

*REVISED

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FOR CITY COUNCIL PACKET

APRIL 15, 2014

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Packet Date: April 10, 2014

CITY COUNCIL REPORT

FORMAL AGENDA

TO: City Council AGENDA DATE: April 16, 2014
FROM: Greg Stanton ITEM: PAGE: 1
Mayor
SUBJECT: BOARDS AND COMMISSIONS

Board of Adjustment

I recommend the following for reappointment:

Emily Ryan

Ms. Ryan is will serve her second term to expire January 1, 2018.

Development Advisory Board

I recommend the following for appointment:

Karlene Keogh Parks

Ms. Keogh Parks is the senior vice president of employee benefits for HUB International. She will replace Jake Hinman, whose term expired, and will represent neighborhoods. She will serve a term to expire July 1, 2016.

Katherine M. Watson-Cruz

Ms. Watson-Cruz is an operations manager for Kinetic Systems, Inc. She will replace will replace Marc Taylor, whose term expired, and will represent contractors. She will serve a term to expire July 1, 2016.

Parks and Recreation Board

I recommend the following for reappointment:

Sarah Porter

Ms. Porter will serve her first full term to expire April 4, 2019.

Planning Commission

I recommend the following for reappointment:

Thomas Awai

Mr. Awai is a resident of District 6 and will serve his second term to expire April 15, 2017.

Bob Beletz

Mr. Beletz is a resident of District 1 and represents neighborhood associations. He will serve a term to expire April 15, 2015.

Nicole Davis

Ms. Davis is a resident of District 8 and will serve her second term to expire April 15, 2016.

Karen Heck

Ms. Heck is a member of the Alhambra Village Planning Committee and represents villages. She will serve a term to expire April 15, 2015.

Andrea Katsenes

Ms. Katsenes is a resident of District 7 and will serve her second term to expire April 15, 2018.

Terry Medezska

Ms. Medezska is a resident of District 3 and will serve her first full term to expire April 15, 2018.

CITY COUNCIL REPORT

FORMAL AGENDA

TO: Mayor and Council Members AGENDA DATE: April 16, 2014

FROM: Penny Parrella, Executive Assistant ITEM: PAGE: 1
to the City Council

SUBJECT: BOARDS AND COMMISSIONS – CITY COUNCIL APPOINTEES

The ReinventPHX Transit-Oriented Development Steering Committee members serve as advisors to City staff and the City Council. Each committee member will:

- provide advice on the creation of a district plan
- help the Reinvent PHX team develop strategies to implement the plan
- provide ongoing advocacy or a direct role in implementing the strategies
- serve as a community leader by representing your stakeholder group

Councilwoman Laura Pastor recommends the following for appointment:

Midtown TOD (Transit-Oriented Development) Steering Committee

Brad Brauer, President of the Willo Neighborhood Association

Dorina Bustamante, Director of Membership Development for Downtown Phoenix, Inc.

Dan Carroll, Vice Chair of the Encanto Village Planning Committee

Joan Clancy, CEO of Clancy International

Erica Duncan, Resident

Ide Flores, Owner, Ide Mania

Marisue Garganta, Director of Community Health Integration at St. Joseph's Hospital

Jeff Jilek, SEED SPOT

Doug McCarthy, Director of Facilities Planning and Development, Phoenix College

Will Novak, Phoenix Historic Neighborhoods Association

Louise Roman, Resident

Susan Thompson, President of the Midtown Museum District Neighborhood Association

Uptown TOD (Transit-Oriented Development) Steering Committee

Ronnica Astor, Resident of Devine Legacy

John Bachler, Director of Transportation and Facilities for the Osborn School District

