accept, all funds related to this item.

Summary

Adonai Properties, LLC (Adonai) initiated the voluntary acquisition process in September 2018. The Property consists of a 17,930 square foot parcel, which is improved with an office building and warehouse structure totaling 12,355 square feet. The property includes other improvements, and it is currently occupied. Fortis Networks, Inc., the tenant, is a minority owned design-build general contractor that intends to relocate its office closer to downtown. An independent appraisal, Phase I and Phase II Environmental Assessments, and testing have been conducted on the Property. The results of the environmental due diligence indicate the Property does not require environmental remediation, and the appraiser has concluded there are no adverse effects on market value.

This Property is located just north of Sky Harbor International Airport's fence line. As such, this transaction constitutes a strategic voluntary acquisition that is important to the Airport's future growth. Once the Property is acquired, the Aviation Department will demolish the improvements and prepare it for future airport development.

Financial Impact

The Property's purchase price is \$775,000, plus the usual and customary closing costs. Funds are available in the Aviation Department's Capital Improvement Program.

Concurrence/Previous Council Action

- The Phoenix Aviation Advisory Board recommended this item for approval on Jan. 21, 2021, by a vote of 8-0.
- The Transportation, Infrastructure and Innovation Subcommittee recommended this item for approval on Feb. 3, 2021, by a vote of 4-0.

Public Outreach

Adonai is interested in selling the Property to the City. Staff has met with Adonai on several occasions to address questions.

Location

4108 E. Air Lane, identified by Maricopa County Assessor's parcel number 124-01-004.

Council District: 8

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Aviation and Finance departments.



Authorization to Enter into Land Use License with Salt River Project for Patrick Park Plaza (Ordinance S-47309)

Request to authorize the City Manager, or his designee, to enter into a land use license agreement with Salt River Project Agriculture Improvement and Power District (SRP) to maintain an existing art project, use and maintenance of parking spaces, park benches and landscape. Further request the City Council to grant an exception pursuant to Phoenix City Code § 42-20 to authorize inclusion in the documents pertaining to this transaction of indemnification and assumption of liability provisions that otherwise would be prohibited by Phoenix City Code § 42-18, as SRP's license documents include such provisions. There is no financial impact to the City.

Summary

This license will replace existing license 131473 with SRP for Patrick Park Plaza which was done as part of the City's overall Southern Avenue Streetscape project, located at 30th Street and Old Southern Avenue. The project was funded through City of Phoenix Percent-for-Art funds. The license fee is waived by SRP.

Contract Term

The term of the license will be 25 years, starting Feb. 1, 2021. Either party may terminate the license upon delivery of a 30-day written notice.

Financial Impact

There is no financial impact to the City.

Concurrence/Previous Council Action

The City Council approved Southern Avenue Streetscape Project in Patrick Park Plaza License Agreement 131473 (Ordinance S-37757) on April 6, 2011.

Location

30th Street and Old Southern Avenue, a portion identified as assessor parcel number 122-68-034.

Council District: 8

Responsible Department

This item is submitted by Deputy City Manager Karen Peters, the Office of Arts and Culture, and the Finance Department.



Verint Audio Log System Upgrade and Professional Services - Requirements Contract - EXC 21-042 (Ordinance S-47306)

Request to authorize the City Manager, or his designee, to enter into a contract with Goserco, Inc. to purchase the Verint Audio Log System upgrade and professional services for the Phoenix Fire Department. Further request authorization for the City Controller to disburse all funds related to this item. The aggregate contract value will not exceed \$637,000.

Summary

The Phoenix Fire Regional Dispatch Center utilizes the Goserco Verint Audio Log System to record all calls coming into both the dispatch sites at 150 S. 12th St. and 2425 W. Lower Buckeye Road. The dispatch sites are used to receive 9-1-1 emergency calls, dispatch fire and emergency medical services personnel, assign, and monitor radio communications for the Phoenix Fire Department and their 28 regional partners. The system plays a vital role in recording, logging, and storing all calls received by both dispatch centers. The recordings are used for work review, public records requests, and legal requirements. The current system is outdated and can no longer be supported. The new system will serve as a critical public safety system that requires a certified vendor to upgrade and provide continued support and patches. Goserco is the current maintenance provider and is certified to perform work on the Verint Audio Log System.

This item has been reviewed and approved by the Information Technology Services Department.

Procurement Information

In accordance with Administrative Regulation 3.10, normal competition was waived as a result of an approved Determination Memo which stated the current Verint Audio Log System hardware is not in compliance with the City's information technology security and will not support a server upgrade. If the system fails, the department will lose critical data and information resulting in the department to be non-compliant for legal and public records requests.

The Deputy Finance Director recommends that the contract with Gosserco, Inc. be accepted.

Contract Term

The five-year contract term will begin on or about Feb. 17, 2021.

Financial Impact

The aggregate contract value will not exceed \$637,000; funds are available in the Fire Department's budget.

Responsible Department

This item is submitted by Assistant City Manager Jeff Barton and the Fire Department.



Hardware and Software for Exadata Cloud@Customer (Ordinance S-47295)

Request to authorize the City Manager, or his designee, to approve expenditures under the master agreement with Oracle America, Inc. to purchase software and one year of hardware, maintenance and support for Exadata Cloud@Customer (ExaCC), and to enter into all related software license and maintenance agreements in accordance with the terms of the master agreement, in support of citywide Oracle systems. Further request authorization for the City Manager, or his designee, to enter into an agreement with Oracle Credit Corporation for payment for Exadata software, maintenance and support. Aggregate contract costs will not exceed \$2,569,000. Further request authorization for the City Controller to disburse all funds related to this item.

Summary

The Information Technology Services Department is responsible for Citywide support of Oracle databases for business applications throughout the City that reside on the Oracle Engineered System, Exadata. These databases support multiple critical business systems, including those for the Water Services and Public Works departments. This system is comprised of two components, one of which was end-of-life in June, 2020. The second component, which is currently hosting the remaining business application databases, is scheduled to reach end-of-life in 2021. This request is to replace the aging systems with a hardware and software solution that will utilize the latest generation of Oracle Engineered Systems to deliver high-performance cloud-like service capabilities.

Replacement of the Exadata systems with a subscription model will reduce the overall operational cost by approximately \$500,000 per year. Failure to replace the current Exadata system could result in extensive business disruptions in the event of equipment failure due to aging infrastructure and limited vendor support and replacement parts.

Contract Term

Concurrently, a separate City Council authorization is requested to enter into a five-year master service agreement with Oracle America, Inc., under which these expenditures will be made. Annual ExaCC hardware, software, maintenance and

support costs will continue annually, as long as it is in the City's best interest.

Financial Impact

The costs of the Exadata implementation, software, and one year of hardware, maintenance and support will not exceed \$2,569,000. Approval of future annual ongoing costs for hardware, software, maintenance and support will be brought to City Council for payment authority at later dates. Funds are available in various departments' budgets.

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the Information Technology Services Department.



Open Data Portal Hosting Annual Renewal (Ordinance S-47322)

Request to authorize the City Manager, or his designee, to extend Contract 144640 with OpenGov, Inc. for the annual renewal of support and maintenance of the City's Open Data portal, in an amount not to exceed \$203,330. Further request authorization for the City Controller to disburse all funds related to this item.

Summary

The City of Phoenix utilizes OpenGov, Inc. for its Open Data Portal, which provides transparent and easy-to-use data to residents and businesses regarding areas such as public safety, transportation, finance, energy and sustainability, libraries, parks, and arts and culture. The solution is a cloud-based platform that simplifies or eliminates on-premise storage, infrastructure, indexing, retrieval, data management, and presentation. Funding is for maintenance and support, technical assistance, hosting, and performance dashboards. Failure to renew support and hosting for the portal would result in the City no longer having an open data site for residents and businesses who utilize the data for informational or data analytics purposes.

Contract Term

This contract was originally awarded for a one-year term on Feb. 1, 2017, with approval of annual maintenance and support to continue annually, as long as it is in the City's best interest. The City renews this contract annually, and this request is for the fifth year, ending Feb. 28, 2022.

Financial Impact

With the \$203,330 in additional funds, the contract's revised aggregate value is approximately \$954,147. Funds are available in the Information Technology Services Department's operating budget.

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the Information Technology Services Department.



Oracle Master Agreement (Ordinance S-47326)

Request to authorize the City Manager, or his designee, to enter into a master agreement with Oracle America, Inc. (Oracle), setting out the terms and conditions for future purchases, as needed, for products, services, software licensing, support and maintenance for the City's applications, databases and computing hardware, and to enter into all related software licenses, hardware and maintenance agreements in accordance with the terms of the master agreement. Further request exemption from the indemnification and liability provisions of section 42-18 of the City Code.

Summary

The City uses Oracle applications and technologies in multiple departments and they are an integral part of the daily operations of the City. Oracle applications and technologies are used in several critical Citywide systems, such as the Police Department's Records Management System, the Customer Care and Billing system used for water and solid waste billing, the Human Capital Management system used for human resources and payroll functions, the Planning and Development Department's permitting system, and the citywide Business Intelligence infrastructure. These systems are critical to the City operations, as they bring in revenue from permitting, water, and solid waste billing, and because they manage critical operations.

This master agreement is simply to agree upon the terms and conditions for agreements, allowing for greater consistency and eliminating the need to negotiate each license or agreement separately. Provisions in licenses and agreements under this master agreement may be perpetual or extend beyond the term of the master agreement, if deemed in the best interest of the City.

Procurement Information

The City's Oracle systems are procured individually at the time of their implementation.

Contract Term

This contract is for a five-year term beginning on or about Feb. 22, 2021.

Financial Impact

There is no financial impact to this master agreement. This request is only for authorization to enter into a general product and services agreement with Oracle. Request for City Council authorization for funding under this agreement will be sought on an as-needed basis.

Responsible Department

This item is submitted by Deputy City Manager Toni Maccarone and the Information Technology Services Department.



Library Services and Technology Act Grant Application (Ordinance S-47319)

Request to authorize the City Manager, or his designee, to apply for, accept and for the City Controller to expend 2021 Library Services and Technology Act grant money up to \$50,000. The funds will be used to procure equipment in order to digitize historical documents that are currently part of the Arizona Room at Burton Barr Central Library. Further request authorization for the City Treasurer to accept and the City Controller to disburse funds related to this item.

Summary

The purpose of the grant will be to procure professional scanning equipment in order to digitize key Arizona Room collections which will make them available to more customers through Phoenix Public Library website. The Arizona Room showcases the history and culture of greater Phoenix, Arizona, and the Southwest. Many elements of the Arizona Room's collections are invaluable for researchers, historians, architects, preservationists, and the general public. This project would commence in June 2021 and conclude in August 2022.

The Library Services and Technology Act (LSTA) is the only federal program exclusively for libraries. It is administered by the Institute of Museum and Library Services. State libraries use the funds to support statewide initiatives and also distribute the funds through sub-grants or cooperative agreements to public, school, academic, research, and special libraries. Every fiscal year, Congress provides funding for LSTA in the Labor, Health and Human Services, Education, and Related Agencies Appropriations bill. Federal resources help target library services to people of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to people with limited literacy skills.

Financial Impact

The amount of the grant (up to \$50,000) will be expended in Fiscal Year 2021-22 and as no matching funds are required, there is no impact to the General Fund.

Location

Burton Barr Central Library, 1221 N. Central Ave.
Council District: 7

Responsible Department

This item is submitted by Interim Deputy City Manager John Chan and the Library Department.



Authorization to Apply for Local Judicial Collection Enhancement Fund Grant to Fund Municipal Court IT Position (Ordinance S-47315)

Request to authorize the Phoenix Municipal Court to apply for grant funding in an amount not to exceed \$430,000 from the Arizona Supreme Court-administered Judicial Collection Enhancement Fund (JCEF) to fund a Lead User Technology Specialist position for three years. Further request to authorize the City Treasurer to accept, and for the City Controller to disburse, all funds related to this item.

Summary

The Lead User Technology Specialist is a critical component to sustaining the Court's IT operations. This position is responsible for administration of a diverse portfolio of mission-critical platforms, including Microsoft Windows Active Directory, the VMware vSphere infrastructure, CommVault Simpana, For the Record and Qmatic. The position is also responsible for managing and patching a fleet of over 400 computer workstations, as well as ensuring that security patches are tested and applied in a timely fashion, and remediation of any potential risks to the Court's computer environment.

Financial Impact

Funding will not exceed \$430,000 over the three-year period. Funds will be made available in the Phoenix Municipal Court local JCEF account. The Phoenix Municipal Court must submit a funding plan and application to the Arizona Supreme Court Administrative Office of the Courts to secure approval for use of JCEF funds pursuant to Arizona Revised Statutes section 12-113. No General Fund dollars will be used.

Responsible Department

This item is submitted by Chief Presiding Judge B. Don Taylor and Deputy City Manager Karen Peters.



Add Positions in Planning and Development Department to Meet Increased Construction Activity (Ordinance S-47318)

Request to authorize the City Manager, or his designee, to add 23 new positions to the base staff level in the Planning and Development Department. No General Fund dollars are requested to support this request; Development Services funds are available.

Summary

Development activity continues to steadily increase in specific work group areas over the past year and staffing has not maintained adequate levels to continue to meet review turn-around times. The Planning and Development Department continues to utilize innovation, efficiency improvements, technology and contract staff to meet the increasing demands of our customers. There still remains a need to increase the base level of staff to meet customer expectations. The requested positions are in areas of the department that have been most impacted by the increase in construction activity, specifically in development plan review and inspections. This targeted increase in staff will help ensure that development activity is not negatively impacting development customers/stakeholders. See **Attachment A** for the positions being requested.

Financial Impact

The estimated cost for the positions for the remainder of the FY 2020-21 is estimated to be \$605,867, and full year costs for FY 2021-22 are estimated to be \$2,069,999. No General Funds are requested to support this request; Development Services funds are available.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.

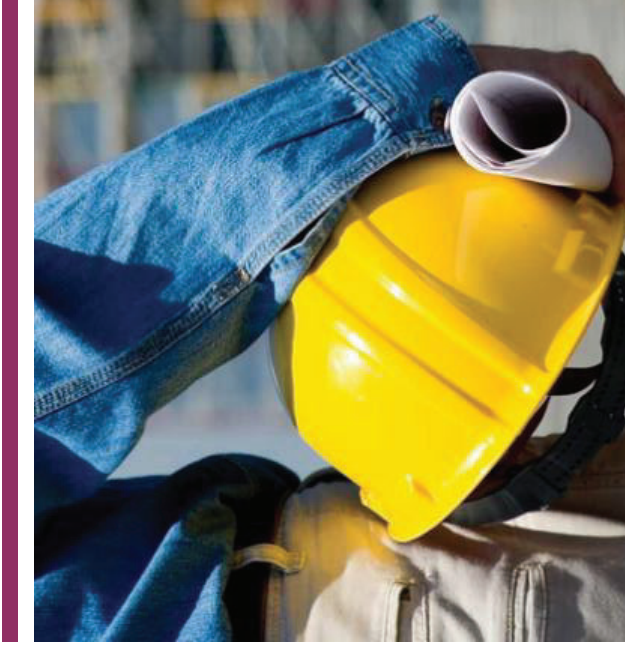
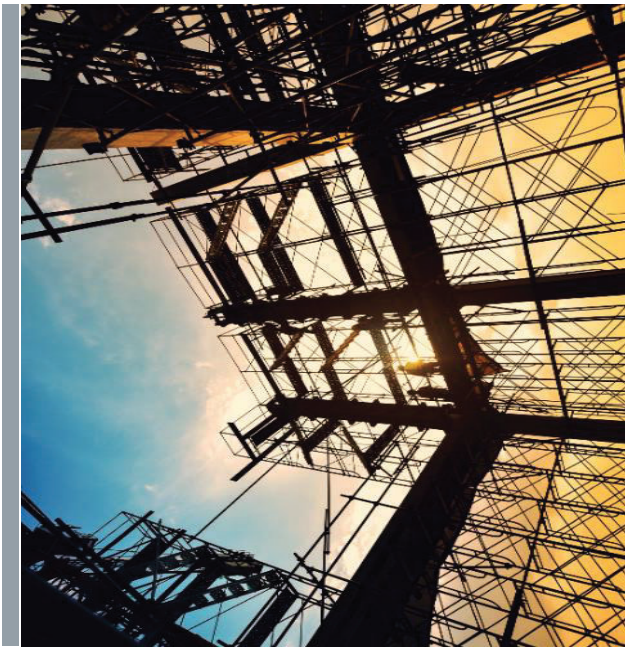
ATTACHMENT A – PDD FY 20-21 ADDITIONAL POSITIONS

POSITION	NEED
Assistant Director (1) Planning & Development	An additional Assistant Director Position is needed to oversee the development of the TSMC campus and supplier sites because of the scale, complexity, timing and number of these project moving forward simultaneously over the next few years. This new position will also allow the current Assistant Director position to oversee existing operations that have increased in number and complexity over the last several years. There has been no increase in executive level positions to oversee the almost doubling of staff and increase number of projects.
Engineering Technician (2) Management Services- Payments and Submittals	To assist Electronic Plan Review (EPR) Triage Team with administration of the day-to-day operations of EPR, including plan intake, processing, customer notification, and payment. The team provides internal and external technical support with the EPR Projectdox software application, which includes staff and customer training.
Principal Engineering Technician (1) Management Services- Payments and Submittals	To lead and train EPR Triage team for Self-Certification project coordination and adequately staff EPR team. Offsite work to install ramps, repair sidewalks, and install driveways has now been added to the Self-Certified submittals, requiring more coordination by the EPR Team with the Site, Civil and Traffic for offsite plans/associated permits.
Chief Engineering Technician *U7 (1) Management Services- Payments and Submittals	To provide enhanced supervision for the expanded EPR Triage Team. The combination of major shift to electronic submittals with need to navigate between new and old systems also results in significant quality control and timeliness challenges.
Senior Engineering Tech (1) Management Services- Payments and Submittals	To assist EPR Triage Team with quality control. The combination of major shift to electronic submittals with the need to navigate between multiple new and old systems also results in significant quality control challenges.
Building Code Examiner (1) Plan Review- Commercial	To assist with reducing turnaround times for Self-Certified building plan submittals. The Minor Commercial team has seen a significant increase in electronic plan submittals and needs one Building Code Examiner for pre-log reviews of minor commercial building plans.

Senior Engineering Tech (1) Plan Review- Commercial	To assist with commercial plan review of complex construction projects. Commercial plan review activity remains strong and the TSMC plant (the largest development project in our history), will take the majority of time for one of our four major commercial teams.
Engineering Technician (2) Plan Review- Residential	To assist residential plan review with the increase in Single Family Residence plot plan submittals compared to last fiscal year. Additional staffing resources are needed to reduce the turnaround times for these reviews and maintain turnaround times in the future.
Senior Engineering Tech (1) Plan Review- Residential	To assist with residential plan review preparing and processing plot plans, residential single-family standard plans, pools, gas lines, minor electrical and demo.
Electrical Plans Examiner II (1) Plan Review- Residential	To assist with electrical plan review and address the 90% increase in photovoltaic submittals.
Electrical Inspector II (1) Inspections- Commercial	To address increase in Inspections due to the development of the TSMC site, in order to ensure responsiveness to questions and speed of inspections.
Structural Inspector II (1) Inspections- Commercial	To address increase in Inspections due to the development of the TSMC site, in order to ensure responsiveness to questions and speed of inspections.
Plumbing Mechanical Inspector II (1) Inspections- Commercial	To address increase in Inspections due to the development of the TSMC site, in order to ensure responsiveness to questions and speed of inspections.
Fire Prevention Specialist II (1) Inspections- Commercial	To address increase in Inspections due to the development of the TSMC site, in order to ensure responsiveness to questions and speed of inspections.
General Inspector II (2) Inspections- Residential	To address need for increased residential inspections Over the last two Fiscal Years, Residential Inspections has completed 90,000 inspections. Plan submittal numbers are up, and we need more staff to complete inspections.
Engineering Technician (1) Inspections- Non-permitted Construction	To address increase in Non-Permitted Construction (NPC) cases, and the concurrent increase of civil citations and preparation of court documents.
Training Specialist (1) Management Services- Human Resources	To adequately assist with on-boarding processes, New Employee Orientation, and coordination of technical training for Code Enforcement staff. Due to significant growth in staff over the past few years, a single Curriculum and Training Coordinator is unable to meet the training and continuing education needs of the department.

<p>Landscape Architect I (1) Planning- Site Planning</p>	<p>To assist with landscape submittals and provide field reviews on an as-needed basis, verify conditions of existing plant material and resolve construction conflicts. This is required to achieve installation of required landscape and trees that support the landscape requirements and administration of Trails Masterplan outside of city parks and preserves.</p>
<p>Planner II (1) Planning- Site Planning</p>	<p>To assist plan review team for “downtown, infill and light rail corridor projects” and ensure projects assigned to teams receive site plan reviews, because of their increased complexity and public involvement.</p>
<p>Administrative Assistant I (1) Planning- Site Planning</p>	<p>To support transition to a Web based service model and oversee a variety of process improvements aimed at enhancing submittal, routing and review procedures. Position will provide required administrative oversight and support to public hearing processes assigned to the Site Planning Team which includes Abandonment Hearing Officer and Design Review Committee hearings.</p>
<p>TOTAL STAFF: 23</p>	

ATTACHMENT B



**PLANNING AND DEVELOPMENT DEPARTMENT
PERMIT/CONSTRUCTION ACTIVITY SNAPSHOT**

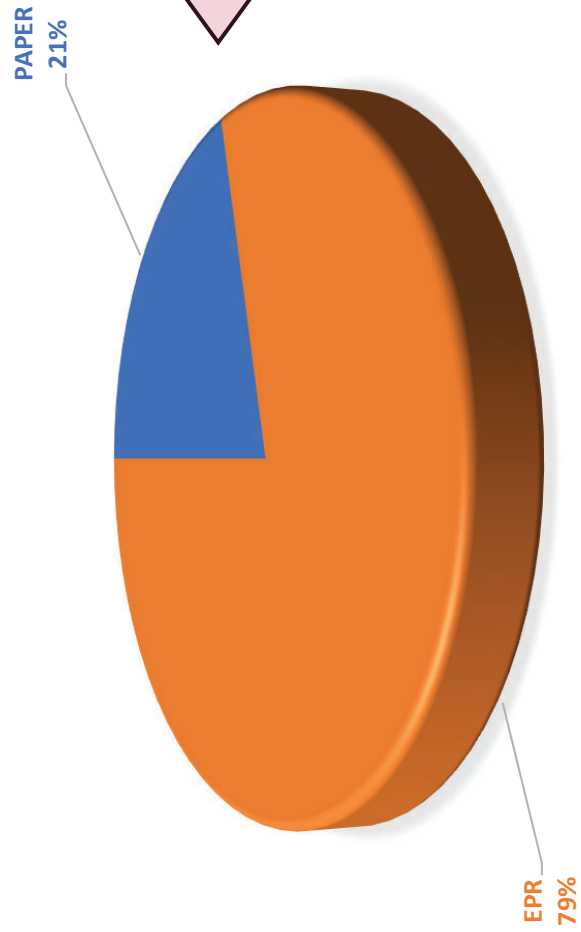
FORMAL CITY COUNCIL

FEBRUARY 17, 2021

FROM PAPER TO ELECTRONIC SUBMITTALS



EPR ELIGIBLE SUBMITTALS
FY 2020-2021

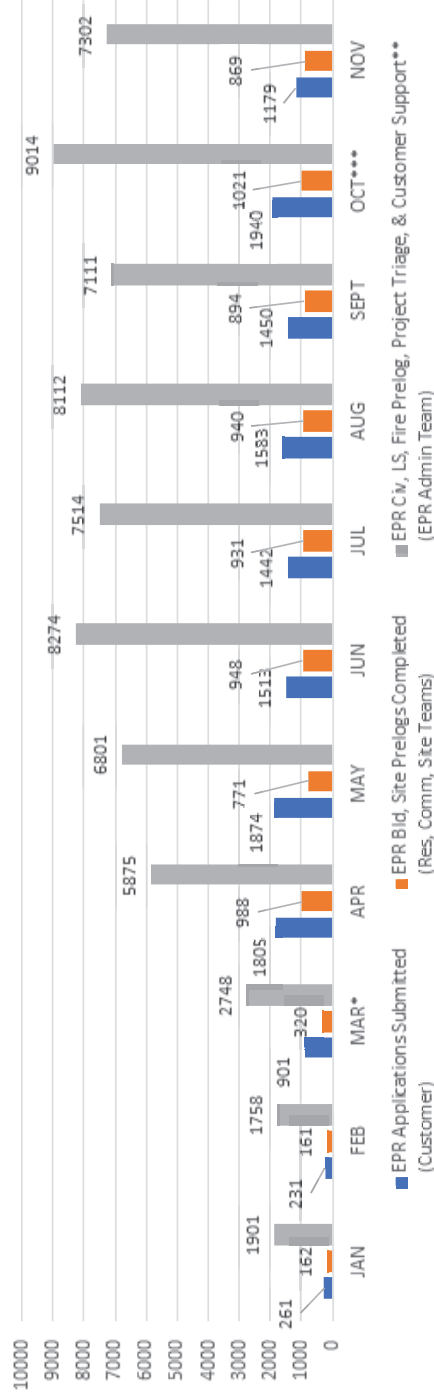


Plan Review activities have transitioned from traditional paper reviews, to the majority of plans being submitted electronically: 79% electronic vs 21% paper.

EPR SELF-CERT TRIAGE



EPR Project Intake / Processing
Jan-Nov 2020



The EPR submittals from January to November have increased 284%

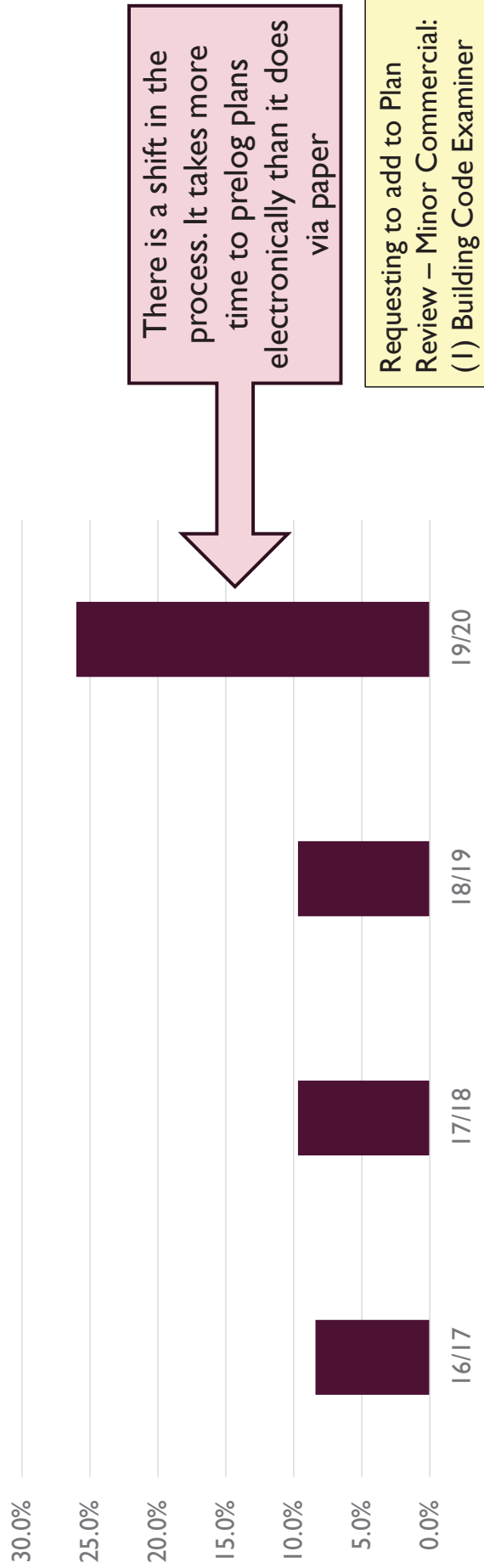
Requesting to add to Payments and Submittals: (1) Principal Engineering Tech, (1) Chief Engineering Tech, (1) Senior Engineering Tech, and (2) Engineering Techs

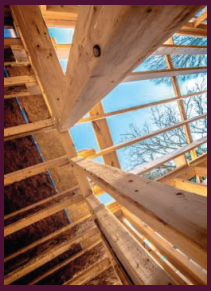
*March 23rd - Appointment Only Service Model Initiated, Transition to EPR
 **EPR Admin Team: Civ/Fire/LS Admin Prelog, KIVA Project Creation/Data Entry, Verify Fees, Customer Notifications, Batch Stamp, Email/Phone Technical Support
 ***EPR Admin Phone/Voice Mail Tracking Began

MINOR COMMERCIAL EPR LOAD

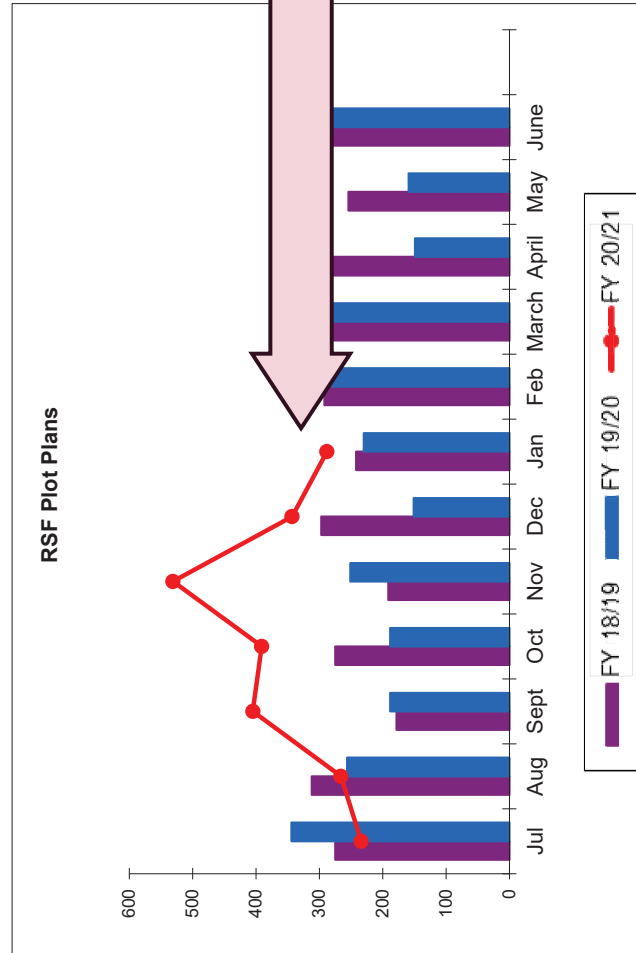


MINOR COMMERCIAL EPR LOAD





RESIDENTIAL SINGLE-FAMILY PLOT PLANS SUBMITTED



The Residential Section has seen a 49% increase in Single Family Residence plot plan submittals compared to last fiscal year.

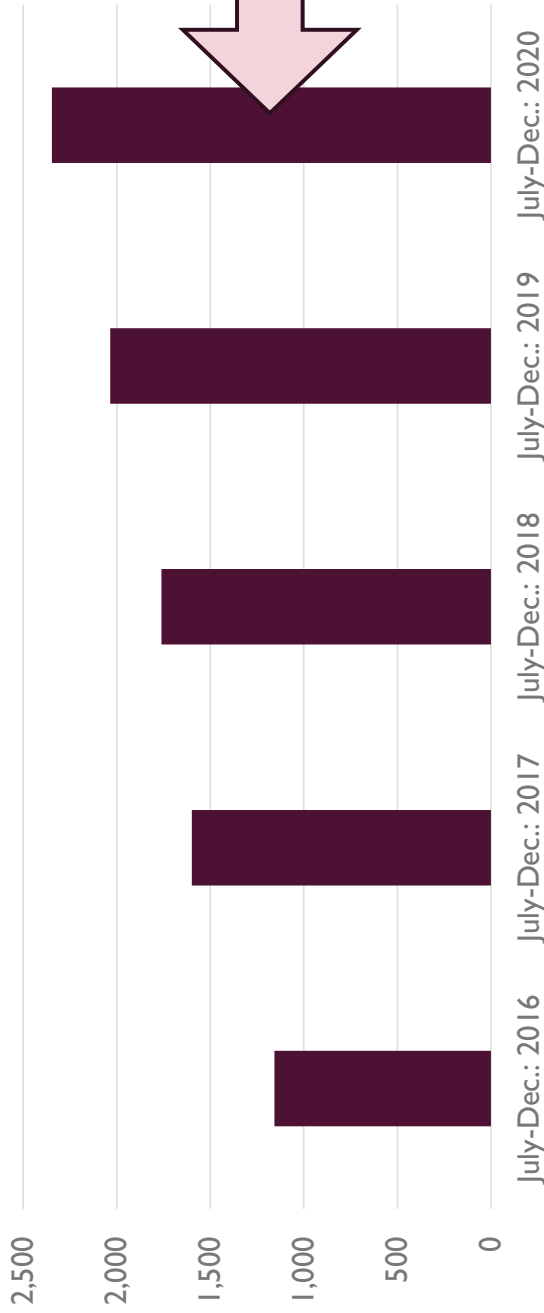
Requesting to add to Plan Review
- Residential: (2) Engineering Technicians

Graphics Source: December 2020 New Log-in Trends Report

NEW SINGLE FAMILY (NSF) HOME PERMITS FIRST 6 MONTHS OF THE FISCAL YEAR: JULY TO DECEMBER



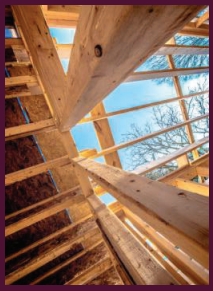
New Single Family Home Permits



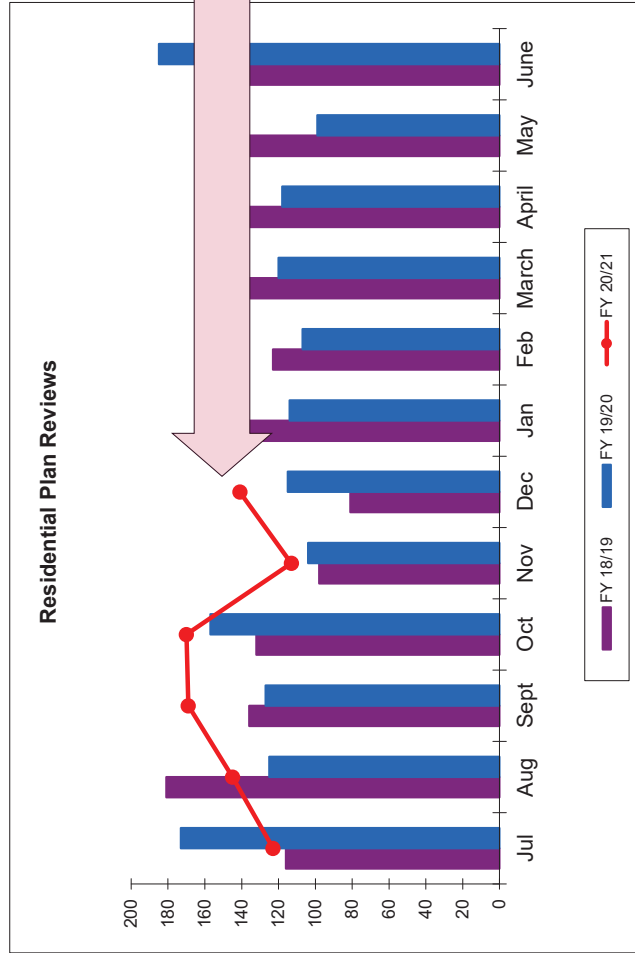
The NSF numbers for the first 6 months of the Fiscal Year 20/21 are trending up with 15%.

In support of the request to add to Plan Review - Residential:
(2) Engineering Technicians

New Single Family Home Permits First 6 Months of the Fiscal Year: July to December



RESIDENTIAL PLAN REVIEWS

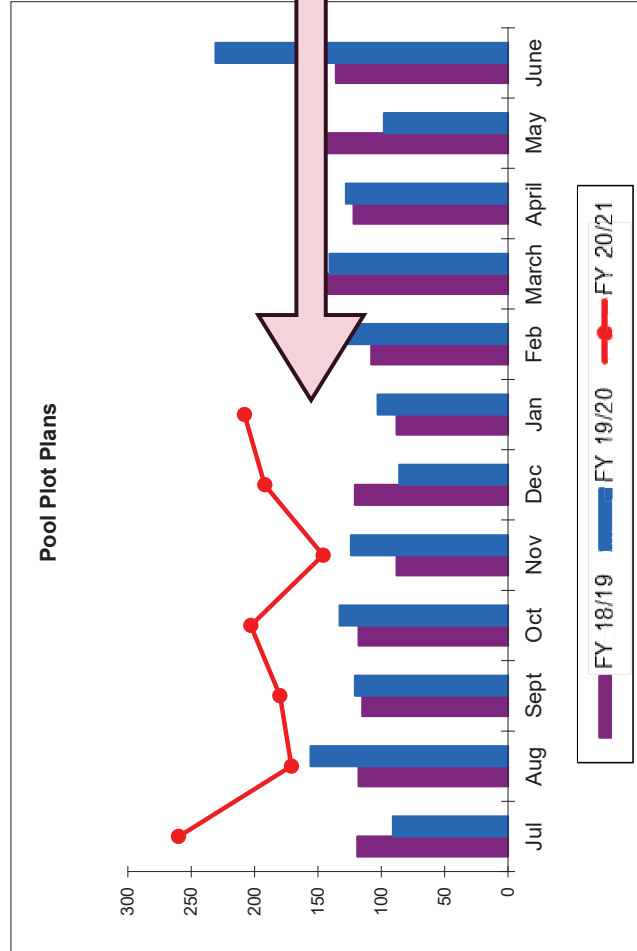


The Residential Plan Review Numbers FY20/21 are trending higher than previous years.

In support of the request to add to Plan Review - Residential: (2) Engineering Technicians

Graphics Source: December 2020 New Log-in Trends Report

RESIDENTIAL POOL PLOT PLANS SUBMITTED

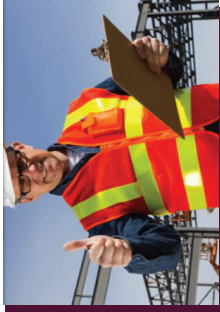


The Residential Pool Plot Plans are continuing to increase.
 Fiscal Year 18/19: 1,431
 Fiscal Year 19/20: 1,548
 Which is an 8% increase.
 The 20/21 numbers are trending up with 62%.

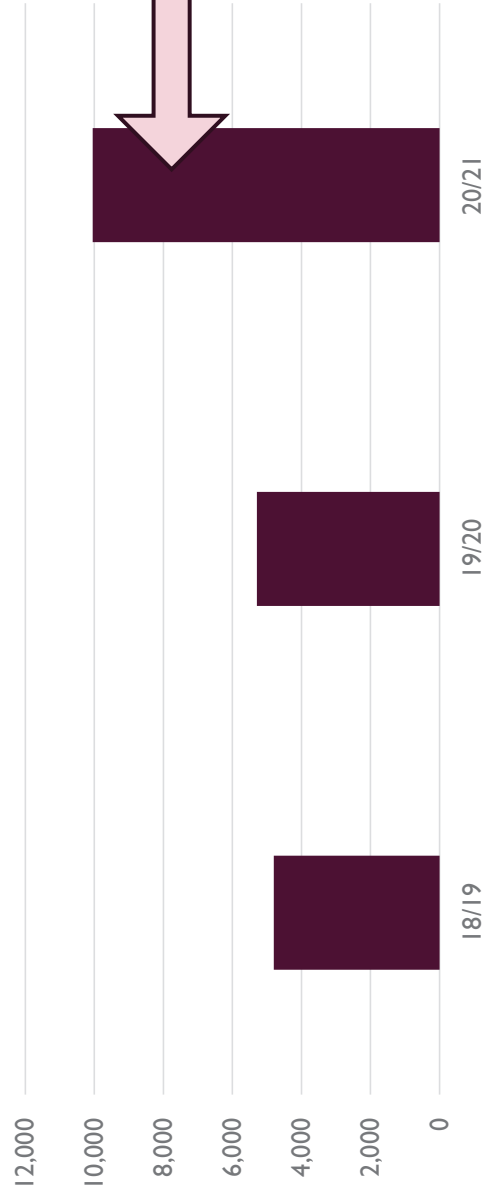
Requesting to add to Plan Review - Residential: (1) Senior Engineering Tech

Graphics Source: December 2020 New Log-in Trends Report

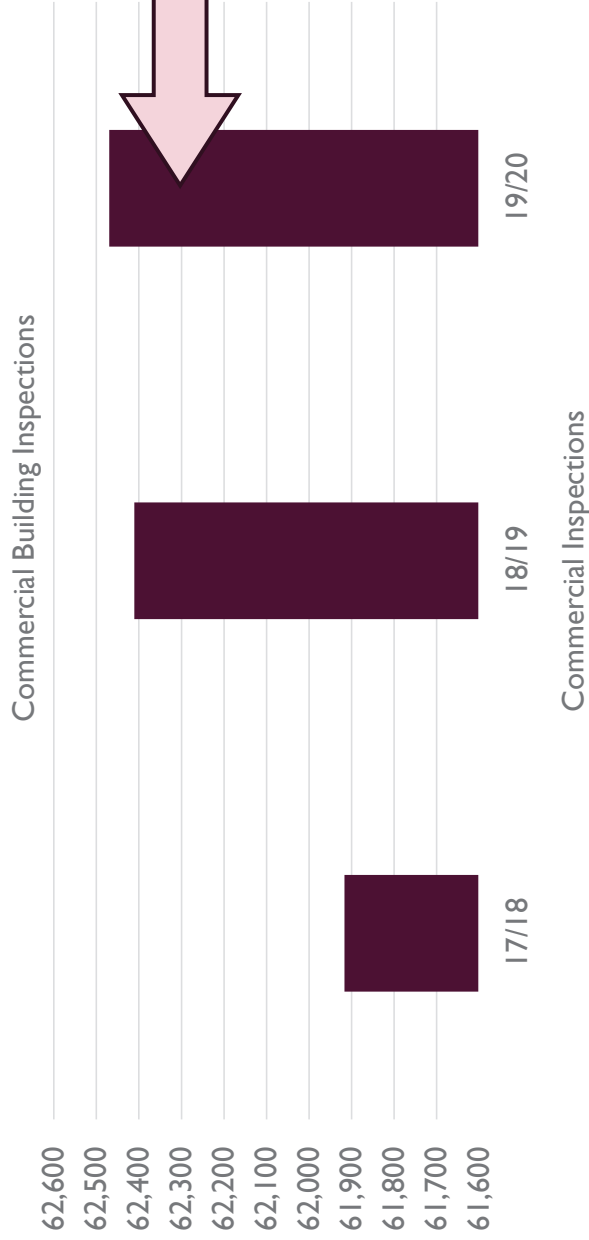
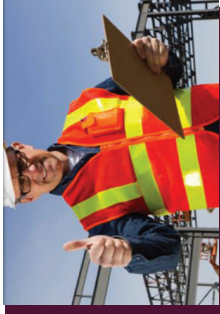
RESIDENTIAL PHOTOVOLTAIC SUBMITTALS



Residential Photovoltaic Submittals



COMMERCIAL BUILDING INSPECTIONS

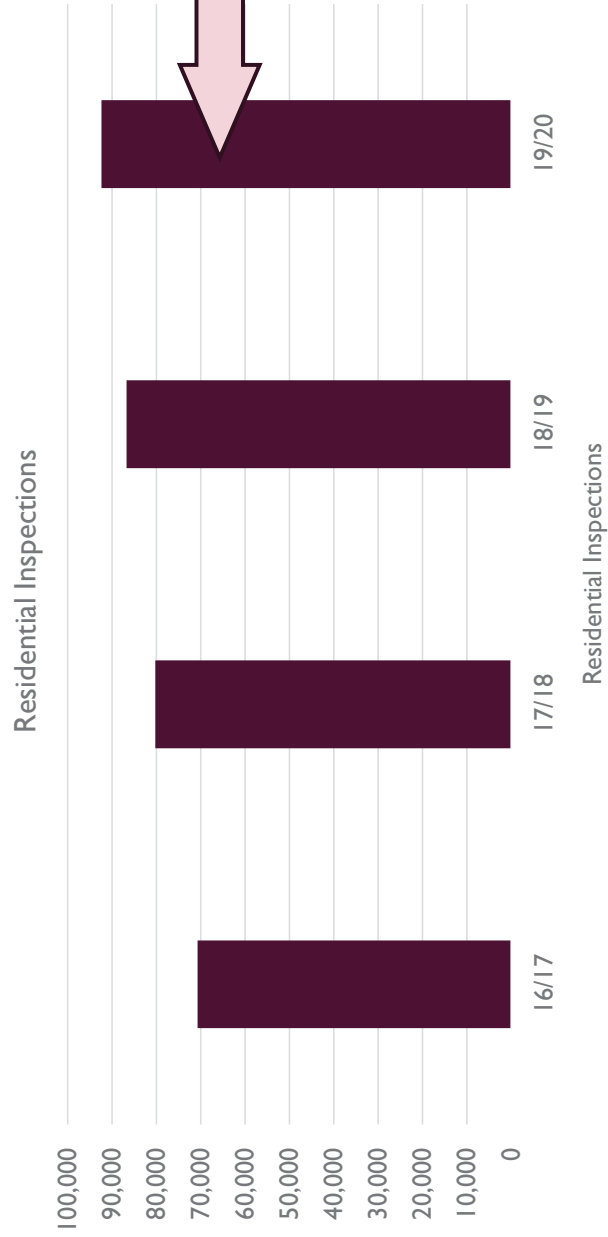


The Commercial Inspections are trending up, and more work will be coming in due to the TSMC site.

Requesting to add to Inspections Commercial:

- (1) Electrical Inspector II
- (1) Structural Inspector II
- (1) Plumbing Mechanical Inspector II
- (1) Fire Prevention Specialist II

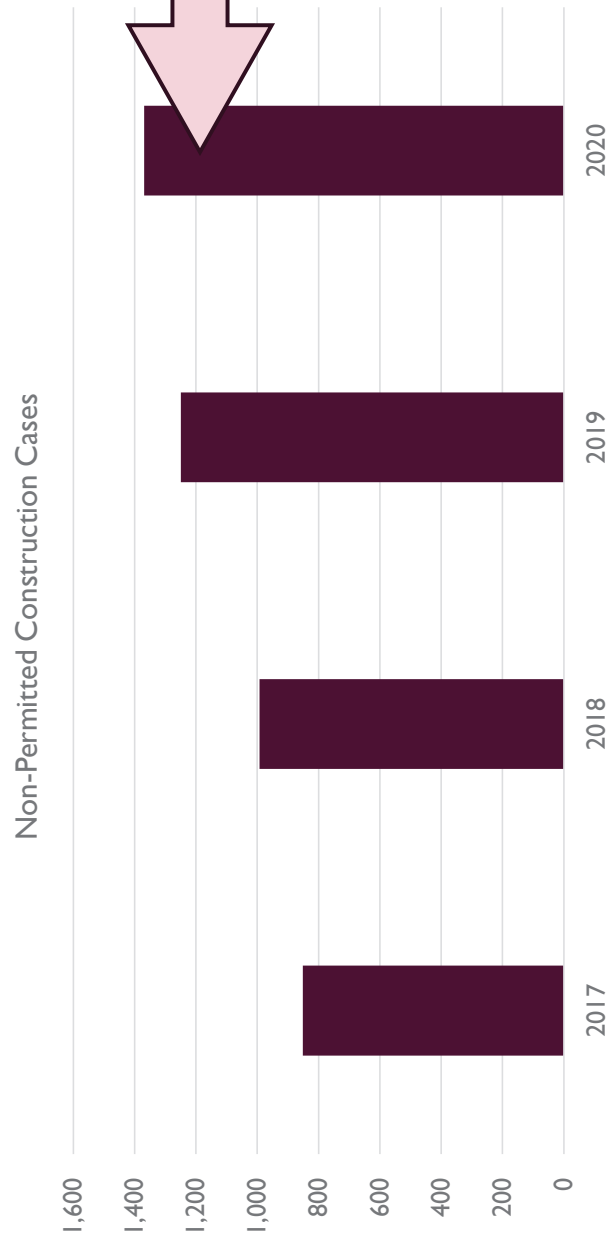
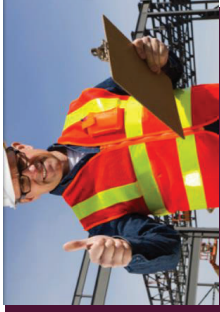
RESIDENTIAL INSPECTIONS



In each of the last two Fiscal Years, Residential Inspections has completed 90,000 inspections. Plan submittal numbers are up, and we need more staff to complete inspections.

Requesting to add to Inspections Residential: (2) General Inspectors II

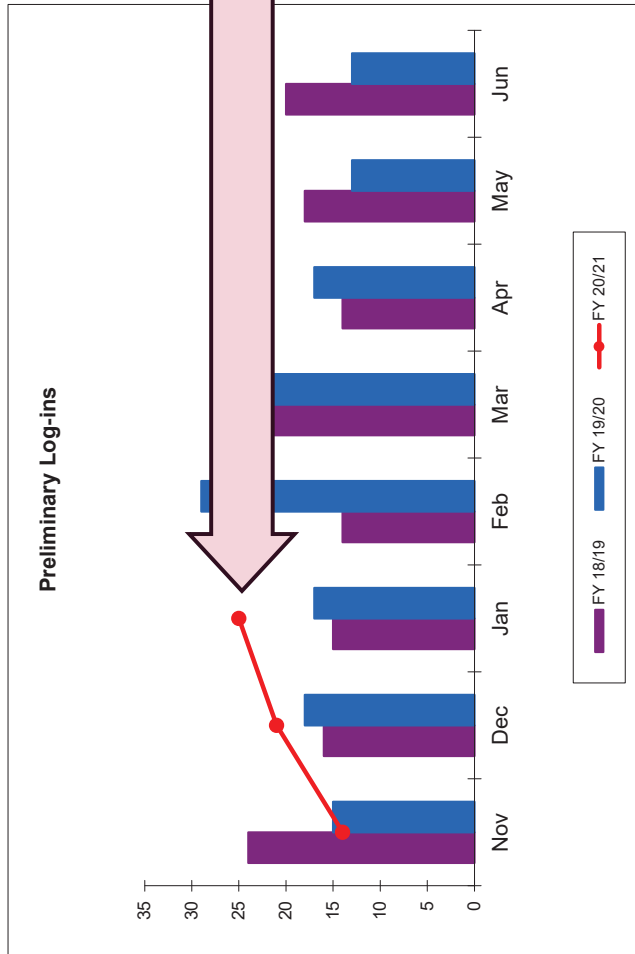
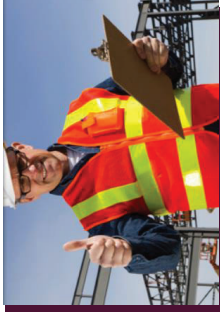
NON-PERMITTED CONSTRUCTION CASES



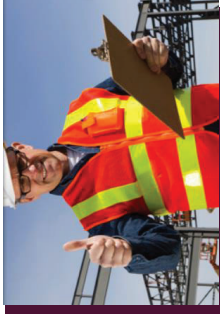
Since 2017, the number of cases the Non-Permitted Construction (NPC) team has responded to has significantly increased.

Requesting to add to Non-permitted Construction:
(1) Engineering Technician

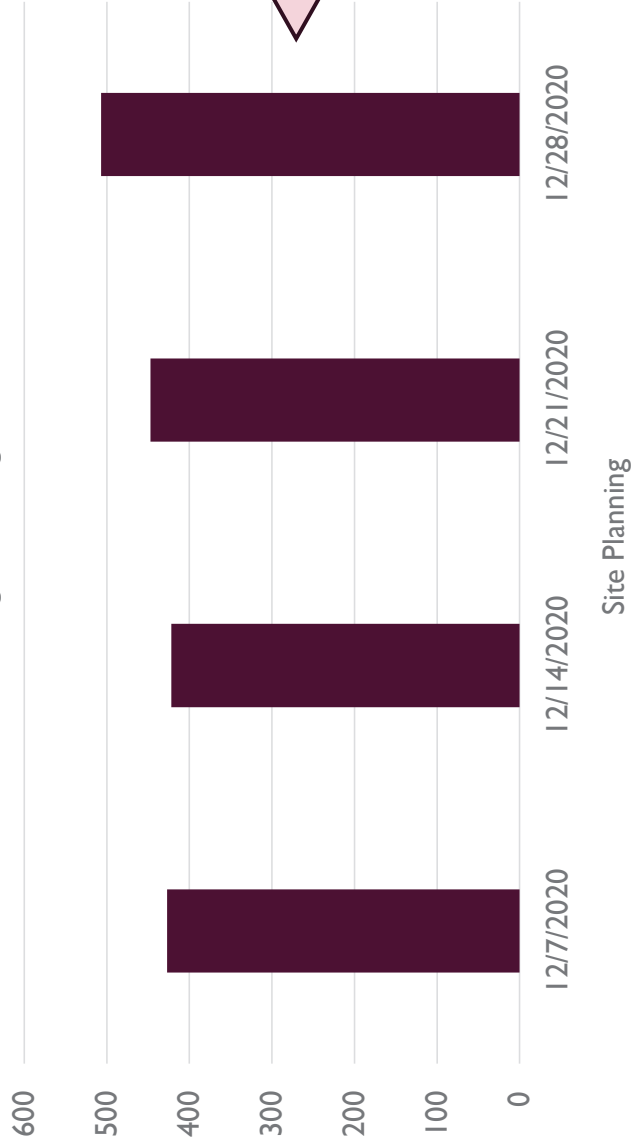
SITE PLANNING – PRELIMINARY LOGIN



SITE PLANNING – BACK LOG



Site Planning - Back Log Cases



In addition to the increase in preliminary submittals. Site Planning is also at the highest level of work with 507 plans in the system and 40% not meeting the turnaround goal

In support of the request to add: Landscape Architect I, Planner II and Administrative Assistant I

Back Log Percentage: 40% 45% 45% 45%



Amend Contract for Home Delivered Meals (Ordinance S-47312)

Request authorization for the City Manager, or his designee, to amend contract 152984 with Area Agency on Aging, Region One, Inc. (AAA) to accept additional home-delivered meal funding in the amount of \$500,000 for a new contract total of \$5,425,370. The term of this contract is from July 1, 2020 through June 30, 2021. Further request authorization for the City Treasurer to accept, and the City Controller to disburse, all funds related to this item. There is no impact to the General Fund.

Summary

Funds provided to the City of Phoenix through AAA are used to fund the City's Home Delivered Meal (HDM) program. The HDM program assists with increasing the nutrient intake of older adults at nutrition risk to allow them to remain independent in their homes.

Due to the COVID-19 pandemic, service needs have increased as more seniors have become homebound. With the additional funding, the Human Services Department is projected to prepare and deliver approximately 52,137 additional nutritionally balanced meals to homebound seniors, bringing the overall projected number of meals served during the term of the contract to 585,717 meals.

Contract Term

This term of the contract is for one year from July 1, 2020 through June 30, 2021, with three remaining one-year options to extend. Any extension option may be exercised by the City Manager or his designee.

Financial Impact

The aggregate value of this contract shall not exceed \$5,425,370. There is no match requirement for the additional funding. There is no impact to the General Fund.

Concurrence/Previous Council Action

On May 16, 2018, City Council authorized staff to contract with Selrico Services, Inc. for food management of the Senior Congregate and HDM Programs with Ordinance S-44610. Selrico Services produces and delivers meals according to the specified AAA standards for the HDM program. The contract term for Selrico is July 1, 2018 through

June 30, 2023.

On April 3, 2019, City Council authorized staff to enter into contract with AAA, the City Treasurer to accept and City Controller to disburse funds with Ordinance S-45521.

On Nov. 18, 2020, City Council authorized staff to accept an additional \$2,843,045 from AAA, the City Treasurer to accept and City Controller to disburse funds.

Responsible Department

This item is submitted by Deputy City Manager Inger Erickson and the Human Services Department.



Amend Contract for Senior Nutrition Meal Program (Ordinance S-47313)

Request authorization for the City Manager, or his designee, to amend Contract 147513 with Selrico Services, Inc. to increase the contract amount by \$500,000 to provide additional home-delivered meals to vulnerable seniors impacted by COVID-19. The new total contract amount will not exceed \$31,443,045. The current term of the contract from July 1, 2018 through June 30, 2023, remains unchanged, however this additional funding must be expended by June 30, 2021. Further request authorization for the City Controller to disburse all funds related to this item. Funding is provided by the Area Agency on Aging, Region One, Inc. There is no impact to the General Fund.

Summary

Selrico Services, Inc. provides home-delivered meals (HDM) services to homebound and disabled seniors who live in Phoenix as specified by the Area Agency on Aging, Region One, Inc. (AAA) standards for the HDM program. The AAA funding and standards are outlined in Contract 152984. As a result of the COVID-19 pandemic, the AAA has expanded the qualifications for HDM recipients, resulting in an increase of residents who qualify for meals. To address the need created by the COVID-19 pandemic, Selrico Services under its existing contract, will prepare and deliver additional meals to meet the needs of qualifying recipients.

Contract Term

The term of the contract is from July 1, 2018 through June 30, 2023, with one, two-year option to extend, for a total contract term of seven years.

Financial Impact

The new contract total shall not exceed \$31,443,045. Expenditures for the term July 1, 2020 through June 30, 2021 shall not to exceed \$6,819,450. There is no impact to the General Fund. Funding is provided from AAA.

Concurrence/Previous Council Action

On May 16, 2018, City Council authorized staff to contract with Selrico Services, Inc. for food management of the Senior Congregate and HDM Programs with Ordinance S-44610.

On April 3, 2019, City Council authorized staff to enter into contract with AAA, the City Treasurer to accept and City Controller to disburse funds with Ordinance S-45521.

On May 14, 2020, City Council approved the COVID-19 Food Assistance Plan.

On June 3, 2020, City Council approved \$300,000 in additional funds to be added to the Selrico contract with Ordinance S-46709.

On Nov. 18, 2020, City Council authorized an amendment to the AAA contract to accept \$2,843,045 in additional funding and for the City Treasurer to accept and City Controller to disburse funds.

On Jan. 6, 2021, City Council approved \$2,843,045 in additional funds to be added to the Selrico contract with Ordinance S-47210.

Responsible Department

This item is submitted by Deputy City Manager Inger Erickson and the Human Services Department.



Agreement Between State of Arizona and City of Phoenix for Maintenance and Operation of Margaret T. Hance Park (Ordinance S-47314)

Request to authorize the City Manager, or his designee, to enter into an Intergovernmental Agreement (IGA) with the State of Arizona Department of Transportation (ADOT) to establish maintenance and operational responsibilities for the City and ADOT, for Margaret T. Hance Park and the I-10 Deck Park Tunnel.

Summary

In 1988, the City and ADOT entered into an IGA for the “Deck at Central Avenue.” The agreement outlined the responsibilities regarding construction of the deck/tunnel, development of a park on the structural deck and development of a bus transit terminal integral with the deck. The IGA also outlined responsibilities of costs for the overall project.

Margaret T. Hance Park (Hance Park) opened to the public in 1992, over the completed I-10 deck tunnel. Today, 250,000 vehicles drive daily under Hance Park, which has become a downtown destination and oasis of green, open space.

In 2016, the Parks and Recreation Board approved the Margaret T. Hance Park Master Site Plan. In October 2017, a Notice to Proceed was issued to HargreavesJones, a landscape architecture firm, to begin the design for the redevelopment of Hance Park, estimated to cost a total of \$100 million.

On Dec. 15, 2020, Phase IA, consisting of the Fiesta Bowl PLAY at Hance Park, a partial escarpment and surrounding landscape opened to the public.

Now, 33 years after the 1988 IGA, this new IGA (**Attachment A**) will address maintenance and operational issues of a fully completed transportation facility with an iconic downtown park above it.

Contract Term

The new IGA is automatically renewing for successive five-year terms from the effective date and may be amended upon mutual written consent of both parties. The IGA may be cancelled at any time, with 90 days written notice.

Financial Impact

There is no financial impact to the approval of this IGA. Both parties will continue to fund the maintenance, operations, and any improvements to their respective facilities as outlined in the IGA.

Concurrence/Previous Council Action

IGA between ADOT and the City for the Deck at Central Avenue on Feb. 4, 1988 (Agreement 47353).

IGA between State of Arizona and the City for Margaret T. Hance Park Joint Repair Project on Jan. 8, 2020 (Ordinance S-46304).

Location

Margaret T. Hance Park, 67 W. Culver St.
Council District: 7

Responsible Department

This item is submitted by Deputy City Manager Inger Erickson and the Parks and Recreation Department.

ATTACHMENT A

ADOT CAR No.: IGA 19-0007558-I
AG Contract No.: P001 2019 003572
Project Location/Name: I-10 Deck Park
Tunnel, Hance Park
Type of Work: Maintenance
Federal-aid No.: NA
ADOT Project No.: F0293 01C
TIP/STIP No.: NA
CFDA No.: 20.205 - Highway Planning and
Construction
Budget Source Item No.:

INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
CITY OF PHOENIX

THIS AGREEMENT is entered into this date _____, pursuant to the Arizona Revised Statutes (“A.R.S.”) §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the “State” or “ADOT”) and the CITY OF PHOENIX, acting by and through its MAYOR and CITY COUNCIL (the “City”). The State and the City are collectively referred to as “Parties.”

I. RECITALS

1. The State is empowered by A.R.S. § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. The City is empowered by A.R.S. § 48-572 to enter into this Agreement and has by ordinance, a copy of which is attached and made a part hereof, authorized the City to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the City.
3. The City is making improvements to Margaret T. Hance Park above the Interstate 10 (I-10) Deck Park Tunnel, (the “Project” or “Hance Park”). The Project includes, but is not limited to, reconstruction and construction of planters, landscaping, irrigation, sidewalks, pathways, shade structures, garden, playground areas, tree bosque, stage/amphitheater, restrooms, food and beverage structures, and water features. This Agreement will establish maintenance and operational responsibilities of Hance Park and the I-10 Deck Park Tunnel.
4. The Project’s boundaries are delineated in Exhibit A, attached and incorporated herein to this Agreement.
5. In conjunction with the Project, the City will administer construction of necessary joint repair work above the tunnel, funding and joint repair work details are addressed in IGA 19-0007557-I.

6. This Agreement does not cancel or supersede any existing agreements but will take precedence in the event any questions arise pertaining to maintenance responsibilities.

THEREFORE, the Recitals set forth above are incorporated into this Agreement and in consideration of the mutual terms expressed herein, it is agreed as follows:

II. DESIGN AND CONSTRUCTION

1. The Parties agree:
 - a. The Project will be performed, completed, accepted and paid for in accordance with the approved requirements of the Project plans and specifications.
 - b. The City will temporarily convert certain areas to turf grass within the Project area. The City will continue to maintain the turf grass until commencement of Phase 1 of the Project, at which time the turf grass will be removed and the final intended improvements will be installed.
2. The State will:
 - a. Issue, in accordance with the established procedures of the State's Central District Permit Office, a permit for the initial construction of the Project and separate permits for related pre-construction activities (such as pot-holing, utility work, survey etc.). Permits will be issued when appropriate insurance documents are provided as required by ADOT Risk Management.
 - b. Review the design documents required for construction of the Project and provide comments to the City.
 - c. Participate in design and construction meetings as required. Coordinate with the City regarding the construction schedules of all State projects that affect this Project. Within available resources, operate State facilities in a manner that minimizes negative impacts to the City.
 - d. Not incur any costs for the Project, either foreseen or unforeseen.
3. The City will:
 - a. Submit an encroachment permit application with all required documentation to the State's Central District Permit Office for the initial construction of the Project, and separate encroachment permit applications for related pre-construction activities as needed. Provide appropriate insurance with each encroachment permit. Submit an encroachment permit application for any new construction or installation.
 - b. Prepare and provide the design plans, specifications and other such documents and services required for the construction bidding and construction of the Project and incorporate comments from the State as appropriate.

- c. Coordinate with the State to address any potential temporary or permanent impacts to the State's drainage system, catch basins, culverts, etc., related to the City's Project. Be responsible for any/all Project related modifications and/or construction elements within the State's right of way to accommodate the City's Project, including any/all related costs to the State.
- d. Minimize moisture or drainage intrusion into the underlying infrastructure for supporting I-10 Deck Park Tunnel by installing flow sensors on the irrigation system that monitor anticipated flow and soil sensors to monitor the moisture content of the soil as part of the Project surface improvements. If excess flow is detected, shut off the water supply until any potential leaks are identified and corrected, if the soil moisture content is too high, adjust the irrigation system to reduce the amount of irrigation being used.
- e. Conduct coordination, design and construction progress meetings as required. Coordinate with the State, or its representatives, relative to the construction schedule of the Project.
- f. Be responsible for all Project costs.
- g. After completion of all phases of the Project, accept the Project as complete and in accordance with the Project's Contract Documents. Coordinate a final inspection meeting regarding the improvements with State representatives to assure that the constructed improvements function properly.

III. OPERATIONS AND MAINTENANCE

1. The Parties understand and agree:
 - a. The City is responsible for maintenance of Hance Park and the State is responsible for the structural integrity and maintenance of the I-10 Deck Park Tunnel.
 - b. The State is the owner and controls property rights and interests of the I-10 and the I-10 Deck Park Tunnel used by the City and hereby allows the City to manage, maintain, program, and operate Hance Park through a State issued encroachment permit.
 - c. The City will be responsible for all City signage and the State will be responsible for all State signage.
 - d. Where the sound/screen walls delineate the areas between jurisdictional responsibilities, both Parties will maintain the surface of the wall facing each Party's area of maintenance responsibility, which will include graffiti removal, painting and minor surface repair.
 - e. The City will be responsible for any and all homeless encampment cleanup within the park boundaries, in accordance with the City's Park Policy.

- f. The City will preserve access points at all four I-10 Deck Park Tunnel vent shafts and underneath the Central Avenue Bridge for ADOT, its agents and/or contractors. The locations at all four I-10 Deck Park Tunnel vent shafts will be used to access equipment that needs to be maintained on a periodic basis and some maintenance may require multiple vehicles. The location underneath the Central Avenue Bridge is the main point of delivery for the 12 kilovolt (KV) service that provides power to the tunnel for both the freeway lighting and the eight vent fans. Ensure access points can support and accommodate multiple fleet size vehicles and truck/trailer access for large equipment replacements.
 - g. If through installation, use, or routine maintenance, the property of either the City or the State in the area referenced by this Agreement is disturbed or damaged, the Party responsible will, at its own expense, and in a manner acceptable to the owner, restore or repair the facility in as good a condition as before such damage or disturbance. If such restoration, repair, or replacement is not completed within a sufficient time, or such repair or replacement does not meet the owners duly adopted standards, the owner shall have the right to perform the necessary restoration, repair, or replacement, either through its own forces or through a hired contractor after the owner has communicated with the other Party. The non-compliant Party shall reimburse the owner for its expenses within 30 days of receipt of an invoice.
 - h. The State will coordinate with the City to address any potential temporary or permanent impacts to Hance Park infrastructure and operation due to any I-10 Deck Park Tunnel related structural repairs or major maintenance activities. In these cases, the City will restore Hance Park features disturbed to pre-situational conditions. The State may participate in a portion of the restoration costs as ultimately determined through the Issue Escalation Ladder, as shown in Table 1, Section IV below.
 - i. Should any future water intrusion result from Hance Park, the City will be solely responsible for costs to cure damages to facilities.
 - j. All lease agreements will be addressed separately through the ADOT Right of Way Group, Property Management Section.
2. The State will:
- a. Issue, in accordance with the established procedures of the State's Central District Permit Office, a permit on a yearly basis for routine maintenance and emergency work. Routine maintenance and emergency work will be defined within the permit. Permits will be issued when appropriate insurance documents are provided as required by ADOT Risk Management.
 - b. Coordinate and communicate with the City at least 30 days in advance with all State infrastructure repairs and renovations to minimize Hance Park operation disruptions, except in emergencies.
 - c. Coordinate with and notify the City of maintenance activities scheduled to occur at any of the four I-10 Deck Park Tunnel vent shafts or underneath the Central Avenue Bridge. ADOT will require daily access under the Central Avenue Bridge to access the tunnel

control room. Although large maintenance activities are infrequent, if step down transformers or electrical switch gear require repair or replacement, ADOT will use the access point under the Central Avenue Bridge. Certain maintenance activities may require this location to support the parking of multiple fleet size vehicles and truck/trailer access for large equipment replacements. Emergency work will not require coordination, however the State will notify the City of emergency conditions that may affect operations or public safety.

- d. Excluding any and all emergency maintenance work, defer to the City interactions with the City's facilities and their non-profit occupants on or near the Project for matters of Hance Park operation, improvement, or renovation.
 - e. Maintain all storm drain siphons within State highway rights of way within Hance Park, of which the State is the primary user.
 - f. Maintain the structural integrity of existing and future sound/screen walls constructed within the State's rights of way.
3. The City will:
- a. Submit an encroachment permit application with all required documentation to the State's Central District Permit Office for routine maintenance and emergency work. Provide appropriate insurance for the encroachment permit once, then annually for the maintenance and emergency work, to keep that permit valid. Notify the State's Central District Permit Office of any emergency maintenance work affecting the State right of way immediately. Submit an encroachment permit application for any new construction or installation.
 - b. Maintain sidewalks, pathways, ADA ramps, pedestrian underpasses, restrooms, shade structures, any equipment, and drainage features feeding into the State's drainage system to City maintenance standards unless State maintenance standards take precedence. Maintenance of the defined areas will include routine maintenance activities, including but not limited to: sweeping, crack sealing, removal of spills, graffiti removal, litter and trash removal, repair of the surface/base of damaged pavement presenting a safety hazard, cracking and/or buckling of sidewalk, and weed control.
 - c. Maintain Hance Park parking lots and driveways, routine maintenance activities include but are not limited to: sweeping, crack sealing, removal of spills, graffiti removal, repair of pot-holes, routine maintenance of signing and striping, leveling and/or patching of asphalt concrete pavement with premix, pavement markings, seal coating and/or flush coating of oxidized pavement, litter and trash removal, repair of the surface/base of damaged pavement presenting a safety hazard, and weed control.
 - d. Provide landscape maintenance in accordance with accepted horticultural practices, keeping all areas free of weeds, undesirable grasses, and litter, applying irrigation water, furnishing and applying insecticide/herbicide sprays and dust to combat diseases and other pests, pruning, and replanting, as required to maintain the landscaping and the irrigation installed as part of the Project, including all testing,

adjusting, repairing, and operation of the irrigation system, and shall furnish all electrical power and water to operate the irrigation system, at its sole expense.

- e. Perform routine maintenance of drainage basins and catch basins (including vector control), consistent with the City maintenance and operations levels within the Project limits.
- f. Coordinate with the State to address any potential temporary or permanent impacts to the State’s drainage system, catch basins, culverts, etc., related to any/all new construction by the City. Be responsible for any/all new construction related modifications and/or construction elements within the State’s right of way to accommodate the City’s new construction, including any/all related costs to the State.
- g. Operate, monitor, and maintain Hance Park surface improvements to minimize moisture or drainage intrusion into the underlying infrastructure for supporting I-10 Deck Park Tunnel. If excess flow is detected, shut off the water supply until any potential leaks are identified and corrected, if the soil moisture content is too high, adjust the irrigation system to reduce the amount of irrigation being used.
- h. Maintain, operate, and pay all Hance Park utilities (electric, water, sewer, etc.) associated with, and not limited to landscape, buildings, and lighting within Hance Park.
- i. Program and operate Hance Park for the recreational enjoyment of park users including but not limited to allowing large and small public events, passive and active play, health and wellness programs, public art installations and exhibits, and a variety of recreational, cultural, and/or education programs and events within the Hance Park boundaries; obtaining all required permits from the State. The City will police its allowed activities above to assure no damage is done to the underlying structure(s).

IV. ISSUE RESOLUTION

- 1. Any dispute regarding the interpretation of any provision of this Agreement, shall be resolved using the following escalation ladder, to attempt to resolve all disputes at the lowest possible level. The levels of resolution, lowest to highest are as follows:

Table 1
Issue Escalation Ladder

Level	State Representative	City Representative
First	Engineering Administrator	Downtown Deputy Director
Second	Senior Division Administrator	Parks and Recreation Director
Highest Level	IDO Director	Assistant to the City Manager – Street Transportation Department

- 2. If the dispute is not resolved, it then will advance to arbitration per A.R.S. § 12-1518, as applicable.

V. MISCELLANEOUS PROVISIONS

1. This Agreement shall become effective upon signing and dating of the Determination Letter by the State's Attorney General.
2. Any change or modification to the Project will only occur with the mutual written consent of both Parties.
3. This Agreement is automatically renewing, for successive periods of five-year terms, from the effective date, and may be amended upon mutual written consent of both Parties, provided however, that this Agreement may be cancelled at any time, with 90 days written notice. If the City initiates a cancellation of this Agreement, the State is not obligated to complete the Project or maintain Hance Park and may require that a portion or the entire park be removed at the City's sole expense.
4. The City shall indemnify, defend, and hold harmless the State, any of its departments, agencies, officers or employees (collectively referred to in this paragraph as the "State") from any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including reasonable attorneys' fees and/or litigation expenses (collectively referred to in this paragraph as the "Claims"), which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of, or contributed to, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of the City, its employees, officers, directors, agents, representatives, or contractors, their employees, agents, or representatives in connection with or incident to the performance of this Agreement. The City's obligations under this paragraph shall not extend to any Claims to the extent caused by the negligence of the State, except the obligation does apply to any negligence of the City which may be legally imputed to the State by virtue of the State's ownership or possession of land. The City's obligations under this paragraph shall survive the termination of this Agreement.
5. The City shall require its contractors to indemnify, defend, and hold harmless the State, from any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including any attorneys' fees and/or litigation expenses, which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of, or contributed to, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of the contractor, its employees, agents, representatives, or subcontractors, their employees, agents, or representatives in connection with or incident to the performance of the work, or arising out of Workmen's Compensation claims, Unemployment Compensation claims, or Unemployment Disability Compensation claims of employees of the contractor and/or its subcontractors or claims under similar such laws or obligations. The contractor's obligation under this subsection shall not extend to any liability to the extent caused by the negligence of the State, or its employees, except the obligation does apply to any negligence of the contractor which may be legally imputed to the State by virtue of its ownership or possession of land.

6. The Parties warrant compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the "Act"). Additionally, in a timely manner, the City shall provide information that is requested by the State to enable the State to comply with the requirements of the Act, as may be applicable.
7. The Parties acknowledge and will comply with Title VI of the Civil Rights Act Of 1964.
8. This Agreement shall be governed by and construed in accordance with Arizona laws.
9. This Agreement may be cancelled in accordance with A.R.S. § 38-511.
10. The City shall retain all books, accounts, reports, files and other records relating to the Agreement for five years after completion of the Project. These documents shall be subject at all reasonable times to inspection and audit by the State. Such records shall be produced by the City at the request of ADOT.
11. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable Federal regulations under the Act, including 28 CFR Parts 35 and 36. The Parties to this Agreement shall comply with Executive Order Number 2009-09 issued by the Governor of the State of Arizona and incorporated by reference regarding "Non-Discrimination."
12. Non-Availability of Funds: Every obligation of the Parties under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by either Party at the end of the period for which the funds are available. No liability shall accrue to the Parties in the event this provision is exercised, and the Parties shall not be obligated or liable for any future payments as a result of termination under this paragraph.
13. The Parties shall comply with the applicable requirements of A.R.S. § 41-4401.
14. The Parties shall certify that all contractors comply with the applicable requirements of A.R.S. §35-393.01.
15. The Parties shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.
16. All notices or demands upon any Party to this Agreement shall be in writing and shall be delivered electronically, in person, or sent by mail, addressed as follows:

For Agreement Administration:
Arizona Department of Transportation
Joint Project Agreement Section
205 S. 17th Avenue, Mail Drop 637E
Phoenix, AZ 85007
JPABranch@azdot.gov

City of Phoenix
Parks and Recreation Department
Attn: Cynthia Aguilar, Acting
Parks and Recreation Director
200 W. Washington Street, 16th Fl
Phoenix, AZ 85003
602.495-5225
Cynthia.Aguilar@phoenix.gov

For Project Administration:

Arizona Department of Transportation
Central Maintenance District
2140 W. Hilton, MD E700
Phoenix, AZ 85009
602.712.6664
602.712.3116 FAX

City of Phoenix
Office of the City Engineer
Attn: Jarod Rogers, Principal
Landscape Architect/Project
Manager
200 W. Washington Street, 5th Fl
Phoenix, AZ 85003
602.534.2160
Jarod.Rogers@phoenix.gov

For Maintenance Related Issues:

Arizona Department of Transportation
Central Maintenance District
Maintenance Engineer
2140 West Hilton Avenue, Mail Drop
PM00
Phoenix, Arizona 85009
602.712.6664
602.712.6983 FAX

City of Phoenix
Parks and Recreation Department
Attn: Cynthia Aguilar, Acting
Parks and Recreation Director
200 W. Washington Street, 16th Fl
Phoenix, AZ 85003
602.495-5225
Cynthia.Aguilar@phoenix.gov

For Emergency Related Issues:

Arizona Department of Transportation
Traffic Operations Center
2302 W. Durango
Phoenix, AZ 85009
602.712.6591, M-F, 8:00 am to 5:00 pm
602.257.1563, outside regular business
hours

17. Any revisions to the names and addresses above may be updated administratively by either Party and shall be in writing.
 18. In accordance with A.R.S. § 11-952 (D), attached and incorporated in this Agreement is the written determination of each Party's legal counsel that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form.
-

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

CITY OF PHOENIX
ED ZUERCHER, City Manager

STATE OF ARIZONA
Department of Transportation

By _____
CYNTHIA AGUILAR
Acting Parks and Recreation Director

By _____
STEVE BOSCHEN, PE
Division Director

ATTEST:

By _____
DENISE ARCHIBALD
City Clerk

APPROVED AS TO FORM:

By _____
Acting City Attorney

DRAFT



Authorization to Enter into Development Agreement with PV RE Devco LLC for Installation of Public Infrastructure and Public Space Improvements (Ordinance S-47323)

Request to authorize the City Manager, or his designee, to negotiate and enter into a development agreement and any other agreements as necessary (Agreements), with PV RE Devco LLC, or its City-approved designee (Developer), for the installation of public infrastructure and outdoor public space improvements, and the dedication of public right-of-way or easements. Further request authorization for the City Controller to disburse funds under the terms of the Agreements.

Summary

The City has been informed that the Developer has secured the rights to purchase from the existing owners, portions of the nearly 100-acre Paradise Valley Mall property generally located from 4500-4610 E. Cactus Road (Site) and intends to redevelop the Site, into a mixed-use, amenity rich destination (Project). To facilitate this redevelopment, the Developer will make several public infrastructure improvements, creating new public access through the Site, and facilitating pedestrian connectivity and activity.

Subject to City Council approval, the following major business terms have been negotiated with the Developer and would be implemented through the Agreements:

- Developer will privately finance and construct the enhanced public infrastructure improvements.
- Developer will install and construct a public east-west street (including landscaping and appurtenant amenities) for public access through the Project at approximately the location of East Larkspur Drive and convey such access to the City in a mechanism approved by the City.
- As the Project plans develop, and at Developer's discretion, the Developer may install and construct an additional public east-west street (including landscaping and appurtenant amenities) for public access through the Project at a location selected by Developer, and convey such access to the City in a mechanism approved by the City.

- As the Project plans develop and at Developer's discretion, Developer may install and construct one or more public north-south streets (including landscaping and appurtenant amenities) for public access through the Project at locations selected by Developer, and convey such access to the City in a mechanism approved by the City.
 - Developer will design and construct a public park/trail/bike path component through the Project including new landscaping, enhanced shading, decorative paving, new community gathering spaces and water features, which exceed what is required by City Code.
 - Developer will install additional enhanced landscaping, enhanced pedestrian improvements, decorative construction features, site furnishings, shade structures and other enhanced improvements which are beyond what may be required by any City codes, plans or ordinances, and as agreed upon by the City and Developer.
 - The Agreements may include other such public infrastructure and related components (and costs thereof) as approved by the City of Phoenix Community and Economic Development Director.
 - These improvements shall be in conformance with the zoning for the Site.
 - Developer must comply with Title 34 of the Arizona Revised Statutes in constructing the improvements to qualify for reimbursement, and the specifics and cost of the public infrastructure improvements must be pre-approved by the City in order to qualify for reimbursement.
 - The City will reimburse the Developer for public infrastructure improvements as listed above in the following manner:
 - a. Years 1-7: 100 percent of the City of Phoenix portion of the eligible transaction privilege tax (TPT) revenue generated from new development activity at the Site, including construction sales tax.
 - b. Years 8-25: (1) 50 percent of the City of Phoenix portion of eligible TPT revenue generated from new development activity at the Site, and (2) 50 percent of the increase in the City of Phoenix portion of eligible TPT revenue generated at the Site from existing tenants as of the construction commencement date for the first phase of the public infrastructure improvements, based on the TPT revenue levels at the Site from operations as of Dec. 31, 2019.
 - c. Reimbursement shall not exceed actual verifiable costs for the approved public infrastructure improvements.
 - d. Reimbursement would not begin until after the Developer completed the first phase of public infrastructure improvements at the Site and the City accepted those improvements. Reimbursements would be made quarterly, in arrears, with additional details to be specified in the Agreements.
 - No other sources of funds would be used if the above resources are not adequate to meet the projected construction expense.
-

- The Agreements will include other terms and conditions as deemed necessary by the City.

The redevelopment of Paradise Valley Mall is an important economic development opportunity that will create several thousand new jobs over time for the community, and will yield significant financial and public benefits for the City of Phoenix, above and beyond the TPT revenue generated. This property is the village core for Paradise Valley and redevelopment of it in more intense mixed-use development pattern is supported by numerous goals in the Phoenix General Plan.

Contract Term

The development agreement will be for a term of 25 years.

Financial Impact

The City's financial impact will be the reimbursement of eligible City of Phoenix new TPT revenue generated from the Site. This includes 100 percent of the TPT revenue generated from new development activity in years 1-7; 50 percent of the new TPT revenue generated at the Site from new development activity in years 8-25; and 50 percent of the increase in TPT revenue generated at the Site from existing tenants (above and beyond levels from operations as of Dec. 31, 2019) in years 8-25. Financial terms of the Agreements will be reviewed by the Budget and Research Department to verify funding availability prior to execution.

Location

Generally located at 4500-4610 E. Cactus Road
Council District: 3

Responsible Department

This item is submitted by Interim Deputy City Manager John Chan and the Community and Economic Development Department.



Authorization to Conduct Direct Negotiations for Disposition of City-Owned Land and Improvements Located at 1 S. 24th St. (Ordinance S-47329)

Request to authorize the City Manager, or his designee, to identify a buyer and negotiate for the direct sale of the former First National Bank of Arizona building located at 1 S. 24th St. Further request to authorize placement of a 30-year declaration of restrictive covenants on the property prior to any sale and/or make the sale conditioned on a 30-year conservation easement. There is no impact to the General Fund with this action.

Summary

The City's Aviation Department owns Assessor Parcel Number (APN) 121-62-041A, located at 1 S. 24th St. (Site). The Site is approximately 1.55 acres and includes the former First National Bank of Arizona Building (Building), currently vacant. The Building, approximately 5,460 square feet, was originally designed by Kenneth Oberg, built in 1966, and is eligible for historic designation.

On June 20, 2018, City Council authorized the Community and Economic Development Department (CEDD) to issue a Request for Proposals (RFP) for the sale and adaptive reuse of the land and improvements, and on Sept. 17, 2018, the RFP was issued.

On Dec. 16, 2018, a fire incident occurred in the Building resulting in damage to the Building's interior and roof. This incident occurred before the RFP process could be completed. Key dates and actions that followed, include:

- January 2019 - RFP-CED18-FNB canceled with intent to reissue;
- June 2019 - Fire Damage Investigation and Final Report completed; and
- May 2020 - Building Conditions Assessment and Report completed.

On Oct. 30, 2020, RFP-CED18-FNB was canceled with no intent to reissue due to changes in the Site's condition as a result of the fire damage. Staff now recommends conducting direct negotiations for the sale of the Site.

With City Council approval, CEDD will advertise the Site for sale at the appraised value of \$480,000 and in “as-is” condition. Interested parties will also be notified of the 30-year declaration of restrictive covenants on the property and/or that the sale is subject to a 30-year conservation easement. Following negotiations with the recommended buyer, business terms will be presented to the City Council for approval prior to entering into an agreement.

Financial Impact

There is no financial impact to the General Fund with this action.

Concurrence/Previous Council Action

The Downtown, Aviation, Economy and Innovation Subcommittee recommended issuance of an RFP for the sale and adaptive reuse of the real property and improvements for approval on June 6, 2018, by a vote of 4-0.

The City Council authorized issuance of an RFP for the sale and adaptive reuse of the real property and improvements on June 20, 2018.

Public Outreach

Staff presented to the Central City Village Planning Committee on May 14, 2018 and to the Historic Preservation Commission on May 21, 2018 and Feb. 8, 2021.

Location

1 S. 24th St.
Council District: 8

Responsible Department

This item is submitted by Interim Deputy City Manager John Chan, Deputy City Manager Mario Paniagua, and the Aviation and Community and Economic Development departments.



Additional Expenditures for Marketing Services - ADSP016-145339 (Ordinance S-47321)

Request to authorize the City Manager, or his designee, to allow additional expenditures under Contract 149535 with RIESTER Sonoran, LLC for the purchase of interactive marketing services for the Community and Economic Development (CED) Department. Further request authorization for the City Controller to disburse all funds related to this item. The additional expenditures will not exceed \$50,000.

Summary

This contract provides interactive marketing services including website design, advertising and public relations services for the City. Additional funds are needed to allow CED to produce two videos that will showcase the diverse economy of Phoenix with a special focus on the unprecedented growth of Phoenix’s bioscience industry throughout the community and on the Phoenix Biomedical Campus.

This effort will serve to dynamically communicate via multi-media platforms to two key audiences for business attraction: industry executives and skilled talent on local, national and international levels. The videos will visually complement the CED website redesign, be posted on both the CED and Phoenix Biomedical Campus websites and elevate the visibility of Phoenix at the annual BIO International Digital Convention, occurring virtually in June 2021. Technology has greatly changed the way the public accesses information as it evaluates a city for relocation and expansion. The videos will provide the 10,000+ anticipated attendees at the 2021 BIO Digital Convention the opportunity to quickly see the advantages of being a part of Phoenix’s vibrant, welcoming, collaborative ecosystem of growing advanced industries, opportunities and quality of life. The departments currently utilizing this contract include CED and the Office of Government Relations.

Contract Term

The contract term is March 21, 2019 through March 20, 2024.

Financial Impact

Upon approval of \$50,000 in additional funds, the revised aggregate value of the contract will not exceed \$3,380,000. Funding for the two videos is available in the

Downtown Community Reinvestment Fund and Genomic Facilities and Operations Fund.

Concurrence/Previous Council Action

This contract was originally approved by City Council on March 20, 2019.

Responsible Department

This item is submitted by Interim Deputy City Manager John Chan and the Community and Economic Development Department.



Request Authorization to Apply for, Accept and Enter Into Agreements for Fiscal Year 2021-22 Governor's Office of Highway Safety Grants (Ordinance S-47327)

Request authorization for the City Manager, or his designee, to allow staff to apply for, accept and enter into grant contracts for Fiscal Year 2021-22 with the Arizona Governor's Office of Highway Safety (GOHS), which includes funding from the DUI Abatement Council and Proposition 207 funding. Further request authorization for the City Treasurer to accept, and the City Controller to disburse, all funds related to this item.

Summary

The GOHS announced the availability of funding on Jan. 7, 2021. Grant proposals are due by March 19, 2021. If awarded, these funds will be used to support new traffic safety programs and enhance existing programs in the City Prosecutor's Office, the Fire Department, the Street Transportation Department and the Police Department. The total Citywide request for funding is \$5,632,058.

City Prosecutor's Office - Total Funding Request \$225,000

Traffic Safety Resource Prosecutor: This request is to pay the salary, expenses, supplies and travel for an existing Traffic Safety Resource Prosecutor (TSRP), Attorney IV. Approximately half of the funding will be sought from the Oversight Council on Driving or Operating Under the Influence Abatement Council. The other half will be requested through a grant from GOHS. GOHS will administer all funds.

The TSRP program will continue its four primary objectives:

- Provide training for prosecutors and law enforcement officers in the prosecution of traffic safety-related crimes.
- Serve as a resource for questions about traffic laws and trial advocacy.
- Improve communication between prosecutors, law enforcement officers and members of the judiciary.
- Act as a liaison for individuals and agencies committed to the enforcement and prosecution of traffic safety-related crimes.

The GOHS has funded the TSRP program since its inception in 2007. Though the grant project is administered by Phoenix, it benefits citizens, law enforcement and

prosecutors across Arizona. The TSRP is a resource to both small and large jurisdictions for legal issues related to the enforcement of DUI and traffic laws. The TSRP also provides training to prosecutors, law enforcement officers, crime lab personnel, interns and community groups. It is anticipated that up to \$25,000 of employee-related expenses will need to be covered by City general funds.

Fire Department - Total Funding Request \$360,000

Occupant Protection and Child Car Seat Program: This request is for training, overtime, related fringe benefits, materials, public education and equipment related to child safety seats and seat belt usage. This funding will maintain current occupant protection efforts and increase the frequency of conducting child safety technician certification and recertification classes; opportunities to educate residents at car seat check events; the number of locations of designated car seat check fitting stations to enhance geographical outreach; and to enhance outreach for occupant protection public education in K-12 schools.

(DUI) Youth Alcohol Awareness: This request is for overtime and related fringe benefits, materials and equipment related to high school education campaigns including dramatic mock crashes and classroom education. The program informs young drivers of the danger of distracted driving, alcohol and other drug impairment with the goal of decreasing preventable injuries and fatalities associated with impaired and distracted driving.

Pedestrian and Bicycle Safety Program: This request is for overtime, related fringe benefits, materials and equipment related to education campaigns to increase safety and traffic awareness and necessary skills of young pedestrians and bicyclists. This program provides bike rodeos for young cyclists, bike and pedestrian school safety assemblies and public education opportunities at community safety fairs and events.

Distracted Driving: This request is for overtime and related fringe benefits, materials and equipment related to high school education campaigns, including teen and adult education. The goal of this program is to eliminate or minimize injuries and deaths that involve preventable distracted driving practices by educating drivers to recognize distractions such as adjusting electronic devices, texting and talking on cell phones while driving. The program educates young drivers on the dangers of driving distracted with a goal to decrease preventable injuries and fatalities associated with distracted driving.

Police Department - Total Funding Request \$5,000,000

DUI Enforcement (Traffic Bureau): Funding will provide training, overtime, related fringe benefits and equipment to support and enhance DUI enforcement within the City

of Phoenix and joint enforcement efforts throughout the valley.

Occupant Protection (Traffic Bureau): Funding will provide training, materials, supplies, overtime and related fringe benefits associated with Click It or Ticket enforcement activities, child passenger safety technician certification classes, car seat events, Buckle Up, Baby Hotline and various seatbelt enforcement campaigns.

Pedestrian and Bicycle Safety (Traffic Bureau): Funding will provide training, materials, supplies, overtime and related fringe benefits associated with education and enforcement campaigns designed to increase safety awareness, traffic law knowledge, and skills among pedestrians and bicyclists.

Traffic Services (Traffic Bureau): Funding will provide training, materials, supplies, equipment (radar/laser speed detection devices), overtime and related fringe benefits associated with education and enforcement campaigns such as: Traffic Impact Programs, school zone enforcement, construction zone enforcement, Traffic Complaint Hotline enforcement, and selective traffic enforcement programs.

DUI Abatement Council DUI (Traffic Bureau): Funding will be requested from the DUI Abatement Council for overtime and related fringe benefits associated with DUI enforcement and innovative Know Your Limit Programs.

Proposition 207 Funding (Traffic Bureau): Funding will be requested for training, overtime, related fringe benefits, and equipment to support and enhance DUI enforcement, pedestrian and bicycle safety, occupant protection, and traffic services within the City of Phoenix.

Street Transportation Department - Total Funding Request \$47,058

Roadway Safety/Education Programs: Funding will be requested to develop and enhance the educational campaigns and tools for school, bicycle, and pedestrian safety. Requests for pedestrian and bicycle safety include funds for pedestrian safety promotional materials, bicycle helmets, reflective gear, and LED flashing stop paddles.

Contract Term

One year beginning Oct. 1, 2021 through Sept. 30, 2022. The contract term for Proposition 207 funds is Jan. 1, 2021 through Dec. 31, 2021.

Financial Impact

Total funding request is \$5,632,058. The cost to the City is personnel expenses and in-kind resources only.

Responsible Department

This item is submitted by Assistant City Manager Jeff Barton, the City Prosecutor's Office and the Fire, Street Transportation and Police departments.



**Custodial Services for Fire Locations - Requirements Contract - IFB 17-043B
(Ordinance S-47316)**

Request to authorize the City Manager, or his designee, to allow additional expenditures under Contracts 144486 and 144485 with Triangle Services and IWC LLC, for the purchase of custodial services for the Fire Department. Further request authorization for the City Controller to disburse all funds related to this item. The additional expenditures will not exceed \$525,000.

Summary

These contracts provide custodial services for 20 administrative buildings within the Fire Department. As a result of Prop 206 increases to the minimum wage over the last three years and unforeseen additional cleaning services related to COVID-19, contract expenditures have been greater than originally estimated. The services provided under these contracts include general cleaning of the interior and exterior of facilities, encompassing floor cleaning, restroom cleaning, and cubicle cleaning and periodic ancillary services for deep-cleaning and maintenance of floors and upholstery.

Contract Term

The contract term is March 1, 2017 through Feb. 28, 2022.

Financial Impact

Upon approval of \$525,000 in additional funds, the revised aggregate value of the contract will not exceed \$2,473,488. Funds are available in the Fire Department's budget.

Concurrence/Previous Council Action

This contract was originally approved by City Council on Jan. 25, 2017, and additional expenditures were approved by the City Council on Jan. 24, 2018.

Responsible Department

This item is submitted by Assistant City Manager Jeff Barton and the Fire Department.



Authorization to Amend Ordinance for FY 2020 Paul Coverdell Forensic Science Improvement Formula Grant Program (Ordinance S-47328)

Request authorization for the City Manager, or his designee, to amend the current ordinance (S-46704) with the Arizona Criminal Justice Commission in support of the FY 2020 Paul Coverdell Forensic Science Improvement Formula grant. Authorization of the amendment will increase the total funding amount from \$119,780 to \$123,099. Further request authorization for the City Treasurer to accept, and the City Controller to disburse, all funds related to this item.

Summary

The Police Department has applied for these types of grant funds continually over the past several years. Funding is used to implement innovative solutions to the backlog issues facing many crime laboratories nationwide. The Police Department's Crime Laboratory has made significant strides in addressing these issues by utilizing these grant funds as part of a comprehensive approach to support and enhance the services provided to the criminal justice community. Funding will be utilized for overtime, related fringe benefits, and supplies to improve the timeliness of forensic science services and to address the backlogs in the analysis of forensic evidence.

Ordinance S-46704 authorized an agreement with the Arizona Criminal Justice Commission for grant funding not to exceed \$119,780. The amendment will increase the grant funding by \$3,319 not to exceed a total of \$123,099. All other items will remain unchanged.

Contract Term

Two-year period beginning on Oct. 1, 2020.

Financial Impact

The Arizona Criminal Justice Commission will provide up to a maximum of \$123,099 in funding under this agreement.

Concurrence/Previous Council Action

Ordinance S-46704 was adopted by City Council at the June 3, 2020 meeting.

Responsible Department

This item is submitted by Assistant City Manager Jeff Barton and the Police Department.



Aviation Department Airport Planning On-Call Consulting Services for Fiscal Years 2022-25 (Ordinance S-47294)

Request to authorize the City Manager, or his designee, to enter into separate agreements with the five consultants listed on **Attachment A**, to provide Airport Planning On-Call Consulting services for the Aviation Department. Further request to authorize execution of amendments to the agreements as necessary within the Council-approved expenditure authority as provided below, and for the City Controller to disburse all funds related to this item. The total fee for services will not exceed \$7.5 million.