Bruce Bilbrey, Four Corners Neighborhoods

Mark Davis, President of Davis Enterprises

Jeff Fischer, Owner of Lux Coffee

John Graham, Resident

Charlie Jones, Chair of the Alhambra Village Planning Committee

Gary LeBlanc, Superintendent Amerischools Academy

Gabe Loyola, Resident Grandview Neighborhood

AJ Marsden, Pasadena Neighborhood Association

Lorenzo Perez, Venture Partners

Teresa Stickler, 7th Avenue Merchants Association

Solano TOD (Transit-Oriented Development) Steering Committee

Ardyce Edstrom, President of the Niles Neighborhood Association

Paul Ennis, President of the Simpson Neighborhood Association

Pam Fitzgerald, President of the Washington Park Neighborhood Association

Christine Hands, Property Manager for Christown Spectrum Mall

Jerry Neill, Simpson Neighborhood Association

Mary Papenhausen, Director of Community Outreach for Zia Records

Frances Pineda, Parent of a Solano School student

Gabe Saia, President of Integrated Real Estate Services

Marc Scher, Vice President of Government Affairs and Information Technology for the Phoenix Association of Realtors

David Sanford, Facility Director for Phoenix Baptist Hospital

Christine Shipley, Vice President of Operations for Dunlap and McGee

Jon Vosper, International Rescue Committee

Gregory Ware, Resident of Park Lee Apartments

Pedestrian and Bicycle Ad Hoc Task Force

Councilwoman Laura Pastor recommends the following for appointment:

Lisa Parks

Ms. Parks is a resident of District 4 and a leader of bicycle advocacy group Phoenix Spokes People. She is filling a vacancy on the Task Force.

CITY COUNCIL REPORT

FORMAL AGENDA

TO: Lisa Takata
Deputy City Manager

AGENDA DATE: April 16, 2014

FROM: Cris Meyer
City Clerk

ITEM:24 PAGE: 39

SUBJECT: POLICE DEPARTMENT RECOMMENDATION FOR ONE LIQUOR
LICENSE ITEM ON THE APRIL 16, 2014 FORMAL AGENDA.

The attached memorandum supplements the Request for Council Action report for one liquor license item on the April 16th Formal Council Agenda. This memorandum provides the Council with additional information regarding the Police Department disapproval recommendation for the following item:

New Business Item

- **District 4, Vien Dong Seafood Market**

For further information regarding this item, please contact the City Clerk Department, License Services Section at 602-262-7003.

Police Department Liquor License Disapproval Recommendation

Application Information

Business Name	Vien Dong Seafood Market	District	4
Business Location	4141 North 35th Avenue, Suites 1,2, and 3		
Applicant Name	Phu Tan Lam	Series Type	10

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

A.R.S. 4-203A states “A spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant and, with the exception of wholesaler, producer, government or club licensees, that the public convenience requires and that the best interest of the community will be substantially served by the issuance.”

During a review of the application submitted by Phu Tan Lam, the Phoenix Police Department discovered four Department of Treasury-Internal Revenue Service tax liens against Mr. Phu Lam. The four outstanding liens are for failure to pay taxes; including the following unpaid balances: \$339.47 dated December 31, 2006, \$2,025.75 dated December 31, 2007, \$4,001.19 dated December 31, 2011, and \$19,993.12 dated December 31, 2012, totaling \$26,359.52.

On March 25, 2014, Detective Cortez interviewed Mr. Lam regarding these outstanding liens. Mr. Lam admitted to not paying taxes for those years while living at 13618 West Windsor Boulevard, Litchfield, Arizona.

This brings into question the reliability of Mr. Lam to operate his store with a liquor license.

This recommendation for disapproval is submitted by: **Det. Oscar Cortez #5263**

SIGNATURES	
Administrative Licensing Investigator	I. Alonge #A4289

CITY COUNCIL REPORT

FORMAL AGENDA

TO: Ed Zuercher
City Manager

AGENDA DATE: April 16, 2014

FROM: Daniel L. Brown
Acting City Attorney

ITEM: 31 PAGE: 64

SUBJECT: REVISED: AMEND PHOENIX CITY CODE ON ETHICS POLICIES

This report provides backup information to Item 31 on the April 16, 2014, Formal Agenda and forwards proposed amendments to the City's existing ethics policies for City Council action. The previous CCR included an earlier revision of the proposed ordinance.