Additionally, request to authorize the City Manager, or his designee, to take all action deemed necessary to execute all utilities-related design and construction agreements, licenses, permits, and requests for utility services relating to the development, design, and construction of the project and to include disbursement of funds. Utility services include, but are not limited to: electrical; water; sewer; natural gas; telecommunications; cable television; railroads; and other modes of transportation. This authorization excludes any transaction involving an interest in real property.

Summary

The On-Call consultants will be responsible for providing Airport Planning On-Call Consulting services that include, but are not limited to: a range of airport planning functions and analysis related to airfield design; airspace analysis; facility planning; transportation planning; environmental policy and documentation; land use; grants administration; land compatibility; mapping; graphics; and public outreach. These services will be provided to the Aviation Department's Planning and Environmental Division, in support of the planning and operation for projects located at Phoenix Sky Harbor International Airport (PHX), Phoenix Deer Valley Airport (DVT), and Phoenix Goodyear Airport (GYR) on an as-needed basis.

These Agreements are essential to the health, safety, and welfare of the public and critical operations for the City.

Procurement Information

The selections were made using a qualifications-based selection process set forth in

section 34-604 of the Arizona Revised Statutes (A.R.S.). In accordance with A.R.S. section 34-604(H), the City may not publicly release information on proposals received or the scoring results until an agreement is awarded. Eleven firms submitted proposals and are listed in **Attachment A**.

Contract Term

The term of each agreement is up to four years, or up to \$1.5 million, whichever occurs first. Work scope identified and incorporated into the agreement prior to the end of the term may be agreed to by the parties, and work may extend past the termination of the agreement. No additional changes may be executed after the end of the term.

Financial Impact

The agreement value for each of the On-Call consultants will not exceed \$1.5 million, including all subconsultant and reimbursable costs. The total fee for all services will not exceed \$7.5 million.

Funding is available in the Aviation Department's Capital Improvement Program and Operating budgets. The Budget and Research Department will review and approve funding availability prior to issuance of any On-Call task order of \$100,000 or more. Payments may be made up to agreement limits for all rendered agreement services, which may extend past the agreement termination.

Location

Phoenix Sky Harbor International Airport - 3400 E. Sky Harbor Blvd.
Phoenix Deer Valley Airport - 702 W. Deer Valley Road
Phoenix Goodyear Airport - 1658 S. Litchfield Road, Goodyear, Ariz.
Council Districts: 1, 8 and Out of City

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua, the Aviation Department, and the City Engineer.

ATTACHMENT A

Selected Firms

- Rank 1: HNTB Corporation
- Rank 2: Ricondo & Associates, Inc.
- Rank 3: HDR Engineering, Inc.
- Rank 4: Kimley-Horn and Associates, Inc.
- Rank 5: Landrum & Brown, Incorporated

Additional Proposers

- Rank 6: Airbiz Aviation Strategies, LLC
- Rank 7: C&S Engineers, Inc.
- Rank 8: RS&H, Inc.
- Rank 9: InterVISTAS Consulting, Inc.
- Rank 10: Coffman Associates, Inc.
- Rank 11: Matrix Design Group, Inc.
- Rank 12: M. Arthur Gensler Jr. & Associates, Inc.
- Rank 13: Cignus Consulting, LLC
- Rank 14: Dibble & Associates Consulting Engineers, Inc.
- Rank 15: ADM Group, Inc.
- Rank 16: Phoenix National Laboratories, Inc.



**Sibran Properties, LLC Lease Extension at Phoenix Deer Valley Airport
(Ordinance S-47317)**

Request to authorize the City Manager, or his designee, to extend the Ground Lease with Sibran Properties, LLC (Sibran) at Phoenix Deer Valley Airport (DVT) for seven years. Total anticipated revenue over the term will be approximately \$66,906.

Summary

Sibran entered into Ground Lease 122664 on Nov. 1, 2008 for 17,700 square feet at DVT where Sibran operates a self-service aviation gas (AvGas) fueling station. Sibran has requested to extend the lease for seven years. The extension will ensure DVT AvGas users continue to have more than one option for fueling their planes, and the rate adjustment will promote the long-term viability of the self-fueling option at DVT.

Contract Term

The term will be seven years with no renewal options.

Financial Impact

Rent for the first year of the lease will be approximately \$9,558 (\$0.54 per square foot) plus applicable taxes. Rent will be adjusted annually thereafter by the Phoenix-Mesa-Scottsdale Consumer Price Index. Total anticipated revenue over the term will be approximately \$66,906.

Concurrence/Previous Council Action

- The Phoenix Aviation Advisory Board recommended this item for approval on Jan. 21, 2021, by a vote of 8-0.
- The Transportation, Infrastructure and Innovation Subcommittee recommended this item for approval on Feb. 3, 2021, by a vote of 4-0.

Location

Deer Valley Airport - 702 W. Deer Valley Road
Council District: 1

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Aviation Department.



Fare Box Software Upgrade Project (Ordinance S-47324)

Request to authorize the City Manager, or his designee, to execute an amendment to Agreement 123686 with Scheidt & Bachmann USA, Inc. to maintain and upgrade the current back-end fare box software to the FareGo Data product for the Public Transit Department. Further request to authorize execution of amendments to the agreement, as necessary, within the Council-approved expenditure authority as provided below, and for the City Controller to disburse all funds related to this item. The total additional fee for services included in this amendment will not exceed \$878,585 (including taxes).

Summary

The Public Transit Department (PTD) operates and maintains the Scheidt & Bachmann USA, Inc. (S&B) Fare Collection System (FCS), which is used to collect transit fares across the region (bus and rail). The system consists of ticket vending machines, fareboxes, back-office software, and equipment at the transit garages to record revenue and ridership data. The system was originally procured in 2007, with the City's contract with S&B consisting of maintenance and support activities for the system's software and back-end. Considering the age of the system and available modifications that can be implemented in conjunction with the phasing in of the new regional fare collection system, staff recommends a contract amendment to the City's contract with S&B as regional staff continues utilizing the existing fare box components as part of implementing a new fare collection system.

In addition to the FCS back-office software, there are other software and hardware systems that will be addressed during this project.

The Windows Operating System (OS) on which the current system is hosted requires the use of Microsoft-provided Extended Security Updates to prolong the use of the system; these updates are available through January 2023. The current version of the FCS does not support the updated version of the Windows OS and can only be supported with the FareGo Data back-office option.

Additionally, the back-end server/workstation hardware and associated Oracle databases are nearing their end-of-life, which may put the current system at risk of a potential failure or may introduce security risks to transit data and the City's network

without additional vendor support. The FareGo Data project will upgrade the existing S&B software platform, remediate the end-of-life support issues, and mitigate security risks arising from an out-of-date operating system. The back-office upgrade will also move PTD to a more flexible open architecture program.

The FareGo Data project is separate from the ongoing regional Fare Collection Modernization Project, which is currently underway and will provide a modernized overall fare collection system with onboard validators and implementation of two new fare purchasing options: a mobile ticketing application and reloadable smartcards.

FareGo Data will provide improved farebox and ridership data management. The upgraded software system will collect data from the over 900 regional fareboxes and will ultimately be part of the transition to the new fare collection system by providing farebox data to the new system.

Financial Impact

The project includes the system upgrade cost and maintenance through January 2023. The project cost also includes consulting fees (to be used only as needed) of up to 150 hours of support to transition the employer-based Platinum Pass program to the new fare collection system. The estimated total cost for the upgrade is \$878,585 (including tax), including capital and consulting costs of \$590,350, maintenance costs of \$250,735, and consulting fees of \$37,500. Transportation 2050 (T2050) funds for the capital cost and consulting fees are available in the PTD Capital Improvement Program budget, and T2050 funds for the maintenance cost are available in the PTD operating budget.

Concurrence/Previous Council Action

The City Council approved:

- Maintenance and Service Agreement 123686 (Ordinance S-34282) on July 2, 2007;
- Maintenance and Service Agreement 123686 Amendment (Ordinance S-40050) on June 19, 2013;
- Maintenance and Service Agreement 123686 Amendment (Ordinance S-41385) on Dec. 17, 2014; and
- Maintenance and Service Agreement 123686 Amendment (Ordinance S-45234) on Dec. 12, 2018.

This item was recommended for approval by the Citizen's Transportation Commission on Jan. 28, 2021, by a vote of 14-0.

This item was recommended for approval by the Transportation, Infrastructure and Innovation Subcommittee on Feb. 3, 2021, by a vote of 4-0.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Public Transit Department.



Heavy Duty Bus Procurement - Request to Issue Request for Proposals (Ordinance S-47325)

Request to authorize the City Manager, or his designee, to issue a Request for Proposals for the procurement of at least 243 heavy-duty, 40-foot buses to replace the City's buses that will reach the end of their useful life in the coming years.

Summary

Phoenix's heavy-duty bus fleet of 494 buses, which is operated and maintained from three city-owned garages, currently averages nearly seven years of age. As a result of this request for proposals, the Public Transit Department (PTD) will replace the oldest 40-foot buses to reduce operating and maintenance costs, as well as provide a more reliable, comfortable, and efficient service for transit users.

The buses purchased through this five-year contract will replace a total of 243 buses, with the ability to purchase an additional 57 buses if additional funds (such as regional/federal grants) become available. PTD's approved five-year Capital Improvement Program (CIP) includes the purchase of these vehicles, with such capital purchases procured with 85 percent federal funding and 15 percent local/regional funding.

Through the life of the contract, the estimated cost to purchase a 40-foot, heavy-duty bus ranges between \$535,000 to \$602,000. Staff anticipates purchasing between 40 and 60 buses each year as the current fleet vehicles reach their end-of-life.

Evaluation Criteria

The following is a breakdown of the evaluation criteria that a panel of qualified staff will use to recommend award of the contract:

1,000 points total:

- Design: 200
- Quality: 200
- Warranty: 100
- Schedule: 100
- Price: 400

Financial Impact

The estimated cost over the course of the contract will be between \$138 and \$176 million, depending on whether the 57 additional buses are purchased on top of the planned quantity of 243 units. Funds are programmed in the Public Transit Department's five-year Capital Improvement Program for the purchase of these vehicles with 85 percent federal funding and a 15 percent match of local/regional funding.

Concurrence/Previous Council Action

This item was presented to the Citizen's Transportation Commission on Jan. 28, 2021. This item was recommended for approval by the Transportation, Infrastructure and Innovation Subcommittee on Feb. 3, 2021, by a vote of 4-0.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Public Transit Department.



Routing Information Software - Requirements Contract (Ordinance S-47298)

Request to authorize the City Manager, or his designee, to enter into a contract with RouteSmart Technologies, Inc for ArcGIS software, and all the necessary software maintenance and support for five licenses. Further request to authorize the City Controller to disburse all funds related to this item. The total fee for services will not exceed \$187,680.

Summary

Public Works Department staff uses this proprietary software to create daily delivery and collection routes for solid waste services collection vehicles. Other features of the software assist staff in maximizing efficiencies, including decreased mileage, time and labor through sequencing of stops, and other measures. In addition, the software enables staff to enforce collection procedures, including minimizing left-hand turns and avoiding school zones during pick-up and drop-off times.

This item has been reviewed and approved by the Information Technology Services Department.

Procurement Information

In accordance with Administrative Regulation 3.10, normal competition was waived as a result of a Determination Memo citing that there is only one source for the necessary goods and services.

Contract Term

The term of this contract is for four years and the contract shall begin on June 1, 2021.

Financial Impact

Expenditures shall not exceed \$187,680 over the life of the contract, with an estimated annual expenditure of \$46,920. Funds are available in the Public Works Department's budget.

Responsible Department

This item is submitted by Deputy City Manager Karen Peters and the Public Works Department.



Bard Heating, Ventilation and Air Conditioning Equipment and Parts (Ordinance S-47300)

Request to authorize the City Manager, or his designee, to enter into an agreement with Geary Pacific Supply for the purchase of Bard Heating, Ventilation and Air Conditioning (HVAC) equipment and parts on an as-needed basis. This item will have an aggregate amount of \$375,000. Further request to authorize the City Controller to disburse all funds related to this item.

Summary

The Public Works Department is responsible for maintaining the HVAC systems for 30 radio communication towers. Each tower contains one to six Bard units which provide critical cooling requirements to those communication towers. The towers are used by 911 dispatch, Police, FBI, Fire, and other law enforcement agencies for radio communication. This agreement will allow the purchase of necessary parts and equipment to maintain and repair these systems, which is necessary for proper operation and to maintain temperatures in these communication towers.

Procurement Information

In accordance with Administrative Regulation 3.10, normal competition was waived as the result of a determination memo citing that Geary Pacific Supply is the sole source provider in the State of Arizona for equipment and parts for Bard HVAC systems.

Contract Term

The initial three-year contract term will begin on or about April 1, 2021, with two one-year options to extend in increments of up to one year, for a total contract term of up to five years.

Financial Impact

The aggregate value of the contract including all option years is \$375,000, including all applicable taxes, with an estimated annual expenditure of \$75,000. Funds are available in the Public Works Department's budget.

Responsible Department

This item is submitted by Deputy City Manager Karen Peters and the Public Works Department.



SR85 Litter Removal Cost Sharing Agreement (Ordinance S-47301)

Request to authorize the City Manager, or his designee, to enter into a cost sharing agreement with Allied Waste Industries, Inc., dba Southwest Regional Landfill, to reimburse the City for litter removal services along State Route 85 (SR85). Further request to authorize the City Treasurer to accept, and the City Controller to disburse, all funds related to this item.

Summary

The City of Phoenix (SR85 Landfill) and Allied Waste (Southwest Regional Landfill) own separate landfills on SR85 in the City of Buckeye. Each party desires to participate in a joint agreement to remove litter along SR85 from the I-10 interchange to the Patterson Road interchange attributable in part to each Party's use of solid waste transport vehicles on SR85.

The City of Phoenix is responsible for contracting with a third-party vendor to provide roadway litter removal services as part of this agreement. Both Allied Waste and the City of Phoenix will share this cost of removal services including fees, costs, and expenses charged to the City for contracted litter collection.

Controlling windblown litter is a regulatory requirement of open landfills.

Contract Term

The contract term is for five years with one, five-year extension and retroactive beginning on Oct. 1, 2019.

Financial Impact

Allied Waste will reimburse the City \$1,600 per month as part of this cost sharing agreement. This amount due to the City is subject to annual Consumer Price Index (CPI) adjustments. The cost sharing reimbursement due to the City will never be less than \$1,600 even if the inflation adjustment reflects as such.

Location

SR85 Landfill - 28361 W. Patterson Road, Buckeye, Ariz.
Council District: Out of City

Responsible Department

This item is submitted by Deputy City Manager Karen Peters and the Public Works Department.



Intergovernmental Agreement for Waste Collection and Transportation Mutual Aid (Ordinance S-47307)

Request to authorize the City Manager, or his designee, to enter into an Intergovernmental Agreement (IGA) for Waste Collection and Transportation Mutual Aid with the cities of Mesa, Avondale, Glendale, Tempe, Scottsdale, Peoria, Surprise and the towns of Queen Creek and Gilbert.

Summary

The purpose of this IGA is to define procedures for participating jurisdictions to request emergency assistance and supply resources for waste collection and transportation or other assistance in emergencies, identify available resources and inventory, and provide a mechanism for maintenance and repair of these resources. Resources include, but are not limited to, automated side loaders, bin/barrel delivery vehicles, front loaders, rear loaders, backhoes, front-end load tractors, pick-up trucks, mobile equipment, trailers and dump trucks.

Contract Term

This agreement will be effective July 1, 2021 and remain in effect for a five-year period through June 30, 2026. There are no option years available to extend.

Financial Impact

There is no financial impact to the Public Works Department associated with this IGA.

Location

Council Districts: Citywide and Out of City

Responsible Department

This item is submitted by Deputy City Manager Karen Peters and the Public Works Department.



Fuel Island Cleaning - Agreement Recommendation (Ordinance S-47310)

Request to authorize the City Manager, or his designee, to enter into an agreement with DetailXPerts Franchise Systems, LLC, to provide fuel island cleaning services. Further request to authorize the City Controller to disburse all funds related to this item. This item will have a total aggregate amount of \$98,280.

Summary

The Public Works Department is responsible for cleaning 18 fuel island locations throughout the city. The fuel islands must be cleaned to sufficiently remove grease, oil, dirt, refuse, and grime accumulation. DetailXPerts will provide this service in compliance with Arizona Department of Environmental Quality (ADEQ) requirements and use high pressure, low-volume pressure washing, closely monitoring the amount of water used to prevent runoff.

Procurement Information

Request for Quote (RFQ) 21-FSD-022 was conducted in accordance with Administrative Regulation 3.10. The Public Works Department received six bids, with DetailXPerts being the lowest responsive and responsible bidder. The bid evaluation occurred based on a grand total with the below bid submissions:

DetailXPerts Franchise Systems, LLC: \$54,080

Lincoln Constructors, Inc: \$70,720

Clean Scene AZ, LLC: \$79,040

Contract Term

This agreement will begin on or about March 3, 2021 for an initial one-year term, with two option years, to be exercised in increments of up to one year, with a total contract term of three years.

Financial Impact

This item will have an estimated annual expenditure of \$32,760, with a total aggregate amount of \$98,280. Funds are available in the Public Works Department's budget.

Responsible Department

This item is submitted by Deputy City Manager Karen Peters and the Public Works Department.



Intergovernmental Agreement with City of Tolleson for Real-Time Traffic Management Support (Ordinance S-47293)

Request authorization for the City Manager, or his designee, to enter into an Intergovernmental Agreement (IGA) with the City of Tolleson to participate in the communication and coordination of all City of Tolleson-owned traffic signals through City of Phoenix Street Transportation Department's Advanced Traffic Management System (ATMS). Additionally request the City Controller to disburse all funds related to this item. Further request an exemption prohibition set forth in Phoenix City Code section 42-18 for a governmental entity pursuant to Phoenix City Code section 42-20. The total estimated contribution from the City of Phoenix will not exceed \$7,500.

Summary

The City of Phoenix Street Transportation Department (Streets) wishes to coordinate all City of Tolleson-owned traffic signals by connecting their signals to Phoenix's ATMS, which will improve the safety, efficiency, and convenience of vehicular travel through and around both jurisdictions. The City of Tolleson is located west of Phoenix city limits, between Buckeye Road and McDowell Road, and is surrounded by Phoenix on three sides.

Streets owns and operates a central traffic management system to monitor and control traffic signals in real time. This partnership with the City of Tolleson will allow for base coordination plans and real-time Active Traffic Management (ATM) in response to incidents and special events affecting traffic flows on the west side of Phoenix. Streets will provide traffic signal coordination timing plans to the City of Tolleson, so they can program Tolleson's traffic signals on Phoenix's network. By having Tolleson's traffic signals on Streets' ATMS, Tolleson's traffic signal clocks will be synchronized with Phoenix's, allowing for progression of traffic and responding with predetermined timing plans to resolve reoccurring and non-reoccurring congestion. Synchronizing the traffic signal timing of both jurisdictions will provide the traveling public the ability to traverse along the corridors of McDowell Road, 83rd Avenue, 91st Avenue, and 99th Avenue with improved traffic flow. Additionally, the installation of communication nodes in the City of Tolleson city limits will further strengthen the City of Phoenix traffic signal communications network and provide a more efficient connection to remote signals owned and operated by Streets.

Contract Term

The term of the IGA will be five years beginning on or about Feb. 17, 2021. Provisions of this agreement include an option to renew for an additional five years with the consent of both parties, which may be exercised by the City Manager or his designee.

Financial Impact

The total estimated cost of the communications infrastructure is \$45,000. The estimated contribution from the City of Tolleson will be \$37,500. The estimated contribution from the City of Phoenix will not exceed \$7,500. Funding is available in the Street Transportation Department's Capital Improvement Program budget.

Location

Various locations in the City of Tolleson, which borders the City of Phoenix at McDowell Road between 99th and 83rd avenues, 75th Avenue between Buckeye Road and Van Buren Street, and Buckeye Road between 107th and 75th avenues. Council Districts: 5, 7 and Out of City

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Street Transportation Department.



Relief Sewer Project: Van Buren and 52nd Streets - Design-Bid-Build Services - WS90500295 (Ordinance S-47296)

Request to authorize the City Manager, or his designee, to accept Hunter Contracting Co. as the lowest-priced, responsive and responsible bidder and to enter into an agreement with Hunter Contracting Co. for Design-Bid-Build Services for the Relief Sewer Project: Van Buren and 52nd Street. Further request to authorize the City Controller to disburse all funds related to this item. The fee for services will not exceed \$3,522,369.

Summary

This project was established under the Sanitary Sewer Relief Program. Flow monitoring showed the existing 8-inch diameter sanitary sewer line, in the area of Van Buren Street between 52nd Street and the Phoenix Zoo, at times surcharged by as much as two to four inches. As a result, a relief sewer project was recommended for this area.

Hunter Contracting Co.'s services include, but are not limited to: the installation of approximately 5,000 linear feet (LF) of 12-inch diameter sanitary sewer line and 500 LF of 8-inch sewer, abandonment of approximately 3,250 LF of 8-inch sewer and 250 LF of 10-inch sewer, installation of approximately 1,070 LF of 36-inch storm drain main, 25 sewer manholes, and eight storm drain manholes.

This Agreement is essential to the health, safety, and welfare of the public and critical operations for the City.

Procurement Information

The selection was made using an Invitation for Bids procurement process set forth in section 34-201 of the Arizona Revised Statutes. Seven bids were received on Nov. 17, 2020, and were sent to the Equal Opportunity Department for review to determine subcontractor eligibility and contractor responsiveness in demonstrating responsiveness to Small Business Enterprise program requirements.

The Opinion of Probable Cost and the four lowest responsive, responsible bidders are listed below:

Opinion of Probable Cost: \$4,163,035
Hunter Contracting: \$3,522,368.20
T & T Construction Inc.: \$3,881,840.50
Achen Gardner Construction LLC: \$4,997,701.00
The Fishel Construction Company: \$5,894,509.00

Bidders who were deemed non-responsive are listed below, in alphabetical order:

Action Direct LLC dba Redpoint Contracting
Degan Construction, LLC
FPS Civil, LLC

The bid award amount is within the total budget for this project. There are no specific cost differences found by the Engineer to be of a concern that would prevent the City from moving forward with the lowest responsive bid amount.

Contract Term

The term of the agreement is 425 calendar days from issuance of the Notice to Proceed. Work scope identified and incorporated into the agreement prior to the end of the term may be agreed to by the parties, and work may extend past the termination of the agreement. No additional changes may be executed after the end of the term.

Financial Impact

The agreement value for Hunter Contracting Co. will not exceed \$3,522,369.00, including all subcontractor and reimbursable costs.

Funding is available in the Water Services Department's Capital Improvement Program budget. The Budget and Research Department will separately review and approve funding availability prior to execution of any amendments. Payments may be made up to agreement limits for all rendered agreement services, which may extend past the agreement termination.

Location

Van Buren Street and 52nd Street to Galvin Parkway
Council District: 6

Responsible Department

This item is submitted by Deputy City Managers Karen Peters and Mario Paniagua, the Water Services Department, and the City Engineer.



Agreement with Arizona Department of Transportation For Rights of Way along South Mountain Freeway / Loop 202 (Congressman Ed Pastor Freeway) - Amendment 1 (Ordinance S-47302)

Request to authorize the City Manager, or his designee, to amend the existing Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) related to the rights of way along the South Mountain Freeway / Loop 202 (Congressman Ed Pastor Freeway). The original agreement allowed the State to bring in rights of way into the State's system for areas needed for construction of the Congressman Ed Pastor Freeway, which included portions of City of Phoenix streets that crossed the freeway alignment. This amendment will allow the State to transfer back ownership of those portions of City streets that are no longer needed by the State as the Congressman Ed Pastor Freeway has been completed.

Summary

ADOT opened the Congressman Ed Pastor Freeway in December 2019 and has now issued final acceptance of the project. With this amended agreement, the State will abandon ownership, jurisdiction and maintenance responsibilities of those City of Phoenix cross streets no longer needed for the construction of Congressman Ed Pastor Freeway and are outside of the State's access control limits. These responsibilities will be returned to the City of Phoenix.

Financial Impact

There is no financial impact to the City.

Concurrence/Previous Council Action

The City Council approved the original IGA on Oct. 21, 2015 (Ordinance S-42094).

Location

Congressman Ed Pastor Freeway: Interstate 10 (I-10) - 59th Avenue alignment to south Pecos Road.

Council Districts: 6, 7 and 8

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Street Transportation Department.



Agreement with Arizona Department of Transportation for Landscape and Abandonment for Interstate 10 Broadway Curve Improvement Project (Ordinance S-47303)

Request to authorize the City Manager, or his designee, to enter into an Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) for Interstate 10 Broadway Curve Improvement Project (Broadway Curve Project). This agreement establishes the operations and maintenance responsibilities of ADOT and the City of Phoenix, as well as abandonment of ownership, jurisdiction, and maintenance responsibilities until after final acceptance of the Broadway Curve Project.

Summary

This agreement continues the City of Phoenix and ADOT's partnership on the freeway maintenance responsibilities as set forth in the IGA 18-0006976-I Master Maintenance Agreement dated Nov. 7, 2018.

Specifically, the agreement outlines the limits of the project, interchanges, and cross streets that each party is responsible to maintain after construction is complete. These responsibilities include delegation of reconstruction, major and minor rehabilitation of roadways, curbs, gutters, sidewalks, landscape and irrigation, and the different operation and maintenance components.

Contract Term

This agreement shall remain in effect until completion of the Broadway Curve Project.

Financial Impact

There is no financial impact to the City.

Location

Interstate 10, from Interstate 17 to State Route 202 Loop.
Council Districts: 4, 7 and 8

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Street Transportation Department.



Intergovernmental Agreement with Arizona Department of Transportation for Maintenance of Congressman Ed Pastor Freeway (South Mountain Freeway / Loop 202) - Amendment 1 (Ordinance S-47311)

Request to authorize the City Manager, or his designee, to amend the existing Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) to maintain portions of Congressman Ed Pastor Freeway, a State highway system encompassed within the City of Phoenix's system of streets. This agreement establishes the responsibilities of ADOT and the City of Phoenix for operations and maintenance. This agreement also identifies related maintenance responsibilities of the freeway developer, who is separately contracted with by ADOT. There is no financial impact to the City.

Summary

This agreement continues the City of Phoenix and ADOT's partnership on the freeway maintenance responsibilities as set forth in the IGA 18-0006976-I Master Maintenance Agreement.

Specifically, the agreement outlines the limits of the project, interchanges, frontage roads, and cross streets that each party is responsible to maintain after construction is complete. These responsibilities include: delegation of reconstruction; major and minor rehabilitation of roadways, curbs, gutters, sidewalks, drainage facilities, and pedestrian bridges; and the different operation and maintenance components.

Contract Term

This agreement shall remain in full force and effect for successive periods of five years from the effective date and may be amended upon mutual written consent of both parties and approval of City Council. This agreement shall be reviewed, and all reviews shall be completed within 60 days prior to the end of the 5th year anniversary date.

Financial Impact

There is no financial impact to the City of Phoenix.

Concurrence/Previous Council Action

The City Council approved the original IGA on Oct. 21, 2015 (Ordinance S-42093).

Location

Congressman Ed Pastor Freeway (South Mountain Freeway / Loop 202: Interstate 10 - 59th Avenue alignment to south Pecos Road).

Council Districts: 6, 7 and 8

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Street Transportation Department.



Support for Formation of Tonka Vista Irrigation Water Delivery District (Resolution 21894)

Request to adopt a resolution to support formation of the Tonka Vista Irrigation Water Delivery District (IWDD) through Maricopa County. The proposed IWDD includes the single-family residential properties bounded by Bethany Home Road to the south, Claremont Street to the north, 18th Street to the west, and 20th Street to the east. This action has no financial impact to the City of Phoenix.

Summary

Under the provisions of Arizona Revised Statutes (A.R.S.) Chapter 20, Title 48, Irrigation Water Delivery Districts, when the majority of the lot or parcel owners entitled to or capable of receiving irrigation water from the same system want irrigation water delivered to their lands, they may propose the organization of an IWDD. Maricopa County requires that applicants for an IWDD within City of Phoenix boundaries obtain City Council support before the County will start the process of forming or re-establishing a district.

If approved by the City Council, landowning neighbors seeking an IWDD complete a special taxation impact statement and submit this document to the Maricopa County Board of Supervisors. The Board of Supervisors, along with Salt River Project (SRP), will decide if a petition to organize an IWDD may be circulated. See **Attachment A** for the Consent from SRP to the Board of Supervisors.

This request has been reviewed by the Water Services Department.

Financial Impact

This action has no financial impact to the City of Phoenix.

Public Outreach

On Dec. 7, 2020, the City received a formal written request from City of Phoenix resident Steve Caprara, representative for the Tonka Vista neighborhood, to pursue Council approval to form an IWDD with Maricopa County (**Attachment B**).

Location

The proposed IWDD includes the single-family residential properties bounded by Bethany Home Road to the south, Claremont Street to the north, 18th Street to the west, and 20th Street to the east.

Council District: 6

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Street Transportation Department.

Attachment A

Consent from SRP to Board of Supv and Map of SRP Delivery System

EXHIBIT "C".

BEFORE THE BOARD OF SUPERVISORS OF MARICOPA COUNTY

In the Matter of the Application and) **CONSENT OF SALT RIVER PROJECT**
 Petition for the Formation of an Irrigation) **AGRICULTURAL IMPROVEMENT**
 Water Delivery District to be known as:) **AND POWER DISTRICT AND SALT**
Tonka Vist Irrigation Water) **RIVER VALLEY WATER USERS'**
 Delivery District of Maricopa County) **ASSOCIATION, COLLECTIVELY**
REFERRED TO AS SRP.

TO: THE BOARD OF SUPERVISORS OF MARICOPA COUNTY, STATE OF ARIZONA

Erica Trapp, being first duly sworn upon her oath, deposes and says:

That she is the Director of Water Delivery Services of the SRP.

That the lands to be included within the **Tonka Vista** Irrigation Water Delivery District are within the Salt River Project Agricultural Improvement and Power District and the Salt River Valley Water Users' Association.

That the Board of Directors of the Salt River Project Agricultural Improvement and Power District and the Board of Governors of the Salt River Valley Water Users' Association consent to the formation of said Irrigation Water Delivery District and said action was duly authorized by resolutions dated March 5, 2001.

That she has read this Consent and knows the content thereof and that the matters and things contained herein are true and correct to the best of her own knowledge, information, and belief.

[Handwritten signature]

SUBSCRIBED AND SWORN TO before me this 22 day of July, 2020

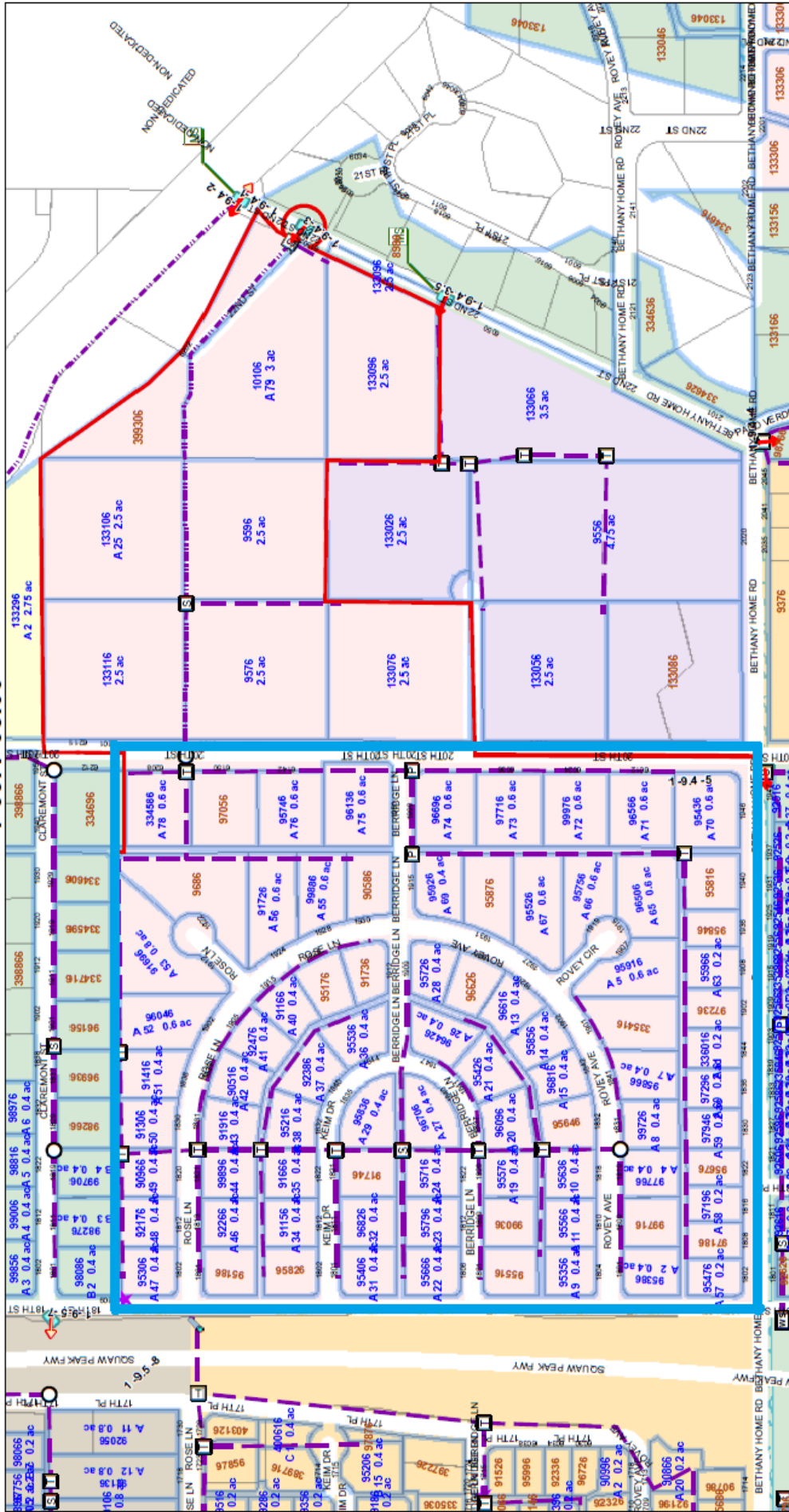
My commission expires:
March 2, 2022

[Handwritten signature of Stephanie Jo-Ann Berry]


Notary Public



1-09.4-03.00





























N



Jun 15, 2020

SRP makes no representation as to the accuracy of this mapping product nor as to its fitness for a particular purpose.

-  Unknown
-  Dirt
-  Pipe
-  Slipform
-  Signup Board
-  Delivery Point
-  Delivery Gate
-  Turnout Structure
-  Unknown Structure
-  Air Release Valve
-  Breather Pipe
-  Clean Out
-  Ditch Check
-  Field Drain
-  Inline Gate Valve
-  Plug
-  Pressure Valve
-  Pvt Pump
-  Pvt System Connection
-  Slide Standbox
-  Standbox
-  Trash Rack
-  Wheel Standbox
-  Wheel-Slide Standbox
-  Yard Box
-  Excluded Land

0 700 1400 2100

Fact

Attachment B
Request Letter and Map Submitted by Tonka Vista

To: Brian Fellows

12/07/2020

From: Tonka Vista IWDD

Steve Caprara, Representative

RE: Request for Formation of Irrigation Water Delivery District

Dear Brian,

We as a neighborhood “Tonka Vista IWDD” are requesting consent to form an Irrigation Water Delivery District (IWDD) from the City of Phoenix. The purpose of the IWDD is the fair use and upkeep of the irrigation system by property tax assignment for our homeowners. We ask that the City Council would pass this request of resolution, authorizing this IWDD.

Enclosed you will find Salt River Projects approval along with maps of the proposed district and the homeowner list. I will be the spokesperson for the proposed IWDD. Once we receive approval from the City of Phoenix, we will be submitting an Impact Statement to form an IWDD to Maricopa County Board of Supervisors.

Sincerely,

Steve Caprara

For: Tonka Vista IWDD

TONKA VISTA OWNERSHIP REPORT
8/31/2020
EXHIBIT D

Count	Parcel No	Tax Year	Owner Name	In Care Of	City State Zip	Situs City Zip	Land FCV	Improvement FCV	Total FCV	Total Assessed FCV	Total Net FCV	Total LPV	Total Assessed Value (LPV)	Net Assessed Value (LPV)	Total Acreage
1	164-41-015	2020	ARMOUR E BLACK AND SUZANNE SCHOLL	BLACK ARMOUR E TR	PALM SPRINGS CA 92263	PHOENIX 85016	\$109,200	\$436,900	\$546,100	\$54,610	\$54,610	\$321,623	\$32,162	\$32,162	0.304
2	164-41-065	2020	BLACK LIVING TRUST		PHOENIX AZ 850160000	PHOENIX 85016	\$79,700	\$319,100	\$398,800	\$39,880	\$39,880	\$238,136	\$23,814	\$23,814	0.334
3	164-41-070	2020	AVERY CHRISTOPHER/MARSHA L		PHOENIX AZ 85016	PHOENIX 85016	\$109,900	\$439,700	\$549,600	\$54,960	\$54,960	\$409,282	\$40,928	\$40,928	0.361
4	164-41-060	2020	BECKETT JUSTIN G/MICHELLE J		PHOENIX AZ 85016	PHOENIX 85016	\$103,400	\$413,900	\$517,300	\$51,730	\$51,730	\$291,874	\$29,187	\$29,187	0.310
5	164-41-059	2020	BIELING OLGA		PHOENIX AZ 85016	PHOENIX 85016	\$95,700	\$382,800	\$478,500	\$47,850	\$47,850	\$357,373	\$35,737	\$35,737	0.329
6	164-38-040	2020	BRECHHEISEN JUDITH/RICHARD FAMILY TR		PHOENIX AZ 85016	PHOENIX 85016	\$100,900	\$403,900	\$504,800	\$50,480	\$50,480	\$305,543	\$30,554	\$30,554	0.340
7	164-41-032	2020	CAPRARA STEVE		PHOENIX AZ 85016	PHOENIX 85016	\$84,200	\$336,900	\$421,100	\$42,110	\$42,110	\$275,256	\$27,526	\$27,526	0.262
8	164-41-008	2020	CARDINAL CAPITAL CO		PHOENIX AZ 85011	PHOENIX 85016	\$125,800	\$503,300	\$629,100	\$62,910	\$62,910	\$462,420	\$46,242	\$46,242	0.327
9	164-41-011	2020	CEJUDO HENRY		PHOENIX AZ 85016	PHOENIX 85016	\$84,600	\$338,600	\$423,200	\$42,320	\$42,320	\$237,134	\$23,713	\$23,713	0.319
10	164-41-042	2020	CHRISTOPHER J KLOECKL LIVING TRUST		PHOENIX AZ 85016	PHOENIX 85016	\$93,600	\$374,500	\$468,100	\$46,810	\$46,810	\$346,728	\$34,673	\$34,673	0.259
11	164-41-040A	2020	CLOCKSIN DON/MAGEL SABRINA		PHOENIX AZ 85016	PHOENIX 85016	\$89,900	\$359,800	\$449,700	\$44,970	\$44,970	\$336,258	\$33,626	\$33,626	0.289
12	164-41-045	2020	CONLEE MICHAEL W		PHOENIX AZ 85016	PHOENIX 85016	\$136,400	\$545,800	\$682,200	\$68,220	\$68,220	\$434,324	\$43,432	\$43,432	0.621
13	164-41-003	2020	DA GHER MICHEL/KAREN JANET		PHOENIX AZ 85016	PHOENIX 85016	\$118,900	\$475,800	\$594,700	\$59,470	\$59,470	\$430,308	\$43,031	\$43,031	0.353
14	164-41-046	2020	DAVIDSON FAMILY TRUST	C TERRY/KATHLEEN DAVIDSON TRUSTEES	PHOENIX AZ 85016	PHOENIX 85016	\$156,200	\$624,900	\$781,100	\$78,110	\$78,110	\$497,112	\$49,711	\$49,711	0.619
15	164-41-001	2020	DAVIS REVOCABLE TRUST	DAVIS GREGG A/JAMIE E TR	PHOENIX AZ 85016	PHOENIX 85016	\$75,800	\$303,400	\$379,200	\$37,920	\$37,920	\$215,756	\$21,576	\$21,576	0.344
16	164-41-062	2020	DEMACERDA IRENE D		PHOENIX AZ 85016	PHOENIX 85016	\$115,800	\$463,500	\$579,300	\$57,930	\$57,930	\$397,205	\$39,721	\$39,721	0.340
17	164-41-074	2020	DEMOSTHENES EDWARD/JACQUELINE		PHOENIX AZ 85016	PHOENIX 85016	\$95,900	\$383,600	\$479,500	\$47,950	\$47,950	\$294,553	\$29,455	\$29,455	0.348
18	164-41-074	2020	DONOVAN JOSEPH	HERBERGER ENTERPRISES INC	SCOTTSDALE AZ 85254	PHOENIX 85016	\$92,400	\$369,900	\$462,300	\$46,230	\$46,230	\$299,778	\$29,978	\$29,978	0.333
19	164-41-066	2020	DORIS HOGUE DOBYNS FAMILY LIVING TRUST		PHOENIX AZ 85022	PHOENIX 85016	\$82,600	\$330,600	\$413,200	\$41,320	\$41,320	\$224,466	\$22,447	\$22,447	0.282
20	164-41-038A	2020	ENGLISH THOMAS & MARY E		PHOENIX AZ 85016	PHOENIX 85016	\$182,300	\$729,400	\$911,700	\$91,170	\$91,170	\$688,263	\$68,826	\$68,826	0.722
21	164-41-055A	2020	FERNANDES DANE K/CYNTHIA E		PHOENIX AZ 85016	PHOENIX 85016	\$154,900	\$619,800	\$774,700	\$77,470	\$77,470	\$550,037	\$55,004	\$55,004	0.614
22	164-41-052	2020	FORSIGHT FAMILY TRUST	CORK ROBERT C/MARCELLA A TR	PHOENIX AZ 85016	PHOENIX 85016	\$120,100	\$480,500	\$600,600	\$60,060	\$60,060	\$354,857	\$35,486	\$35,486	0.595
23	164-41-025	2020	FULTON JUDITH D TR		PHOENIX AZ 850160000	PHOENIX 85016	\$151,600	\$606,500	\$758,100	\$75,810	\$75,810	\$472,117	\$47,212	\$47,212	0.887
24	164-38-044	2020	GIAVANTI MICHAEL JAMES		PHOENIX AZ 85016	PHOENIX 85016	\$97,900	\$391,700	\$489,600	\$48,960	\$48,960	\$291,472	\$29,147	\$29,147	0.337
25	164-41-063	2020	GOEBEL FREDETTE J TR/GOEBEL FREDERICK A		PHOENIX AZ 85016	PHOENIX 85016	\$112,300	\$449,400	\$561,700	\$56,170	\$56,170	\$325,912	\$32,591	\$32,591	0.300
26	164-41-056	2020	GORCHOFF MARK E		PHOENIX AZ 85016	PHOENIX 85016	\$96,900	\$387,900	\$484,800	\$48,480	\$48,480	\$305,811	\$30,581	\$30,581	0.343
27	164-41-029	2020	GORMAN JEAN T		PHOENIX AZ 85016	PHOENIX 85016	\$178,300	\$713,500	\$891,800	\$89,180	\$89,180	\$607,971	\$60,797	\$60,797	0.621
28	164-38-043	2020	GRIFFIN JAMES M/SUSAN M		PHOENIX AZ 85016	PHOENIX 85016	\$108,900	\$435,900	\$544,800	\$54,480	\$54,480	\$342,528	\$34,253	\$34,253	0.356
29	164-41-006	2020	GRIFFIN THOMAS T		PHOENIX AZ 85016	PHOENIX 85016	\$103,800	\$415,500	\$519,300	\$51,930	\$51,930	\$295,491	\$29,549	\$29,549	0.381
30	164-41-054	2020	HERZOG JOSEPH MICHAEL/MARCIE RAGAN		PHOENIX AZ 85016	PHOENIX 85016	\$168,400	\$673,900	\$842,300	\$84,230	\$84,230	\$623,700	\$62,370	\$62,370	1.059
31	164-41-051	2020	HOLMBERG JOHN/MEGAN		PHOENIX AZ 85016	PHOENIX 85016	\$122,800	\$491,400	\$614,200	\$61,420	\$61,420	\$450,983	\$45,098	\$45,098	0.353
32	164-41-028	2020	HUNTER PROPERTY LLC		PHOENIX AZ 85016	PHOENIX 85016	\$109,100	\$436,400	\$545,500	\$54,550	\$54,550	\$320,416	\$32,042	\$32,042	0.341
33	164-38-038	2020	JOSEPH BERTRAM AND BETSY SHARON		PHOENIX AZ 85016	PHOENIX 85016	\$93,100	\$372,400	\$465,500	\$46,550	\$46,550	\$272,307	\$27,231	\$27,231	0.346
34	164-41-014	2020	BUXER LIV TR		PHOENIX AZ 85016	PHOENIX 85016	\$179,000	\$716,300	\$895,300	\$89,530	\$89,530	\$521,572	\$52,157	\$52,157	0.578
35	164-41-026	2020	KAISER AARON/JENNY M		PHOENIX AZ 85016	PHOENIX 85016	\$178,400	\$713,700	\$892,100	\$89,210	\$89,210	\$709,643	\$70,964	\$70,964	0.626
36	164-41-049	2020	KCM FAMILY TRUST/MALEDON WILLIAM J	PERRY CHRISTOPHER	PHOENIX AZ 85016	PHOENIX 85016	\$178,400	\$713,700	\$892,100	\$89,210	\$89,210	\$709,643	\$70,964	\$70,964	0.626
37	164-41-049	2020	KCP REVOCABLE TRUST	IAN/KATHERINE HAYDON TR	PHOENIX AZ 85016	PHOENIX 85016	\$178,400	\$713,700	\$892,100	\$89,210	\$89,210	\$709,643	\$70,964	\$70,964	0.626

TONKA VISTA OWNERSHIP REPORT

8/31/2020

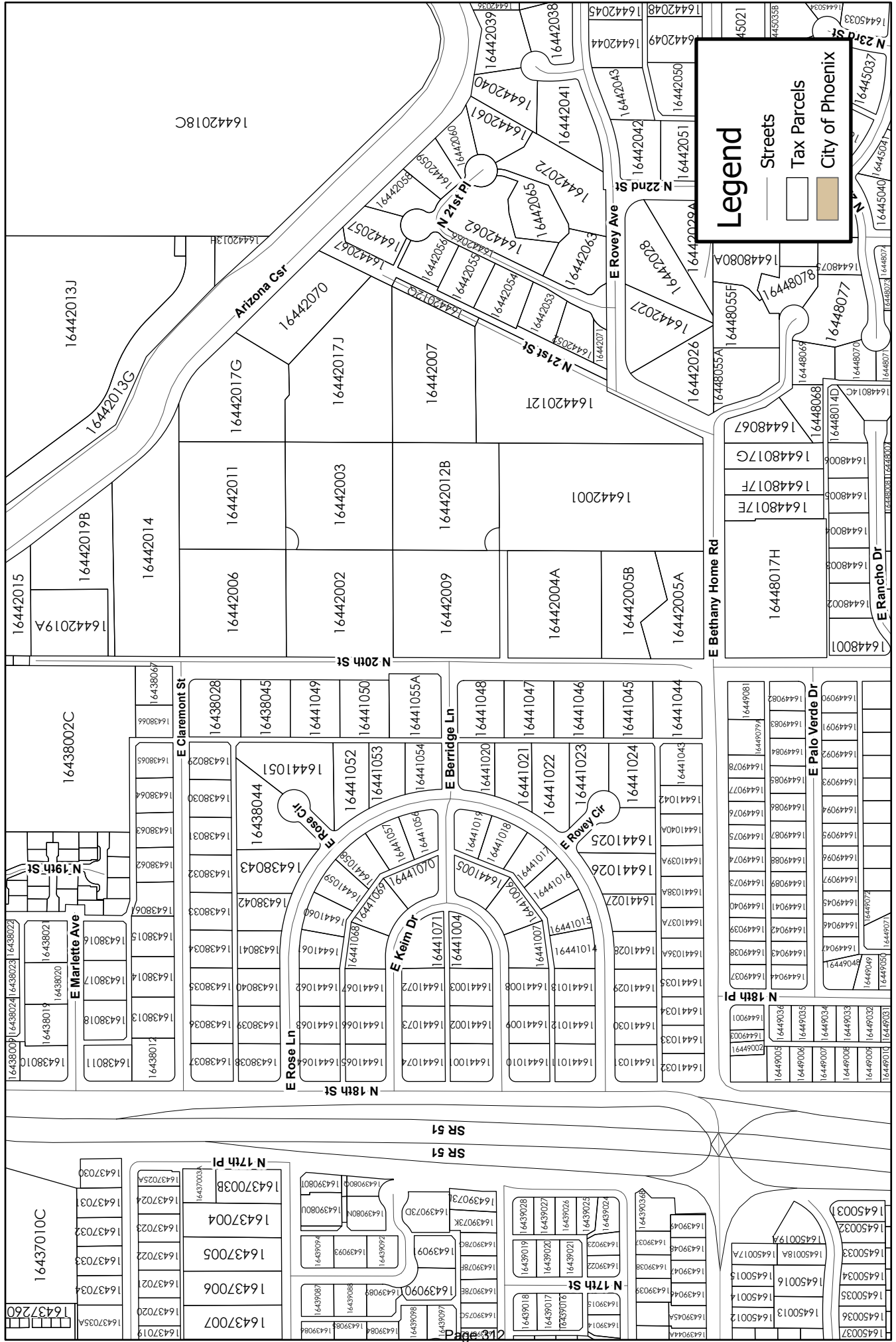
EXHIBIT D

36	164-41-073	2020	KELASH DENNIS J/DEVONEY M		PHOENIX AZ 85016	PHOENIX 85016	\$114,900	\$459,600	\$574,500	\$57,450	\$74,500	\$349,363	\$34,936	\$34,936	0.355
37	164-41-067	2020	KELLY MARA		PHOENIX AZ 85016	PHOENIX 85016	\$91,400	\$365,600	\$457,000	\$45,700	\$45,700	\$267,617	\$26,762	\$26,762	0.334
38	164-41-072	2020	KESLER KRISTOPHER R		PHOENIX AZ 85016	PHOENIX 85016	\$156,400	\$625,700	\$782,100	\$78,210	\$78,210	\$541,398	\$54,140	\$54,140	0.358
39	164-41-071	2020	KIP A AND DANA L DARDEN FAMILY TRUST		PHOENIX AZ 85016	PHOENIX 85016	\$123,100	\$492,400	\$615,500	\$61,550	\$61,550	\$456,790	\$45,679	\$45,679	0.437
40	164-41-012	2020	KUHMANN RONALD W		PHOENIX AZ 85016	PHOENIX 85016	\$137,600	\$550,600	\$688,200	\$68,820	\$68,820	\$502,872	\$50,287	\$50,287	0.330
41	164-41-024	2020	LANG MICHAEL J/SARAH K		PHOENIX AZ 85016	PHOENIX 85016	\$157,600	\$630,600	\$788,200	\$78,820	\$78,820	\$469,228	\$46,923	\$46,923	0.631
42	164-41-018	2020	LANGSON CINDI		PHOENIX AZ 85050	PHOENIX 85016	\$143,300	\$573,500	\$716,800	\$71,680	\$71,680	\$501,760	\$50,176	\$50,176	0.321
43	164-41-034	2020	LEIGHT STEVEN P/CHERYL A		PHOENIX AZ 85016	PHOENIX 85016	\$72,700	\$291,100	\$363,800	\$36,380	\$36,380	\$241,241	\$24,124	\$24,124	0.253
44	164-41-037A	2020	LISCARELLI SHIRLEY M TR		PHOENIX AZ 85016	PHOENIX 85016	\$71,600	\$286,500	\$358,100	\$35,810	\$35,810	\$211,736	\$21,174	\$21,174	0.275
45	164-41-053	2020	LITTLEFIELD HINDMAN REVOCABLE LIVING TRUST	LITTLEFIELD DAVID/HINDMAN MICHELLE TR	PHOENIX AZ 850161924	PHOENIX 85016	\$136,400	\$545,900	\$682,300	\$68,230	\$68,230	\$484,433	\$48,443	\$48,443	0.463
46	164-41-033	2020	LOEHNIS AND RYAN FAMILY TRUST	LEOHNIS GUY JEROME/RYAN KELLY ANN TR	PHOENIX AZ 85016	PHOENIX 85016	\$118,200	\$472,900	\$591,100	\$59,110	\$59,110	\$370,730	\$37,073	\$37,073	0.259
47	164-41-048	2020	MARK TRUST I	DROGE ERIK RODOLOF M/MARION ALEXANDRA TR	PHOENIX AZ 85016	PHOENIX 85016	\$147,800	\$591,200	\$739,000	\$73,900	\$73,900	\$472,787	\$47,279	\$47,279	0.580
48	164-38-041	2020	MARK COLLAR AND LESLIE KLAND FAMILY TRUST		PHOENIX AZ 85016	PHOENIX 85016	\$105,300	\$421,200	\$526,500	\$52,650	\$52,650	\$314,252	\$31,425	\$31,425	0.354
49	164-41-069	2020	MARY ANN SEARS TRUST		PRESCOTT AZ 86303	PHOENIX 85016	\$82,500	\$330,300	\$412,800	\$41,280	\$41,280	\$255,288	\$25,529	\$25,529	0.359
50	164-41-057	2020	MCGRANAHAN MICHAEL CURTIS/DAVISON BETTY SUSAN		PHOENIX AZ 85016	PHOENIX 85016	\$134,600	\$538,600	\$673,200	\$67,320	\$67,320	\$489,606	\$48,961	\$48,961	0.329
51	164-41-044	2020	MCLAIN LARRY K/JOYCE D		PHOENIX AZ 85016	PHOENIX 85016	\$107,500	\$430,000	\$537,500	\$53,750	\$53,750	\$320,954	\$32,095	\$32,095	0.610
52	164-41-009	2020	MICROBERTS ROBERT A/JENIFER M		PHOENIX AZ 85016	PHOENIX 85016	\$97,700	\$390,800	\$488,500	\$48,850	\$48,850	\$305,676	\$30,568	\$30,568	0.339
53	164-41-043	2020	MEDINA SYLVIA/SORKHABI MICHAEL		PHOENIX AZ 850162624	PHOENIX 85016	\$120,900	\$483,800	\$604,700	\$60,470	\$60,470	\$454,854	\$45,485	\$45,485	0.381
54	164-41-010	2020	MERINGER JAMES A		PHOENIX AZ 85016	PHOENIX 85016	\$126,700	\$507,100	\$633,800	\$63,380	\$63,380	\$471,833	\$47,183	\$47,183	0.331
55	164-41-058	2020	MIKSTA FAMILY TRUST	MIKSTA STEVEN JOHN/DAWN MARIE TR	PHOENIX AZ 85016	PHOENIX 85016	\$86,600	\$346,400	\$433,000	\$43,300	\$43,300	\$261,319	\$26,132	\$26,132	0.313
56	164-41-036A	2020	MONSON THOMAS G & DIANNE F		PHOENIX AZ 85016	PHOENIX 85016	\$94,200	\$377,100	\$471,300	\$47,130	\$47,130	\$280,348	\$28,035	\$28,035	0.281
57	164-41-022	2020	MOUER JAMES R/JOYCE A TR		PHOENIX AZ 85016	PHOENIX 85016	\$157,500	\$630,100	\$787,600	\$78,760	\$78,760	\$447,190	\$44,719	\$44,719	0.678
58	164-41-023	2020	NACHLAS EMILY/AARON SEITH		PHOENIX AZ 85016	PHOENIX 85016	\$191,500	\$766,100	\$957,600	\$95,760	\$95,760	\$589,107	\$58,911	\$58,911	0.518
59	164-41-017	2020	NUTE STEPHEN JOHN/SLOULIN KOREEN LEE TR		PHOENIX AZ 85016	PHOENIX 85016	\$99,600	\$398,500	\$498,100	\$49,810	\$49,810	\$294,151	\$29,415	\$29,415	0.308
60	164-41-061	2020	PILLEY MELISSA/BARNES SCOTT		PHOENIX AZ 85016	PHOENIX 85016	\$106,700	\$426,800	\$533,500	\$53,350	\$53,350	\$351,506	\$35,151	\$35,151	0.330
61	164-41-047	2020	POULOS ALEXANDER/DEANNE		PHOENIX AZ 85016	PHOENIX 85016	\$146,300	\$585,500	\$731,800	\$73,180	\$73,180	\$449,201	\$44,920	\$44,920	0.619
62	164-41-019	2020	PRESTON BRYAN M/MIRANDA A		PHOENIX AZ 85016	PHOENIX 85016	\$121,900	\$487,800	\$609,700	\$60,970	\$60,970	\$402,896	\$40,290	\$40,290	0.305
63	164-41-027	2020	ROBERT FINTELMAN TRUST/LARUA SNYDER TRUST		PHOENIX AZ 85016	PHOENIX 85016	\$119,200	\$477,000	\$596,200	\$59,620	\$59,620	\$425,645	\$42,565	\$42,565	0.400
64	164-41-031	2020	ROGERS JAN B/SUSAN R		PHOENIX AZ 85016	PHOENIX 85016	\$84,600	\$338,700	\$423,300	\$42,330	\$42,330	\$238,537	\$23,854	\$23,854	0.344
65	164-41-039A	2020	SARAH JESSICA BARKER TRUST	CUNNINGHAM SUSAN MARIE TR	PHOENIX AZ 85016	PHOENIX 85016	\$78,200	\$313,000	\$391,200	\$39,120	\$39,120	\$221,116	\$22,112	\$22,112	0.286
66	164-41-035	2020	SCHNEIDER DANNA RACHEL/BARRY		PHOENIX AZ 85016	PHOENIX 85016	\$99,000	\$396,200	\$495,200	\$49,520	\$49,520	\$311,975	\$31,198	\$31,198	0.266
67	164-41-004	2020	SHAUGHNESSY TIMOTHY M		PHOENIX AZ 85016	PHOENIX 85016	\$174,600	\$698,600	\$873,200	\$87,320	\$87,320	\$646,985	\$64,699	\$64,699	0.443
68	164-38-045	2020	SILKE C BARCOCK TRUST	BABCOCK SILKE C TRUSTEE	PHOENIX AZ 85016	PHOENIX 85016	\$192,300	\$769,400	\$961,700	\$96,170	\$96,170	\$742,107	\$74,211	\$74,211	0.628
69	164-38-039	2020	SL CLEVENGER TRUST		PHOENIX AZ 85016	PHOENIX 85016	\$104,400	\$417,700	\$522,100	\$52,210	\$52,210	\$382,711	\$38,271	\$38,271	0.343
70	164-41-013	2020	SPENCER LOWELL A TR		PHOENIX AZ 85016	PHOENIX 85016	\$112,800	\$451,400	\$564,200	\$56,420	\$56,420	\$343,333	\$34,333	\$34,333	0.326
71	164-41-005	2020	STEVEN MARK/HARDY DONALD E TR	SCOTTSDALE AZ 852558902	PHOENIX AZ 85016	PHOENIX 85016	\$98,200	\$392,900	\$491,100	\$49,110	\$49,110	\$292,810	\$29,281	\$29,281	0.369
72	164-41-007	2020	STOUFFER BRADLEY S/NANCY BALDING		PHOENIX AZ 85016	PHOENIX 85016	\$125,200	\$501,000	\$626,200	\$62,620	\$62,620	\$382,061	\$38,206	\$38,206	0.352
73	164-41-050	2020	SURVIV TRUST OF HARRY C & LINDA D PERNELL TRU		PHOENIX AZ 85016	PHOENIX 85016	\$126,700	\$506,900	\$633,600	\$63,360	\$63,360	\$435,093	\$43,509	\$43,509	0.628

TONKA VISTA OWNERSHIP REPORT
8/31/2020
EXHIBIT D

74	164-41-016	2020	THOMAS AND BRENDA CANTY LIVING TRUST		PHOENIX AZ 85016	\$98,900	\$395,600	\$494,500	\$49,450	\$299,243	\$29,924	\$29,924	\$29,924	0.314
75	164-41-030	2020	TIMS FAMILY TRUST		PHOENIX AZ 85016	\$121,200	\$485,000	\$606,200	\$60,620	\$260,918	\$26,092	\$26,092	\$26,092	0.352
76	164-41-068	2020	TOCCO TYLER E/BAILEY H		PHOENIX AZ 85016	\$97,100	\$388,700	\$485,800	\$48,580	\$293,481	\$29,348	\$29,348	\$29,348	0.336
77	164-41-021	2020	TRAPP STEVE E/RENEE A TR		PHOENIX AZ 85016	\$148,000	\$592,100	\$740,100	\$74,010	\$567,117	\$56,712	\$56,712	\$56,712	0.498
78	164-41-002	2020	W & L SPONCIL LIVING TRUST	SPONCIL WAYNE A/LISA M TR	PHOENIX AZ 85016	\$193,700	\$775,100	\$968,800	\$96,880	\$609,744	\$60,974	\$60,974	\$60,974	0.355
79	164-41-064	2020	WALLEN SMITH STEFANI A/SMITH MIKE		PHOENIX AZ 85016	\$110,400	\$441,900	\$552,300	\$55,230	\$322,695	\$32,270	\$32,270	\$32,270	0.335
80	164-41-020	2020	WEYER JANELLE L		PHOENIX AZ 85016	\$228,300	\$913,400	\$1,141,700	\$114,170	\$801,582	\$80,158	\$80,158	\$80,158	0.400
81	164-38-042	2020	WORTH FAMILY	WORTH JOHN R/LAUREN J TR	PHOENIX AZ 85016	\$94,600	\$378,500	\$473,100	\$47,310	\$280,750	\$28,075	\$28,075	\$28,075	0.399
						\$9,766,600	\$39,079,900	\$48,846,500	\$4,884,650	\$31,924,248	\$3,192,428	\$3,192,428	\$3,192,428	33.158

Tonka Vista IWDD



Date: 6/1/2020



Zone 3D and 4A Improvements Program: Water Transmission Main - Construction Manager at Risk Services Amendment - WS85500442 and WS90500306 (Ordinance S-47297)

Request to authorize the City Manager, or his designee, to execute an amendment to Agreement 152402 with Sundt Construction, Inc. (Sundt) to provide additional Construction Manager at Risk (CMAR) Services for the Zone 3D and 4A Improvements Program: Water Transmission Main project. Further request to authorize execution of amendments to the agreement as necessary within the Council-approved expenditure authority as provided below, and for the City Controller to disburse all funds related to this item. The additional fee for services included in this amendment will not exceed \$48.1 million.

Summary

The purpose of this project is to supply water in north Phoenix in the event there are restrictions placed on Colorado River water delivered through the Central Arizona Project. The City of Phoenix treats Colorado River water at the Union Hills and Lake Pleasant Water Treatment Plants (WTPs), which supply water to north Phoenix.

This amendment is necessary to proceed with construction of a new 66-inch pipeline from the 24th Street WTP to water infrastructure in north Phoenix to allow for the delivery of Salt and Verde River water into north Phoenix. Scope of services will include installation of the 66-inch pipeline and corresponding activities in this segment, and construction of a relief sewer parallel to the 66-inch pipeline on 32nd Street. This amendment will provide additional funds to the agreement.

Sundt will be responsible for construction means and methods related to the project and fulfilling the Small Business Enterprise program requirements. Sundt will be required to solicit bids from pre-qualified subcontractors and to perform the work using the City's subcontractor selection process. Sundt may also compete to self-perform limited amounts of work.

This Agreement is essential to the health, safety, and welfare of the public and critical operations for the City.

Contract Term

The term of the agreement amendment is for two years from issuance of the Notice to Proceed. Work scope identified and incorporated into the agreement prior to the end of the term may be agreed to by the parties, and work may extend past the termination of the agreement. No additional changes may be executed after the end of the term.

Financial Impact

- The initial agreement was authorized for an amount not to exceed \$15 million.
- This amendment will increase the agreement by an amount not to exceed \$48.1 million, for a new total amount not to exceed \$63.1 million.

Funding for this amendment is available in the Water Services Department's Capital Improvement Program budget. The Budget and Research Department will separately review and approve funding availability prior to execution of any amendments. Payments may be made up to agreement limits for all rendered agreement services, which may extend past the agreement termination.

Concurrent/Previous Council Action

The City Council approved:

- Engineering Services Agreement 149803 (Ordinance S-45175) on Dec. 5, 2018;
- CMAR Preconstruction Services Agreement 148952 (Ordinance S-45171) on Dec. 5, 2018; and
- CMAR Construction Services Agreement 152402 (Ordinance S-46723) on June 17, 2020.

Location

32nd Street south of Shea Boulevard to Greenway Road

Greenway Road from 32nd to 31st Streets

31st Street from Greenway to Bell Roads

Bell Road from 31st to 32nd Streets

Council Districts: 2, 3 and 6

Responsible Department

This item is submitted by Deputy City Managers Karen Peters and Mario Paniagua, the Water Services Department, and the City Engineer.



Wastewater Collection System Emergency Repair and Replacement - Job Order Contracting Services - 4108JOC196 (Ordinance S-47299)

Request to authorize the City Manager, or his designee, to enter into separate master agreements with two contractors to provide Wastewater Collection System Emergency Repair and Replacement Job Order Contracting (JOC) services for the Water Services Department. Further request to authorize execution of amendments to the agreement as necessary within the Council-approved expenditure authority as provided below, and for the City Controller to disburse all funds related to this item. The total fee for services will not exceed \$20 million.

Additionally, request to authorize the City Manager, or his designee, to take all action deemed necessary to execute all utilities-related design and construction agreements, licenses, permits, and requests for utility services relating to the development, design, and construction of the project and to include disbursement of funds. Utility services include, but are not limited to: electrical; water; sewer; natural gas; telecommunications; cable television; railroads; and other modes of transportation. This authorization excludes any transaction involving an interest in real property.

Summary

The JOC contractors' services will be used on an as-needed basis to provide Wastewater Collection System Emergency Repair and Replacement services for repair or replacement of sanitary sewer lines and force mains. Additionally, the JOC contractors will be responsible for fulfilling Small Business Enterprise program requirements.

These Agreements are essential to the health, safety, and welfare of the public and critical operations for the City.

Procurement Information

The selections were made using a qualifications-based selection process set forth in section 34-604 of the Arizona Revised Statutes (A.R.S.). In accordance with A.R.S. section 34-604(H), the City may not publicly release information on proposals received or the scoring results until an agreement is awarded. Eight firms submitted proposals and are listed below.

Selected Firms

Rank 1: WaCo, LLC dba WaCo Contracting

Rank 2: Achen-Gardner Construction, LLC

Additional Proposers

Rank 3: TF Contracting Services, LLC

Rank 4: FPS Civil, LLC

Rank 5: Action Direct LLC dba Redpoint Contracting

Rank 6: Blucor Contracting, Inc.

Rank 7: Kinkaid Civil Construction, LLC

Rank 8: Degan Construction, LLC

Contract Term

The term of each master agreement is for up to five years, or up to \$10 million, whichever occurs first. Work scope identified and incorporated into the master agreement prior to the end of the term may be agreed to by the parties, and work may extend past the termination of the master agreement. No additional changes may be executed after the end of the term.

Financial Impact

The master agreement values for each of the JOC contractors will not exceed \$10 million, including all subcontractor and reimbursable costs. The total fee for services will not exceed \$20 million. The value for each job order agreement performed under this master agreement will be up to \$2 million. In no event will any job order agreement exceed this limit without Council approval to increase the limit.

Funding is available in the Water Services Department's Capital Improvement Program. The Budget and Research Department will review and approve funding availability prior to issuance of any job order agreement. Payments may be made up to agreement limits for all rendered agreement services, which may extend past the agreement termination.

Responsible Department

This item is submitted by Deputy City Managers Karen Peters and Mario Paniagua, the Water Services Department, and the City Engineer.



Intergovernmental Agreement with Arizona Department of Transportation for Right-of-Way Along State Route 51 Near Northern Avenue and 26th Street (Ordinance S-47308)

Request to authorize the City Manager, or his designee, to enter into an Intergovernmental Agreement (IGA) with Arizona Department of Transportation (ADOT) to accept ownership, jurisdiction and maintenance responsibilities for right-of-way adjacent to, and on both sides of State Route 51 (SR51) near Northern Avenue and 26th Street. This will be used by the City in the construction of water transmission mains for the Zone 3D and 4A Improvements Program. Further request the City Council grant an exception pursuant to Phoenix City Code 42-20 to authorize inclusion of the IGA of indemnification and assumption of liability provisions that otherwise are prohibited by Phoenix City Code 42-18. There is no direct financial impact to the City for this agreement.

Summary

The purpose of the Water Services Department's (WSD) Zone 3D and 4A Improvements Program is to assist with supplementing the potable water distribution system in north Phoenix, in the event of restrictions placed on Colorado River water. To accomplish this the WSD will construct water transmission mains from the 24th Street Water Treatment Plant to approximately 32nd Street and Bell Road.

This IGA is necessary to obtain right-of-way from ADOT along SR51 near Northern Avenue and 26th Street for the water transmission mains. As part of this IGA, the City will maintain the right-of-way within the area of abandonment. There is no direct financial impact to the City for this agreement.

Location

Along both sides of SR51, near Northern Avenue and 26th Street.
Council District: 3

Responsible Department

This item is submitted by Deputy City Manager Karen Peters and the Water Services Department.



Final Plat - Cachet at Peak View - PLAT 200578 - 42nd Street and Peak View Road

Plat: 200578
Project: 18-3908
Name of Plat: Cachet at Peak View
Owner(s): Cachet-Peak View, LLC
Engineer(s): James A. Brucci, RLS
Request: A 23 Lot Residential Plat
Reviewed by Staff: Jan. 14, 2021
Final Plat requires Formal Action Only

Summary

Staff requests that the above plat be approved by the City Council and certified by the City Clerk. Recording of the plat dedicates the streets and easements as shown to the public. This plat needs to record concurrently with resolution of abandonment for ABND 200527. The sequence of recording to be followed is that the resolution is recorded first, then the plat is recorded second.

Location

Generally located at 42nd Street and Peak View Road.
Council District: 2

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



Final Plat - Lot 1, Aldea Centre - PLAT 200606 - 101st and Montebello Avenues

Plat: 200606
Project: 18-3875
Name of Plat: Lot 1, Aldea Centre
Owner(s): TC Park Aldea Venture, LLC
Engineer(s): David S. Klein, RLS
Request: A 3 Lot Commercial Lot
Reviewed by Staff: Jan. 14, 2021
Final Plat requires Formal Action Only

Summary

Staff requests that the above plat be approved by the City Council and certified by the City Clerk. Recording of the plat dedicates the streets and easements as shown to the public.

Location

Generally located at 101st and Montebello Avenues
Council District: 5

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



Final Plat - Clarendale Arcadia - PLAT 200574 - 3233 E. Camelback Road

Plat: 200574
Project: 19-93
Name of Plat: Clarendale Arcadia
Owner(s): Lako Limited Partnership
Engineer(s): Jerry L. Dodd Jr., RLS
Request: A 1 Lot Commercial Plat
Reviewed by Staff: Jan. 20, 2021
Final Plat requires Formal Action Only

Summary

Staff requests that the above plat be approved by the City Council and certified by the City Clerk. Recording of the plat dedicates the streets and easements as shown to the public. This plat needs to record concurrently with Abandonment 200559. The sequence of recording to be followed is that the resolution is recorded first, then the plat is recorded second.

Location

Located at 3233 E. Camelback Road.
Council District: 6

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



**Final Plat - 56th Street and Camelback - PLAT 200625 - 5716 and 5728 E.
Camelback Road**

Plat: 200625

Project: 19-1919

Name of Plat: 56th Street & Camelback

Owner(s): Duke & Cybele Moscrip

Engineer(s): 3 Engineering, LLC

Request: A 4 Lot Residential Single Family Detached Plat

Reviewed by Staff: Jan. 8, 2021

Final Plat requires Formal Action Only

Summary

Staff requests that the above plat be approved by the City Council and certified by the City Clerk. Recording of the plat dedicates the streets and easements as shown to the public.

Location

5716 and 5728 E. Camelback Road

Council District: 6

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



Final Plat - Hurley Ranch - Phase 1 - PLAT 200553 - Southeast Corner of 91st Avenue and Illini Street

Plat: 200553
Project: 02-4732
Name of Plat: Hurley Ranch - Phase 1
Owner(s): Meritage Homes of Arizona, Inc.
Engineer(s): EPS Group, Inc.
Request: A 172 Lot Residential Subdivision Plat
Reviewed by Staff: Jan. 19, 2021
Final Plat requires Formal Action Only

Summary

Staff requests that the above plat be approved by the City Council and certified by the City Clerk. Recording of the plat dedicates the streets and easements as shown to the public.

Location

Generally located at the southeast corner of 91st Avenue and Illini Street.
Council District: 7

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



Final Plat - NWC 7th Street and Mohave Street - PLAT 200532 - Northwest Corner of 7th and Mohave Streets

Plat: 200532
Project: 19-1485
Name of Plat: NWC 7th Street and Mohave Street
Owner(s): SK&M Investments, Inc.
Engineer(s): A.L. Slater, RLS
Request: A 1 Lot Commercial Plat
Reviewed by Staff: Jan. 19, 2021
Final Plat requires Formal Action Only

Summary

Staff requests that the above plat be approved by the City Council and certified by the City Clerk. Recording of the plat dedicates the streets and easements as shown to the public.

Location

Generally located at the northwest corner of 7th and Mohave Streets
Council District: 8

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



Abandonment of Right-of-Way - ABND 200527 - Northeast Corner of 42nd Street and Peak View Road (Resolution 21896)

Abandonment: 200527

Project: 18-3908

Applicant: James A Brucci; Hunter Engineering

Request: To abandon the 30-foot right-of-way easement for the east half of 42nd Street, recorded on Docket 11709, Page 1033, west of APN 211-38-008K; the 25-foot right-of-way dedicated for the west half of 42nd Street, per Plat "The Toy Barn on Cave Creek Road," Book 1018, Page 11, Maricopa County Recorder; the 8-foot public utility easement and water easement and 20-foot water easement dedicated by Ordinance S -34573, recording number 2007-1302105, Maricopa County Recorder, on the west portion of APN 211-38-355.

Date of Hearing: July 9, 2020

Summary

The resolution of the abandonment and the subdivision plat Final Plat for "Cachet at Peak View", Plat 200578, are to be recorded together with the Maricopa County recorder on the same day, at the same time. The sequence of recording to be followed is that the resolution is recorded first, then the plat is recorded second.

Location

Northeast corner of 42nd Street and Peak View Road

Council District: 2

Financial Impact

A fee was also collected as part of this abandonment in the amount of \$18,100.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



Abandonment of Right-of-Way - ABND 200559 - Southeast Corner of Camelback Road and 32nd Street (Resolution 21895)

Abandonment: 200559

Project: 19-93

Applicant(s): Survey Innovation Group, Inc.

Request: To abandon several easements that include sign easement as recorded in document 1991-165344, Maricopa County Recorder; roadway easement per Book 319, Page 46 of Maricopa County Recorder; 24-foot refuse collection easement and emergency and service type vehicle easement per Book 319, Page 46 of the Maricopa County Recorder; and 24-foot refuse collection easement and emergency and service type vehicle easement per Book 371, Page 43 of the Maricopa County Recorder.

Date of Hearing: Dec. 10, 2020

Summary

The resolution of the abandonment and the commercial plat Final Plat for "Clarendale Arcadia," Plat 200574, are to be recorded together with the Maricopa County recorder on the same day, at the same time. The sequence of recording to be followed is that the resolution is recorded first, then the plat is recorded second.

Location

Southeast corner of Camelback Road and 32nd Street

Council District: 6

Financial Impact

Pursuant to Phoenix City Code Art. 5, Sec. 31-64 (e) as the City acknowledges the public benefit received by the generation of additional revenue from the private tax rolls and by the elimination of third-party general liability claims against the city, maintenance expenses, and undesirable traffic patterns, also replatting of the area with alternate roadways and new development as sufficient and appropriate consideration in this matter.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



Abandonment of Right-of-Way - ABND 200524 - Southwest Corner of 23rd Avenue and Roeser Road (Resolution 21897)

Abandonment: 200524

Project: 17-430

Applicant: Lennar Arizona, Inc.

Request: To abandon an approximate 575 feet of 23rd Avenue, between Roeser Road, north alignment and Roeser Road, south alignment, located adjacent to Lindo Park, addressed 2230 W. Roeser Road, recorded on residential subdivision final plat "Liberty," recorded with Maricopa County Recorder's office, Book 944, Page 39.

Date of Hearing: June 25, 2020

Summary

The resolution of the abandonment and the subdivision plat, Final Plat For "Liberty 1A", PLAT 200524, are to be recorded together with the Maricopa County recorder on the same day, at the same time. The sequence of recording to be followed is that the resolution is recorded first, then the plat is recorded second.

Location

Southwest corner of 23rd Avenue and Roeser Road

Council District: 8

Financial Impact

Pursuant to Phoenix City Code Art. 5, Sec. 31-64 (e) as the City acknowledges the public benefit received by the generation of additional revenue from the private tax rolls and by the elimination of third-party general liability claims against the city, maintenance expenses, and undesirable traffic patterns, also replatting of the area with alternate roadways and new development as sufficient and appropriate consideration in this matter.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



Modification of Stipulation Request for Ratification of Jan. 20, 2021 Planning Hearing Officer Action - PHO-4-20_Z-273-79-5(7) - Approximately 670 Feet South of the Southeast Corner of 83rd Avenue and Thomas Road

Request to authorize the City Manager, or his designee, to approve Planning Hearing Officer's recommendation without further hearing by the City Council on matters heard by the Planning Hearing Officer on Jan. 20, 2021. This ratification requires formal action only.

Summary

Application: PHO-4-20--Z-273-79-5(7)

Existing Zoning: C-2

Acreage: 13.33

Applicant: Adam Baugh, Withey Morris PLC

Owner: Columbia Group LTD

Representative: Adam Baugh, Withey Morris PLC

Proposal:

1. Deletion of Stipulation 1 regarding an overall development plan;
2. Deletion of Stipulation 2 requiring site plan approval;
3. Deletion of Stipulation 3 regarding a landscaping and open space plan, schedule of intensity, and development schedule;
4. Deletion of Stipulation 4 regarding access to major and collector streets;
5. Deletion of Stipulation 5 regarding a master drainage plan;
6. Deletion of Stipulation 6 regarding improvement costs for Encanto Boulevard;
7. Deletion of Stipulation 1 (ROW) regarding a 55-foot half-street for 83rd Avenue;
8. Deletion of Stipulation 2 (ROW) regarding right-of-way for Thomas Road;
9. Deletion of Stipulation 3 (ROW) regarding a 33-foot half street for Encanto Boulevard and 79th Avenue;
10. Deletion of Stipulation 4 (ROW) regarding triangles at intersections; and
11. Deletion of Stipulation 5 (ROW) regarding additional right-of-way and a traffic study.

Concurrence/Previous Council Action

Village Planning Committee (VPC) Recommendation: The Maryvale Village Planning

Committee heard this case on Jan. 13, 2021 and recommended approval with additional stipulations, by a 8-1-1 vote.

Planning Hearing Officer Recommendation: The Planning Hearing Officer heard this case on Jan. 20, 2021 and recommended approval with additional stipulations. Please see **Attachment A** for a complete list of the Planning Hearing Officer's recommended stipulations.

Location

Approximately 670 feet south of the southeast corner of 83rd Avenue and Thomas Road

Council District: 7

Parcel Address: 2627 N. 83rd Ave.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.

Attachment A- Stipulations- PHO-4-20_Z-273-79-5(7)

Location: Approximately 670 feet south of the southeast corner of 83rd Avenue and Thomas Road

Stipulations:

**1.	That an overall development plan shall be approved by the City Council showing:
a.	The proposed zoning and land use of each parcel;
b.	The approximate locations of major and collector streets; and
c.	The approximate locations of any public uses such as schools, drainageways, parks, trails, and other recreational facilities.
2.	That all development require site plan approval.
3.	That the items listed below be approved in accord with the overall development plan by the Planning Director at such time as the first major development occurs on the property:
a.	A landscaping and open space plan showing landscaping and screening, and if provided, other open space such as pathways, parks and trails.
b.	A schedule of intensity of use for each parcel of land showing proposed land uses, maximum and minimum number of dwellings, the gross leaseable area, and height limits; and
c.	A development schedule showing the expected beginning and completion of construction for each parcel or use.
4.	That access to major and collector streets to be as approved by the City Traffic Engineer.
5.	That a master drainage plan be approved by the City Engineer.
6.	That the applicant submit acceptable assurances for the assumption of responsibility for 50 percent of the cost of an improved Encanto Boulevard between 79th and 83rd Avenue.
a.	Construction of Encanto Boulevard shall be the responsibility of the applicant.
b.	Construction of the applicant's or adjacent property owner's (29-80) portion of Encanto Boulevard shall be concurrent with the first major development of any parcel abutting Encanto between 79th and 83rd Avenue, but no later than January 1, 1985.
<u>Right-of-Way Needed</u>	

	Further, sufficient right-of-way to be dedicated by the property owner by July, 1982 to provide for the following:
**1.	A 55' half street for 83rd Avenue.
**2.	Right-of-way for Thomas Road as shown on Traffic Engineering Department Drawing No. 2519.
**3.	A 33' half street for Encanto Boulevard and 79th Avenue.
**4.	Triangles (18' x 18') at 83rd and Thomas Road, 83rd Avenue and Encanto Boulevard, and 79th Avenue and Encanto Boulevard.
5.	Additional right-of-way may be required at the time plans for the use of this site are submitted and after the review of a traffic study that will be required of the developer.
	**To be complied with prior to vesting of zoning.
1.	THE DEVELOPMENT SHALL BE IN GENERAL CONFORMANCE WITH THE SITE PLAN DATE STAMPED DECEMBER 18, 2020 AS MODIFIED BY THE FOLLOWING STIPULATIONS AND APPROVED BY THE PLANNING AND DEVELOPMENT DEPARTMENT.
2.	THE DEVELOPER SHALL PROVIDE A SHADED PEDESTRIAN CONNECTION CONSTRUCTED OF STAMPED OR COLORED CONCRETE, OR ANOTHER MATERIAL OTHER THAN THOSE USED TO PAVE THE PARKING SURFACES AND DRIVE AISLES, AS APPROVED BY THE PLANNING AND DEVELOPMENT. THE PEDESTRIAN CONNECTION SHALL BE FROM THE NORTHERN BOUNDARY OF THE SITE TO VIRGINIA AVENUE AND INCLUDE PEDESTRIAN GATES AT BOTH ENDS WITH THE SOUTHERN GATE LOCATED EAST OF THE DRIVEWAY, AS APPROVED BY THE PLANNING AND DEVELOPMENT DEPARTMENT.
3.	THE PUBLIC SIDEWALK ALONG VIRGINIA AVENUE SHALL BE DETACHED WITH A MINIMUM 5-FOOT WIDE LANDSCAPE AREA LOCATED BETWEEN THE SIDEWALK AND BACK OF CURB AND PLANTED WITH MINIMUM 2-INCH CALIPER LARGE CANOPY, SINGLE TRUNK, SHADE TREES PLACED A MINIMUM OF 20-FEET ON CENTER OR IN EQUIVALENT GROUPINGS, AS APPROVED OR MODIFIED BY THE PLANNING AND DEVELOPMENT DEPARTMENT. AT TREE MATURITY, THE TREES SHALL SHADE THE SIDEWALK TO A MINIMUM OF 75 PERCENT.
4.	THE DEVELOPER SHALL REPLENISH THE MEDIAN ISLANDS WITH MINIMUM 2-INCH CALIPER TREES SPACED 20-FEET ON CENTER AND SHRUBS TO PROVIDE A MINIMUM OF 75 PERCENT LIVE COVERAGE AT MATURITY FOR THE LENGTH OF THE PROJECT, AS APPROVED OR MODIFIED BY THE PLANNING AND DEVELOPMENT DEPARTMENT.

5.	THE DEVELOPER SHALL DEDICATE A 10-FOOT SIDEWALK EASEMENT ALONG 83RD AVENUE, AS APPROVED BY THE PLANNING AND DEVELOPMENT DEPARTMENT.
6.	THE DEVELOPER SHALL CONDUCT A TRAFFIC SIGNAL WARRANT ANALYSIS TO IDENTIFY THE POTENTIAL NEED FOR SIGNALIZATION OF 83RD AVENUE AND VIRGINIA AVENUE, AS APPROVED BY THE STREET TRANSPORTATION DEPARTMENT. IF A FUTURE SIGNAL IS IDENTIFIED, THE DEVELOPMENT WILL BE REQUIRED TO CONTRIBUTE 25% OF THE FUTURE ESTIMATED COST AND TO INSTALL CONDUIT AND JUNCTION BOXES WITH ANY ASSOCIATED OFF-SITE IMPROVEMENTS. A SIGNAL CONDUIT WOULD BE REQUIRED.
7.	EXISTING IRRIGATION FACILITIES ALONG VIRGINIA AVENUE ARE TO BE UNDERGROUNDED AND/OR RELOCATED OUTSIDE OF CITY RIGHT-OF-WAY. CONTACT SRP TO IDENTIFY EXISTING LAND RIGHTS AND ESTABLISH APPROPRIATE PROCESS TO RELOCATE FACILITY. RELOCATIONS THAT REQUIRE ADDITIONAL DEDICATIONS OR LAND TRANSFER REQUIRE COMPLETION PRIOR TO OBTAINING PLAT AND/OR CIVIL PLAN REVIEW APPROVAL.
8.	THE DEVELOPER SHALL CONSTRUCT ALL STREETS WITHIN AND ADJACENT TO THE DEVELOPMENT WITH PAVING, CURB, GUTTER, SIDEWALK, CURB RAMPS, STREETLIGHTS, MEDIAN ISLANDS, LANDSCAPING AND OTHER INCIDENTALS AS PER PLANS APPROVED BY THE PLANNING AND DEVELOPMENT DEPARTMENT. ALL IMPROVEMENTS SHALL COMPLY WITH ALL ADA ACCESSIBILITY STANDARDS.
9.	IF DETERMINED NECESSARY BY THE PHOENIX ARCHAEOLOGY OFFICE, THE APPLICANT SHALL CONDUCT PHASE I DATA TESTING AND SUBMIT AN ARCHAEOLOGICAL SURVEY REPORT OF THE DEVELOPMENT AREA FOR REVIEW AND APPROVAL BY THE CITY ARCHAEOLOGIST PRIOR TO CLEARING AND GRUBBING, LANDSCAPE SALVAGE, AND/OR GRADING APPROVAL.
10.	IF PHASE I DATA TESTING IS REQUIRED, AND IF, UPON REVIEW OF THE RESULTS FROM THE PHASE I DATA TESTING, THE CITY ARCHAEOLOGIST, IN CONSULTATION WITH A QUALIFIED ARCHAEOLOGIST, DETERMINES SUCH DATA RECOVERY EXCAVATIONS ARE NECESSARY, THE APPLICANT SHALL CONDUCT PHASE II ARCHAEOLOGICAL DATA RECOVERY EXCAVATIONS.
11.	IN THE EVENT ARCHAEOLOGICAL MATERIALS ARE ENCOUNTERED DURING CONSTRUCTION, THE DEVELOPER SHALL IMMEDIATELY CEASE ALL GROUND-DISTURBING ACTIVITIES WITHIN A 33- FOOT RADIUS OF THE DISCOVERY, NOTIFY THE CITY ARCHAEOLOGIST, AND ALLOW TIME FOR THE ARCHAEOLOGY OFFICE TO PROPERLY ASSESS THE MATERIALS.



Amend City Code - Ordinance Adoption - Rezoning Application PHO-1-20_Z-43-13-7 - Northwest Corner of 67th Avenue and Broadway Road (Ordinance G-6809)

Request to authorize the City Manager, or his designee, to approve the Planning Hearing Officer's recommendation without further hearing by the City Council on matters heard by the Planning Hearing Officer on Jan. 20, 2021.

Summary

Application: PHO-1-20_Z-43-13-7

Existing Zoning: C-1

Acreage: 3.13

Applicant: The Carioca Company

Owner: Butterfield Trail, LLC

Representative: Jeff Winter, Esencia LLC

Proposal:

1. Modification of Stipulation 1 regarding general conformance to the site plan date stamped Aug. 21, 2013.

Concurrence/Previous Council Action

Village Planning Committee (VPC) Recommendation: The Estrella Village Planning Committee heard this case on Jan. 19, 2021 and recommended approval, by a 6-0 vote.

PHO Action: The Planning Hearing Officer heard this case on Jan. 20, 2021 and recommended approval with additional stipulations. See **Attachment A** for the full list of Planning Hearing Officer recommended stipulations.

Location

Northwest corner of 67th Avenue and Broadway Road

Council District: 7

Parcel Address: 6711 W. Broadway Road

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.

ATTACHMENT A

**THIS IS A DRAFT COPY ONLY AND IS NOT AN OFFICIAL COPY OF THE FINAL,
ADOPTED ORDINANCE**

ORDINANCE G-

AN ORDINANCE AMENDING THE STIPULATIONS APPLICABLE TO
REZONING APPLICATION Z-43-13-7 PREVIOUSLY APPROVED BY
ORDINANCE G-5879.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX, as
follows:

SECTION 1. The zoning stipulations applicable located at the northwest
corner of 67th Avenue and Broadway Road in a portion of Section 24, Township 1
North, Range 1 East, as described more specifically in Attachment "A", are hereby
modified to read as set forth below.

STIPULATIONS:

1. The development shall be in general conformance with the site plan
date stamped NOVEMBER 30, 2020 ~~August 21, 2013~~, as modified by the
following stipulations and approved by the Planning and Development
Department.
2. PEDESTRIAN PATHWAYS SHALL BE PROVIDED TO CONNECT
BUILDING ENTRANCES, PUBLIC SIDEWALKS, BUS STOPS, AND
COMMUNITY AMENITIES, USING THE MOST DIRECT ROUTE FOR
PEDESTRIANS, AS APPROVED BY THE PLANNING AND
DEVELOPMENT DEPARTMENT.
3. WHERE PEDESTRIAN PATHWAYS CROSS DRIVE AISLES,
PATHWAYS SHALL BE CONSTRUCTED OF DECORATIVE PAVERS,
STAMPED OR COLORED CONCRETE, OR ANOTHER MATERIAL,
OTHER THAN THOSE USED TO PAVE PARKING SURFACES AND
DRIVE AISLES, AS APPROVED BY THE PLANNING AND
DEVELOPMENT DEPARTMENT.

4. THE DEVELOPER SHALL DEDICATE A 30-FOOT WIDE MULTI-USE TRAIL EASEMENT (MUTE) ALONG THE NORTH SIDE OF BROADWAY ROAD AND CONSTRUCT A MINIMUM 10-FOOT WIDE MULTI-USE TRAIL (MUT) WITHIN THE EASEMENT IN ACCORDANCE WITH THE MAG SUPPLEMENTAL DETAIL AND AS APPROVED BY THE PLANNING AND DEVELOPMENT DEPARTMENT. WHERE CONFLICTS OR RESTRICTIONS EXIST, THE DEVELOPER SHALL WORK WITH THE SITE PLANNING SECTION ON AN ALTERNATE DESIGN THROUGH THE TECHNICAL APPEAL PROCESS.
5. THE DEVELOPMENT SHALL CONFORM TO THE ESTRELLA VILLAGE ARTERIAL STREET LANDSCAPING PROGRAM, AS APPROVED BY THE PLANNING AND DEVELOPMENT DEPARTMENT.
6. A minimum of 15% open space shall be provided for the residential subdivision, as approved by the Planning and Development Department.
7. The maximum number of residential lots shall not exceed 142, as approved by the Planning and Development Department.
8. All sidewalks for the residential development shall be detached with a minimum five-foot wide landscaped strip located between the sidewalk and back of curb and shall include a minimum 2-inch caliper shade trees planted a minimum of 20 feet on center or equivalent groupings along both sides of the sidewalk, as approved by the Planning and Development Department. The landscape strip shall be installed by the developer and maintained by the HOA
9. The perimeter walls adjacent to Broadway Road and 67th Avenue shall include material and textural differences, such as stucco and/or split face block with a decorative element, such as tile, glass insets, or stamped designs, as approved by the Planning and Development Department.
10. Drive-through facilities shall be located a minimum 100 feet from any residential district, as approved by the Planning and Development Department.
11. Pueblo Avenue shall be constructed to connect the subject parcel and the existing adjacent single family neighborhood located to the west, as approved by the Planning and Development Department.
12. Right-of-way shall be dedicated and a bus bay detail # P1258 constructed southbound on 67th Avenue, south of the proposed residential entrance to the site, as approved by the Planning and Development Services Department.
13. Right-of-way shall be dedicated and a bus bay detail # P1256-1 constructed west bound on the northwest corner of Broadway Road and

67th Avenue, as approved by the Planning and Development Services Department.

14. Right-of-way totaling 55 feet shall be dedicated for the north half of
~~40.~~ Broadway Road, as approved by the Planning and Development Department.
15. Right-of-way totaling 55 feet shall be dedicated for the west half of 67th
~~41.~~ Avenue, as approved by the Planning and Development Department.
16. A 25-foot by 25-foot right-of-way triangle shall be dedicated at the
~~42.~~ northwest corner of 67th Avenue and Broadway Road, as approved by the Planning and Development Department.
17. The applicant shall relocate all Salt River Project (SRP) irrigation out of
~~43.~~ right-of-way and into the appropriate easement.
18. The proposed entrance to the subdivision on Broadway Road shall be
~~44.~~ relocated to the east to be approximately 660 feet east of 69th Lane; this will also miss the 320KV power pole.
19. The applicant shall complete and submit the Developer Project
~~45.~~ Information Form for the MAG Transportation Improvement Program to Mr. Alan Hilty, (602) 262-6193, with the Street Transportation Department. This form is a requirement of the EPA to meet clean air quality requirements.
20. The developer shall construct all streets within and adjacent to the
~~46.~~ development with paving, curb, gutter, sidewalk, curb ramps, streetlights, median islands, landscaping and other incidentals as approved by the Planning and Development Department. All improvements shall comply with all ADA accessibility standards.
21. IF DETERMINED NECESSARY BY THE PHOENIX ARCHAEOLOGY OFFICE, THE APPLICANT SHALL CONDUCT PHASE I DATA TESTING AND SUBMIT AN ARCHAEOLOGICAL SURVEY REPORT OF THE DEVELOPMENT AREA FOR REVIEW AND APPROVAL BY THE CITY ARCHAEOLOGIST PRIOR TO CLEARING AND GRUBBING, LANDSCAPE SALVAGE, AND/OR GRADING APPROVAL.
22. IF PHASE I DATA TESTING IS REQUIRED, AND IF, UPON REVIEW OF THE RESULTS FROM THE PHASE I DATA TESTING, THE CITY ARCHAEOLOGIST, IN CONSULTATION WITH A QUALIFIED ARCHAEOLOGIST, DETERMINES SUCH DATA RECOVERY EXCAVATIONS ARE NECESSARY, THE APPLICANT SHALL CONDUCT PHASE II ARCHAEOLOGICAL DATA RECOVERY EXCAVATIONS.
23. IN THE EVENT ARCHAEOLOGICAL MATERIALS ARE ENCOUNTERED DURING CONSTRUCTION, THE DEVELOPER

SHALL IMMEDIATELY CEASE ALL GROUND-DISTURBING ACTIVITIES WITHIN A 33- FOOT RADIUS OF THE DISCOVERY, NOTIFY THE CITY ARCHAEOLOGIST, AND ALLOW TIME FOR THE ARCHAEOLOGY OFFICE TO PROPERLY ASSESS THE MATERIALS.