BACKGROUND

The City of Phoenix Ethics Review Task Force was established in September 2012 to review and recommend changes to ethics policies applicable to Phoenix elected officials, employees, volunteers, and board members. Specifically, the Task Force was charged to evaluate best practices in the ethics arena and provide recommendations to the Mayor and City Council.

The Task Force made several recommendations including the adoption of a gift policy, and establishment of a commission to investigate allegations of ethical violations. The Mayor set forth proposed ethics policies in a memorandum dated June 7, 2013, and those policies were reviewed, modified and adopted by Council on June 11, 2014.

Since that time, staff has met with a number of stakeholders. **Attachment A** is an updated proposed ordinance that reflects the proposed revisions to the ethics policies.

THE ISSUE

The proposed ethics policy changes, described in detail in Attachment A, identifies permissible and prohibited gifts for elected officials, employees, board members, and volunteers. It also identifies gifts that are permissible for elected officials but which must be disclosed on a form submitted to and posted by the City Clerk.

The proposed ordinance also creates the City of Phoenix Ethics Commission, which would consist of five current or former appellate or superior court judges recommended by the Phoenix Judicial Selection Advisory Board and approved by Council. The Ethics Commission is authorized to receive allegations of ethical violations, investigate, take testimony, and engage in any other action to the extent permitted and established by law to oversee the investigation and enforcement of the gift policy and conflicts of interest pursuant to Phoenix City Charter Chapter XI, Section 1 (Title 38, Article 8, Arizona Revised Statutes) related to elected officials and board members.

The proposed ordinance also describes the actions the Ethics Commission may take with respect to alleged ethical violations, the actions the Council may take, and the process to appeal any final Council decision.

RECOMMENDATION

Staff forwards proposed amendments to the City's existing ethics policies for Council action.

Attachment

Attachment A

Draft Prepared by Phoenix Law Department
Dated 4/11/14

ORDINANCE NO. G-_____

AN ORDINANCE AMENDING THE CITY OF PHOENIX ETHICS POLICY TO INCLUDE A GIFT POLICY BY AMENDING CHAPTER 2, ARTICLE II, SECTION 2-52 OF THE PHOENIX CITY CODE; AND ESTABLISHING AN ETHICS COMMISSION BY REPEALING AND AMENDING CHAPTER 2, ARTICLE II, SECTION 2-53 OF THE PHOENIX CITY CODE; AND TO PROVIDE FOR THE APPOINTMENT OF ETHICS COMMISSION MEMBERS BY AMENDING CHAPTER 2, ARTICLE III, SECTION 2-96 OF THE PHOENIX CITY CODE; AND ESTABLISHING EFFECTIVE DATES FOR THIS ORDINANCE.

WHEREAS, it is the policy of the City of Phoenix to uphold, promote and demand the highest standards of ethics from all of its employees and officials, whether elected or appointed; and

WHEREAS, all City officers and employees, members of City boards, commissions and committees and members of the City Council should maintain the utmost standards of personal integrity, truthfulness, honesty and fairness in carrying out their public duties, avoid any improprieties in their roles as public servants, and never use their City position or powers for improper personal gain; and

WHEREAS, the Council of the City of Phoenix finds that public trust and confidence in government are promoted by consistent and transparent enforcement of City of Phoenix ethics policies; and

WHEREAS, to assist with the consistent and transparent enforcement of City of Phoenix ethics policies, the Council of the City of Phoenix hereby adopts a gift policy for City of Phoenix employees, elected and appointed officials, members of

boards, committees, and commissions, and volunteers, and establishes the City of Phoenix Ethics Commission and processes as set forth herein.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX as follows:

SECTION 1. Phoenix City Code Chapter 2, Article II, Section 2-52 is amended to read as follows:

Sec. 2-52. City of Phoenix Ethics Policy. AND GIFT POLICIES.

DEFINITIONS. THE FOLLOWING DEFINITIONS APPLY TO THIS SECTION. THE PLURAL OF THE WORD OR PHRASE INCLUDES THE SINGULAR, AND THE SINGULAR INCLUDES THE PLURAL.