24. PRIOR TO PRELIMINARY SITE PLAN APPROVAL, THE LANDOWNER SHALL EXECUTE A PROPOSITION 207 WAIVER OF CLAIMS IN A FORM APPROVED BY THE CITY ATTORNEY'S OFFICE. THE WAIVER SHALL BE RECORDED WITH THE MARICOPA COUNTY RECORDER'S OFFICE AND DELIVERED TO THE CITY TO BE INCLUDED IN THE REZONING APPLICATION FILE FOR RECORD.

SECTION 2. Due to the site's specific physical conditions and the use district granted pursuant to Ordinance G-5879, this portion of the rezoning is now subject to the stipulations approved pursuant to Ordinance G-5879 and as modified in Section 1 of this Ordinance. Any violation of the stipulation is a violation of the City of Phoenix Zoning Ordinance. Building permits shall not be issued for the subject site until all the stipulations have been met.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions hereof.

PASSED by the Council of the City of Phoenix this 17th day of February, 2021.

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

_____ City Attorney

REVIEWED BY:

_____ City Manager

Exhibits:

A - Legal Description (1 Page)

B - Ordinance Location Map (1 Page)

DRAFT

EXHIBIT A

LEGAL DESCRIPTION FOR PHO-1-20-- Z-43-13-7

PARCEL NO. 1:

THE SOUTH 350 FEET OF THE EAST 479 FEET OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 1 NORTH, RANGE 1 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA; EXCEPT THE SOUTH 40 FEET AND THE EAST 40 FEET FOR ROADWAY PURPOSES.

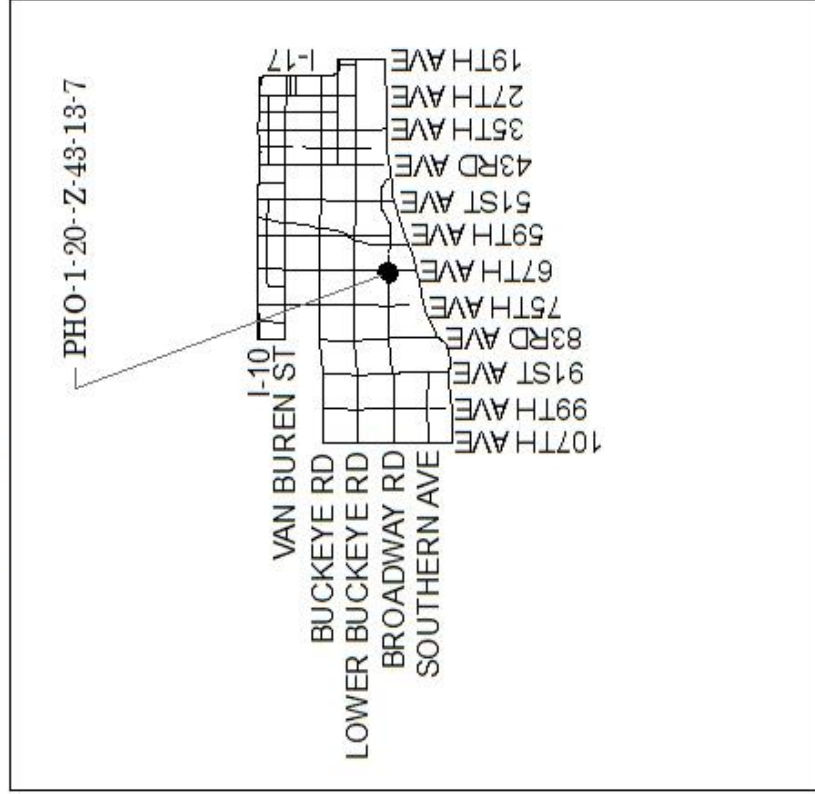
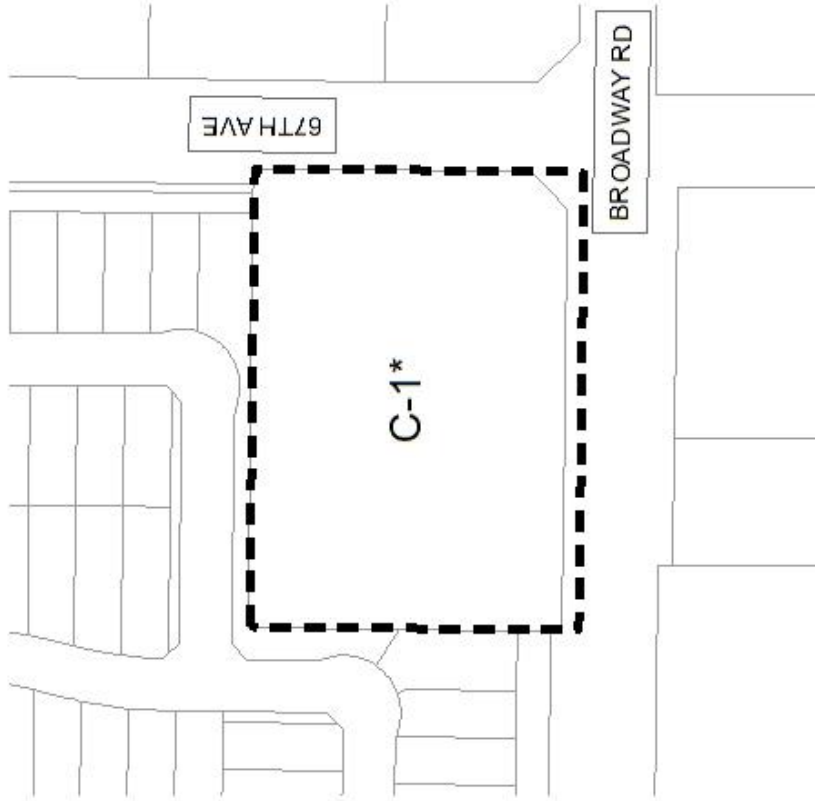
DRAFT

EXHIBIT B

ORDINANCE LOCATION MAP

Zoning Case Number: PHO-1-20-Z-43-13-7
Zoning Overlay: N/A
Planning Village: Estrella

ZONING SUBJECT TO STIPULATIONS: *
SUBJECT AREA: - - - - -



NOT TO SCALE



Drawn Date: 1/21/2021



*****ITEM REVISED (SEE ATTACHED MEMO)*** Formal Action - PCD Major Amendment - Rezoning Application Z-49-XX-75-3 - Northwest Corner of Tatum Boulevard and Cactus Road**

Request to approve Rezoning Application Z-49-XX-75-3 per the Planning Commission recommendation and rezone the site from RSC PCD (Regional Shopping Center, Planned Community District) to C-2 H-R DNS/WVR SP PCD (Intermediate Commercial, High-Rise and High Density, Density Waiver, Special Permit, Planned Community District) for a mix of uses to include retail, office, multifamily, grocer, distribution, hospitality, medical and a Special Permit for self-storage and all underlying C-2 uses. This item requires Formal Action only.

Summary

Current Zoning: RSC PCD

Proposed Zoning: C-2 H-R DNS/WVR SP PCD

Acreage: 91.16 acres

Proposed Use: A mix of uses to include retail, office, multifamily, grocer, distribution, hospitality, medical and a Special Permit for self-storage and all underlying C-2 uses.

Owner: Paradise Valley Mall SPE, LLC, et al

Applicant: Ed Bull, Burch & Cracchiolo, P.A.

Representative: Ed Bull, Burch & Cracchiolo, P.A.

Staff Recommendation: Approval, subject to stipulations.

VPC Action: The Paradise Valley Village Planning Committee heard the case on Feb. 1, 2021 and recommended approval, per the staff recommendation, by a 14-0 vote.

PC Action: The Planning Commission heard the case on Feb. 4, 2021 and recommended approval, per the Paradise Valley Village Planning Committee recommendation, by a 8-0 vote.

Location

Northwest corner of Tatum Boulevard and Cactus Road

Parcel Addresses: 4500, 4502, 4520, 4540, 4550, 4554, 4568, 4570, 4604, and 4610 E. Cactus Road; 4515 and 4623 E. Paradise Village Parkway; and 12820 N. Tatum Blvd.

Council District: 3

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.




City of Phoenix

PLANNING & DEVELOPMENT DEPARTMENT

To: Mario Paniagua
Deputy City Manager

Date: February 15, 2021


From: Alan Stephenson 
Planning and Development Director

Subject: CHANGE ITEM 78 ON THE FEBRUARY 17, 2021 - FORMAL AGENDA –
PUBLIC HEARING/FORMAL ACTION OF Z-49-XX-75-3

Item 78, on the February 17, 2021 Formal Agenda, is a request to approve Rezoning Application Z-49-XX-75-3 – Northwest corner of Tatum Boulevard and Cactus Road, from RSC PCD (Regional Shopping Center, Planned Community District) to C-2 H-R DNS/WVR SP PCD (Intermediate Commercial, High-Rise and High Density, Density Waiver, Special Permit, Planned Community District) for a mix of uses to include retail, office, multifamily, grocer, distribution, hospitality, medical and a Special Permit for self-storage and all underlying C-2 uses.

The Paradise Valley Village Planning Committee recommended approval, per the staff recommendation, by a 14-0 vote. The Planning Commission recommended approval, per the Paradise Valley Village Planning Committee recommendation, by an 8-0 vote. The one week appeal period for the Planning Commission's decision had not expired when the item was placed on the agenda. The appeal period has passed, and no appeal was filed so a public hearing is not required. The memo requests to change item 78 from a Public Hearing to a Formal Action.

Approved:



Mario Paniagua, Deputy City Manager

Attachment A

Z-49-XX-75-3 (Paradise Valley Planned Community District)

Planning Commission Approved Stipulations:

1. Building heights shall be limited to a maximum of 120 feet, 85 feet, and 30 feet, as depicted on the Project Building Heights exhibit, date stamped January 5, 2021.
2. Buildings shall have a cohesive design theme throughout the development and all buildings visible from public streets and private accessways and driveways shall contain a minimum of three architectural embellishments and detailing such as textural changes, pilasters, offsets, recesses, variation in window size and location, and/or overhang canopies, as approved by the Planning and Development Department.
3. The following frontage types shall be provided for all dwelling units oriented to the Paradise Valley Mall Loop Road ("loop road"), as approved by the Planning and Development Department:
 - a. Individual pedestrian entrance oriented to the loop road and connected to the public sidewalk by a direct pedestrian pathway.
 - b. Include a porch or patio, described as follows:
 - (1) Porches shall have a minimum dimension of six feet in depth by a width of no less than 50 percent of the total unit; be oriented to the outer loop road; have a unit entrance; and have a direct pedestrian connection to the public/private sidewalk.
 - (2) Patios shall have a minimum dimension of six feet in depth by a minimum width of 9 feet, and a minimum size of 54 square feet; be enclosed on each side by a low wall or fence not to exceed 36 inches in height; be oriented to the loop road; have a unit entrance; and have a direct pedestrian connection to the public/private sidewalk.
4. Pedestrian circulation shall generally conform to the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped January 13, 2021. Alternative pedestrian pathways may be approved so long as pedestrian connectivity is provided for the following:
 - Relocated transit center
 - Library
 - Existing and future open space areas

- Public streets

Plans shall show future shading generally contained to pedestrian pathways, as approved by the Planning and Development Department.

5. A Master Pedestrian Circulation/Open Space Plan shall be completed prior to preliminary site plan approval. This master plan shall be updated for each phase of development, as each new phase is in the city's development review process. The Master Pedestrian Circulation/Open Space Plan shall generally be consistent with the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped January 13, 2021, or future alternative plans, and include the following features:
 - Pedestrian circulation, including at least one primary pedestrian route for north-south circulation and one for east-west circulation.
 - Pavement widths and details
 - Shade treatment and calculation
 - Locations of detached sidewalks
 - Locations of attached sidewalks
 - Vehicular roadways
 - Open space areas
 - Bicycle amenities

6. Open space areas shall conform to Section 1310 of the Phoenix Zoning Ordinance. The open space areas shall provide at a minimum decorative paving, landscaping, shade elements, trash receptacles, art or artistic elements or seating areas and shall be located at the following locations:
 - Northwest corner of Tatum Boulevard and Cactus Road
 - South of the southwest corner of Tatum Boulevard and Larkspur Drive
 - Northeast corner of Paradise Village Parkway and Cactus Road

7. Bicycle infrastructure shall be provided, as described below and as approved by the Planning and Development Department.
 - a. Two bicycle repair stations (fix-it stations) shall be provided in areas of high visibility, convenient pedestrian access, and available from the public and/or provide sidewalks. The stations shall include standard repair tools affixed to the station, a tire gauge and pump, and a bicycle repair stand which allows pedals and wheels to spin freely while making adjustments to the bike.

One station shall be provided with the first phase of development and the second station shall be provided with a future phase of development along the north portion of the loop road, as depicted on the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped

January 13, 2021.

- b. Bicycle parking shall be required per Section 1307.H of the Phoenix Zoning Ordinance.
 - c. All required bicycle parking for multifamily use, per Section 1307.H.6.d. of the Phoenix Zoning Ordinance, shall be secured parking.
 - d. Guest bicycle parking for multifamily residential use shall be provided at a minimum of 0.5 spaces per unit with a maximum of 50 spaces near entrances of buildings and installed per the requirements of Section 1307.H. of the Phoenix Zoning Ordinance.
 - e. A minimum of 10 percent of the required bicycle parking for nonresidential uses shall be secured per the requirements of Section 1307.H. of the City of Phoenix Zoning Ordinance.
8. All public sidewalks shall be detached with a minimum 5-foot-wide landscape area located between the sidewalk and back of curb and planted to the following standards, as approved by the Planning and Development Department. Where utility conflicts exist, the developer shall work with the Planning and Development Department on alternative design solutions with a pedestrian environment.
- Detached sidewalk shall be provided proportionally as redevelopment occurs adjacent to or within 100 feet of the public right-of-way.
- a. Minimum 3-inch caliper large canopy, single-trunk, shade trees placed a minimum of 25 feet on center or in equivalent groupings to provide a minimum of 50 percent shade at maturity on all adjacent sidewalks.
 - b. Drought tolerant shrubs and vegetative groundcovers with a maximum mature height of 24 inches to provide a minimum of 50 percent live coverage at maturity.
9. Seasonal shade, sun and temperature regulation through vegetative or structural shade elements shall be provided for Phase 1 of the development at the northwest corner of Tatum Boulevard and Cactus Road to allow pedestrians to enter the site comfortably, as approved by the Planning and Development Department.
10. There shall be a minimum of 25 percent structural or vegetative shade at maturity in the surface parking lots, as approved by the Planning and Development Department.
11. The developer shall wrap all newly constructed parking structures visible from

- the loop road or any primary pedestrian route (to be identified on the Master Pedestrian Circulation/Open Space Plan) with other uses such as, street level retail, office space, or residential dwelling units; or with decorative screening such as, perforated screening, illuminated art, living greenery, decorative metal panels or other design features, as approved by the Planning and Development Department.
12. Newly constructed walls visible from public streets of the loop road shall incorporate stone veneer, stonework, integral color CMU block, decorative block, split face or faux stone, as approved by the Planning and Development Department.
 13. The self-service storage warehouse use, covered under the Special Permit, shall comply with the following:
 - a. Storage buildings shall not exceed three stories or 30 feet in height.
 - b. Storage buildings shall be limited to an 80,000-square foot footprint, and not to exceed a 200,000-square foot floor area.
 - c. Any outdoor storage areas must be screened with a decorative solid wall.
 14. Relocation and/or reconstruction of the Paradise Valley Transit Center is subject to Planning and Development Department and Public Transit Department Approval. A minimum of three transit vehicle servicing points shall be constructed at any relocated or reconstructed site. All plans and designs for relocated and/or reconstructed transit facilities shall require approval from the Public Transit Department and the Planning and Development Department. The Public Transit Department shall retain removable assets located at the Paradise Valley Transit Center should relocation and/or reconstruction be approved.
 15. Trees or shade structures shall be placed to provide a minimum of 50 percent shade coverage in pedestrian areas at the transit center.
 16. Vehicle access to all public transit facilities shall be ensured by dedication of transit easements or other legal agreements, as approved by the Public Transit Department and the Planning and Development Department.
 17. The developer shall dedicate right-of-way and construct two bus stop pads at locations approved or modified by the Public Transit Department. Bus stop pads shall be constructed according to City of Phoenix Standard Detail P1260 with a minimum depth of 10 feet. Bus stop pads shall be spaced from intersections according to City of Phoenix Standard Detail P1258. Trees shall be placed to provide 50 percent shade at bus stop pads, as approved by the

Planning and Development Department.

18. Clearly defined, accessible pedestrian pathways shall be provided to connect building entrances, bus stop pads, transit center, site amenities, and public sidewalks, using the most direct route for pedestrians, as approved by the Planning and Development Department.
19. Where pedestrian pathways cross drive aisles, they shall be constructed of decorative pavers, stamped, or colored concrete, or other pavement treatments that visually contrast with the adjacent parking and drive aisle surfaces, as approved by the Planning and Development Department.
20. All cross-access agreements shall include a pedestrian pathway, as approved by the Planning and Development Department.
21. The applicant shall submit a Traffic Impact Study to the City for this development. No preliminary approval of site plans shall be granted until the study is reviewed and approved by the City. Contact Mr. Christopher Kowalsky, Special Projects Administrator, at (602) 534-7105, to set up a meeting to discuss the requirements of the study. Upon completion of the TIS the developer shall submit the completed TIS to the Planning and Development Department counter with instruction to forward the study to the Street Transportation Department, City Engineers Office. Additional dedications and/or improvements may be required as per the approved Traffic Impact Study.
22. The developer shall construct all streets within and adjacent to the development with paving, curb, gutter, sidewalk, curb ramps, streetlights, landscape median islands, landscaping and other incidentals, as per plans approved by the Planning and Development Department. All improvements shall comply with all ADA accessibility standards.
23. In the event archaeological materials are encountered during construction, the developer shall immediately cease all ground-disturbing activities within a 33-foot radius of the discovery, notify the City Archaeologist, and allow time for the Archaeology Office to properly assess the materials.
24. Prior to preliminary site plan approval, the landowner shall execute a Proposition 207 waiver of claims form. The waiver shall be recorded with the Maricopa County Recorder's Office and delivered to the City to be included in the rezoning application file for record.

Exhibits:

- A – Legal Description (5 Pages)
- B – Major PCD Amendment Map (1 Page)

EXHIBIT A

LEGAL DESCRIPTION FOR Z-49-XX-75-3

A PARCEL OF LAND LOCATED IN A PORTION OF THE EAST HALF OF SECTION 18, TOWNSHIP 3 NORTH, RANGE 4 EAST OF THE GILA & SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 18 FROM WHICH THE EAST QUARTER CORNER THEREOF BEARS THENCE NORTH 01 DEGREES 22 MINUTES 04 SECONDS WEST, A DISTANCE OF 2618.84 FEET;

THENCE NORTH 01 DEGREES 22 MINUTES 04 SECONDS WEST ALONG THE EAST LINE OF SAID SECTION 18, A DISTANCE OF 268.99 FEET TO A POINT LYING ON THE RELOCATED MONUMENT LINE OF CACTUS ROAD AS RECORDED IN DOCKET 12020, PAGE 713, IN DOCKET 12020, PAGE 733, IN DOCKET 12020, PAGE 747, AND IN DOCKET 12437, PAGE 582, AND ACCORDING TO BOOK 195 OF MAPS, PAGE 30, RECORDS OF MARICOPA COUNTY, ARIZONA;

THENCE NORTH 69 DEGREES 52 MINUTES 05 SECONDS WEST ALONG SAID REALIGNED CACTUS ROAD MONUMENT LINE, 832.80 FEET TO A POINT LYING ON THE MONUMENT LINE OF REALIGNED TATUM BOULEVARD;

THENCE CONTINUING NORTH 69 DEGREES 52 MINUTES 05 SECONDS WEST, ALONG SAID MONUMENT LINE, A DISTANCE OF 719.97 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 2291.83 FEET;

THENCE WESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 35 DEGREES 37 MINUTES 05 SECONDS, A DISTANCE OF 1424.72 FEET TO THE **POINT OF BEGINNING** AND THE BEGINNING OF A CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES SOUTH 15 DEGREES 29 MINUTES 09 SECONDS EAST, A RADIAL DISTANCE OF 2,291.83 FEET AND HAVING A CHORD BEARING OF SOUTH 72 DEGREES 14 MINUTES 44 SECONDS WEST, 181.43 FEET; THENCE WESTERLY ALONG THE ARC, THROUGH A CENTRAL ANGLE OF 04 DEGREES 32 MINUTES 13 SECONDS, A DISTANCE OF 181.48 FEET

THENCE NORTH 29 DEGREES 51 MINUTES 46 SECONDS EAST, A DISTANCE OF 530.39 FEET TO THE POINT OF CURVE OF A NON-TANGENT CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES NORTH 29 DEGREES 51 MINUTES 46 SECONDS EAST, A RADIAL DISTANCE OF 540.00 FEET;

THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 07 DEGREES 56 MINUTES 42 SECONDS, A DISTANCE OF 74.88 FEET;

THENCE SOUTH 29 DEGREES 51 MINUTES 46 SECONDS WEST, A DISTANCE OF 354.47 FEET;

THENCE SOUTH 15 DEGREES 29 MINUTES 09 SECONDS EAST, A DISTANCE OF 67.00 FEET TO THE **POINT OF BEGINNING**.

SAID PARCEL CONTAINS 38,814 SQUARE FEET OR 0.891 ACRES, MORE OR LESS.

A PARCEL OF LAND LOCATED IN A PORTION OF THE EAST HALF OF SECTION 18, TOWNSHIP 3 NORTH, RANGE 4 EAST OF THE GILA & SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 18 FROM WHICH THE EAST QUARTER CORNER THEREOF BEARS THENCE NORTH 01 DEGREES 22 MINUTES 04 SECONDS WEST, A DISTANCE OF 2618.84 FEET;

THENCE NORTH 01 DEGREES 22 MINUTES 04 SECONDS WEST ALONG THE EAST LINE OF SAID SECTION 18, A DISTANCE OF 268.99 FEET TO A POINT LYING ON THE RELOCATED MONUMENT LINE OF CACTUS ROAD AS RECORDED IN DOCKET 12020, PAGE 713, IN DOCKET 12020, PAGE 733, IN DOCKET 12020, PAGE 747, AND IN DOCKET 12437, PAGE 582, AND ACCORDING TO BOOK 195 OF MAPS, PAGE 30, RECORDS OF MARICOPA COUNTY, ARIZONA;

THENCE NORTH 69 DEGREES 52 MINUTES 05 SECONDS WEST ALONG SAID REALIGNED CACTUS ROAD MONUMENT LINE, 832.80 FEET TO A POINT LYING ON THE MONUMENT LINE OF REALIGNED TATUM BOULEVARD;

THENCE CONTINUING NORTH 69 DEGREES 52 MINUTES 05 SECONDS WEST, ALONG SAID MONUMENT LINE, A DISTANCE OF 193.92 FEET THE **POINT OF BEGINNING OF PARCEL NO. 1**;

THENCE CONTINUING NORTH 69 DEGREES 52 MINUTES 05 SECONDS WEST, ALONG SAID MONUMENT LINE, A DISTANCE OF 240.75 FEET TO A POINT HEREINAFTER REFERRED TO AS **POINT 'A'**;

THENCE NORTH 20 DEGREES 07 MINUTES 55 SECONDS EAST, A DISTANCE OF 212.00 FEET;

THENCE NORTH 10 DEGREES 14 MINUTES 57 SECONDS WEST, A DISTANCE OF 163.12 FEET TO THE POINT OF CURVE OF A NON-TANGENT CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES NORTH 13 DEGREES 05 MINUTES 47 SECONDS WEST, A RADIAL DISTANCE OF 580.00 FEET;

THENCE EASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 02 DEGREES 04 MINUTES 22 SECONDS, A DISTANCE OF 20.98 FEET;

THENCE SOUTH 24 DEGREES 59 MINUTES 50 SECONDS EAST, A DISTANCE OF 431.65 FEET;

THENCE SOUTH 20 DEGREES 07 MINUTES 55 SECONDS WEST, A DISTANCE OF 60.00 FEET TO THE **POINT OF BEGINNING OF PARCEL NO. 1.**

SAID PARCEL CONTAINS 47,857 SQUARE FEET OR 1.099 AC, MORE OR LESS.

TOGETHER WITH

COMMENCING AT THE AFOREMENTIONED **POINT 'A'**;

THENCE NORTH 69 DEGREES 52 MINUTES 05 SECONDS WEST, ALONG SAID REALIGNED CACTUS ROAD MONUMENT LINE, A DISTANCE OF 285.30 FEET TO THE BEGINNING OF A CURVE TO THE LEFT, HAVING A RADIUS OF 2291.83 FEET;

THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09 DEGREES 18 MINUTES 28 SECONDS, A DISTANCE OF 372.32 FEET TO THE **POINT OF BEGINNING OF PARCEL NO. 2** AND THE BEGINNING OF A CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES SOUTH 10 DEGREES 49 MINUTES 27 SECONDS WEST, A RADIAL DISTANCE OF 2,291.83 FEET AND HAVING A CHORD BEARING OF NORTH 82 DEGREES 32 MINUTES 47 SECONDS WEST, 269.50 FEET; THENCE WESTERLY ALONG THE ARC, THROUGH A CENTRAL ANGLE OF 06 DEGREES 44 MINUTES 29 SECONDS, A DISTANCE OF 269.66 FEET TO A POINT HEREINAFTER REFERRED TO AS **POINT 'B'**;

THENCE NORTH 04 DEGREES 04 MINUTES 58 SECONDS EAST, A DISTANCE OF 308.00 FEET TO THE POINT OF CURVE OF A NON-TANGENT CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES SOUTH 04 DEGREES 04 MINUTES 58 SECONDS WEST, A RADIAL DISTANCE OF 2,599.84 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 03 DEGREES 08 MINUTES 01 SECONDS, A DISTANCE OF 142.19 FEET;

THENCE NORTH 03 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 360.58 FEET;

THENCE SOUTH 87 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 153.99 FEET;

THENCE NORTH 48 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 64.20 FEET;

THENCE SOUTH 87 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 36.89 FEET;

THENCE SOUTH 42 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 8.21 FEET;

THENCE NORTH 48 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 119.38 FEET;

THENCE SOUTH 87 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 111.17 FEET;

THENCE SOUTH 42 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 207.89 FEET;

THENCE SOUTH 87 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 170.00 FEET;

THENCE SOUTH 03 DEGREES 00 MINUTES 00 SECONDS WEST, A DISTANCE OF 421.51 FEET TO THE POINT OF CURVE OF A NON-TANGENT CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES SOUTH 17 DEGREES 44 MINUTES 36 SECONDS WEST, A RADIAL DISTANCE OF 2,599.84 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 06 DEGREES 55 MINUTES 09 SECONDS, A DISTANCE OF 313.96 FEET;

THENCE SOUTH 10 DEGREES 49 MINUTES 27 SECONDS WEST, A DISTANCE OF 308.00 FEET TO THE **POINT OF BEGINNING OF PARCEL NO. 2.**

SAID PARCEL CONTAINS 405,452 SQUARE FEET OR 9.308 AC, MORE OR LESS.

TOGETHER WITH

COMMENCING AT THE AFOREMENTIONED **POINT 'B'** BEING THE BEGINNING OF A CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES SOUTH 04 DEGREES 04 MINUTES 58 SECONDS WEST, A RADIAL DISTANCE OF 2,291.83 FEET AND HAVING A CHORD BEARING OF SOUTH 87 DEGREES 04 MINUTES 44 SECONDS WEST, 558.92 FEET;

THENCE WESTERLY ALONG THE ARC, THROUGH A CENTRAL ANGLE OF 14 DEGREES 00 MINUTES 28 SECONDS, A DISTANCE OF 560.32 FEET TO THE

POINT OF BEGINNING OF PARCEL NO. 3 AND THE BEGINNING OF A CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES SOUTH 09 DEGREES 55 MINUTES 30 SECONDS EAST, A RADIAL DISTANCE OF 2,291.83 FEET AND HAVING A CHORD BEARING OF SOUTH 77 DEGREES 17 MINUTES 40 SECONDS WEST, 222.35 FEET; THENCE WESTERLY ALONG THE ARC, THROUGH A CENTRAL ANGLE OF 05 DEGREES 33 MINUTES 39 SECONDS, A DISTANCE OF 222.43 FEET

THENCE NORTH 15 DEGREES 29 MINUTES 09 SECONDS WEST, A DISTANCE OF 67.00 FEET;

THENCE NORTH 29 DEGREES 51 MINUTES 46 SECONDS EAST, A DISTANCE OF 354.47 FEET TO THE POINT OF CURVE OF A NON-TANGENT CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES NORTH 21 DEGREES 55 MINUTES 04 SECONDS EAST, A RADIAL DISTANCE OF 540.00 FEET;

THENCE EASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 07 DEGREES 07 MINUTES 42 SECONDS, A DISTANCE OF 67.18 FEET;

THENCE SOUTH 47 DEGREES 38 MINUTES 34 SECONDS WEST, A DISTANCE OF 68.00 FEET;

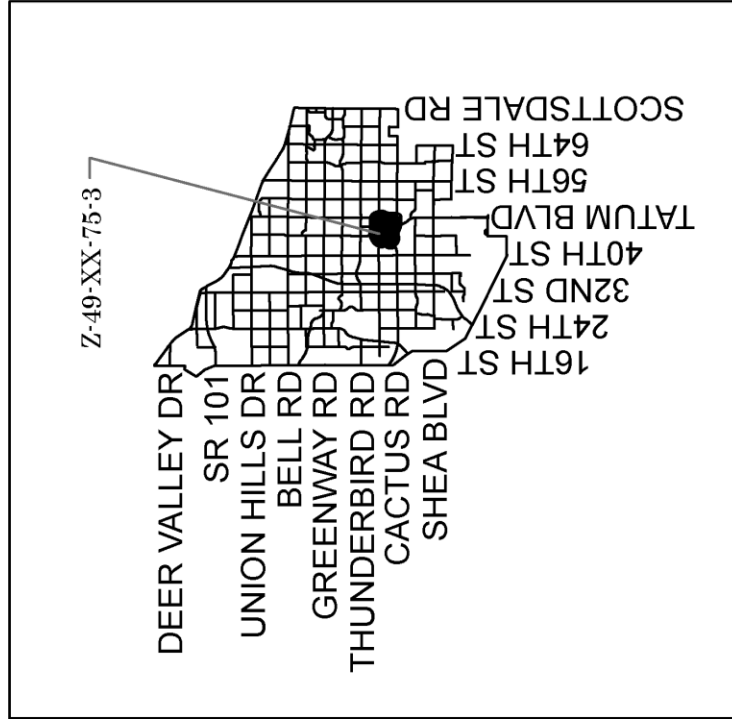
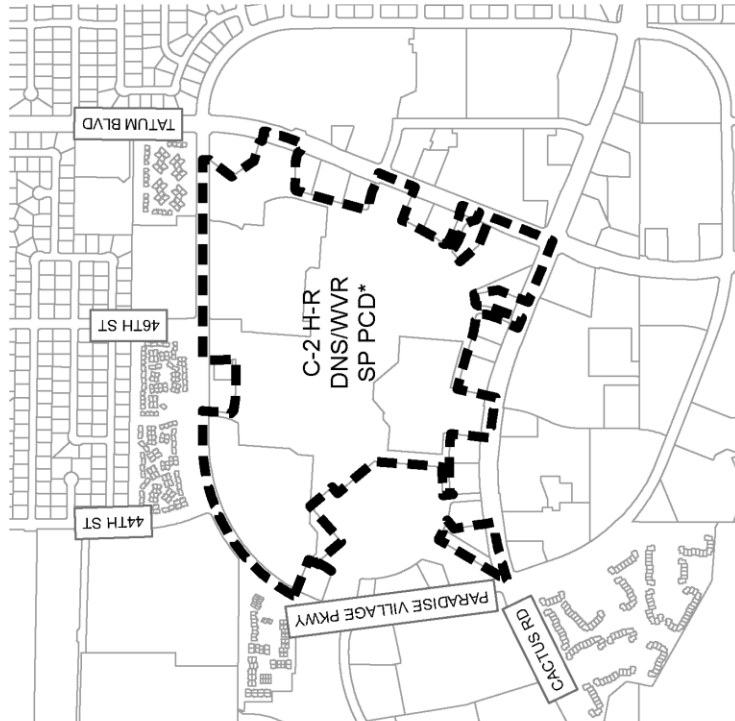
THENCE SOUTH 09 DEGREES 55 MINUTES 30 SECONDS EAST, A DISTANCE OF 260.00 FEET TO THE **POINT OF BEGINNING OF PARCEL NO. 3**.

SAID PARCEL CONTAINS 46,679 SQUARE FEET OR 1.072 AC, MORE OR LESS.

MAJOR PCD AMENDMENT MAP

Zoning Case Number: Z-49-XX-75-3
Zoning Overlay: N/A
Planning Village: Paradise Valley

ZONING SUBJECT TO STIPULATIONS: *
SUBJECT AREA: - - - - -



NOT TO SCALE

Drawn Date: 2/1/2021

\\one\pdd\Shared\Department Share\Information Systems\PL GIS\IS_Team\Core_Functions\Zoning\SuppMaps\2021 Ord\2-17-21\Z-49-XX-75-3.mxd



City of Phoenix
 PLANNING AND DEVELOPMENT DEPARTMENT

Staff Report Z-49-XX-75-3
January 29, 2021

Paradise Valley Village Planning Committee Meeting Date: February 1, 2021

Planning Commission Hearing Date: February 4, 2021

Request From: RSC PCD (Regional Shopping Center, Planned Community District) (91.16 acres)

Request To: C-2 H-R DNS/WVR SP PCD (Intermediate Commercial, High-Rise and High Density, Density Waiver, Special Permit, Planned Community District) (91.16 acres)

Proposed Use: Major Amendment to the Paradise Valley PCD to allow a mix of uses (multifamily and commercial) up to 120 feet in height and a Special Permit for self-service storage and all underlying C-2 uses.

Location: Northwest corner of Tatum Boulevard and Cactus Road

Owner Paradise Valley Mall SPE, LLC

Applicant/Representative: Ed Bull, Burch & Cracchiolo P.A.

Staff Recommendation: Approval, subject to stipulations

<u>General Plan Conformity</u>			
<u>General Plan Land Use Map Designation</u>		Paradise Valley Village Core, Commercial	
<u>Street Map Classification</u>	Tatum Boulevard	Major Arterial	Varies 55 to 67-foot west half street
	Cactus Boulevard	Major Arterial	Varies 60 to 67-foot north half street

	Paradise Village Parkway	Collector	42-foot east and south half street
<p><i>CELEBRATE OUR DIVERSE COMMUNITIES AND NEIGHBORHOODS CORE VALUE; HEALTHY NEIGHBORHOODS; DESIGN PRINCIPLE: Design neighborhoods and buildings to provide pedestrian access to adjacent transportation infrastructure such as public transit.</i></p> <p>As stipulated, the development is providing pedestrian pathways from all building entrances to all public streets and adjacent commercial uses in order to provide a pedestrian friendly environment adjacent to a transit center.</p>			
<p><i>BUILD THE SUSTAINABLE DESERT CITY CORE VALUE; TREES AND SHADE; DESIGN PRINCIPLE: Integrate trees and shade into the design of new development and redevelopment projects throughout Phoenix.</i></p> <p>The proposed PUD includes shade and landscaping requirements that will promote walkability and a pleasant pedestrian experience.</p>			
<p><i>CONNECT PEOPLE AND PLACES CORE VALUE; CORES, CENTERS & CORRIDORS; LAND USE PRINCIPLE: Locate land uses with the greatest height and most intense uses within village cores, centers and corridors based on village character, land use needs, and transportation system capacity.</i></p> <p>The proposed PUD is located within the Paradise Valley Village core and is promoting increased height and more intense uses that will connect to the existing and future infrastructure and will serv those that live and work in the village.</p>			
<p><i>CONNECT PEOPLE AND PLACES CORE VALUE; OPPORTUNITY SITES; LAND USE PRINCIPLE: Support reasonable levels of increased intensity, respectful of local conditions and surrounding neighborhoods.</i></p> <p>The development provides a reasonable level of intensity that is respectful to local conditions and surrounding neighborhoods. The development will provide an appropriate transition from the commercially zoned land to the south, east, west and multifamily residential to the north.</p>			

<p>Applicable Plans, Overlays, and Initiatives</p>
<p>Tree and Shade Master Plan: See Background Item No. 8 below.</p> <p>Complete Streets Guiding Principles: See Background Item No. 9 below.</p>

[Comprehensive Bicycle Master Plan](#): See Background Item No. 10 below.

[Zero Waste PHX](#): See Background Item No. 11 below.

[Housing Phoenix](#): See Background Item No. 12 below.

Surrounding Land Uses and Zoning		
	<u>Land Use</u>	<u>Zoning</u>
On Site	Paradise Valley Mall (Retail, commercial services, restaurants, transit center)	RSC PCD
North (across Paradise Village Parkway)	Multifamily residential	PAD-14 PCD
Northwest (across Paradise Village Parkway)	Sweetwater Park (City park)	PCD (Approved R1-8 PCD)
West (abutting)	Commercial retail, restaurants, commercial services	RSC PCD
West (across Paradise Village Parkway)	Multifamily residential, commercial uses	PAD-14 PCD, C-2 PCD
East (across Tatum Boulevard)	Commercial retail, restaurants, commercial services	C-2 PCD, PSC PCD
East (abutting)	Commercial retail, restaurants, commercial services	RSC PCD
South (abutting)	Restaurant Pads	RSC PCD
South (across Cactus Road)	Commercial retail, restaurants, commercial services	C-2 PCD

Background/Issues/Analysis

SUBJECT SITE

1. This request is to rezone approximately 91.16 acres on the northwest corner of Tatum Boulevard and Cactus Road from RSC PCD (Regional Shopping Center, Planned Community District) to C-2 H-R DNS/WVR SP PCD (Intermediate Commercial, High-Rise and High Density, Density Waiver, Special Permit, Planned Community District) for a major amendment to the Village of Paradise Valley Planned Community District to allow a mix of uses (multifamily and commercial) up to 120 feet in height and a Special Permit for self-service storage and all underlying C-2 uses. The site is currently developed with a regional shopping mall. The existing mall will be redeveloped into a mixed-use development.

The H-R (High-Rise and High Density District) zoning is requested to allow building heights greater than four stories or 56 feet, as allowed in village cores. The H-R district allows up to 250 feet in height, however the applicant has provided a building height exhibit that restricts the building heights to 120, 85, and 30 feet, as depicted on the Project Building Heights plan. Further detail on the building heights is provided in Background Item No. 5.

The density waiver is requested to allow dwelling unit density up to the R-5 zoning district standards. The underlying zoning for this proposal is C-2. This district allows a density as set forth in the R-3 zoning district standards (14.5, up to 17.4 dwelling units per acre). A density waiver allows a density as set forth in the R-5 zoning district standards (43.5, up to 52.2 dwelling units per acre). Development on the site also will have the option of utilizing the density standards afforded by the C-2 HR district when development proposed on a site plan exceeds 4 stories or 56 feet in building height.

In an effort to limit the size of the self-storage use on the overall site, staff is recommending Stipulation No. 13, which limits the size of the use.

Development standards for the zoning area will vary based on scope, building height and use as outlined in the City of Phoenix Zoning Ordinance.

The subject site consists of several parcels that are under the ownerships of Paradise Valley Mall SPE LLC, Dillard's Properties, Inc., DSS Uniter, LLC., and Macy's Department Stores, Inc. The site currently contains a regional shopping mall with surface parking, a parking structure as well as several out parcels that consist of a transit center and open space areas. The subject site was annexed into the City of Phoenix on October 15, 1961. At that time the subject site and the surrounding area vastly consisted of vacant land. This area was planned in 1975 as a Planned Community District (PCD) of 1,222 acres, known as The Village of Paradise Valley PCD, through Rezoning Case No. Z-49-75. Subsequently, The

Village of Paradise Valley PCD went through several amendments since its original approval. However, these amendments did not affect the subject site. The current RSC PCD zoning designation was established through the original rezoning case, Rezoning Case No. Z-49-75 on July 22, 1975. Maricopa County Historical Aerials indicate that the subject site began development prior to 1979. The PCD Zoning District is intended to establish a development pattern for a larger area while permitting flexibility for specific developments and safeguards that adequate infrastructure needs are met for the area. The proposed rezoning on the site proposes the site remain in the PCD. The developer will be required to provide updated infrastructure as needed and determined through the Planning and Development Department's site development process.

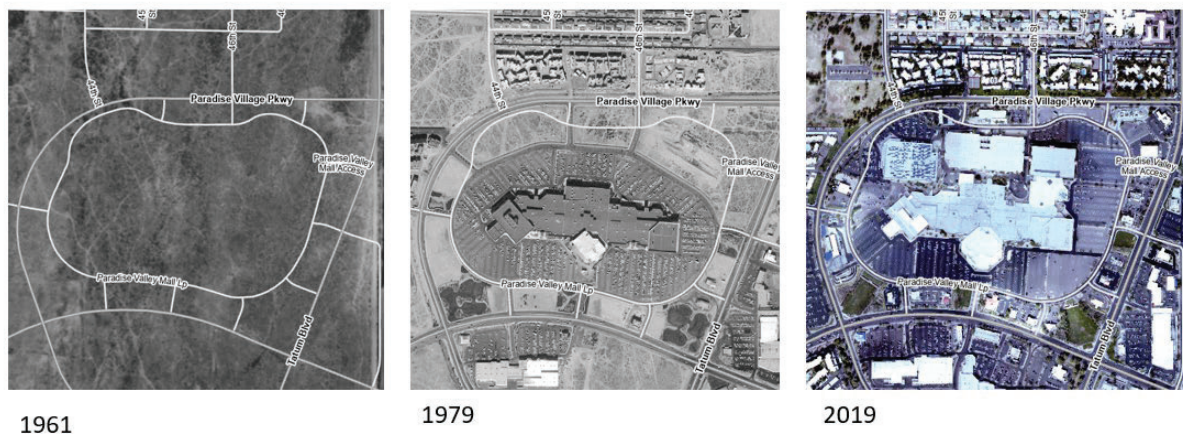


Figure A: Historic Aerials, Source: Maricopa County Assessor's Office

2. The rezoning area consists of the majority of the Paradise Valley Mall, which opened in the late 1970s. In addition, the site contains existing dedicated open space areas located on the perimeter. Staff is recommending all open space areas contain decorative paving, landscaping, shade elements, trash receptacles art, artistic elements or seating areas. This is addressed in Stipulation No. 6. The site also contains existing retail, restaurants, and a transit facility which will be relocated on site.

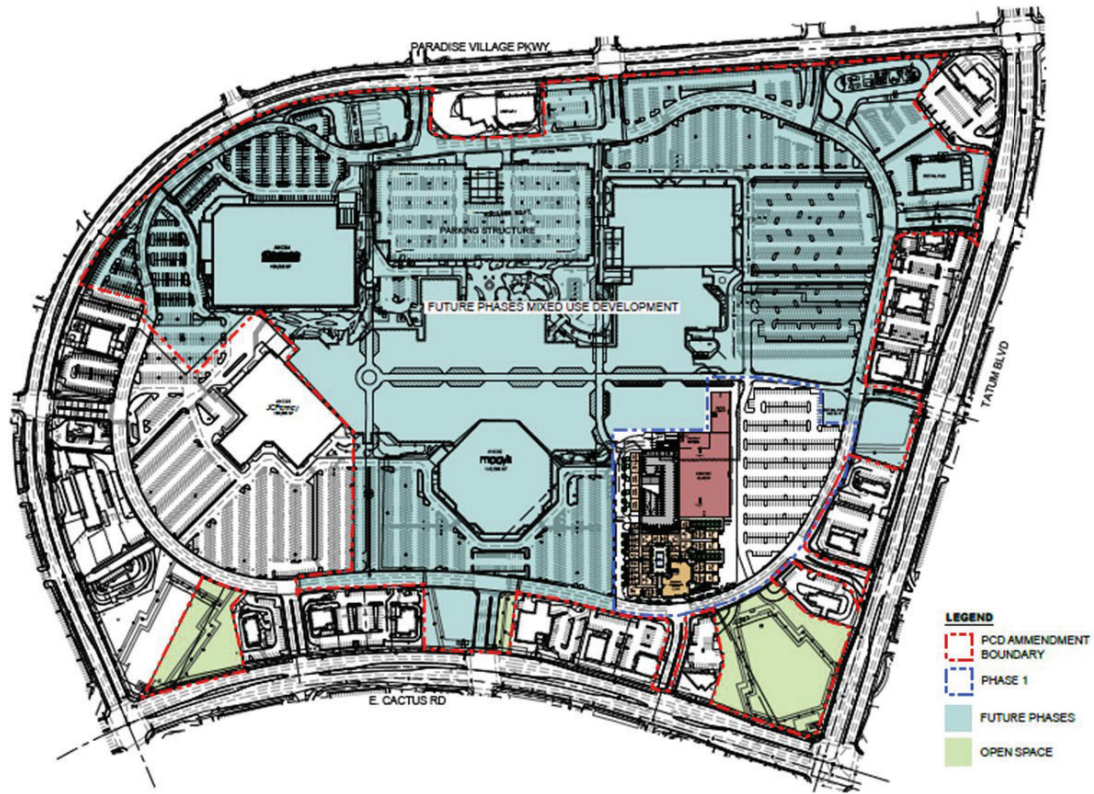


Figure B: Conceptual Site Plan, Source: Nelson Partners

SURROUNDING LAND USES AND ZONING

3. The graphic to the right illustrates the pattern of surrounding land uses and zoning entitlements. To the north are several multifamily developments zoned PAD-14. To the northwest and west are properties zoned PCD (approved R1-8), PAD-14, C-2 PCD and RSC PCD developed with a city park, multifamily residential and various commercial uses. To the south of the site are properties zoned RSC PCD and C-2 PCD developed with various commercial uses. To the east are properties zoned PSC PCD and C-2 PCD developed with various commercial uses.

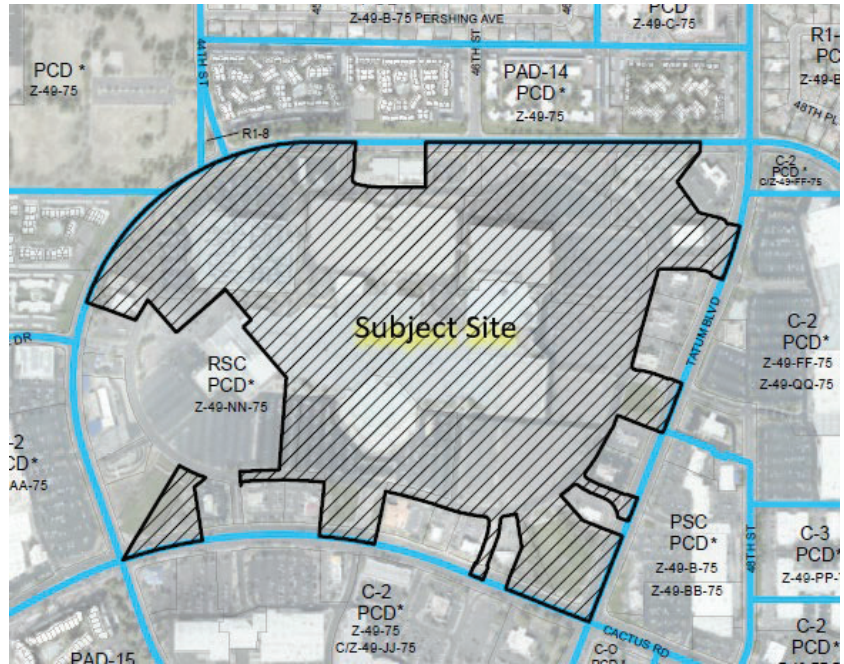


Figure C: Surrounding land uses, Source: City of Phoenix Planning and Development Department

GENERAL PLAN LAND USE MAP DESIGNATIONS

4. The General Plan Land Use Map designation for the subject site is Commercial. The proposed use is consistent with the designation.

The Commercial designation also applies to all adjacent land to the south, southwest and east.

The land to the north and northwest of the subject site is designated Residential 15+ dwelling units per acre, the city park to the northwest is designated Parks/OpenSpace – Publicly Owned.

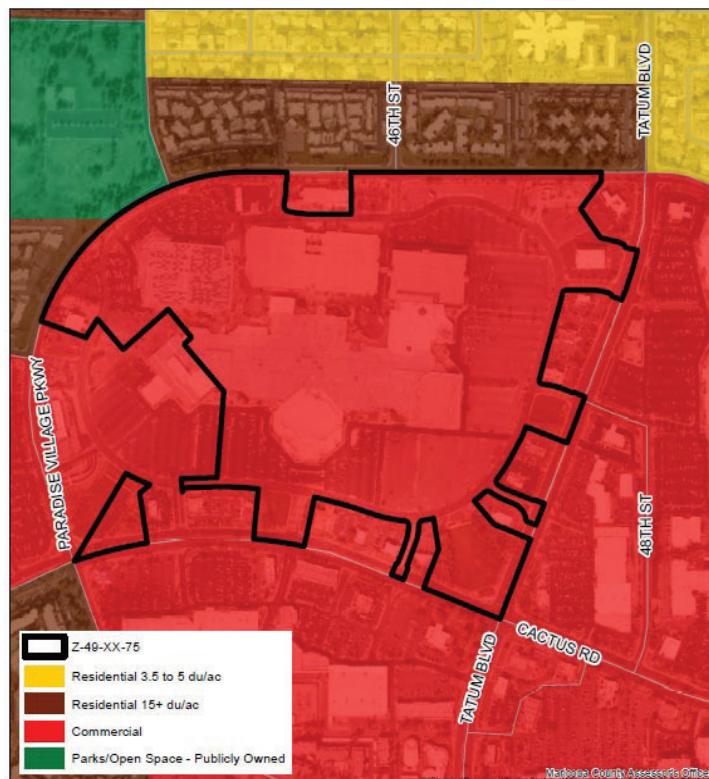


Figure D: General Plan Land Use Map, Source: City of Phoenix Planning and Development Department

PROPOSAL

5. **Overall Site Plan**

The applicant is proposing a multiphase development encompassing the majority of the existing Paradise Valley mall site. Phase 1, generally located in the southeast quadrant of the mall area, is the only phase that has been detailed with this rezoning application. Future phases will need to comply with the general zoning district standards as well as, the recommended stipulations which will apply to the full rezoning area.

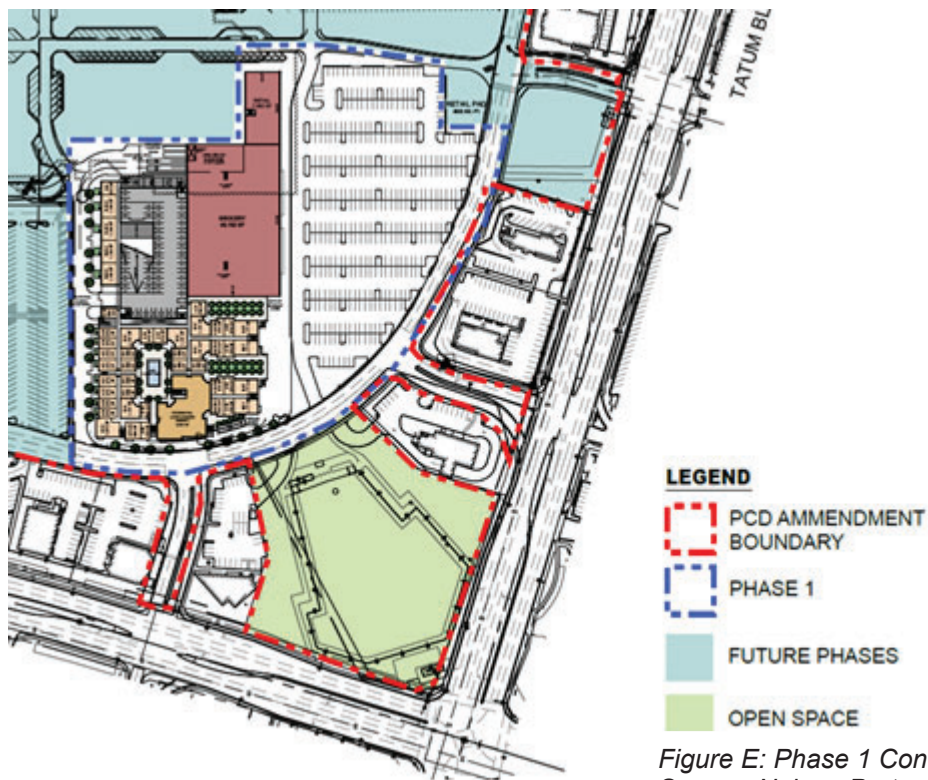


Figure E: Phase 1 Conceptual Site Plan,
Source: Nelson Partners

The following analysis pertains to the Phase 1 portion of the conceptual site plan which consists of a multifamily development, specialty grocery store and retail space as depicted in the Figure E above.

The conceptual site plan depicts the following:

- A multifamily building of approximately 301,861 square feet under roof and a total of 347 dwelling units.
- The parking structure for the proposed multifamily shows a wrapped parking structure.
- A commercial space comprised of restaurant/retail space totaling 7,882 square feet and a grocery store totaling 45,000 square feet.

Staff is recommending all dwelling units oriented to the loop road have individual pedestrian entrances, be connected to sidewalks, and have a front porch or patio as recommended in Stipulation No. 3.

There is a significant amount of existing and proposed open space on the site as reflected on the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit. This is appropriate in a village core; therefore, staff is recommending Stipulation No. 6 to ensure the open space area are retained as an amenity and for

an enhanced aesthetic quality in the area.

Staff is recommending that all newly constructed parking structures be wrapped with other uses or decorative elements in an effort to provide an aesthetically pleasing environment. This is addressed in Stipulation No. 11.

Additionally, staff is recommending that all surface parking lots be shaded by 25 percent and all newly constructed walls visible from public or private accessways incorporate various design elements. These are addressed in Stipulation Nos. 10 and 12.

To provide a transition of height, building heights will be limited to 120 feet for the area on the interior of the loop road, 85 feet for the area in green located on the northeast portion of the site outside of the loop road, and 30 feet for a pad along Tatum Boulevard and a pad along Cactus Road, as depicted on the Project Building Heights exhibit, date stamped January 5, 2021 and as shown in Figure F below. The gray areas depicted in Figure F will remain as open space, a fuel station, and existing parking lot areas. To ensure building heights will remain as proposed staff is recommending Stipulation No. 1.

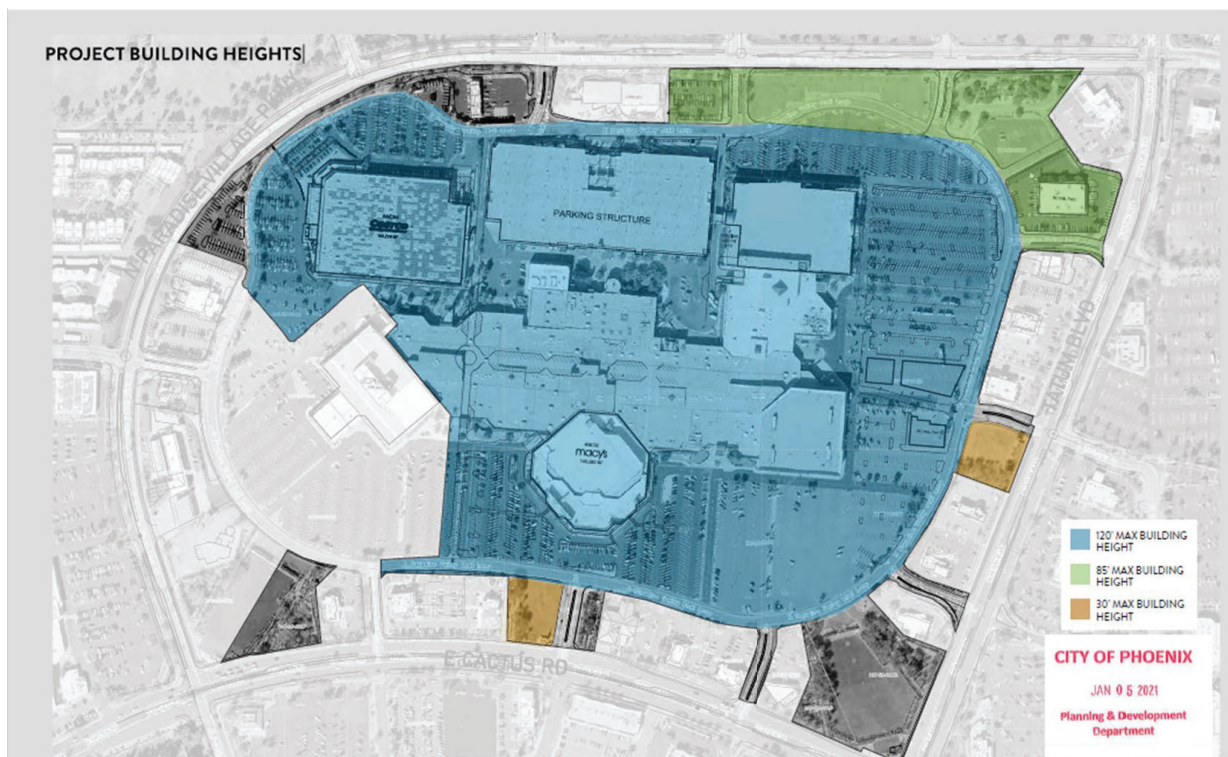


Figure F: Project Building Heights, Source: Nelson Partners

6. **Elevations**

The Phase 1 development proposal includes conceptual elevations that depict a ground level specialty grocery store and multifamily living units above. Staff is recommending Stipulation No. 2 to ensure the buildings have a cohesive design theme and ensure that elevations contain variations in materials, colors, and textures. Examples of these variations are depicted in Figure G to the right.



Figure G: Conceptual Renderings, Source: Nelson Partners

7. **Pedestrian Circulation**

The proposed Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped January 13, 2021 and shown in Figure H below depicts pedestrian connectivity to and from the relocated transit facility, Mesquite Branch Library, dedicated open space areas, future open space areas and Sweetwater Park. Staff is recommending Stipulation No. 4 to ensure the proposed connectivity throughout the site is achieved. The pedestrian pathways will be provided in phases as the site develops.

CONCEPTUAL ILLUSTRATIVE OPEN SPACE AND PEDESTRIAN CIRCULATION |

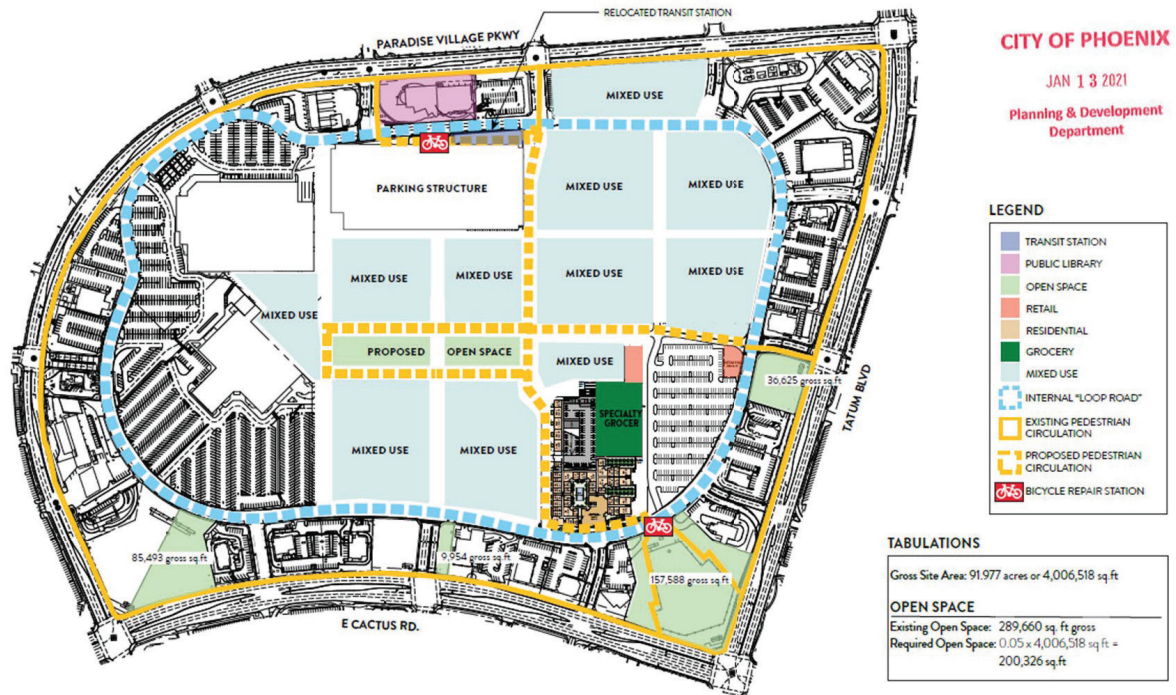


Figure H: Conceptual Illustrative Open Space and Pedestrian Circulation,
 Source: Nelson Partners

STUDIES AND POLICIES

8. [Tree and Shade Master Plan](#)

The Tree and Shade Master Plan encourages treating the urban forest as infrastructure to ensure the trees are an integral part of the City's planning and development process. Sidewalks on the street frontages should include trees to be planted on both sides of the sidewalk to provide thermal comfort for pedestrians and to reduce the urban heat island effect.

Staff is recommending several stipulations regarding tree plantings and shaded pedestrian pathways for increased thermal comfort. These are addressed in Stipulation Nos. 8, 9, 10 and 15.

9. [Complete Streets Guiding Principles](#)

In 2014, the City of Phoenix City Council adopted the Complete Streets Guiding Principles. The principles are intended to promote improvements that provide an accessible, safe, connected transportation system to include all modes, such as bicycles, pedestrians, transit, and vehicles.

In addition to the shaded sidewalks and parking areas (Stipulation Nos. 8 and 9),

staff is recommending a Stipulation No. 7 to require bicycle parking and amenity standards as outlined in Section 1307 in the Walkable Urban Code.

10. **Comprehensive Bicycle Master Plan**

The Comprehensive Bicycle Master Plan supports options for both short-and long-term bicycle parking as a means of promoting bicyclist traffic to a variety of destinations. The proposal requires bicycle parking spaces be provided on the site. Bicycle repair stations (“fix it stations”) shall be provided in areas of high visibility, convenient pedestrian access, and available from the public and/or provide sidewalks. Bicycle parking for multifamily uses shall be installed per the requirements of Section 1307.H. In addition, a minimum of 10 percent of the required bicycle parking for nonresidential uses shall be secured per the requirements of Section 1307.H. of the Phoenix Zoning Ordinance. These are outlined in Stipulation No. 7.



Bike Fix It Station, Source: Dero

11. **Zero Waste PHX**

The city of Phoenix is committed to its waste diversion efforts and has set a goal to become a zero waste city, as part of the city’s overall 2050 Environmental Sustainability Goals. One of the ways Phoenix can achieve this is to improve and expand its recycling and other waste diversion programs.

Section 716 of the Phoenix Zoning Ordinance establishes standards to encourage the provision of recycling containers for multifamily, commercial and mixed-use developments meeting certain criteria. The provision of recycling containers was not addressed in the applicant’s submittals.

12. **Housing Phoenix Plan**

In June 2020, the Phoenix City Council approved the Housing Phoenix Plan. This Plan contains policy initiatives for the development and preservation of housing with a vision of creating a stronger and more vibrant Phoenix through increased housing options for residents at all income levels and family sizes. Phoenix’s rapid population growth and housing underproduction has led to a need for over 163,000 new housing units. Current shortages of housing supply relative to demand are a primary reason why housing costs are increasing. The proposed development supports the Plan’s goal of preserving or creating 50,000 housing units by 2030 by contributing to a variety housing types that will address the supply shortage at a more rapid pace while using vacant land in a more sustainable fashion.

COMMUNITY INPUT SUMMARY

13. Staff has received two letters of opposition and five letters of support at the time this staff report was written. Copies of the correspondence is attached to this report.

Community concerns include:

- Proposed height, should not be more than two stories
- Density
- Increased traffic
- Self-storage use
- Multifamily uses
- Increase in crime in the area
- Low income housing
- Property values decreasing

INTERDEPARTMENTAL COMMENTS

14. The Street Transportation Department requested the developer provide a pedestrian circulation plan for the rezoning area specifically detailing access to existing and planned transit facilities, Sweetwater Park and the Mesquite Library. Further, the pedestrian circulation plan should consider detached and shaded sidewalks to support the mixed use concept and to conform to the City of Phoenix Complete Streets policy. This is addressed in Stipulation Nos. 4 and 5.

The Street Transportation Department also requested that the applicant submit a Traffic Impact Study to the City for this development and construct all streets within and adjacent to the development with all required elements to ADA standards. This is addressed in Stipulation Nos. 21 and 22.

15. The City of Phoenix Floodplain Management Division of the Public Works Department has determined that this parcel is not in a special flood hazard area (SFHA), but located in a Shaded Zone X, on panel 1755 L of the Flood Insurance Rate Maps (FIRM) dated October 16, 2013.

16. The Public Transit Department has determined that if the developer relocate and/or relocate the Paradise Valley Transit Center, a minimum of three transit vehicle servicing points shall be incorporated within the design and a minimum of 50 percent shade shall be provided at the transit center. Furthermore, dedication of transit easements or other legal agreements shall be implemented to ensure vehicle access to all public transit facilities. These are addressed in Stipulation Nos. 14 through 16.

The Public Transit Department requested the developer dedicate right-of-way and construct two bus stop pads at locations approved by the Public transit Department. Further, the developer shall provide clearly defined, accessible pedestrian

pathways connecting building entrances, bust stop pads, transit centers, site amenities and public sidewalks using the most direct route possible. Pedestrian pathways crossing drive aisles and parking area crossings shall be constructed of decorative pavement that visually contrasts with the adjacent parking and drive aisle surfaces. Additionally, all cross-access agreements shall include a pedestrian pathway. These are addressed in Stipulation Nos. 17 through 20.

17. The Fire Prevention division of the Fire Department does not anticipate any issues with this request. The site or/and building(s) shall comply with the Phoenix Fire Code. However, the water supply to this site is unknown. Additional water supply may be required to meet the required fire flow per the Phoenix Fire Code.
18. The Water Services Department indicated that no zoning stipulations are required; however, commented that capacity is a dynamic condition that can change over time due to a variety of factors. The requirements and assurances for water and sewer service are determined during the site plan application review. For any given property, water and sewer requirements may vary over time to be less or more restrictive depending on the status of the City's water and sewer infrastructure.

OTHER

19. The site has not been identified as being archaeologically sensitive. However, in the event archaeological materials are encountered during construction, all ground disturbing activities must cease within 33-feet of the discovery and the City of Phoenix Archaeology Office must be notified immediately and allowed time to properly assess the materials. This is addressed in Stipulation No. 23.
20. Development and use of the site is subject to all applicable codes and ordinances. Zoning approval does not negate other ordinance requirements. Other formal actions such as, but not limited to, zoning adjustments and abandonment me be required.

Findings

1. The proposed development will revitalize a prominent site within a village core.
2. The proposed zoning will allow for additional housing units to be built which will help alleviate the housing shortage in Phoenix and advance the goals of the Housing Phoenix Plan.
3. The proposed developments scale and intensity is appropriate given the location within the Paradise Valley Village Core, at the intersection of major arterials and at a location served by existing transit.

Stipulations

1. Building heights shall be limited to a maximum of 120 feet, 85 feet, and 30 feet, as depicted on the Project Building Heights exhibit, date stamped January 5, 2021.
2. Buildings shall have a cohesive design theme throughout the development and all buildings visible from public streets and private accessways and driveways shall contain a minimum of three architectural embellishments and detailing such as textural changes, pilasters, offsets, recesses, variation in window size and location, and/or overhang canopies, as approved by the Planning and Development Department.
3. The following frontage types shall be provided for all dwelling units oriented to the Paradise Valley Mall Loop Road ("loop road"), as approved by the Planning and Development Department:
 - a. Individual pedestrian entrance oriented to the loop road and connected to the public sidewalk by a direct pedestrian pathway.
 - b. Include a porch or patio, described as follows:
 - (1) Porches shall have a minimum dimension of six feet in depth by a width of no less than 50 percent of the total unit; be oriented to the outer loop road; have a unit entrance; and have a direct pedestrian connection to the public/private sidewalk.
 - (2) Patios shall have a minimum dimension of six feet in depth by a minimum width of 9 feet, and a minimum size of 54 square feet; be enclosed on each side by a low wall or fence not to exceed 36 inches in height; be oriented to the loop road; have a unit entrance; and have a direct pedestrian connection to the public/private sidewalk.
4. Pedestrian circulation shall generally conform to the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped January 13, 2021. Alternative pedestrian pathways may be approved so long as pedestrian connectivity is provided for the following:
 - Relocated transit center
 - Library
 - Existing and future open space areas
 - Public streets

Plans shall show future shading generally contained to pedestrian pathways, as approved by the Planning and Development Department.

5. A Master Pedestrian Circulation/Open Space Plan shall be completed prior to preliminary site plan approval. This master plan shall be updated for each phase of development, as each new phase is in the city's development review process. The Master Pedestrian Circulation/Open Space Plan shall generally be consistent with the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped January 13, 2021, or future alternative plans, and include the following features:
 - Pedestrian circulation, including at least one primary pedestrian route for north-south circulation and one for east-west circulation.
 - Pavement widths and details
 - Shade treatment and calculation
 - Locations of detached sidewalks
 - Locations of attached sidewalks
 - Vehicular roadways
 - Open space areas
 - Bicycle amenities
6. Open space areas shall conform to Section 1310 of the Phoenix Zoning Ordinance. The open space areas shall provide at a minimum decorative paving, landscaping, shade elements, trash receptacles, art or artistic elements or seating areas and shall be located at the following locations:
 - Northwest corner of Tatum Boulevard and Cactus Road
 - South of the southwest corner of Tatum Boulevard and Larkspur Drive
 - Northeast corner of Paradise Village Parkway and Cactus Road
7. Bicycle infrastructure shall be provided, as described below and as approved by the Planning and Development Department.
 - a. Two bicycle repair stations (fix-it stations) shall be provided in areas of high visibility, convenient pedestrian access, and available from the public and/or provide sidewalks. The stations shall include standard repair tools affixed to the station, a tire gauge and pump, and a bicycle repair stand which allows pedals and wheels to spin freely while making adjustments to the bike.

One station shall be provided with the first phase of development and the second station shall be provided with a future phase of development

along the north portion of the loop road, as depicted on the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped January 13, 2021.

- b. Bicycle parking shall be required per Section 1307.H of the Phoenix Zoning Ordinance.
 - c. All required bicycle parking for multifamily use, per Section 1307.H.6.d. of the Phoenix Zoning Ordinance, shall be secured parking.
 - d. Guest bicycle parking for multifamily residential use shall be provided at a minimum of 0.5 spaces per unit with a maximum of 50 spaces near entrances of buildings and installed per the requirements of Section 1307.H. of the Phoenix Zoning Ordinance.
 - e. A minimum of 10 percent of the required bicycle parking for nonresidential uses shall be secured per the requirements of Section 1307.H. of the City of Phoenix Zoning Ordinance.
8. All public sidewalks shall be detached with a minimum 5-foot-wide landscape area located between the sidewalk and back of curb and planted to the following standards, as approved by the Planning and Development Department. Where utility conflicts exist, the developer shall work with the Planning and Development Department on alternative design solutions with a pedestrian environment.

Detached sidewalk shall be provided proportionally as redevelopment occurs adjacent to or within 100 feet of the public right-of-way.

- a. Minimum 3-inch caliper large canopy, single-trunk, shade trees placed a minimum of 25 feet on center or in equivalent groupings to provide a minimum of 50 percent shade at maturity on all adjacent sidewalks.
 - b. Drought tolerant shrubs and vegetative groundcovers with a maximum mature height of 24 inches to provide a minimum of 50 percent live coverage at maturity.
9. Seasonal shade, sun and temperature regulation through vegetative or structural shade elements shall be provided for Phase 1 of the development at the northwest corner of Tatum Boulevard and Cactus Road to allow pedestrians to enter the site comfortably, as approved by the Planning and Development Department.
10. There shall be a minimum of 25 percent structural or vegetative shade at

maturity in the surface parking lots, as approved by the Planning and Development Department.

11. The developer shall wrap all newly constructed parking structures visible from the loop road or any primary pedestrian route (to be identified on the Master Pedestrian Circulation/Open Space Plan) with other uses such as, street level retail, office space, or residential dwelling units; or with decorative screening such as, perforated screening, illuminated art, living greenery, decorative metal panels or other design features, as approved by the Planning and Development Department.
12. Newly constructed walls visible from public streets of the loop road shall incorporate stone veneer, stonework, integral color CMU block, decorative block, split face or faux stone, as approved by the Planning and Development Department.
13. The self-service storage warehouse use, covered under the Special Permit, shall comply with the following:
 - a. Storage buildings shall not exceed three stories or 30 feet in height.
 - b. Storage buildings shall be limited to an 80,000-square foot footprint, and not to exceed a 200,000-square foot floor area.
 - c. Any outdoor storage areas must be screened with a decorative solid wall.
14. Relocation and/or reconstruction of the Paradise Valley Transit Center is subject to Planning and Development Department and Public Transit Department Approval. A minimum of three transit vehicle servicing points shall be constructed at any relocated or reconstructed site. All plans and designs for relocated and/or reconstructed transit facilities shall require approval from the Public Transit Department and the Planning and Development Department. The Public Transit Department shall retain removable assets located at the Paradise Valley Transit Center should relocation and/or reconstruction be approved.
15. Trees or shade structures shall be placed to provide a minimum of 50 percent shade coverage in pedestrian areas at the transit center.
16. Vehicle access to all public transit facilities shall be ensured by dedication of transit easements or other legal agreements, as approved by the Public Transit Department and the Planning and Development Department.

17. The developer shall dedicate right-of-way and construct two bus stop pads at locations approved or modified by the Public Transit Department. Bus stop pads shall be constructed according to City of Phoenix Standard Detail P1260 with a minimum depth of 10 feet. Bus stop pads shall be spaced from intersections according to City of Phoenix Standard Detail P1258. Trees shall be placed to provide 50 percent shade at bus stop pads, as approved by the Planning and Development Department.
18. Clearly defined, accessible pedestrian pathways shall be provided to connect building entrances, bus stop pads, transit center, site amenities, and public sidewalks, using the most direct route for pedestrians, as approved by the Planning and Development Department.
19. Where pedestrian pathways cross drive aisles, they shall be constructed of decorative pavers, stamped, or colored concrete, or other pavement treatments that visually contrast with the adjacent parking and drive aisle surfaces, as approved by the Planning and Development Department.
20. All cross-access agreements shall include a pedestrian pathway, as approved by the Planning and Development Department.
21. The applicant shall submit a Traffic Impact Study to the City for this development. No preliminary approval of site plans shall be granted until the study is reviewed and approved by the City. Contact Mr. Christopher Kowalsky, Special Projects Administrator, at (602) 534-7105, to set up a meeting to discuss the requirements of the study. Upon completion of the TIS the developer shall submit the completed TIS to the Planning and Development Department counter with instruction to forward the study to the Street Transportation Department, City Engineers Office. Additional dedications and/or improvements may be required as per the approved Traffic Impact Study.
22. The developer shall construct all streets within and adjacent to the development with paving, curb, gutter, sidewalk, curb ramps, streetlights, landscape median islands, landscaping and other incidentals, as per plans approved by the Planning and Development Department. All improvements shall comply with all ADA accessibility standards.
23. In the event archaeological materials are encountered during construction, the developer shall immediately cease all ground-disturbing activities within a 33-foot radius of the discovery, notify the City Archaeologist, and allow time for the Archaeology Office to properly assess the materials.

Writer

David Simmons
January 29, 2021

Team Leader

Samantha Keating

Exhibits

Zoning Sketch Map

Aerial Sketch Map

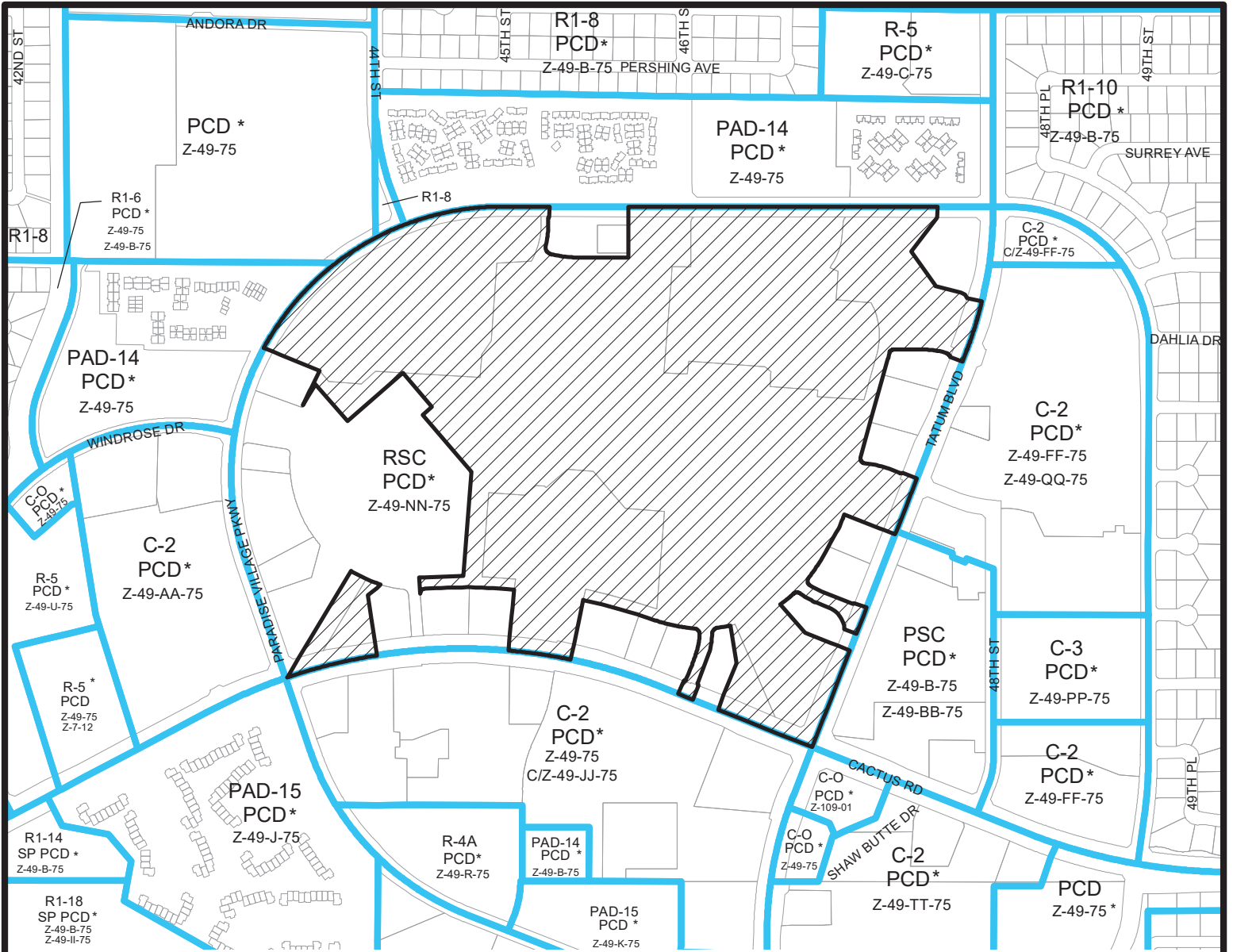
Community Correspondence (8 pages)

Conceptual Site Plan, date stamped January 5, 2021

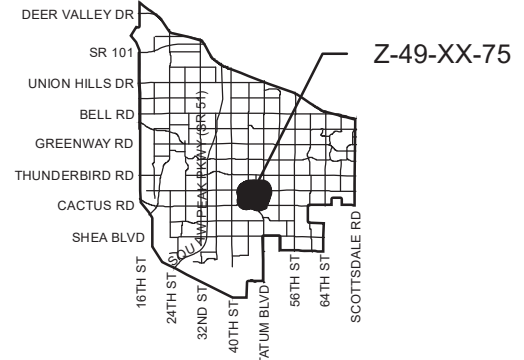
Conceptual Renderings, date stamped November 23, 2020

Project Building Heights, date stamped January 5, 2021

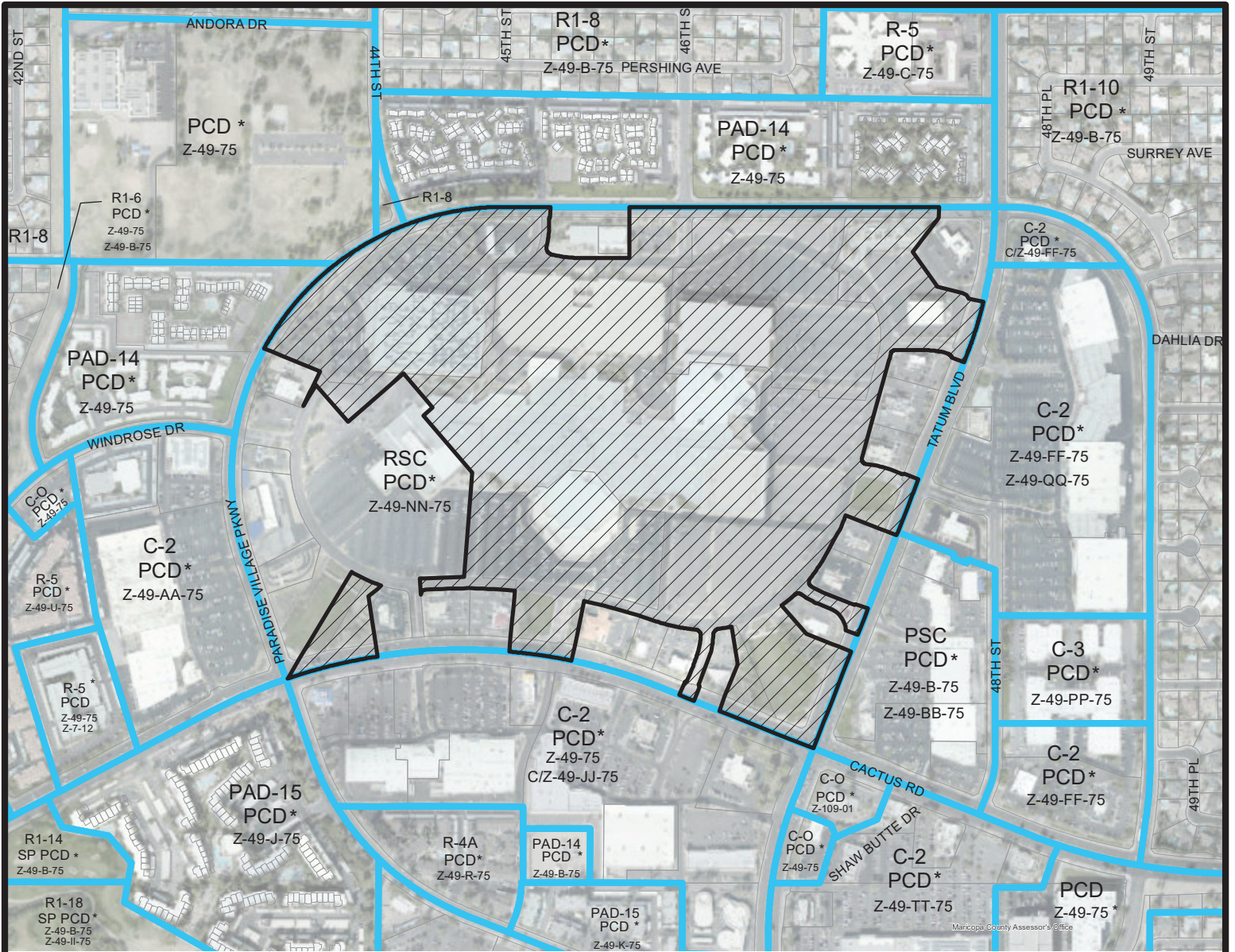
Conceptual Illustrative Open Space and Pedestrian Circulation, date stamped
January 13, 2021



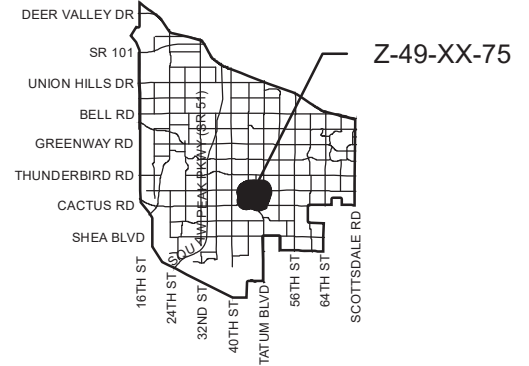
PARADISE VILLAGE
CITY COUNCIL DISTRICT: 3



APPLICANT'S NAME: Ed Bull, Burch & Cracchiolo P.A.		REQUESTED CHANGE:	
APPLICATION NO. Z-49-XX-75		FROM: RSC PCD (91.16 a.c.)	
GROSS AREA INCLUDING 1/2 STREET AND ALLEY DEDICATION IS APPROX. 91.16 Acres		TO: C-2 H-R DNS/WVR SP PCD (91.16 a.c.)	
MULTIPLES PERMITTED RSC PCD C-2 H-R DNS/WVR SP PCD		CONVENTIONAL OPTION N/A 13,236	
* Maximum Units Allowed with P.R.D. Bonus		* UNITS P.R.D. OPTION N/A 4,758	



PARADISE VILLAGE
CITY COUNCIL DISTRICT: 3



APPLICANT'S NAME: Ed Bull, Burch & Cracchiolo P.A.

REQUESTED CHANGE:

FROM: RSC PCD (91.16 a.c.)

APPLICATION NO. Z-49-XX-75

DATE: 12/07/2020		
REVISION DATES:		
12/29/2020	1/07/2021	1/11/2021

GROSS AREA INCLUDING 1/2 STREET AND ALLEY DEDICATION IS APPROX.

91.16 Acres

AERIAL PHOTO & QUARTER SEC. NO. QS 31-37, QS 32-37 QS 31-38, QS 32-38	ZONING MAP K-10, K-11
---	--------------------------

TO: C-2 H-R DNS/WVR SP PCD (91.16 a.c.)

MULTIPLES PERMITTED

CONVENTIONAL OPTION

*** UNITS P.R.D. OPTION**

RSC PCD

N/A

N/A

C-2 H-R DNS/WVR SP PCD

13,236

4,758

* Maximum Units Allowed with P.R.D. Bonus

David O Simmons

From: From the desk of Jessica Lacy <cjessicalacy@gmail.com>
Sent: Monday, December 14, 2020 8:36 AM
To: David O Simmons
Subject: PV Mall Development

Mr. Simmons, hello,

I am writing to you today to voice my concerns over the proposed PV Mall redevelopment. I am deeply concerned about the height of the project, as well as the number of housing units that are planned.

I represent the concerns of many residents in this area.

Sincerely,

Caroline Lacy.
85028

David O Simmons

From: Lucinda Walters Naia <lucinda.naia@gmail.com>
Sent: Thursday, January 14, 2021 8:46 PM
To: David O Simmons; ebull@bcattorneys.com
Subject: NO self storage at PV Mall Redevelopment

There's zero need for self storage in that area. Self storage facilities exist right down the street at Shea and 32nd St. It's a huge monstrously lit ugly building

I'll do whatever it takes to fight the rezoning... starting now

David O Simmons

From: James Ashley <jamesashleyaz@gmail.com>
Sent: Sunday, January 24, 2021 6:19 PM
To: David O Simmons
Subject: PV Mall redevelopment

Mr. Simmons,

It is great news that the redevelopment of Paradise Valley Mall will be taking place soon!

I had a question about the apartments and condos that will be built on the site. From the architectural drawings I've seen, they appear to be very generic looking, even the ones above the planned grocery store. There are multi-family buildings in Phoenix at Kierland and near Scottsdale Fashion Square that have a great environmentally friendly feature. They are environmentally oriented with plants on the outside of the building, balconies, and trees on the rooftops.

Similar to the projects in Kierland or near Highland and Scottsdale Road it would definitely add a "green" element to the project and make it really stand out as compared to just another apartment complex to look like every other one. This would really beautify the new development and the heart of PV Village and be eco-friendly.

Is this something the city would consider advocating to the developers or the planning commission?

I've attached a couple photos of the buildings at Kierland and further south along Scottsdale Road and Camelback for reference (even though a couple of these are larger than what I believe is proposed).

Thank you,

James Ashley

602-708-0075



David O Simmons

From: Kate Birchler <kate.birchler@gmail.com>
Sent: Thursday, January 28, 2021 12:46 PM
To: David O Simmons
Subject: Support of Paradise Valley Mall Redevelopment: Z-49-XX-75-3

Dear Mr. Simmons,

Please make my comment known on case Z-49-XX-75-3 - I am in full support of Macerich and RED Development moving forward with their plans for the redevelopment of Paradise Valley Mall.

Kind Regards,
Kate Birchler

David O Simmons

From: Chong Kestner <ckestner03@gmail.com>
Sent: Thursday, January 28, 2021 11:46 AM
To: David O Simmons
Subject: Case:Z-49-XX-75-3

Please accept my formal comment regarding the case: Z-49-XX-75-3. I am in full support of Macerich and RED Development moving forward with plans for the redevelopment of Paradise Valley Mall. This will be an amazing initiative to restore the mall and brighten our community economically. Paradise Valley is a beautiful community and we hope to continue seeing it's growth.

Thank you,

Tyler and Chong Kestner

David O Simmons

From: Summer Oliver <summerfoliver@gmail.com>
Sent: Thursday, January 28, 2021 10:38 AM
To: David O Simmons
Subject: Paradise Valley Mall

Please accept my formal comment regarding case: Z-49-XX-75-3. I am in full support of Macerich and RED Development moving forward with their plans for the redevelopment of Paradise Valley Mall. This area needs revitalization and will be positive for the entire community. There have been talks for years on what is going on with the space and it's great to see some movement.

Summer Oliver

David O Simmons

From: Sabrina Jordan <sabrinajordan7@gmail.com>
Sent: Thursday, January 28, 2021 10:24 AM
To: David O Simmons
Subject: Paradise Valley Mall Redevelopment

Case# Z-49-XX-75-3

I totally support Macerich and RED Development moving forward with their plans for redevelopment of Paradise Valley Mall! Both of these developers have an excellent reputation and will certainly bring back the mall to it's former glory!

I am a Phoenician and have resided in this neighborhood for over twenty years. Things evolve over time and all that live here want to give "our mall" the attention it deserves.

Their plans will renew Paradise Valley Mall to a new level and I am so looking forward to it!

Along with that, it will pump new money into this area. This is prime real estate that needs revamping.

As a neighbor, I can't wait to enjoy this mall in a new way! I have shopped here since it was built. Opportunity is with us! Let's take it and give the Paradise Valley and north Phoenix a new mall that they will continue cherish for years to come!

Thank you for your continued vision for the Paradise Valley Village area. We so appreciate your support on this!

Sincerely,

Sabrina Jordan
18652 N. 44th Place
Phoenix, AZ 85050

Phone (602) 570-8004

PROJECT INFORMATION

CURRENT ZONING: RSC
PROPOSED ZONING: PCD Amendment
C-2, HR, Density
Walker & Special
Permit for Self
Storage
167-25-003C
167-25-003L
167-25-003M
167-25-003N
167-25-001Z
167-25-001Y
167-25-001D
167-25-001F

PARCELS IN SCOPE:
91.977 ACRES
85.288 ACRES
VARIES

GROSS SITE AREA:
NET SITE AREA:
PROPOSED HEIGHT:

PHASE 1 AREA TABULATIONS
COMMERCIAL 7,882 SF
RESTAURANT/RETAIL 45,000 SF
GROCERY 52,882 SF
TOTAL
RESIDENTIAL 361,473 SF
5 STORIES 301,861 SF
GROSS BUILDING AREA
NET BUILDING AREA
UNIT MATRIX
STUDIO 26 UNITS
1 BEDROOM 209 UNITS
2 BEDROOM 112 UNITS
TOTAL 347 UNITS

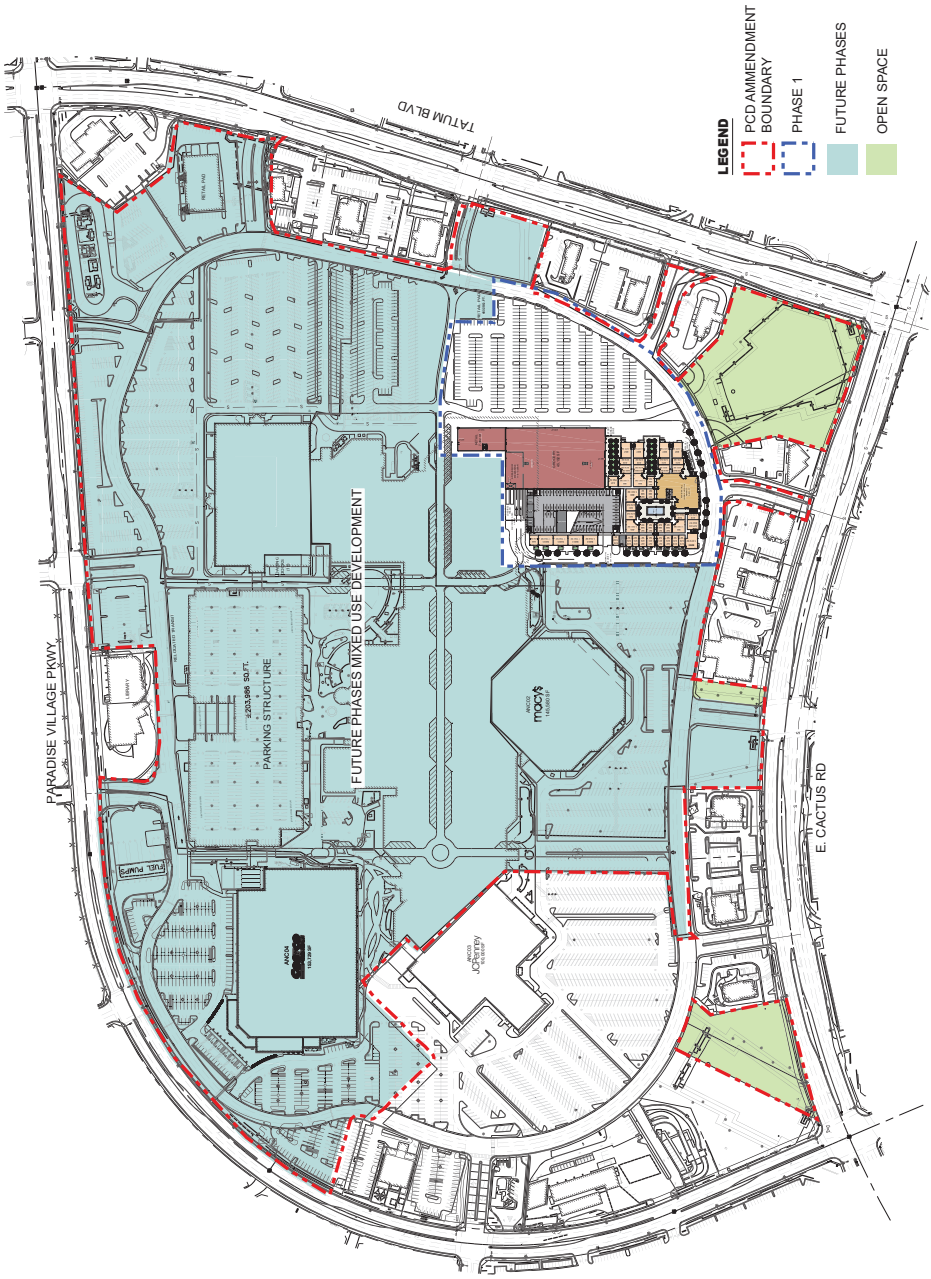
PARKING TABULATIONS
PARKING REQUIRED
RESIDENTIAL 32.5 CARS
STUDIO (1.25 X 26) 313.5 CARS
1 BEDROOM (1.5 X 209) 190.4 CARS
2 BEDROOM (1.7 X 112) 536.4 CARS
TOTAL
RETAIL/RESTAURANT 162.7 CARS
TOTAL 700 CARS

PARKING PROVIDED
SURFACE PARKING 389 CARS
STRUCTURED 57 CARS
LEVEL 2 98 CARS
LEVEL 3 98 CARS
LEVEL 4 98 CARS
LEVEL 5 98 CARS
ROOF 33 CARS
TOTAL 478 CARS

PCD AMMENDMENT
BOUNDARY
PHASE 1
FUTURE PHASES
OPEN SPACE

KVA #
SOEV #
PAB #
PAPF #

CITY OF PHOENIX
DEC 30 2020
Planning & Development
Department



01 CONCEPTUAL SITE PLAN PHASE 1
SCALE 1" = 100'-0"
REF. NORTH

PRELIMINARY
NOT FOR
CONSTRUCTION
OR
RECORDING

RSC
PCD Amendment
C-2, HR, Density
Waiver & Special
Permit for Self
Storage

PARCELS IN SCOPE:
167-25-003C
167-25-003L
167-25-003M
167-25-003N

GROSS SITE AREA:
77,930 ACRES
(3,394,630 SF)

NET SITE AREA:
73,495 ACRES
(3,207,442 SF)

PROPOSED HEIGHT:
VARIES

PROJECT INFORMATION
CURRENT ZONING:
PROPOSED ZONING:

PARADISE VALLEY MALL
4568 E CACTUS RD
PHOENIX, AZ 85032

DATE
NOVEMBER 20, 2020

Drawings are not to be used for any purpose other than that for which they were prepared and they are not to be used for any other project without the written consent of the architect.
© 2019 NELSEN PARTNERS, INC.
Project No.
20042

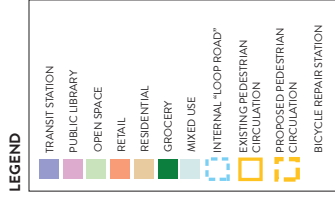
A150
RENDERS

CITY OF PHOENIX
NOV 9 3 2020
Planning & Development
Department

PLAN #
SHEET #
OS #
PAPP #



— 01 — CONCEPTUAL RENDERS: GROCERY
SCALE: NTS REF.