“BOARD MEMBER” MEANS A MEMBER OF A CITY OF PHOENIX BOARD, COMMITTEE, OR COMMISSION.

“COMPENSATION” MEANS MONEY, A TANGIBLE THING OF VALUE, OR A FINANCIAL BENEFIT.

“ELECTED OFFICIAL” MEANS A PERSON ELECTED OR APPOINTED MAYOR OR COUNCIL MEMBER OF THE CITY OF PHOENIX.

“EMPLOYEE” MEANS A PERSON WHO IS NOT AN ELECTED OFFICIAL, BOARD MEMBER, VOLUNTEER, OR CITY OF PHOENIX MUNICIPAL COURT JUDGE, AND WHO IS EMPLOYED FULL-TIME OR PART-TIME BY THE CITY OF PHOENIX.

“GIFT” MEANS COMPENSATION, OTHER THAN AS PROVIDED BY LAW, FOR SERVICES, DUTIES, OR RESPONSIBILITIES RENDERED OR TO BE RENDERED BY A PERSON IN THEIR CAPACITY AS AN ELECTED OFFICIAL, EMPLOYEE, BOARD MEMBER, OR VOLUNTEER. GIFT DOES NOT MEAN: (I) COMPENSATION RECEIVED BY AN ELECTED OFFICIAL, BOARD MEMBER, OR VOLUNTEER AS PART OF THE PERSON’S EMPLOYMENT OUTSIDE OF THE CITY OF PHOENIX OR AS PART OF THE PERSON’S SERVICE AS A MEMBER OF A BOARD OF DIRECTORS FOR A CORPORATION, AND WHICH COMPENSATION IS UNRELATED TO THE PERSON’S POSITION OR OFFICE AS AN ELECTED OFFICIAL, BOARD MEMBER, OR VOLUNTEER; OR (II) A POLITICAL CAMPAIGN CONTRIBUTION AS PERMITTED BY LAW; OR (III) COMPENSATION RECEIVED BY AN ELECTED OFFICIAL, EMPLOYEE, BOARD MEMBER, OR VOLUNTEER FROM THE PERSON’S RELATIVE OR PARTNER; OR (IV) A PERSONALIZED PLAQUE OR SIMILAR AWARD OF NOMINAL VALUE TO AN ELECTED OFFICIAL, EMPLOYEE, BOARD MEMBER, OR VOLUNTEER FOR THE PERSON’S SERVICE TO THE CITY OF PHOENIX CONSISTENT WITH THE DUTIES AND RESPONSIBILITIES OF THE

PERSON'S POSITION OR OFFICE; OR (V) COMPENSATION FOR ADMISSION, FOOD, BEVERAGES, TRANSPORTATION, OR ACCOMMODATIONS RECEIVED BY AN EMPLOYEE FOR SERVICES PROVIDED TO OTHER PUBLIC ENTITIES, RESEARCH ORGANIZATIONS, REGULATORY BODIES, OR PROFESSIONAL ASSOCIATIONS WHOSE PRIMARY PURPOSE RELATES TO RESEARCH, RULEMAKING, DEVELOPMENT AND SHARING OF BEST PRACTICES, OR REGULATIONS THAT AFFECT THE CITY OF PHOENIX; OR (VI) COMPENSATION RECEIVED BY AN ELECTED OFFICIAL FROM A PERSONAL OR SOCIAL ACQUAINTANCE WHO DOES NOT DIRECTLY OR INDIRECTLY POSSESS A SUBSTANTIAL OR MATERIAL INTEREST IN A MATTER SUBJECT TO ACTION BY THE CITY COUNCIL.

"PARTNER" MEANS A PERSON IN A DOMESTIC PARTNERSHIP AS DEFINED IN PHOENIX CITY CODE SECTION 18-401.

"RELATIVE" MEANS THE SPOUSE, CHILD, CHILD'S CHILD, PARENT, GRANDPARENT, BROTHER OR SISTER OF THE WHOLE OR HALF BLOOD AND THEIR SPOUSE, AND THE PARENT, BROTHER, SISTER, OR CHILD OF A SPOUSE.