TABLATIONS

Gross Site Area: 91,977 acres or 4,006,518 sq.ft
OPEN SPACE
 Existing Open Space: 289,660 sq. ft. gross
 Required Open Space: 0.05 x 4,006,518 sq.ft. = 200,326 sq.ft.

K/A #
S/DEV #
C/APP #
P/APP #

CITY OF PHOENIX
 JAN 26 2021
**Planning & Development
 Department**



01 PRELIMINARY ILLUSTRATIVE PEDESTRIAN CIRCULATION AND OPEN SPACE PLAN
 SCALE: 1" = 150'
 REF:



Village Planning Committee Meeting Summary

Z-49-XX-75-3

Date of VPC Meeting	February 1, 2021
Request From	RSC PCD (Regional Shopping Center, Planned Community District) (91.16 acres)
Request To	C-2 H-R DNS/WVR SP PCD (Intermediate Commercial, High Rise, Density Waiver, Special Permit, Planned Community District) for a Major Amendment to the Paradise Valley Mall PCD (91.16 acres)
Proposed Use	A mix of uses (multifamily and commercial) up to 120 feet in height and a Special Permit for self-service storage and all underlying C-2 uses
Location	Approximately 415 feet north of the northwest corner of Scottsdale Road and Kierland Boulevard
VPC Recommendation	Approval, per the staff recommendation.
VPC Vote	14-0 with committee members Balderrama, Gerst, Goodhue, Hall, Maggiore, Mazza, Mortensen, Popovic, Severs, Sparks, Stewart, Wise, Gubser and Leshner in favor.

VPC DISCUSSION:

5 speaker cards were submitted in favor, wishing to speak

2 speaker cards were submitted in opposition, wishing to speak

Mr. David Simmons, staff, went over the request with the committee. He covered the existing General Plan Land Use designation on the site and surrounding area, the uses in the surrounding area, the height limitations stipulated as well as the conceptual pedestrian circulation plan, overall site plan, phase 1 site plan, policy plan conformity and more. He also went over stipulation rationale with the committee.

Mr. Ed Bull, with Burch & Cracchiolo, representing the applicant, shared that the development team appreciates staff's recommendation for approval and accepts staff's stipulations. He went over the General Plan Land Use map designation for the area, surrounding zoning, proximity to the nearest single-family residential, the illustrative pedestrian circulation plan, and traffic circulation in the area. He also went over heights proposed and highlighted Phase 1. He also went over the extensive community outreach that was conducted prior to this hearing.

Mr. Robert Goodhue stated that this is a great start to the Village Core and PV Mall revitalization efforts. He asked if the applicant is looking to reduce parking.

Mr. Bull shared that parking would not be reduced in Phase 1 and shared that the development team does not know about future phases as of yet.

Ms. Larisa Balderrama asked why the Special Permit request for a self-storage facility. This use doesn't seem to fit in a mixed use environment.

Mr. Bull shared that this storage use is not your typical self-storage facility. There is a market demand for self-storage. This will be office like in appearance and is one of the lowest traffic generators possible.

Ms. Balderrama asked if Mr. Bull had any visualizations, he could show the committee of the self-storage proposal.

Mr. Bull shared that the self-storage in Roosevelt Row was very similar but did not have any graphics handy.

Mr. Paul Severs asked what the timeline is of all of the phases.

Mr. Bull shared that they have a condensed hearing schedule for this request and should be concluding site plan review in 2021.

Chairman Robert Gubser asked if the entire mall will be demo's at time of Phase 1.

Mr. Bull shared that most of the mall will be closed and/or demo's at time of Phase 1.

Vicechair Joe Lesher asked if the JC Penny's is being demo' d. It is not included in the overall site plan.

Mr. Bull shared that the JC Penny's is in bankruptcy and can't tell at this point what will become of the store shell.

Vicechair Lesher asked how many acres is in Phase 1.

Mr. Bull shared that it is 13 acres.

Public Comment:

Mr. Jeff Moloznik, owner, shared that they want to retain the site as owners and will not be selling off after constructed.

Ms. Denise Kazmierczak shared that she has concerns with density, increased traffic, and the hour in which this meeting is being conducted. She stated that this site needs a comprehensive master plan. She is very upset that this meeting is happening under the cover of night at nearly midnight.

Ms. Jackie Mesa has concerns about height, too busy, too heavy. Our area is ranch style homes. This proposal is not ranch style. The character of the area is changing, and we can do better.

Mr. Paul Katsenes shared that he is in favor of the redevelopment plan.

Applicants Response:

Mr. Ed Bull shared that a pedestrian circulation plan is stipulated as well as a circulation plan, shade requirements and much more. This proposal will bring the Paradise Valley Village Core back to life.

Mr. Ben Stewart shared that he is very excited about this project. He stated that this is one of the most important projects the Village will be voting on.

Mr. Bull stated that the development team is hitting on all of the pistons for the Village Core. The parking garage is going to stay, JC Penny's is not going to stay at this location.

Ms. Hall shared that she lives in the area, loves the location, went to PV Mall when it was vibrant and has watched it deteriorate over the years. Red Development is local, and they care about the community. She is in support.

Chairman Gubser shared that he spent so much time at that mall growing up. Red Development does a great job and he is looking forward to what is to come.

Mr. Robert Goodhue shared that JC Penny's is a separate piece of property. We do not want to see this project go the way of City North.

MOTION:

Ms. Jennifer Hall made a motion to recommend approval of Rezoning Case No. Z-49-XX-75-3, per staff's recommendation.

Mr. Daniel Mazza seconded the motion.

VOTE:

14-0 with committee members Balderrama, Gerst, Goodhue, Hall, Maggiore, Mazza, Mortensen, Popovic, Severs, Sparks, Stewart, Wise, Gubser and Leshar in favor.

Staff Comments:

None

Attachment D

REPORT OF PLANNING COMMISSION ACTION February 4, 2021

ITEM NO: 7	
	DISTRICT NO.: 3
SUBJECT:	
Application #:	Z-49-XX-75-3
Location:	Northwest corner of Tatum Boulevard and Cactus Road
From:	RSC PCD
To:	C-2 H-R DNS/WVR SP PCD
Acreage:	91.16
Proposal:	Major Amendment to the Paradise Valley PCD to allow a mix of uses (multifamily and commercial) up to 120 feet in height and a Special Permit for self-service storage and all underlying C-2 uses.
Applicant:	Ed Bull, Burch & Cracchiolo P.A.
Owner:	Paradise Valley Mall SPE, LLC, et al
Representative:	Ed Bull, Burch & Cracchiolo P.A.

ACTIONS:

Staff Recommendation: Approval, subject to stipulations.

Village Planning Committee (VPC) Recommendation:

Paradise Valley 2/1/2021 Approval, per the staff recommendation. Vote: 14-0.

Planning Commission Recommendation: Approval, per the Paradise Valley Village Planning Committee recommendation, with an additional stipulation.

Motion Discussion: N/A.

Motion details: Commissioner Howard made a MOTION to approve Z-49-XX-75-3, per the Paradise Valley Village Planning Committee recommendation, with an additional stipulation as read into the record.

Maker: Howard
Second: Mangum
Vote: 8-0
Absent: Johnson
Opposition Present: Yes

Findings:

1. The proposed development will revitalize a prominent site within a village core.
2. The proposed zoning will allow for additional housing units to be built which will help alleviate the housing shortage in Phoenix and advance the goals of the Housing Phoenix Plan.

3. The proposed developments scale and intensity is appropriate given the location within the Paradise Valley Village Core, at the intersection of major arterials and at a location served by existing transit.

Stipulations:

1. Building heights shall be limited to a maximum of 120 feet, 85 feet, and 30 feet, as depicted on the Project Building Heights exhibit, date stamped January 5, 2021.
2. Buildings shall have a cohesive design theme throughout the development and all buildings visible from public streets and private accessways and driveways shall contain a minimum of three architectural embellishments and detailing such as textural changes, pilasters, offsets, recesses, variation in window size and location, and/or overhang canopies, as approved by the Planning and Development Department.
3. The following frontage types shall be provided for all dwelling units oriented to the Paradise Valley Mall Loop Road (“loop road”), as approved by the Planning and Development Department:
 - a. Individual pedestrian entrance oriented to the loop road and connected to the public sidewalk by a direct pedestrian pathway.
 - b. Include a porch or patio, described as follows:
 - (1) Porches shall have a minimum dimension of six feet in depth by a width of no less than 50 percent of the total unit; be oriented to the outer loop road; have a unit entrance; and have a direct pedestrian connection to the public/private sidewalk.
 - (2) Patios shall have a minimum dimension of six feet in depth by a minimum width of 9 feet, and a minimum size of 54 square feet; be enclosed on each side by a low wall or fence not to exceed 36 inches in height; be oriented to the loop road; have a unit entrance; and have a direct pedestrian connection to the public/private sidewalk.
4. Pedestrian circulation shall generally conform to the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped January 13, 2021. Alternative pedestrian pathways may be approved so long as pedestrian connectivity is provided for the following:
 - Relocated transit center
 - Library
 - Existing and future open space areas

- Public streets

Plans shall show future shading generally contained to pedestrian pathways, as approved by the Planning and Development Department.

5. A Master Pedestrian Circulation/Open Space Plan shall be completed prior to preliminary site plan approval. This master plan shall be updated for each phase of development, as each new phase is in the city's development review process. The Master Pedestrian Circulation/Open Space Plan shall generally be consistent with the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped January 13, 2021, or future alternative plans, and include the following features:

- Pedestrian circulation, including at least one primary pedestrian route for north-south circulation and one for east-west circulation.
- Pavement widths and details
- Shade treatment and calculation
- Locations of detached sidewalks
- Locations of attached sidewalks
- Vehicular roadways
- Open space areas
- Bicycle amenities

6. Open space areas shall conform to Section 1310 of the Phoenix Zoning Ordinance. The open space areas shall provide at a minimum decorative paving, landscaping, shade elements, trash receptacles, art or artistic elements or seating areas and shall be located at the following locations:

- Northwest corner of Tatum Boulevard and Cactus Road
- South of the southwest corner of Tatum Boulevard and Larkspur Drive
- Northeast corner of Paradise Village Parkway and Cactus Road

7. Bicycle infrastructure shall be provided, as described below and as approved by the Planning and Development Department.

- a. Two bicycle repair stations (fix-it stations) shall be provided in areas of high visibility, convenient pedestrian access, and available from the public and/or provide sidewalks. The stations shall include standard repair tools affixed to the station, a tire gauge and pump,

and a bicycle repair stand which allows pedals and wheels to spin freely while making adjustments to the bike.

One station shall be provided with the first phase of development and the second station shall be provided with a future phase of development along the north portion of the loop road, as depicted on the Conceptual Illustrative Open Space and Pedestrian Circulation exhibit, date stamped January 13, 2021.

- b. Bicycle parking shall be required per Section 1307.H of the Phoenix Zoning Ordinance.
 - c. All required bicycle parking for multifamily use, per Section 1307.H.6.d. of the Phoenix Zoning Ordinance, shall be secured parking.
 - d. Guest bicycle parking for multifamily residential use shall be provided at a minimum of 0.5 spaces per unit with a maximum of 50 spaces near entrances of buildings and installed per the requirements of Section 1307.H. of the Phoenix Zoning Ordinance.
 - e. A minimum of 10 percent of the required bicycle parking for nonresidential uses shall be secured per the requirements of Section 1307.H. of the City of Phoenix Zoning Ordinance.
8. All public sidewalks shall be detached with a minimum 5-foot-wide landscape area located between the sidewalk and back of curb and planted to the following standards, as approved by the Planning and Development Department. Where utility conflicts exist, the developer shall work with the Planning and Development Department on alternative design solutions with a pedestrian environment.

Detached sidewalk shall be provided proportionally as redevelopment occurs adjacent to or within 100 feet of the public right-of-way.

- a. Minimum 3-inch caliper large canopy, single-trunk, shade trees placed a minimum of 25 feet on center or in equivalent groupings to provide a minimum of 50 percent shade at maturity on all adjacent sidewalks.
 - b. Drought tolerant shrubs and vegetative groundcovers with a maximum mature height of 24 inches to provide a minimum of 50 percent live coverage at maturity.
9. Seasonal shade, sun and temperature regulation through vegetative or structural shade elements shall be provided for Phase 1 of the development at the northwest corner of Tatum Boulevard and Cactus Road to allow pedestrians to enter the site comfortably, as approved by the Planning and Development Department.

10. There shall be a minimum of 25 percent structural or vegetative shade at maturity in the surface parking lots, as approved by the Planning and Development Department.
11. The developer shall wrap all newly constructed parking structures visible from the loop road or any primary pedestrian route (to be identified on the Master Pedestrian Circulation/Open Space Plan) with other uses such as, street level retail, office space, or residential dwelling units; or with decorative screening such as, perforated screening, illuminated art, living greenery, decorative metal panels or other design features, as approved by the Planning and Development Department.
12. Newly constructed walls visible from public streets of the loop road shall incorporate stone veneer, stonework, integral color CMU block, decorative block, split face or faux stone, as approved by the Planning and Development Department.
13. The self-service storage warehouse use, covered under the Special Permit, shall comply with the following:
 - a. Storage buildings shall not exceed three stories or 30 feet in height.
 - b. Storage buildings shall be limited to an 80,000-square foot footprint, and not to exceed a 200,000-square foot floor area.
 - c. Any outdoor storage areas must be screened with a decorative solid wall.
14. Relocation and/or reconstruction of the Paradise Valley Transit Center is subject to Planning and Development Department and Public Transit Department Approval. A minimum of three transit vehicle servicing points shall be constructed at any relocated or reconstructed site. All plans and designs for relocated and/or reconstructed transit facilities shall require approval from the Public Transit Department and the Planning and Development Department. The Public Transit Department shall retain removable assets located at the Paradise Valley Transit Center should relocation and/or reconstruction be approved.
15. Trees or shade structures shall be placed to provide a minimum of 50 percent shade coverage in pedestrian areas at the transit center.
16. Vehicle access to all public transit facilities shall be ensured by dedication of transit easements or other legal agreements, as approved by the Public Transit Department and the Planning and Development Department.
17. The developer shall dedicate right-of-way and construct two bus stop pads at locations approved or modified by the Public Transit Department. Bus stop pads shall be constructed according to City of Phoenix Standard Detail P1260 with a minimum depth of 10 feet. Bus stop pads shall be spaced from intersections according to City of Phoenix Standard Detail P1258. Trees shall be placed to provide 50 percent shade at bus stop pads, as approved by the

Planning and Development Department.

18. Clearly defined, accessible pedestrian pathways shall be provided to connect building entrances, bus stop pads, transit center, site amenities, and public sidewalks, using the most direct route for pedestrians, as approved by the Planning and Development Department.
19. Where pedestrian pathways cross drive aisles, they shall be constructed of decorative pavers, stamped, or colored concrete, or other pavement treatments that visually contrast with the adjacent parking and drive aisle surfaces, as approved by the Planning and Development Department.
20. All cross-access agreements shall include a pedestrian pathway, as approved by the Planning and Development Department.
21. The applicant shall submit a Traffic Impact Study to the City for this development. No preliminary approval of site plans shall be granted until the study is reviewed and approved by the City. Contact Mr. Christopher Kowalsky, Special Projects Administrator, at (602) 534-7105, to set up a meeting to discuss the requirements of the study. Upon completion of the TIS the developer shall submit the completed TIS to the Planning and Development Department counter with instruction to forward the study to the Street Transportation Department, City Engineers Office. Additional dedications and/or improvements may be required as per the approved Traffic Impact Study.
22. The developer shall construct all streets within and adjacent to the development with paving, curb, gutter, sidewalk, curb ramps, streetlights, landscape median islands, landscaping and other incidentals, as per plans approved by the Planning and Development Department. All improvements shall comply with all ADA accessibility standards.
23. In the event archaeological materials are encountered during construction, the developer shall immediately cease all ground-disturbing activities within a 33-foot radius of the discovery, notify the City Archaeologist, and allow time for the Archaeology Office to properly assess the materials.
24. **PRIOR TO PRELIMINARY SITE PLAN APPROVAL, THE LANDOWNER SHALL EXECUTE A PROPOSITION 207 WAIVER OF CLAIMS FORM. THE WAIVER SHALL BE RECORDED WITH THE MARICOPA COUNTY RECORDER'S OFFICE AND DELIVERED TO THE CITY TO BE INCLUDED IN THE REZONING APPLICATION FILE FOR RECORD.**

This publication can be made available in alternate format upon request. Please contact Tamra Ingersoll at (602) 534-6648, TTY use 7-1-1.



Public Hearing - Amend City Code - Ordinance Adoption - Responsible Adult Use of Marijuana - Z-TA-8-20 (Ordinance G-6810)

Request to hold a public hearing on a proposed text amendment Z-TA-8-20 and to request City Council approve Z-TA-8-20 as proposed which amends Chapter 6, Section 623.D.124 (Commercial C-2 District-Intermediate Commercial) and 627.D.92 (A-1 Light Industrial District) of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding responsible adult use of marijuana (Smart and Safe Arizona Act).

Summary

Application: Z-TA-8-20

Proposal: Request to amend Chapter 6, Section 623.D.124 (Commercial C-2 District-Intermediate Commercial) and 627.D.92 (A-1 Light Industrial District) of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding responsible adult use of marijuana (Smart and Safe Arizona Act).

Applicant: City of Phoenix, Planning Commission

Representative: City of Phoenix, Planning and Development Department

The voters of the State of Arizona approved Proposition 207, known as the "Smart and Safe Arizona Act" on Nov. 3, 2020. The Smart and Safe Arizona Act amended Title 36, of the Arizona State Statutes by adding Chapter 28.2, and added regulations related to the retail sale of marijuana at licensed establishments (marijuana establishments). This text amendment proposes changes to the Phoenix Zoning Ordinance to be consistent with the new provisions of Title 36 of the Arizona Revised Statutes.

Concurrence/Previous Council Action

Staff Recommendation: Staff recommends approval of Z-TA-8-20, per the **Attachment B** - Staff Report Exhibit A language.

VPC Action: The request was heard by all fifteen Village Planning Committees (VPCs). Thirteen VPCs recommended approval and two VPCs recommended approval with a modification, as reflected in **Attachment C - VPC Results**.

PC Action: The Planning Commission heard this case on Feb. 4, 2021 and recommended approval, per the language in Exhibit A of the Staff Report by a 7-0

vote, as reflected in **Attachment D - PC Summary**.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.

ATTACHMENT A

**THIS IS A DRAFT COPY ONLY AND IS NOT AN OFFICIAL COPY OF THE FINAL,
ADOPTED ORDINANCE**

ORDINANCE G-

AN ORDINANCE AMENDING PORTIONS OF THE CODE OF THE CITY OF PHOENIX, ARIZONA, PART II, CHAPTER 41, THE ZONING ORDINANCE OF THE CITY OF PHOENIX BY AMENDING CHAPTER 6, SECTION 623.D.124.D (COMMERCIAL C-2 DISTRICT – INTERMEDIATE COMMERCIAL) AND CHAPTER 6, SECTION 627.D.92.C (INDUSTRIAL A-1 DISTRICT – LIGHT INDUSTRIAL DISTRICT) OF THE PHOENIX ZONING ORDINANCE TO CHANGES TO THE ARIZONA REVISED STATUTES REGARDING RESPONSIBLE ADULT USE OF MARIJUANA (SMART AND SAFE ARIZONA ACT).

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX, as follows:

SECTION 1: That Chapter 2, Section 202 (Definitions), is amended to read:

Amend Section 202 (Definitions) by adding the following new definitions in correct alphabetical order:

CANNABIS: MEANS THE FOLLOWING SUBSTANCES UNDER WHATEVER NAMES THEY MAY BE DESIGNATED:

1. THE RESIN EXTRACTED FROM ANY PART OF A PLANT OF THE GENUS CANNABIS, AND EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF SUCH PLANT, ITS SEEDS OR ITS RESIN. CANNABIS DOES NOT INCLUDE OIL OR CAKE MADE FROM THE SEEDS OF SUCH PLANT, ANY FIBER, COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF THE MATURE STALKS OF SUCH PLANT EXCEPT THE RESIN EXTRACTED FROM THE STALKS OR ANY FIBER, OIL OR CAKE OR THE STERILIZED SEED OF SUCH PLANT WHICH IS INCAPABLE OF GERMINATION.
2. EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF SUCH RESIN OR TETRAHYDROCANNABINOL.

INDUSTRIAL HEMP: MEANS THE PLANT CANNABIS SATIVA L. AND ANY PART OF SUCH A PLANT, WHETHER GROWING OR NOT, WITH A DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION OF NOT MORE THAN THREE-TENTHS PERCENT ON A DRY-WEIGHT BASIS.

MARIJUANA:

1. MEANS ALL PARTS OF THE PLANT OF THE GENUS CANNABIS, WHETHER GROWING OR NOT, AS WELL AS THE SEEDS FROM THE PLANT, THE RESIN EXTRACTED FROM ANY PART OF THE PLANT, AND EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF THE PLANT OR ITS SEEDS OR RESIN.
2. DOES NOT INCLUDE INDUSTRIAL HEMP, THE FIBER PRODUCED FROM THE STALKS OF THE PLANT OF THE GENUS CANNABIS, OIL OR CAKE MADE FROM THE SEEDS OF THE PLANT, STERILIZED SEEDS OF THE PLANT THAT ARE INCAPABLE OF GERMINATION, OR THE WEIGHT OF ANY OTHER INGREDIENT COMBINED WITH MARIJUANA TO PREPARE TOPICAL OR ORAL ADMINISTRATIONS, FOOD, DRINK OR OTHER PRODUCTS.

MARIJUANA ESTABLISHMENT: MEANS AN ENTITY LICENSED BY THE ARIZONA DEPARTMENT OF HEALTH SERVICES TO OPERATE ALL OF THE FOLLOWING:

1. A SINGLE RETAIL LOCATION AT WHICH THE LICENSEE MAY SELL MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS, CULTIVATE MARIJUANA AND MANUFACTURE MARIJUANA PRODUCTS.
2. A SINGLE OFF-SITE CULTIVATION LOCATION AT WHICH THE LICENSEE MAY CULTIVATE MARIJUANA, PROCESS MARIJUANA AND MANUFACTURE MARIJUANA PRODUCTS, BUT FROM WHICH MARIJUANA AND MARIJUANA PRODUCTS MAY NOT BE TRANSFERRED OR SOLD TO CONSUMERS.
3. A SINGLE OFF-SITE LOCATION AT WHICH THE LICENSEE MAY MANUFACTURE MARIJUANA PRODUCTS AND PACKAGE AND STORE MARIJUANA AND MARIJUANA PRODUCTS, BUT FROM WHICH MARIJUANA AND MARIJUANA PRODUCTS MAY NOT BE TRANSFERRED OR SOLD TO CONSUMERS.

MARIJUANA PRODUCTS: MEANS MARIJUANA CONCENTRATE AND PRODUCTS THAT ARE COMPOSED OF MARIJUANA AND OTHER INGREDIENTS AND THAT ARE INTENDED FOR USE OR CONSUMPTION, INCLUDING EDIBLE PRODUCTS, OINTMENTS AND TINCTURES.

SECTION 2: That Chapter 6, Section 623.D.124 (Commercial C-2 District – Intermediate Commercial), is amended to read:

Amend Section 623.D.124 (Commercial C-2 District—Intermediate Commercial) to read as follows:

D. Permitted Uses.

124. Nonprofit medical marijuana dispensary facility, subject to the following conditions and limitations; failure to comply with the below regulations and requirements is subject to revocation per Section 307.

- a. A use permit shall be obtained in accordance with standards and procedures of Section 307 and the following:
 - (1) Shall be reviewed every 365 calendar days.
 - (2) Provide name(s) and location(s) of the off-site cultivation location.
 - (3) Include a copy of the operating procedures adopted in compliance with Section 36-2804(B)(1)(c), Arizona Revised Statutes.
 - (4) A survey sealed by a registrant of the State of Arizona shall be submitted to show compliance with the distance requirements listed below.
- b. Cultivation of medical marijuana is prohibited.
- c. Shall be located in a closed building and may not be located in a trailer, cargo container, motor vehicle or similar structure or motorized or non-motorized vehicle.
- d. Shall not exceed 5,000 square feet of COMBINED net floor area dedicated exclusively to the nonprofit medical marijuana dispensary AND MARIJUANA ESTABLISHMENT; this shall include all storage areas, retail space and offices for the nonprofit medical marijuana dispensary AND MARIJUANA ESTABLISHMENT.

- e. Shall not be located within 5,280 feet of the same type of use or a medical marijuana cultivation or infusion facility. This distance shall be measured from the exterior wall of the building or portion thereof in which the business is conducted or proposed to be conducted to the nearest exterior wall or portion thereof of another medical marijuana dispensary, cultivation, or infusion facility.
- f. Shall not be located within 500 feet of the following residentially zoned districts: S-1, S-2, RE-43, RE-35, R1-18, R1-14, R1-10, R1-8, R1-6, R-2, R-3, R3-A, R-4, R-4A, R-5, and PAD-1 through PAD-15. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the zoning boundary line of the residentially zoned district.
- g. Shall not be located within 1,320 feet of a preschool, kindergarten, elementary, secondary or high school, public park, public community center, dependent care facility, homeless shelter, or youth community center. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the protected use.
- h. Shall not be located within 1,320 feet of a place of worship. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the place of worship.
- i. Shall have operating hours not earlier than 8:00 a.m. and not later than 10:00 p.m.
- j. Drive-through services are prohibited.
- k. There shall be no emission of dust, fumes, vapors or odors into the environment from the premises.
- L. THE RETAIL SALE OF MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS IN A MARIJUANA ESTABLISHMENT SHALL BE PERMITTED AS ACCESSORY USE ONLY.

SECTION 3: That Chapter 6, Section 627.D.92 (Industrial A-1 District – Light Industrial District), is amended to read:

Amend Section 627.D.92 (A-1 Light Industrial District) to read as follows:

D. Permitted Uses.

92. Medical marijuana dispensary facility, subject to the following conditions and limitations; failure to comply with the below regulations and requirements is subject to revocation per Section 307:

- a. A use permit shall be obtained in accordance with standards and procedures of Section 307 of the Zoning Ordinance and the following:
 - (1) Shall be reviewed every 365 calendar days.
 - (2) Provide name(s) and location(s) of the off-site cultivation location.
 - (3) Include a copy of the operating procedures adopted in compliance with Section 36-2804(B)(1)(c), Arizona Revised Statutes.
 - (4) A survey sealed by a registrant of the State of Arizona shall be submitted to show compliance with the distance requirements listed below.
- b. Shall be located in a closed building and may not be located in a trailer, cargo container, motor vehicle or similar structure or motorized or non-motorized vehicle.
- c. Shall not exceed 5,000 square feet of COMBINED net floor area DEDICATED EXCLUSIVELY TO THE NONPROFIT MEDICAL MARIJUANA DISPENSARY AND MARIJUANA ESTABLISHMENT; this shall include all storage areas, retail space and offices FOR THE NONPROFIT MEDICAL MARIJUANA DISPENSARY AND MARIJUANA ESTABLISHMENT.
- d. Shall not be located within 5,280 feet of the same type of use or a medical marijuana cultivation or infusion facility. This distance shall be measured from the exterior wall of the building or portion thereof in which the business is conducted or proposed to be conducted to the nearest exterior wall or portion thereof of another medical marijuana dispensary, cultivation, or infusion facility.

- e. Shall not be located within 500 feet of the following residentially zoned districts: S-1, S-2, RE-43, RE-35, RE-24, R1-18, R1-14, R1-10, R1-8, R1-6, R-2, R-3, R-3A, R-4, R-4A, R-5, and PAD-1 through PAD-15. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the zoning boundary line of the residentially zoned district.
 - f. Shall not be located within 1,320 feet of a preschool, kindergarten, elementary, secondary or high school, public park, public community center, dependent care facility, homeless shelter, or youth community center. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the protected use.
 - g. Shall not be located within 1,320 feet of a place of worship. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the place of worship.
 - h. Shall have operating hours not earlier than 8:00 a.m. and not later than 10:00 p.m.
 - i. Drive-through services are prohibited.
 - j. There shall be no emission of dust, fumes, vapors or odors into the environment from the premises.
- K. THE RETAIL SALE OF MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS IN A MARIJUANA ESTABLISHMENT SHALL BE PERMITTED AS ACCESSORY USE ONLY.**

PASSED by the Council of the City of Phoenix this 17th day of February, 2021

MAYOR

ATTEST:

_____ City Clerk

APPROVED AS TO FORM:

_____ City Attorney

REVIEWED BY:

_____ City Manager

DRAFT



City of Phoenix
PLANNING AND DEVELOPMENT DEPARTMENT

Staff Report
Zoning Ordinance Text Amendment
Z-TA-8-20
(Responsible Adult Use of Marijuana)
January 4, 2021

Application No. Z-TA-8-20: Amend Chapter 2, Section 202 (Definitions) and Chapter 6, Sections 623.D.124 (Commercial C-2 District—Intermediate Commercial) and 627.D.92 (A-1 Light Industrial District) of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding responsible adult use of marijuana (Smart and Safe Arizona Act).

Staff recommendation: Staff recommends approval of Z-TA-8-20 as shown in Exhibit A.

Purpose

The voters of the State of Arizona approved Proposition 207, also known as the “Smart and Safe Arizona Act” on November 3, 2020. The Smart and Safe Arizona Act amended Title 36, of the Arizona Revised Statutes by adding Chapter 28.2, and added regulations related to the retail sale of marijuana at licensed establishments (marijuana establishments). This text amendment proposes changes to the Phoenix Zoning Ordinance to be consistent with the new provisions of Title 36 of the Arizona Revised Statutes.

Background

Chapter 28.2 of Title 36 of the Arizona Revised Statutes (A.R.S) also contains provisions on how a locality (city) may regulate marijuana establishments. Should a city propose to permit and regulate marijuana establishments, the A.R.S provisions do not allow the city to enact more restrictive regulations or rules than those that apply to nonprofit medical marijuana dispensaries. Furthermore, the A.R.S prohibits cities from restricting or interfering with the ability of an entity to operate a nonprofit medical marijuana dispensary and a marijuana establishment at a shared location.

The number of marijuana establishment licenses are capped at one marijuana establishment license for every 10 pharmacies that have obtained a pharmacy permit and operate in this state. Beginning January 19, 2021 through March 9, 2021, the Arizona Department of Health Services is required to accept early applications for marijuana establishments from both:

1. Currently registered nonprofit medical marijuana dispensaries.
2. Applicants seeking to operate a marijuana establishment in a county with fewer than two nonprofit medical marijuana dispensaries.

The proposed language adds definitions for “cannabis”, “industrial hemp”, “marijuana”, “marijuana establishment”, and “marijuana products” that mirrors the language in the A.R.S. The language also proposes to permit marijuana establishments as an accessory use to a non-profit medical marijuana dispensary. This approach is consistent with the provisions outlined in the A.R.S.

Non-profit medical marijuana dispensaries are permitted in the C-2, C-3, A-1 and A-2 zoning districts subject to several conditions and require a use permit. One of the conditions is that the dispensaries are limited to a maximum of 5,000 square feet of net floor area. This 5,000 square foot floor area limitation will apply to the combination of the areas for the non-profit medical marijuana dispensary and the marijuana establishment. Existing non-profit medical marijuana dispensaries that would like to add a marijuana establishment as an accessory use may be required to modify their existing use permit to address square footage limitations or any other use permit conditions that would preclude the addition of the accessory use.

Conclusion

The proposed text amendment creates a regulatory framework for marijuana establishments by making them an accessory use to a non-profit medical marijuana dispensary. A comprehensive assessment of marijuana regulations will be reviewed in the future, but the purpose of this text amendment is to update the Phoenix Zoning Ordinance to comply with the new A.R.S provisions prior to marijuana establishment licenses becoming effective.

Staff recommends approval of Z-TA-8-20 as proposed in Exhibit A.

Writer

T. Gomes
1/4/21

Exhibit

A. Proposed Language

Text Amendment Z-TA-8-20: Responsible Adult Use of Marijuana

Proposed Language:

Amend Section 202 (Definitions) by adding the following new definitions in correct alphabetical order:

CANNABIS: MEANS THE FOLLOWING SUBSTANCES UNDER WHATEVER NAMES THEY MAY BE DESIGNATED:

1. THE RESIN EXTRACTED FROM ANY PART OF A PLANT OF THE GENUS CANNABIS, AND EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF SUCH PLANT, ITS SEEDS OR ITS RESIN. CANNABIS DOES NOT INCLUDE OIL OR CAKE MADE FROM THE SEEDS OF SUCH PLANT, ANY FIBER, COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF THE MATURE STALKS OF SUCH PLANT EXCEPT THE RESIN EXTRACTED FROM THE STALKS OR ANY FIBER, OIL OR CAKE OR THE STERILIZED SEED OF SUCH PLANT WHICH IS INCAPABLE OF GERMINATION.
2. EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF SUCH RESIN OR TETRAHYDROCANNABINOL.

INDUSTRIAL HEMP: MEANS THE PLANT CANNABIS SATIVA L. AND ANY PART OF SUCH A PLANT, WHETHER GROWING OR NOT, WITH A DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION OF NOT MORE THAN THREE-TENTHS PERCENT ON A DRY-WEIGHT BASIS.

MARIJUANA:

1. MEANS ALL PARTS OF THE PLANT OF THE GENUS CANNABIS, WHETHER GROWING OR NOT, AS WELL AS THE SEEDS FROM THE PLANT, THE RESIN EXTRACTED FROM ANY PART OF THE PLANT, AND EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF THE PLANT OR ITS SEEDS OR RESIN.
2. DOES NOT INCLUDE INDUSTRIAL HEMP, THE FIBER PRODUCED FROM THE STALKS OF THE PLANT OF THE GENUS CANNABIS, OIL OR CAKE MADE FROM THE SEEDS OF THE PLANT, STERILIZED SEEDS OF THE PLANT THAT ARE INCAPABLE OF GERMINATION, OR THE WEIGHT OF ANY OTHER INGREDIENT COMBINED WITH MARIJUANA TO PREPARE TOPICAL OR ORAL ADMINISTRATIONS, FOOD, DRINK OR OTHER PRODUCTS.

MARIJUANA ESTABLISHMENT: MEANS AN ENTITY LICENSED BY THE ARIZONA DEPARTMENT OF HEALTH SERVICES TO OPERATE ALL OF THE FOLLOWING:

1. A SINGLE RETAIL LOCATION AT WHICH THE LICENSEE MAY SELL MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS, CULTIVATE MARIJUANA AND MANUFACTURE MARIJUANA PRODUCTS.
2. A SINGLE OFF-SITE CULTIVATION LOCATION AT WHICH THE LICENSEE MAY CULTIVATE MARIJUANA, PROCESS MARIJUANA AND MANUFACTURE MARIJUANA PRODUCTS, BUT FROM WHICH MARIJUANA AND MARIJUANA PRODUCTS MAY NOT BE TRANSFERRED OR SOLD TO CONSUMERS.
3. A SINGLE OFF-SITE LOCATION AT WHICH THE LICENSEE MAY MANUFACTURE MARIJUANA PRODUCTS AND PACKAGE AND STORE MARIJUANA AND MARIJUANA PRODUCTS, BUT FROM WHICH MARIJUANA AND MARIJUANA PRODUCTS MAY NOT BE TRANSFERRED OR SOLD TO CONSUMERS.

MARIJUANA PRODUCTS: MEANS MARIJUANA CONCENTRATE AND PRODUCTS THAT ARE COMPOSED OF MARIJUANA AND OTHER INGREDIENTS AND THAT ARE INTENDED FOR USE OR CONSUMPTION, INCLUDING EDIBLE PRODUCTS, OINTMENTS AND TINCTURES.

Amend Section 623.D.124 (Commercial C-2 District—Intermediate Commercial) to read as follows:

D. Permitted Uses.

124. Nonprofit medical marijuana dispensary facility, subject to the following conditions and limitations; failure to comply with the below regulations and requirements is subject to revocation per Section 307.

a. A use permit shall be obtained in accordance with standards and procedures of Section 307 and the following:

- (1) Shall be reviewed every 365 calendar days.
- (2) Provide name(s) and location(s) of the off-site cultivation location.
- (3) Include a copy of the operating procedures adopted in compliance with Section 36-2804(B)(1)(c), Arizona Revised Statutes.
- (4) A survey sealed by a registrant of the State of Arizona shall be submitted to show compliance with the distance requirements listed below.

b. Cultivation of medical marijuana is prohibited.

- c. Shall be located in a closed building and may not be located in a trailer, cargo container, motor vehicle or similar structure or motorized or non-motorized vehicle.
- d. Shall not exceed 5,000 square feet of COMBINED net floor area dedicated exclusively to the nonprofit medical marijuana dispensary AND MARIJUANA ESTABLISHMENT; this shall include all storage areas, retail space and offices for the nonprofit medical marijuana dispensary AND MARIJUANA ESTABLISHMENT.
- e. Shall not be located within 5,280 feet of the same type of use or a medical marijuana cultivation or infusion facility. This distance shall be measured from the exterior wall of the building or portion thereof in which the business is conducted or proposed to be conducted to the nearest exterior wall or portion thereof of another medical marijuana dispensary, cultivation, or infusion facility.
- f. Shall not be located within 500 feet of the following residentially zoned districts: S-1, S-2, RE-43, RE-35, R1-18, R1-14, R1-10, R1-8, R1-6, R-2, R-3, R3-A, R-4, R-4A, R-5, and PAD-1 through PAD-15. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the zoning boundary line of the residentially zoned district.
- g. Shall not be located within 1,320 feet of a preschool, kindergarten, elementary, secondary or high school, public park, public community center, dependent care facility, homeless shelter, or youth community center. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the protected use.
- h. Shall not be located within 1,320 feet of a place of worship. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the place of worship.
- i. Shall have operating hours not earlier than 8:00 a.m. and not later than 10:00 p.m.
- j. Drive-through services are prohibited.
- k. There shall be no emission of dust, fumes, vapors or odors into the environment from the premises.

- L. THE RETAIL SALE OF MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS IN A MARIJUANA ESTABLISHMENT SHALL BE PERMITTED AS ACCESSORY USE ONLY.

Amend Section 627.D.92 (A-1 Light Industrial District) to read as follows:

D. Permitted Uses.

92. Medical marijuana dispensary facility, subject to the following conditions and limitations; failure to comply with the below regulations and requirements is subject to revocation per Section 307:
- a. A use permit shall be obtained in accordance with standards and procedures of Section 307 of the Zoning Ordinance and the following:
 - (1) Shall be reviewed every 365 calendar days.
 - (2) Provide name(s) and location(s) of the off-site cultivation location.
 - (3) Include a copy of the operating procedures adopted in compliance with Section 36-2804(B)(1)(c), Arizona Revised Statutes.
 - (4) A survey sealed by a registrant of the State of Arizona shall be submitted to show compliance with the distance requirements listed below.
 - b. Shall be located in a closed building and may not be located in a trailer, cargo container, motor vehicle or similar structure or motorized or non-motorized vehicle.
 - c. Shall not exceed 5,000 square feet of COMBINED net floor area DEDICATED EXCLUSIVELY TO THE NONPROFIT MEDICAL MARIJUANA DISPENSARY AND MARIJUANA ESTABLISHMENT; this shall include all storage areas, retail space and offices FOR THE NONPROFIT MEDICAL MARIJUANA DISPENSARY AND MARIJUANA ESTABLISHMENT.
 - d. Shall not be located within 5,280 feet of the same type of use or a medical marijuana cultivation or infusion facility. This distance shall be measured from the exterior wall of the building or portion thereof in which the business is conducted or proposed to be conducted to the nearest exterior wall or portion thereof of another medical marijuana dispensary, cultivation, or infusion facility.

- e. Shall not be located within 500 feet of the following residentially zoned districts: S-1, S-2, RE-43, RE-35, RE-24, R1-18, R1-14, R1-10, R1-8, R1-6, R-2, R-3, R-3A, R-4, R-4A, R-5, and PAD-1 through PAD-15. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the zoning boundary line of the residentially zoned district.
- f. Shall not be located within 1,320 feet of a preschool, kindergarten, elementary, secondary or high school, public park, public community center, dependent care facility, homeless shelter, or youth community center. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the protected use.
- g. Shall not be located within 1,320 feet of a place of worship. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the place of worship.
- h. Shall have operating hours not earlier than 8:00 a.m. and not later than 10:00 p.m.
- i. Drive-through services are prohibited.
- j. There shall be no emission of dust, fumes, vapors or odors into the environment from the premises.
- K. THE RETAIL SALE OF MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS IN A MARIJUANA ESTABLISHMENT SHALL BE PERMITTED AS ACCESSORY USE ONLY.

ATTACHMENT C
TA-8-20: Responsible Adult Use of Marijuana -
Village Planning Committee Summary Results

Village	Date	Recommendations	Vote
Central City	1/11/21	Approved	15-0
Laveen	1/11/21	Approved	8-0-1
Rio Vista	1/12/21	Approved	4-0
South Mountain	1/12/21	Approved with a modification to allow marijuana establishments as a primary use	10-0
Maryvale	1/13/21	Approved	9-1
Deer Valley	1/14/21	Approved	13-0
North Gateway	1/14/21	Approved	6-0
Estrella	1/19/21	Approved	6-0
North Mountain	1/20/21	Approved	13-1-1
Ahwatukee Foothills	1/25/21	Approved	10-0-1
Alhambra	1/26/21	Approved	16-1
Encanto	2/1/21	Approved with a modification to require a use permit for marijuana establishments	12-1
Paradise Valley	2/1/21	Approved	17-0
Camelback East	2/2/21	Approved	18-0
Desert View	2/2/21	Approved	7-0

Village Planning Committee Meeting Summary Z-TA-8-20

Date of VPC Meeting	January 11, 2020
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries
VPC Recommendation	Approval, per the staff recommendation
VPC Vote	15-0

VPC DISCUSSION:

Chair Rachel Frazier Johnson joined the meeting during this item bringing the quorum to 15.

Joshua Bednarek, Deputy Director of the Planning and Development Department shared that in November 2020 voters passed the Smart and Safe Arizona Act (Prop. 207) which allowed the recreational use of marijuana and added regulations related to the retail sale of marijuana at licensed establishments (marijuana establishments). Mr. Bednarek reviewed the current zoning requirements for non-profit medical marijuana establishments. Mr. Bednarek shared that the proposed text amendment is to add definitions from the Arizona Revised Statute language for cannabis, industrial hemp, marijuana, marijuana establishment and marijuana products and to permit marijuana establishments as an accessory use to a non-profit medical marijuana dispensary. Mr. Bednarek reviewed staff’s recommendation and the proposed timeline for public hearings.

Dana Johnson asked for clarification on medical marijuana establishments being accessory to medical marijuana dispensaries or if they could be standalone, and which zoning districts allowed dispensaries, and if they are allowed downtown. **Mr. Bednarek** replied that this proposal is to allow marijuana establishments as an accessory use to medical marijuana facilities in order to have requirements in place before the State begins to issue licenses, and that it doesn’t preclude them from revisiting the ordinance requirements at a later date.

Ryan Boyd stated that medical marijuana has very restrictive uses as asked why it has so many restrictions. **Mr. Bednarek** replied that when the Mayor and City Council approved the medical marijuana requirements, they felt it was the most appropriate framework for that use and there could be a need to review those requirements in the future.

Public Comment:

None.

Motion:

Dana Johnson motioned to recommend approval of Z-TA-8-20, per the staff recommendation. **Darlene Martinez** seconded the motion.

Discussion:

Ryan Boyd commented that the requirements for marijuana uses are too restrictive and hoped that there can be a follow-up text amendment to make it less restrictive. **Committee members Gaona, Johnson, Martinez and Rainey** echoed Mr. Boyd's comment.

Vote

15-0, Motion to approve Z-TA-8-20 per the staff recommendation passed, with Committee Members Boyd, Burns, Colyer, Dubasik, Gaona, Johnson, Lockhart, Martinez, Olivas, Panetta, Rainey, Stark, Starks, Sonoskey and R. Johnson in favor.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

None.



Village Planning Committee Meeting Summary Z-TA-8-20

Date of VPC Meeting	January 11, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approve, per staff recommendation.
VPC Vote	8-0-1

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

Committee member Branscomb recused himself from this agenda item due to a conflict of interest.

Ms. Tricia Gomes, Zoning Administrator of the Phoenix Planning and Development Department, provided an overview of the request, explaining that it is in response to the Smart and Safe Arizona Act that was approved on November 3, 2020. This amended Title 36 of the Arizona Revised Statutes by adding Chapter 28.2 and added regulations related to the retail sale of marijuana at licensed establishments. Currently, non-profit medical marijuana establishments are permitted in the C-2, C-3, A-1, and A-2 districts subject to several conditions and require a use permit. They are also limited to a maximum of 5,000 square feet of net floor area. The proposed Text Amendment would all definitions to the Phoenix Zoning Ordinance that mirror the language in the A.R.S for the following terms: cannabis, industrial hemp, marijuana, marijuana establishment, and marijuana products. It will also permit marijuana establishments as an accessory use to a non-profit medical marijuana dispensary. She presented the staff recommendation for approval, per the language in the staff report provided.

MOTION

Ms. Jennifer Rouse moved to approve the request per the staff recommendation. **Ms. Cinthia Estela** seconded the motion.

VOTE

8-0-1, Motion to approve, with committee members Glass, Abegg, Estela, Flunoy, Harlin, Hurd, Ortega, and Rouse in favor, and committee member Branscomb abstaining.



Village Planning Committee Meeting Summary Z-TA-8-20

Date of VPC Meeting	January 12, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approval
VPC Vote	4-0

VPC DISCUSSION:

Tricia Gomes provided an overview on the proposed text amendment, noting the current regulations for medical marijuana and the proposed regulations for recreational marijuana as accessory to existing medical marijuana facilities.

Ozzie Virgil asked how medical and recreational marijuana businesses will be separated. Will the businesses come back at a later time and ask for additional area?

Tricia Gomes responded that the current proposal would not change any of the current spacing or size standards. The text amendment is only to comply with state law. Operations regarding how overall space is devoted to each business will be left up to the operator.

Chair Massimo Sommacampagna asked for clarification on if the medical dispensaries were being allowed accessory retail sales. **Tricia Gomes** confirmed that recreational use would only be accessory and not standalone explaining that the city cannot prohibit existing facilities to converting to recreational operations.