"VOLUNTEER" MEANS A PERSON WHO PROVIDES THEIR SERVICES TO THE CITY OF PHOENIX WITHOUT ANY EXPRESS OR IMPLIED PROMISE OF COMPENSATION FROM THE CITY OF PHOENIX, AND SERVES AS A HEARING OFFICER, INTERN, EXTERN, OR OTHERWISE SERVES IN THE ADMINISTRATIVE OFFICES OF AN ELECTED OFFICIAL, THE CITY MANAGER, OR A CITY OF PHOENIX DEPARTMENT OR FUNCTION HEAD. A BLOCK WATCH CAPTAIN IS NOT A VOLUNTEER FOR PURPOSES OF THE GIFT POLICY.

A. ETHICS POLICY.

It is the policy of the City of Phoenix to uphold, promote and demand the highest standards of ethics from all of its ELECTED OFFICIALS, employees, ~~and officials, whether elected or appointed~~ BOARD MEMBERS, AND VOLUNTEERS, Accordingly, all City ~~officers and~~ ELECTED OFFICIALS, employees, BOARD MEMBERS, AND VOLUNTEERS, ~~members of City boards, commissions and committees and members of the City Council~~ should maintain the utmost standards of personal integrity, truthfulness, honesty and fairness in carrying out their public duties, avoid any improprieties in their roles as public servants, and never use their City position or powers for improper personal gain.

B. PERMISSIBLE AND PROHIBITED GIFTS.

1. A GIFT IN ANY AMOUNT RECEIVED DIRECTLY OR INDIRECTLY BY AN ELECTED OFFICIAL, EMPLOYEE, BOARD MEMBER, OR VOLUNTEER IS PROHIBITED IF THE GIFT CREATES THE APPEARANCE OF UNDUE

INFLUENCE, OR IF THE GIFT CREATES A CONFLICT OF INTEREST PURSUANT TO PHOENIX CITY CHARTER CHAPTER XI, SEC.1.

2. A GIFT WITH A FAIR MARKET VALUE OF \$25.00 OR LESS RECEIVED BY AN ELECTED OFFICIAL, EMPLOYEE, BOARD MEMBER, OR VOLUNTEER IS PERMISSIBLE IF THE GIFT IS NOT OTHERWISE PROHIBITED BY LAW.
3. A GIFT WITH A FAIR MARKET VALUE OF MORE THAN \$25.00 RECEIVED BY AN ELECTED OFFICIAL IS PERMISSIBLE IF THE GIFT IS NOT OTHERWISE PROHIBITED BY LAW, AND IF THE GIFT IS DISCLOSED BY AN ELECTED OFFICIAL AS PROVIDED IN THIS SECTION.
4. A GIFT WITH A FAIR MARKET VALUE OF MORE THAN \$25.00 RECEIVED BY AN EMPLOYEE, BOARD MEMBER, OR VOLUNTEER IS PROHIBITED EXCEPT AS PROVIDED IN THIS SECTION.
5. NOTWITHSTANDING SUBSECTIONS B(3) AND B(4), COMPENSATION FOR ADMISSION, FOOD, BEVERAGES, TRANSPORTATION, OR ACCOMMODATIONS WITH A FAIR MARKET VALUE OF MORE THAN \$25.00 RECEIVED BY AN ELECTED OFFICIAL, EMPLOYEE, BOARD MEMBER, OR VOLUNTEER IS PERMISSIBLE IF THE COMPENSATION DIRECTLY RELATES TO ECONOMIC DEVELOPMENT, TOURISM PROMOTION, OR THE CITY OF PHOENIX SISTER CITIES PROGRAM. AN ELECTED OFFICIAL, EMPLOYEE, BOARD MEMBER, OR VOLUNTEER IS NOT REQUIRED TO DISCLOSE THE COMPENSATION ALLOWED BY THIS SUBSECTION B(5).
6. NOTWITHSTANDING SUBSECTION B(3), COMPENSATION FOR ADMISSION, FOOD, AND BEVERAGES WITH A FAIR MARKET VALUE OF MORE THAN \$25.00 RECEIVED BY AN ELECTED OFFICIAL IN THEIR OFFICIAL CAPACITY AS REPRESENTATIVE OF THE CITY IS PERMISSIBLE TO ATTEND AN EVENT, ACTIVITY, OR FUNCTION: (I) SPONSORED BY THE CITY, A NON-PROFIT ORGANIZATION, A PROFESSIONAL ASSOCIATION, A BUSINESS ASSOCIATION, A CHARITABLE ORGANIZATION, A CULTURAL/ARTS ORGANIZATION, OR A COMMUNITY ORGANIZATION; AND (II) LOCATED IN ARIZONA; AND (III) THE PRIMARY PURPOSE OF THE EVENT, ACTIVITY, OR FUNCTION IS NOT A POLITICAL ACTIVITY OR POLITICAL FUND RAISING. THE ELECTED OFFICIAL IS NOT REQUIRED TO DISCLOSE THE COMPENSATION FOR THE EVENT, ACTIVITY, OR FUNCTION ALLOWED BY THIS SUBSECTION B(6).
7. NOTWITHSTANDING SUBSECTION B(4), COMPENSATION FOR ADMISSION, FOOD, AND BEVERAGES WITH A FAIR MARKET VALUE OF MORE THAN \$25.00 RECEIVED BY AN EMPLOYEE, BOARD MEMBER, OR VOLUNTEER IN THEIR OFFICIAL CAPACITY AS REPRESENTATIVE

OF THE CITY IS PERMISSIBLE TO ATTEND AN EVENT, ACTIVITY, OR FUNCTION: (I) SPONSORED BY THE CITY, A NON-PROFIT ORGANIZATION, A PROFESSIONAL ASSOCIATION, A BUSINESS ASSOCIATION, A CHARITABLE ORGANIZATION, A CULTURAL/ARTS ORGANIZATION, OR A COMMUNITY ORGANIZATION; AND (II) LOCATED IN ARIZONA; AND (III) APPROVED BY THE SUPERVISOR OF THE EMPLOYEE OR VOLUNTEER, WHERE APPLICABLE, AND (IV) THE PRIMARY PURPOSE OF THE EVENT, ACTIVITY, OR FUNCTION IS NOT A POLITICAL ACTIVITY OR POLITICAL FUND RAISING. THE EMPLOYEE, BOARD MEMBER, OR VOLUNTEER IS NOT REQUIRED TO DISCLOSE THE COMPENSATION FOR THE EVENT, ACTIVITY, OR FUNCTION ALLOWED BY THIS SUBSECTION B(7).

C. GIFT DISCLOSURE REQUIREMENTS.

IF A GIFT MUST BE DISCLOSED BY AN ELECTED OFFICIAL, THE ELECTED OFFICIAL MUST FILE A FORM WITH THE CITY CLERK WITHIN THIRTY (30) CALENDAR DAYS OF RECEIPT. THE FORM MUST INCLUDE THE FOLLOWING INFORMATION RELATED TO THE GIFT: RECIPIENT, AMOUNT, TYPE, DATE, AND DONOR OF THE GIFT. THE CITY CLERK SHALL POST THE GIFT DISCLOSURE FORM AND MAINTAIN THE POSTING OF EACH DISCLOSURE FORM FOR THE PERIOD OF THE ELECTED OFFICIAL'S PUBLIC SERVICE PLUS THREE YEARS AFTER THE ELECTED OFFICIAL'S DEPARTURE.

SECTION 2. Phoenix City Code Chapter 2, Article II, Section 2-53 is hereby repealed in its entirety and a new Section 2-53 is created to read as follows:

Sec. 2-53. CITY OF PHOENIX ETHICS COMMISSION.