Vice Chair Steven Scharboneau commented that as he understood the law, a city could ban the use but recreational sales would still be permitted in existing medical facilities.

Judy Lorch asked what would happen if the medical facility went out of business. **Tricia Gomes** responded that the recreational component would need to close.

No public comments were received for this item.

Vice Chair Steven Scharboneau commented that this was a mandatory step to comply with state law and thought it was pretty straightforward.

MOTION: Vice Chair **Steven Scharboneau** made a motion to approve as presented. The motion was seconded by **Judy Lorch**.

VOTE: 4-0 with Committee Members Sommacampagna, Scharboneau, Lorch and Virgil in favor.

**Village Planning Committee Meeting Summary
Z-TA-8-20**

Date of VPC Meeting	January 12, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approve, per staff recommendation with modifications.
VPC Vote	10-0 Motion passes; none in dissent or abstention.

VPC DISCUSSION & RECOMMENDATION:

No requests to speak from the public were received on this item.

Joshua Bednarek, Deputy Director in the Planning and Development Department, introduced himself and this citywide text amendment under case Z-TA-8-20 that arose from the passage of Proposition 207 also known as the Responsible Adult Use of Marijuana (Smart and Safe Arizona Act) in 2020. This proposition amends Title 36 of the Arizona Revised Statutes and incorporates regulations related to the retail sales of marijuana at licensed establishments. He discussed the current standards in the Phoenix Zoning Ordinance applicable to non-profit medical marijuana dispensaries. The current text amendment proposal would allow retail marijuana establishments only as an accessory use to a non-profit medical marijuana dispensary and would add several definitions which mirror the Arizona Revised Statutes in the Zoning Ordinance for several terms. He added that staff recommends approval of this text amendment subject to the language found in Exhibit A of the staff report and concluded his presentation by discussing the meeting schedule for this proposed text amendment.

Member Kassandra Alvarez left the meeting at 6:20pm bringing the quorum to 10 members.

Gene Holmerud asked for additional clarification on the text amendment.

Greg Brownell asked if existing medical marijuana cultivation facilities would be permitted to operate as a retail marijuana establishment.

Mr. Bednarek responded that cultivation and sales are two different uses. The current proposal only allows retail marijuana establishments as an accessory use

to a medical marijuana facility. He explained that retail sales and cultivation are not considered to be the same land use.

Marcia Busching asked if state law allows retail sales of marijuana to operate as a primary use.

Mr. Bednarek responded that state law allows the regulation of retail marijuana establishments to be no more stringent than medical marijuana retail establishments. Currently, staff is seeking a streamlined approach to address the passage of Proposition 207 given the limited timeline.

Ms. Busching stated that the proposed text amendment language hinders business competition and thus anti-competitive.

Shelly Smith stated that the process could discriminate against smaller corporations. He provided an example of phone companies which flooded the market decades ago and added that the nuance will wear away.

Mr. Bednarek responded that he appreciates the comments provided and welcomes recommended modifications to the text amendment language proposed.

Tamala Daniels asked how the South Mountain Village compares to other villages in terms of sentiment to the proposal. She asked what some of the zoning districts are where retail marijuana establishment could locate in the South Mountain Village.

Mr. Bednarek discussed a previous text amendment case which proposed to increase the maximum size of medical marijuana establishments. He added that each Village varies in terms of the existing zoning and where certain protected uses are located from these properties. The properties along Broadway Road are designated as commercial or industrial zoning in some locations which could allow for retail marijuana establishments as proposed by this text amendment.

Chairwoman Trites asked if the state has a limit on the maximum number of licenses that it can issue for retail marijuana establishments.

Mr. Bednarek responded that the state will issue licenses for retail marijuana establishments as a ratio to the number of medical marijuana licenses issued. Now, there are approximately 54 medical marijuana dispensaries spread across the City of Phoenix.

Chairwoman Trites asked how many dispensaries are there now in the South Mountain Village and stated that she shares the same concerns as Shelly Smith. She asked if there were other opportunities for the public to comment on the location of marijuana dispensaries.

Mr. Bednarek responded that he does not have the number of marijuana dispensary licenses issued in the South Mountain Village and added that through the use permit process, public notification and comment are part of this process.

George Brooks asked if this was a city-wide text amendment.

Mr. Bednarek responded that this was a city-wide text amendment.

Mr. Brownell stated that the idea of separating marijuana facilities as part of the text amendment which approved medical marijuana establishments originated in the South Mountain Village. He discussed concerns with the proposal.

Mr. Bednarek responded that the proposed text amendment does not modify the existing separation requirements for marijuana establishments. He added that there is not much existing land that meets the appropriate zoning requirements across the city which allows these types of facilities.

Muriel Smith stated that she has concerns with locating marijuana establishments near protected uses.

Mr. Bednarek responded that the separation requirements for marijuana establishments are not proposed to be changed with this text amendment.

Chairwoman Trites stated that given no public comment, she would entertain further discussion or a motion on this agenda item.

DISCUSSION

Ms. Busching stated that she would be willing to make a motion to approve case Z-TA-8-20 per the staff recommendation, deleting any references requiring marijuana establishments to be an accessory use to a medical marijuana dispensary. Rather, to allow marijuana establishments as a primary use.

MOTION

Ms. Busching made a motion to approve text amendment case Z-TA-8-20 per the staff recommendation in Exhibit A, with a modification to allow marijuana establishments as a primary use and not as an accessory use to a medical marijuana dispensary. **Mr. Holmerud** seconded the motion.

VOTE:

10-0 Motion passes; None in dissent.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

The South Mountain Village Planning Committee voted to approve the proposed text amendment case Z-TA-8-20 per the language in Exhibit A proposed by staff, with a

modification to allow marijuana establishments as a primary use and not as an accessory use to a medical marijuana dispensary. No details were provided whether to amend any of the other requirements proposed in Exhibit A to apply to marijuana establishments such as separation requirements, use permit requirements and zoning district requirements.



Village Planning Committee Meeting Summary Z-TA-8-20

Date of VPC Meeting	January 13, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries
VPC Recommendation	Approval, per the staff recommendation
VPC Vote	9-1

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

Joshua Bednarek, Deputy Director of the Planning and Development Department shared that in November 2020 voters passed the Smart and Safe Arizona Act (Prop. 207) which allowed the recreational use of marijuana and added regulations related to the retail sale of marijuana at licensed establishments (marijuana establishments). Mr. Bednarek reviewed the current zoning requirements for non-profit medical marijuana establishments. Mr. Bednarek shared that the proposed text amendment is to add definitions from the Arizona Revised Statute language for cannabis, industrial hemp, marijuana, marijuana establishment and marijuana products and to permit marijuana establishments as an accessory use to a non-profit medical marijuana dispensary. Mr. Bednarek reviewed staff's recommendation and the proposed timeline for public hearings.

Vice Chair Gene Derie asked where these marijuana establishments would be located, if non-profit medical marijuana establishments are allowed in C-2, C-3, A-1 and A-2-zoned parcels and if it would be allowed if the medical marijuana establishment was a separate buildings. **Mr. Bednarek** replied that the marijuana establishments would only be permitted as an accessory use to a non-profit medical marijuana dispensary and would be subject to the same restrictions in terms of zoning and separation requirements, and that if was separate it wouldn't not be considered an accessory use and part of the same establishment.

Motion:

Jeff O'Toole motioned to recommend approval of Z-TA-8-20. **Vice Chair Gene Derie** seconded the motion.

Discussion:

None.

Vote:

9-1, Motion to approve passes with Committee Members Battle, Demarest, DuBose, Hernandez, O'Toole, Sirochman, Valenzuela, Derie and Armor in favor and Committee member Barba opposed.

STAFF COMMENTS REGARDING VPC RECOMMENDATION & STIPULATIONS:

None.

Village Planning Committee Meeting Summary
Z-TA-8-20

Date of VPC Meeting	January 14, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approve, per staff recommendation.
VPC Vote	13-0 , motion to recommend approval passed, with Committee Members Grossman, DiLeo, Davenport, Fergis, Gardner, Greenburg, Kenney, Levy, Lewis, Osborne, Romero, Shipman and Virgil in favor.

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

No requests to speak from the public were received on this item.

STAFF PRESENTATION

Ms. Tricia Gomes, City of Phoenix Zoning Administrator, introduced herself and this citywide text amendment under case Z-TA-8-20 that arose from the passage of Proposition 207 also known as the Responsible Adult Use of Marijuana (Smart and Safe Arizona Act) in 2020. This proposition amends Title 36 of the Arizona Revised Statutes and incorporates regulations related to the retail sales of marijuana at licensed establishments. He discussed the current standards in the Phoenix Zoning Ordinance applicable to non-profit medical marijuana dispensaries. The current text amendment proposal would allow retail marijuana establishments only as an accessory use to a non-profit medical marijuana dispensary and would add several definitions which mirror the Arizona Revised Statutes in the Zoning Ordinance for several terms. She added that staff recommends approval of this text amendment subject to the language found in Exhibit A of the staff report and concluded his presentation by discussing the meeting schedule for this proposed text amendment.

Mr. Bill Levy asked if there was a different price scale between medical and recreational marijuana.

Ms. Gomes shared that she did not know.

Mr. Levy stated that he was curious about the tax structure as well as limits on the amount a consumer could purchase.

Ms. Gomes stated that these inquires can be addressed by the State of Arizona as they are the regulators.

Mr. Ozzie Virgil shared that the updates were written by the medical marijuana lawyers.

Ms. Gomes reiterated that this is under State jurisdiction.

Mr. Russell Osborn asked if there were changes to the separation requirements.

Ms. Gomes shared that no standards were changing, just adding required definitions and language related to the proposition.

Chairman Joseph Grossman asked if existing medical marijuana facilities that are opting to also incorporate the recreation sales would be required to send out notifications to surrounding property owners informing them of the change in use.

Ms. Gomes shared that existing medical marijuana facilities would not be required to send out notifications unless they are expanding floor area to accommodate the additional recreation sales.

Chairman Grossman stated that the clientele may change due to the recreational facet of the use, but understands the separation and notification requirements and thanked Ms. Gomes for the clarification.

Ms. Gomes reiterated that the conversion language was written into the proposition.

MOTION: **Mr. Ozzie Virgil** motioned to recommend approval per staff's recommendation for Text Amendment Case No. Z-TA-8-20. Committee member **Mr. Russell Osborn** seconded the motion.

VOTE: 13-0, motion to recommend approval passed, with Committee Members Grossman, DiLeo, Davenport, Fergis, Gardner, Greenburg, Kenney, Levy, Lewis, Osborne, Romero, Shipman and Virgil in favor.

STAFF COMMENTS REGARDING VPC RECOMMENDATION & STIPULATIONS:

None.

Village Planning Committee Meeting Summary Z-TA-8-20

Date of VPC Meeting	January 14, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approval
VPC Vote	6-0

VPC DISCUSSION:

Joshua Bednarek provided an overview on the proposed text amendment, noting the current regulations for medical marijuana and the proposed regulations for recreational marijuana as accessory to existing medical marijuana facilities.

Committee Member Steve Tucker asked staff to clarify the zoning districts that permitted marijuana dispensaries, noting that the presentation included C-3 and A-2 districts, yet the text included in the staff report only indicated changes to C-2 and A-1 districts. He also asked for clarification on if additional state applications will be accepted later. **Joshua Bednarek** responded that the zoning regulations applied to more intense districts so a change to C-2 would also cover a C-3 zone. In regard to new applications, the city is not sure if the state will allow new applications after initial licensing, but any new facilities will need to follow a jurisdiction’s standards.

Chair Jason Stokes asked how other villages had responded to the request. **Joshua Bednarek** responded that the South Mountain Village recommended approval for standalone facilities while Central City recommended approval per the staff recommendation.

No public comments were made on the item.

Motion:

Vice Chair Shannon Simon moved to approve per the staff recommendation. **Committee Member Michelle Ricart** seconded the motion.

Vote:

The committee voted 6-0 to approve the motion with members Stokes, Simon, Read, Ricart, Tome and Tucker in favor.



Village Planning Committee Meeting Summary Z-TA-8-20

Date of VPC Meeting	January 19, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approval, per the staff recommendation.
VPC Vote	6-0 Motion passes; none in dissent or abstention.

VPC DISCUSSION & RECOMMENDATION:

No requests to speak from members of the public were received.

Joshua Bednarek, Deputy Director in the Planning and Development Department, introduced himself and this citywide text amendment under case Z-TA-8-20 that arose from the passage of Proposition 207 also known as the Responsible Adult Use of Marijuana (Smart and Safe Arizona Act) in 2020. This proposition amends Title 36 of the Arizona Revised Statutes and incorporates regulations related to the retail sales of marijuana at licensed establishments. He discussed the current standards in the Phoenix Zoning Ordinance applicable to non-profit medical marijuana dispensaries. The current text amendment proposal would allow retail marijuana establishments only as an accessory use to a non-profit medical marijuana dispensary and would add several definitions which mirror the Arizona Revised Statutes in the Zoning Ordinance for several terms. He added that staff recommends approval of this text amendment subject to the language found in Exhibit A of the staff report and concluded his presentation by discussing the meeting schedule for this proposed text amendment.

Chairman Cardenas asked for committee member comments or questions.

Mr. Dan Rush asked if the proposed text amendment prohibits new marijuana establishments and if the proposed text amendment gives an advantage to existing establishments.

Mr. Bednarek responded that the text amendment language proposed would only allow marijuana establishments as an accessory use to a medical marijuana

dispensary. He added that state law prohibits municipalities from adopting stricter regulations for marijuana establishments than currently apply to medical marijuana dispensaries.

Chairman Cardenas opened and closed the public comment portion of the meeting. He asked for further discussion or a motion on this case.

DISCUSSION:

None.

MOTION:

Ms. Cartwright motioned to approve case Z-TA-8-20 per the staff recommendation presented in Exhibit A of the staff report. **Mr. Cardenas** seconded the motion to approve.

VOTE:

6-0, motion passed; None in dissent.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

None.

**Village Planning Committee Meeting Summary
Z-TA-8-20**

Date of VPC Meeting	January 20, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approve, per staff recommendation.
VPC Vote	13-1-1 , motion passes, with Church, Argiro, Carrell, Larson, Magallanez, McBride, O’Hara, Perez, Alauria, Whitney, Wiedoff, Vice Chair Jaramillo, and Chair Krentz in favor; Viedmark in dissent; and Barraza in abstention.

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

No requests to speak from the public were received on this item.

Viedmark arrived bringing the quorum to 15 members (11 being required)

STAFF PRESENTATION

Tricia Gomes, Zoning Administrator of the Planning and Development Department shared that in November 2020 voters passed the Smart and Safe Arizona Act (Prop. 207) which allowed the recreational use of marijuana and added regulations related to the retail sale of marijuana at licensed establishments (marijuana establishments). The current zoning requirements for non-profit medical marijuana establishments. The proposed text amendment is to add definitions from the Arizona Revised Statute language for cannabis, industrial hemp, marijuana, marijuana establishment and marijuana products and to permit marijuana establishments as an accessory use to a non-profit medical marijuana dispensary. The staff recommendation is to approve, and she then reviewed the proposed timeline for public hearings.

QUESTIONS FROM THE COMMITTEE

Argiro asked about what would happen if the committee elected to deny the request tonight? **Gomes** responded that if the City of Phoenix did not adopt regulations it would be in non-compliance with State Law which has legal penalties.

Alauria requested clarification on if the proposed language would require recreational clinics be in the same space as medical marijuana facilities. **Gomes** responded that the proposed language would only permit a recreational facility as an accessory to a medical marijuana facility.

Viedmark stated that she had been following marijuana regulations for the past five years and understood that once recreational was legalized that the existing medical facilities would have a head-start but that she didn't expect that those facilities would be the only facilities permitted for recreational. She inquired if this understanding is correct and whether there are implications regarding security, money handling, tax revenues, and separation requirements for new recreational or dual license facilities. **Gomes** responded that licensure and security requirements are handled by the State for both medical and recreational facilities. The proposition specified how revenue would be allocated meaning that part of the operation will be different between medical and recreational sales. Under the new law, existing medical dispensaries have the first opportunity to apply for a dual license and there are requirements in place such as the dispensary needing to be in good standing. The number of medical dispensary licenses was based on a proportion to the number of pharmacies and this method is carried forward with regard to recreational dispensaries.

Viedmark inquired about the implications for medical facilities that had received zoning adjustments to modify the separation requirements. **Gomes** responded that the separation requirements are not changing for medical dispensaries and that recreational dispensaries which are permitted only as an accessory, would therefore be subject to the same separation requirements. She further opined that some medical dispensaries have their Use Permits tied to an individual building or suite footprint rather than the property boundary meaning that the additional floor area needed to accommodate the addition of recreational use which could thereby create a conflict with separation requirements; in this case, a variance and an amended Use Permit would be required.

Perez asked if the proposed text amendment changes the previously issued text amendment regarding square footage and whether this text amendment will disproportionately impact black and brown communities. **Gomes** responded that the text amendment does not change the previous text amendment, nor does it change the previously established locational criteria for new medical marijuana establishments.

PUBLIC COMMENTS

None.

FLOOR/PUBLIC DISCUSSION CLOSED: MOTION, DISCUSSION, AND VOTE

Discussion

Jaramillo asked if there had been any case studies on the projected impact of the newly legalized recreational marijuana when coupled with the newly enlarged maximum footprint of medical marijuana facilities. He noted that several other states run similar programs.

Viedmark noted that she is not supportive of marijuana facilities and will be voting in opposition to the request.

Motion

Carrell moved to approve the request per staff recommendation. **Fitzgerald** seconded the motion.

VOTE: 13-1-1, motion passes, with Church, Argiro, Carrell, Larson, Magallanez, McBride, O'Hara, Perez, Alauria, Whitney, Wiedoff, Vice Chair Jaramillo, and Chair Krentz in favor; Viedmark in dissent; and Barraza in abstention.

STAFF COMMENTS REGARDING VPC RECOMMENDATION & STIPULATIONS:

None

Village Planning Committee Meeting Summary
Z-TA-8-20

Date of VPC Meeting	January 25, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approval, per the staff recommendation
VPC Vote	10-0-1; None in opposition; Mr. Benezra abstained.

VPC DISCUSSION & RECOMMENDATION:

No requests to speak from the public were received on this item.

Ms. Tricia Gomes, Zoning Administrator in the Planning and Development Department, introduced herself and this citywide text amendment under case Z-TA-8-20 that arose from the passage of Proposition 207 also known as the Responsible Adult Use of Marijuana (Smart and Safe Arizona Act) in 2020. This proposition amends Title 36 of the Arizona Revised Statutes and incorporates regulations related to the retail sales of marijuana at licensed establishments. She discussed the current standards in the Phoenix Zoning Ordinance applicable to non-profit medical marijuana dispensaries. The current text amendment proposal would allow retail marijuana establishments only as an accessory use to a non-profit medical marijuana dispensary and would add several definitions which mirror the Arizona Revised Statutes in the Zoning Ordinance for several terms. She added that staff recommends approval of this text amendment subject to the language found in Exhibit A of the staff report and concluded his presentation by discussing the meeting schedule for this proposed text amendment. Additionally, the state has issued approximately 86 licenses to retailers thus far for the sale of recreational marijuana.

Chairman Elliott asked for committee member questions or comments regarding the presentation. He then asked what would happen if the city did not approve this proposed text amendment.

Ms. Gomes responded that the city would be out of compliance with state law and be at risk of losing its share of state revenue funds.

Chairman Elliott asked for further discussion or a motion on this item, given no questions from the committee or comments from the public.

MOTION

Mr. Scott Crouch made a motion to approve the item per the staff recommendation.
Mr. Carlos Hernandez de Pena seconded the motion.

VOTE:

10-0-1 Motion passed; no members dissented; Mr. Alexander Benezra abstained.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

None.



Village Planning Committee Meeting Summary Z-TA-8-20

Date of VPC Meeting	January 26, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approve, per staff recommendation.
VPC Vote	16-1-0 , motion passes with Smith, Becker, Farina, Ammon, Ender, Fitzgerald, Keyser, Kreitor, LeBlanc, Sanchez, Jones, Solorio, McCabe, Bryck, Vice Chair Williams, and Chair Shore in favor; Adams in dissent; and none in abstention.

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

No requests to speak from the public were received on this item.

STAFF PRESENTATION

Joshua Bednarek, Deputy Director of the Planning and Development Department, shared that in November 2020 voters passed the Smart and Safe Arizona Act (Prop. 207) which allowed the recreational use of marijuana and added regulations related to the retail sale of marijuana at licensed establishments (marijuana establishments). The current zoning requirements for non-profit medical marijuana establishments. The proposed text amendment is to add definitions from the Arizona Revised Statute language for cannabis, industrial hemp, marijuana, marijuana establishment and marijuana products and to permit marijuana establishments as an accessory use to a non-profit medical marijuana dispensary. The staff recommendation is to approve, and he then reviewed the proposed timeline for public hearings.

QUESTIONS FROM THE COMMITTEE

Adams and **McCabe** asked for confirmation that the text amendment would only permit recreational facilities as an accessory to medical facilities. **Bednarek** confirmed and stated that the issue may be evaluated more holistically in a future text amendment.

Adams asked about the origin of the separation requirements currently in the ordinance. **Bednarek** responded that the city evaluated what other cities were doing for medical marijuana facilities and the existing separation requirements for other uses already addressed in the ordinance. He added that the city needed to be thoughtful with these distances because the code would have been invalidated if it essentially prohibited the uses city-wide.

Ender raised the issue of traffic congestion at a medical facility near 10th Street and Camelback Road and inquired whether this is a common issue and if there is a mechanism for addressing issues as they arise. **Bednarek** responded that the city has not seen widespread traffic issues related to medical marijuana facilities. Issues sometimes arise pertaining to the characteristics of the site, regardless of use, and these issues can be handled through the Neighborhood Services Department.

Jones asked if the text amendment is procedural because the State has already ruled on the topic and the implications if the city were to not adopt regulations that mirror state law. **Bednarek** responded that the text amendment would bring the city into compliance with state law and that non-compliance would open the city up to penalties and investigation by the Attorney General's Office.

Vice Chair Williams asked whether the text amendment and the added definitions for "Cannabis" would bring the city into conflict with the Arizona Criminal Code which defines it as being illegal. **Bednarek** responded that he is not familiar with implications within the state code but noted that the text amendment includes the language as included in Proposition 207.

Ammon asked what the peer communities are doing and whether this text amendment seeks to differentiate Phoenix from its regional peers. **Bednarek** responded that most communities are trying to come into compliance but that larger conversations may occur in the future.

PUBLIC COMMENTS

None.

FLOOR/PUBLIC DISCUSSION CLOSED: MOTION, DISCUSSION, AND VOTE

Motion

McCabe moved to approve the request per staff recommendation. **Fitzgerald** seconded the motion.

VOTE: 16-1-0, motion passes with Smith, Becker, Farina, Ammon, Ender, Fitzgerald, Keyser, Kreitor, LeBlanc, Sanchez, Jones, Solorio, McCabe, Bryck, Vice Chair Williams, and Chair Shore in favor; Adams in dissent; and none in abstention.

STAFF COMMENTS REGARDING VPC RECOMMENDATION & STIPULATIONS:

None.



Village Planning Committee Meeting Summary Z-TA-8-20

Date of VPC Meeting	January 20, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approve, per staff recommendation with conditions
VPC Vote	12-1-0 ; motion passed with Cothron, Searles, Rodriguez, Jewett, Coates, Matthews, Ressler, George, Procaccini, Vice Chair Bryck, and Chair Kleinman in favor; Benjamin in dissent; and none abstention.

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

No speaker cards were received on this item.

At this time, Cothron and Procaccini arrived bringing the quorum to 13 members (8 being required).

STAFF PRESENTATION

Joshua Bednarek, Deputy Director of the Planning and Development Department, shared that in November 2020 voters passed the Smart and Safe Arizona Act (Prop. 207) which allowed the recreational use of marijuana and added regulations related to the retail sale of marijuana at licensed establishments (marijuana establishments). The current zoning requirements for non-profit medical marijuana establishments. The proposed text amendment is to add definitions from the Arizona Revised Statute language for cannabis, industrial hemp, marijuana, marijuana establishment and marijuana products and to permit marijuana establishments as an accessory use to a non-profit medical marijuana dispensary. The staff recommendation is to approve, and he then reviewed the proposed timeline for public hearings.

QUESTIONS FROM THE COMMITTEE

Jewett and **Ressler** asked whether this is being done to bring the city into compliance with state law, if there are other options, and what other cities are doing.

- **Bednarek** responded that this text amendment is limited in scope and is intended to bring the City into compliance but that the city will be able to reopen the issue in a future text amendment to evaluate the issue more holistically. If the city were to not approve a text amendment, it would be out of compliance with state law which would open the city to penalties. Many other cities are taking a similar approach to simply come into compliance as a first step but that a few are taking steps to prohibit new medical and recreational facilities.

Kleinman stated that licenses are currently being granted and asked if these are considered legal in the City of Phoenix.

- **Bednarek** responded that the State can issue licenses but that new facilities are still required to meet municipal requirements. As a first step, the state is issuing dual-license permissions to existing medical marijuana facilities which would generally be permitted by the text amendment.

Benjamin stated that Proposition 207 permits additional licenses for those harmed by previous laws.

Wagner stated that the current 365 day review required for operating medical marijuana facilities is too slow to catch and resolve issues and that a 6 month review would be preferred for both medical and recreational dispensaries. She stated that the addition of a recreational component would increase the number of patrons passing through a given facility. She asked if a Use Permit or Use Permit Amendment would be required for all operations adding a recreational license.

Bednarek responded that the text amendment would permit new recreational dispensaries only as an accessory to a medical marijuana facility and that medical marijuana facilities require a Use Permit.

The question of whether a Use Permit or amendment would be required depends on the conditions of the Use Permit for the medical facility. If the dual license requires that the facility expand beyond the area approved for the medical facility a Use Permit would be required for the expansion, however, if no expansion is required to the footprint of the Use Permit, it is conceivable that a dual license facility would not require a new or amended Use Permit.

He stated that the committee can add a 6 month review provision to the recommendation but advised that it would need to be vetted through the Law Department to legality and enforceability of the additional requirement.

Searles agreed with Wagner on the appropriateness of a 6 month review and added that he would like to see dispensaries work with the neighborhoods on

how to be a good neighbor. He asked for confirmation that the text amendment would only permit recreational facilities as an accessory to a medical facility.

Bednarek responded that the text amendment would only permit dual license facilities with recreational as an accessory to a medical facility.

Benjamin responded that the language in state law opens up the state further to new recreational facilities.

Ressler agreed with Searles and Wagner regarding a 6 month review and asked if the addition of a recreational component would, or should, prompt additional requirements for parking.

Bednarek responded that the text amendment does not specifically require additional parking or development standards for all dual license facilities but that specific standards would apply on a case by case scenario; for example, some facilities would not be required to add additional parking or meet additional standards if they do not need to expand their floor area to accommodate the additional use.

Procaccini agreed with his fellow committee members regarding the 6 month review. He asked if this is intended as a stop-gap measure and if the situation would be evaluated more fully in the future because he would like to see the city consider allowing recreational dispensaries as a stand along use. He expressed concern that requiring additional development standards could result in buildings being demolished for dispensary parking, like near 10th Street and Camelback Road.

Bednarek responded that the current text amendment is limited in scope and would bring the city into compliance with state law by permitting recreational facilities only as an accessory to a medical dispensary. The issue can be evaluated more fully in a future text amendment.

George stated that the addition of a recreational element to a medical dispensary will likely increase the number of patrons significantly and she therefore supports a shorter review window for Use Permits.

Chair Kleinman asked about the recourse for facilities operating under a use permit that create problems. **Bednarek** responded that the main test is that they not produce a negative impact and he noted that Use Permits can be revoked by the ZAHO and ZBA,

PUBLIC COMMENTS

None.

STAFF RESPONSE

None.

FLOOR/PUBLIC COMMENT CLOSED: DISCUSSION, MOTION AND VOTE

Motion

Wagner motioned to approve the request per staff recommendation on the condition that recreational dispensaries be required to obtain a Use Permit and that Use Permit is subject to a 6-month review. Second by **Searles**.

Discussion

Benjamin stated that he does not believe the additional requirements are legal or enforceable.

Chair Kleinman stated that Benjamin is likely correct but he would like to for the legal department to consider the recommendation of the VPC.

Vote

12-1-0; motion passed with Cothron, Searles, Rodriguez, Jewett, Coates, Matthews, Ressler, George, Procaccini, Vice Chair Bryck, and Chair Kleinman in favor; Benjamin in dissent; and none abstention.

STAFF COMMENTS REGARDING VPC RECOMMENDATION & STIPULATIONS:

As stated by staff during the meeting, the additional conditions recommended by the committee should be reviewed by the Law for legal and enforceability issues.

**Village Planning Committee Meeting Summary
Z-TA-8-20**

Date of VPC Meeting	February 1, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approve, per staff recommendation.
VPC Vote	17-0 with committee members Balderrama, Belous, Cantor, Gerst, Goodhue, Hall, Maggiore, Mazza, Mortensen, Popovic, Severs, Sparks, Stewart, Ward, Wise, Gubser and Leshner in favor.

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

No requests to speak from the public were received on this item.

STAFF PRESENTATION

Ms. Tricia Gomes, City of Phoenix Zoning Administrator, introduced herself and this citywide text amendment under case Z-TA-8-20 that arose from the passage of Proposition 207 also known as the Responsible Adult Use of Marijuana (Smart and Safe Arizona Act) in 2020. This proposition amends Title 36 of the Arizona Revised Statutes and incorporates regulations related to the retail sales of marijuana at licensed establishments. He discussed the current standards in the Phoenix Zoning Ordinance applicable to non-profit medical marijuana dispensaries. The current text amendment proposal would allow retail marijuana establishments only as an accessory use to a non-profit medical marijuana dispensary and would add several definitions which mirror the Arizona Revised Statutes in the Zoning Ordinance for several terms. She added that staff recommends approval of this text amendment subject to the language found in Exhibit A of the staff report and concluded his presentation by discussing the meeting schedule for this proposed text amendment.

Mr. Alex Popovic asked if the committee heard a case a few months ago requesting to increase the square footage to make dispensaries larger. He also asked if we could talk about licensing for medical versus recreational marijuana.

Ms. Gomes shared that this text amendment does not change standards. In regard to dual licensing, if a business is in good standing with the State then they can apply for both license types. The State mandates licensing.

Mr. Robert Goodhue shared that a business can't go from 5,000 to 10,000 square feet. The business can only max out at 5,000 square feet.

Ms. Gomes said yes, no standards are changing as a result of this text amendment.

Mr. Paul Severs asked if a dual license does not mean a business will have separate locations.

Ms. Toby Gerst asked if there was anything in this text amendment that has to do with licensing.

Ms. Gomes reiterated that licensing is State mandated.

Ms. Jennifer Hall asked when they get their use permits renewed annually, is this an automatic renewal on an annual basis.

Ms. Gerst asked if someone has a complaint about a medical marijuana facility, where would it go.

Ms. Gomes shared that it would go to the Neighborhood Services Department.

MOTION:

Vice Chair Joe Leshner made a motion to recommend approval of Text Amendment Case No. Z-TA-8-20, per staff's recommendation.

Mr. Alex Popovic seconded the motion.

VOTE:

17-0 with committee members Balderrama, Belous, Cantor, Gerst, Goodhue, Hall, Maggiore, Mazza, Mortensen, Popovic, Severs, Sparks, Stewart, Ward, Wise, Gubser and Leshner in favor.

STAFF COMMENTS REGARDING VPC RECOMMENDATION & STIPULATIONS:

None.

**Village Planning Committee Meeting Summary
Z-TA-8-20**

Date of VPC Meeting	February 2, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approval
VPC Vote	18-0

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

Ms. Tricia Gomes, Zoning Administrator for the City of Phoenix, provided an overview of the proposed text amendment, noting the current regulations for medical marijuana and the proposed regulations for recreational marijuana as accessory to existing medical marijuana facilities.

Motion:

Vice Chair William Fischbach made a motion to approve this request per the staff recommendation. **Mr. Vic Grace** seconded the motion.

Vote: 18-0

Motion passes with committee members Swart, Fischbach, Abbott, Augusta, Bair, Thraen, Eichelkraut, Garcia, Grace, McKee, Miller, Nye, O'Malley, Paceley, Rush, Scher, Sharaby, and Tribken in favor.



Village Planning Committee Meeting Summary Z-TA-8-20

Date of VPC Meeting	February 2, 2021
Request	Amend Chapter 2, Section 202 and Chapter 6, Sections 623.D.124 and 627.D.92 of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding marijuana regulations for dispensaries.
VPC Recommendation	Approval
VPC Vote	7-0

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

Joshua Bednarek provided an overview on the proposed text amendment, noting the current regulations for medical marijuana and the proposed regulations for recreational marijuana as accessory to existing medical marijuana facilities.

Rick Nowell commented on the existing distancing requirements for medical marijuana facilities and noted that sometimes a private home becomes a dependent care facility. Would this create any spacing issue problems with the code? **Joshua Bednarek** responded that there would still be a restriction on single-family zoned property and that buffer would apply regardless.

Jill Hankins commented that she was under the impression that other jurisdictions in the valley had prohibited these facilities entirely. Can the facilities be prohibited in Desert View? **Joshua Bednarek** said that some jurisdictions had passed ordinances for no recreational marijuana. The city's approach is consistent with state law because we cannot restrict existing medical marijuana facilities from having recreational sales as an accessory use.

MOTION: Vice Chair **Lou Lagrave** made a motion to approve as presented. The motion was seconded by **Rick Nowell**.

VOTE: 7-0 with Committee Members Bowser, Lagrave, Barto, Hankins, Kollar, Nowell and Powell in favor.

Attachment D

REPORT OF PLANNING COMMISSION ACTION February 4, 2021

ITEM NO: 6	
	DISTRICT NO.: Citywide
SUBJECT:	
Application #:	Z-TA-8-20 (Responsible Adult Use of Marijuana)
Proposal:	Amend Chapter 2, Section 202 (Definitions) and Chapter 6, Sections 623.D.124 (Commercial C-2 District—Intermediate Commercial) and 627.D.92 (A-1 Light Industrial District) of the Phoenix Zoning Ordinance to address changes to the Arizona Revised Statutes regarding responsible adult use of marijuana (Smart and Safe Arizona Act)
Applicant:	City of Phoenix Planning Commission
Owner:	City of Phoenix Planning Commission
Representative:	City of Phoenix Planning and Development Department

ACTIONS:

Staff Recommendation: Approval, as shown in Exhibit A.

Village Planning Committee (VPC) Recommendations:

Ahwatukee Foothills 1/25/2021 Approval. Vote: 10-0 (1 abstained).

Alhambra 1/26/2021 Approval. Vote: 16-1.

Camelback East 2/2/2021 Approval. Vote: 18-0.

Central City 1/11/2021 Approval. Vote: 15-0.

Deer Valley 1/14/2021 Approval. Vote: 13-0.

Desert View 2/2/2021 Approval. Vote: 7-0.

Encanto 2/1/2021 Approval with a modification. Vote 12-1.

Estrella 1/19/2021 Approval. Vote: 6-0.

Laveen 1/11/2021 Approval. Vote: 8-0 (1 abstained).

Maryvale 1/13/2021 Approval. Vote: 9-1.

North Gateway 1/14/2021 Approval. Vote: 6-0.

North Mountain 1/20/2021 Approval. Vote: 13-1 (1 abstained).

Paradise Valley 2/1/2021 Approval. Vote: 17-0.

Rio Vista 1/12/2021 Approval. Vote: 4-0.

South Mountain 1/12/2021 Approval, with a modification. Vote: 10-0.

Planning Commission Recommendation: Approval, per the language in Exhibit A in the Staff Report.

Motion Discussion: N/A.

Motion details: Commissioner Howard made a MOTION to approve Z-TA-8-20, per the language in Exhibit A of the Staff Report.

Maker: Howard
Second: Gaynor
Vote: 7-0

Absent: Johnson, Montalvo
Opposition Present: No

Findings:

1. The proposed text amendment creates a regulatory framework for marijuana establishments by making them an accessory use to a non-profit medical marijuana dispensary.
2. A comprehensive assessment of marijuana regulations will be reviewed in the future, but the purpose of this text amendment is to update the Phoenix Zoning Ordinance to comply with the new A.R.S provisions prior to marijuana establishment licenses becoming effective.

Proposed Language:

Amend Section 202 (Definitions) by adding the following new definitions in correct alphabetical order:

CANNABIS: MEANS THE FOLLOWING SUBSTANCES UNDER WHATEVER NAMES THEY MAY BE DESIGNATED:

1. THE RESIN EXTRACTED FROM ANY PART OF A PLANT OF THE GENUS CANNABIS, AND EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF SUCH PLANT, ITS SEEDS OR ITS RESIN. CANNABIS DOES NOT INCLUDE OIL OR CAKE MADE FROM THE SEEDS OF SUCH PLANT, ANY FIBER, COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF THE MATURE STALKS OF SUCH PLANT EXCEPT THE RESIN EXTRACTED FROM THE STALKS OR ANY FIBER, OIL OR CAKE OR THE STERILIZED SEED OF SUCH PLANT WHICH IS INCAPABLE OF GERMINATION.
2. EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF SUCH RESIN OR TETRAHYDROCANNABINOL.

INDUSTRIAL HEMP: MEANS THE PLANT CANNABIS SATIVA L. AND ANY PART OF SUCH A PLANT, WHETHER GROWING OR NOT, WITH A DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION OF NOT MORE THAN THREE-TENTHS PERCENT ON A DRY-WEIGHT BASIS.

MARIJUANA:

1. MEANS ALL PARTS OF THE PLANT OF THE GENUS CANNABIS, WHETHER GROWING OR NOT, AS WELL AS THE SEEDS FROM THE PLANT, THE RESIN EXTRACTED FROM ANY PART OF THE PLANT, AND EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE OR PREPARATION OF THE PLANT OR ITS SEEDS OR RESIN.

2. DOES NOT INCLUDE INDUSTRIAL HEMP, THE FIBER PRODUCED FROM THE STALKS OF THE PLANT OF THE GENUS CANNABIS, OIL OR CAKE MADE FROM THE SEEDS OF THE PLANT, STERILIZED SEEDS OF THE PLANT THAT ARE INCAPABLE OF GERMINATION, OR THE WEIGHT OF ANY OTHER INGREDIENT COMBINED WITH MARIJUANA TO PREPARE TOPICAL OR ORAL ADMINISTRATIONS, FOOD, DRINK OR OTHER PRODUCTS.

MARIJUANA ESTABLISHMENT: MEANS AN ENTITY LICENSED BY THE ARIZONA DEPARTMENT OF HEALTH SERVICES TO OPERATE ALL OF THE FOLLOWING:

1. A SINGLE RETAIL LOCATION AT WHICH THE LICENSEE MAY SELL MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS, CULTIVATE MARIJUANA AND MANUFACTURE MARIJUANA PRODUCTS.
2. A SINGLE OFF-SITE CULTIVATION LOCATION AT WHICH THE LICENSEE MAY CULTIVATE MARIJUANA, PROCESS MARIJUANA AND MANUFACTURE MARIJUANA PRODUCTS, BUT FROM WHICH MARIJUANA AND MARIJUANA PRODUCTS MAY NOT BE TRANSFERRED OR SOLD TO CONSUMERS.
3. A SINGLE OFF-SITE LOCATION AT WHICH THE LICENSEE MAY MANUFACTURE MARIJUANA PRODUCTS AND PACKAGE AND STORE MARIJUANA AND MARIJUANA PRODUCTS, BUT FROM WHICH MARIJUANA AND MARIJUANA PRODUCTS MAY NOT BE TRANSFERRED OR SOLD TO CONSUMERS.

MARIJUANA PRODUCTS: MEANS MARIJUANA CONCENTRATE AND PRODUCTS THAT ARE COMPOSED OF MARIJUANA AND OTHER INGREDIENTS AND THAT ARE INTENDED FOR USE OR CONSUMPTION, INCLUDING EDIBLE PRODUCTS, OINTMENTS AND TINCTURES.

Amend Section 623.D.124 (Commercial C-2 District—Intermediate Commercial) to read as follows:

D. Permitted Uses.

124. Nonprofit medical marijuana dispensary facility, subject to the following conditions and limitations; failure to comply with the below regulations and requirements is subject to revocation per Section 307.
 - a. A use permit shall be obtained in accordance with standards and procedures of Section 307 and the following:
 - (1) Shall be reviewed every 365 calendar days.
 - (2) Provide name(s) and location(s) of the off-site cultivation location.
 - (3) Include a copy of the operating procedures adopted in compliance with Section 36-2804(B)(1)(c), Arizona Revised Statutes.

(4) A survey sealed by a registrant of the State of Arizona shall be submitted to show compliance with the distance requirements listed below.

- b. Cultivation of medical marijuana is prohibited.
- c. Shall be located in a closed building and may not be located in a trailer, cargo container, motor vehicle or similar structure or motorized or non-motorized vehicle.
- d. Shall not exceed 5,000 square feet of COMBINED net floor area dedicated exclusively to the nonprofit medical marijuana dispensary AND MARIJUANA ESTABLISHMENT; this shall include all storage areas, retail space and offices for the nonprofit medical marijuana dispensary AND MARIJUANA ESTABLISHMENT.
- e. Shall not be located within 5,280 feet of the same type of use or a medical marijuana cultivation or infusion facility. This distance shall be measured from the exterior wall of the building or portion thereof in which the business is conducted or proposed to be conducted to the nearest exterior wall or portion thereof of another medical marijuana dispensary, cultivation, or infusion facility.
- f. Shall not be located within 500 feet of the following residentially zoned districts: S-1, S-2, RE-43, RE-35, R1-18, R1-14, R1-10, R1-8, R1-6, R-2, R-3, R3-A, R-4, R-4A, R-5, and PAD-1 through PAD-15. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the zoning boundary line of the residentially zoned district.
- g. Shall not be located within 1,320 feet of a preschool, kindergarten, elementary, secondary or high school, public park, public community center, dependent care facility, homeless shelter, or youth community center. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the protected use.
- h. Shall not be located within 1,320 feet of a place of worship. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the place of worship.
- i. Shall have operating hours not earlier than 8:00 a.m. and not later than 10:00 p.m.
- j. Drive-through services are prohibited.

- k. There shall be no emission of dust, fumes, vapors or odors into the environment from the premises.

- L. THE RETAIL SALE OF MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS IN A MARIJUANA ESTABLISHMENT SHALL BE PERMITTED AS ACCESSORY USE ONLY.

Amend Section 627.D.92 (A-1 Light Industrial District) to read as follows:

D. Permitted Uses.

- 92. Medical marijuana dispensary facility, subject to the following conditions and limitations; failure to comply with the below regulations and requirements is subject to revocation per Section 307:
 - a. A use permit shall be obtained in accordance with standards and procedures of Section 307 of the Zoning Ordinance and the following:
 - (1) Shall be reviewed every 365 calendar days.
 - (2) Provide name(s) and location(s) of the off-site cultivation location.
 - (3) Include a copy of the operating procedures adopted in compliance with Section 36-2804(B)(1)(c), Arizona Revised Statutes.
 - (4) A survey sealed by a registrant of the State of Arizona shall be submitted to show compliance with the distance requirements listed below.
 - b. Shall be located in a closed building and may not be located in a trailer, cargo container, motor vehicle or similar structure or motorized or non-motorized vehicle.
 - c. Shall not exceed 5,000 square feet of COMBINED net floor area DEDICATED EXCLUSIVELY TO THE NONPROFIT MEDICAL MARIJUANA DISPENSARY AND MARIJUANA ESTABLISHMENT; this shall include all storage areas, retail space and offices FOR THE NONPROFIT MEDICAL MARIJUANA DISPENSARY AND MARIJUANA ESTABLISHMENT.
 - d. Shall not be located within 5,280 feet of the same type of use or a medical marijuana cultivation or infusion facility. This distance shall be measured from the exterior wall of the building or portion thereof in which the business is conducted or proposed to be conducted to the nearest exterior wall or portion thereof of another medical marijuana dispensary, cultivation, or infusion facility.

- e. Shall not be located within 500 feet of the following residentially zoned districts: S-1, S-2, RE-43, RE-35, RE-24, R1-18, R1-14, R1-10, R1-8, R1-6, R-2, R-3, R-3A, R-4, R-4A, R-5, and PAD-1 through PAD-15. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the zoning boundary line of the residentially zoned district.
- f. Shall not be located within 1,320 feet of a preschool, kindergarten, elementary, secondary or high school, public park, public community center, dependent care facility, homeless shelter, or youth community center. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the protected use.
- g. Shall not be located within 1,320 feet of a place of worship. This distance shall be measured from the exterior walls of the building or portion thereof in which the dispensary business is conducted or proposed to be conducted to the property line of the place of worship.
- h. Shall have operating hours not earlier than 8:00 a.m. and not later than 10:00 p.m.
- i. Drive-through services are prohibited.
- j. There shall be no emission of dust, fumes, vapors or odors into the environment from the premises.
- K. THE RETAIL SALE OF MARIJUANA AND MARIJUANA PRODUCTS TO CONSUMERS IN A MARIJUANA ESTABLISHMENT SHALL BE PERMITTED AS ACCESSORY USE ONLY.

This publication can be made available in alternate format upon request. Please contact Tamra Ingersoll at (602) 534-6648, TTY use 7-1-1.



Public Hearing - Rescind Action and Withdraw Ordinance Adoption - Rezoning Application Z-30-20-5 - Southeast of the Southeast Corner of 107th Avenue and Camelback Road (Ordinance G-6811)

Request to hold a public hearing and request the City Council rescind Ordinance G-6755 adopted on Oct. 21, 2020 pursuant to A.R.S. 12-1134(E). Ordinance G-6755 rezoned approximately 122.92 acres located southeast of the southeast corner of 107th Avenue and Camelback Road to the Golf Course (GC) District.

Summary

On Dec. 1, 2020, the property owner filed a written demand seeking \$14 million for the diminution of value allegedly attributed to the adoption of G-6755.

Location

Southeast of the southeast corner of 107th Avenue and Camelback Road
Council District: 5
Parcel Addresses: 4655 N. 103rd Ave.

Responsible Department

This item is submitted by Deputy City Manager Mario Paniagua and the Planning and Development Department.



Human Services Campus Request

On Feb. 4, 2021 Vice Mayor Thelda Williams, Councilman Sal DiCiccio and Councilman Jim Waring submitted a request (**Attachment A**) to the City Manager to place an item on the Feb. 17, 2021 Formal City Council agenda. The request is for the City Council to consider redirecting budgeted funds dedicated to the Office of Accountability and Transparency (OAT) to be spent on services provided at the Human Services Campus. The request involves the consideration to allocate the \$3 million budgeted for OAT in the current fiscal year (2020-21) as well as an ongoing basis in future budgets.

This request is in compliance with Rule 2(c) of the Rules of Council Proceedings.

Savings from the current year could be repurposed with no impact to this year's operations because an ordinance establishing OAT has not been adopted. Repurposing OAT funds in future years would make the Council-adopted OAT program unfunded in future budget allocations.

Responsible Department

This item is submitted by City Manager Ed Zuercher.

ATTACHMENT A



City of Phoenix

OFFICE OF THE CITY COUNCIL
Councilman Jim Waring
District 2

February 4, 2021

Ed Zuercher, City Manager
Phoenix City Hall
200 W Washington St, 12th Floor
Phoenix, AZ 85003

Re: Human Services Campus

Pursuant to the Rules of Council Proceedings we request the following item be placed on the February 17, 2021 Formal City Council Meeting Agenda:

An item to immediately redirect any and all budgeted funds dedicated to "OAT" to Phoenix's Human Services Campus to help address the needs of one of Phoenix's most vulnerable populations. Also, in future budgets, these funds should continue to be allocated to Phoenix's Human Services Campus to address the ongoing costs of providing these essential services.

Signed,

A handwritten signature in blue ink that reads "Thelda Williams".

Vice Mayor Thelda Williams

A handwritten signature in blue ink that reads "Sal DiCiccio".

Councilman Sal DiCiccio

A handwritten signature in blue ink that reads "Jim Waring".

Councilman Jim Waring