A. ETHICS COMMISSION MEMBERS.

THE CITY OF PHOENIX ETHICS COMMISSION IS HEREBY ESTABLISHED AND SHALL CONSIST OF FIVE MEMBERS WHO SHALL SERVE A TERM OF THREE YEARS UNLESS OTHERWISE SPECIFIED. THE PHOENIX JUDICIAL SELECTION ADVISORY BOARD SHALL RECOMMEND EACH COMMISSION MEMBER TO COUNCIL FOR APPROVAL BY THE AFFIRMATIVE VOTE OF SEVEN COUNCIL MEMBERS. COMMISSION MEMBERS MUST BE ACTIVE OR FORMER APPELLATE COURT OR SUPERIOR COURT JUDGES OR ACTIVE OR FORMER JUDGES FROM COURTS OF SIMILAR JURISDICTION. TWO MEMBERS SHALL SERVE A FULL INITIAL TERM, TWO MEMBERS SHALL SERVE A TWO-YEAR INITIAL TERM, AND ONE MEMBER SHALL SERVE A ONE-YEAR INITIAL TERM. ANY COMMISSION VACANCY SHALL BE FILLED BY A CANDIDATE RECOMMENDED BY THE PHOENIX JUDICIAL SELECTION ADVISORY BOARD AND APPROVED BY COUNCIL AS PROVIDED IN THIS SECTION.

B. ETHICS COMMISSION AUTHORITY.

UPON RECEIPT OF A WRITTEN ALLEGATION OF AN ETHICAL VIOLATION, THE ETHICS COMMISSION IS AUTHORIZED TO INVESTIGATE, TAKE TESTIMONY, AND ENGAGE IN ANY OTHER ACTION TO THE EXTENT PERMITTED AND ESTABLISHED BY LAW TO OVERSEE THE INVESTIGATION AND ENFORCEMENT OF THE GIFT POLICY AND CONFLICTS OF INTEREST PURSUANT TO PHOENIX CITY CHARTER CHAPTER XI, SEC. 1, RELATED TO ELECTED OFFICIALS AND BOARD MEMBERS. THE COMMISSION MAY APPOINT AN INDEPENDENT INVESTIGATOR AND HEARING OFFICER AS MAY BE NECESSARY TO ASSIST THE COMMISSION IN CARRYING OUT ITS PURPOSE AND RESPONSIBILITIES. IN ADDITION, THE COMMISSION MAY ISSUE ADVISORY OPINIONS REGARDING GIFT POLICY AND CONFLICT OF INTEREST ISSUES UPON REQUEST BY ELECTED OFFICIALS OR BOARD MEMBERS, REFER ALLEGATIONS OUTSIDE OF ITS AUTHORITY TO OTHER JURISDICTIONS FOR ENFORCEMENT, OR MAKE THE FOLLOWING, BUT NOT LIMITED TO, RECOMMENDATIONS TO THE COUNCIL: DISMISSAL OF THE ALLEGATIONS; FILING AN ACTION UNDER THIS SECTION FOR FRIVOLOUS ALLEGATIONS; ENTERING INTO A CONSENT DECREE; OR IMPOSING SANCTIONS. ALL ACTIONS BY THE COMMISSION TO REFER AN ALLEGED ETHICS VIOLATION TO THE CITY COUNCIL SHALL REQUIRE THE AFFIRMATIVE VOTE OF THREE MEMBERS; HOWEVER, IF BY THE AFFIRMATIVE VOTE OF ALL COMMISSION MEMBERS THE COMMISSION RECOMMENDS THE DISMISSAL OF ANY ALLEGED ETHICS VIOLATIONS, SUCH ALLEGED ETHICS VIOLATIONS SHALL BE DISMISSED WITH PREJUDICE, AND NO FURTHER ACTION SHALL BE TAKEN.

C. ETHICS COMMISSION COMPENSATION.

ETHICS COMMISSION MEMBERS SHALL NOT RECEIVE A SALARY OR OTHERWISE BE COMPENSATED EXCEPT FOR THE REIMBURSEMENT OF REASONABLE PARKING CHARGES NEAR PHOENIX CITY HALL.

D. ETHICS COMMISSION RULES AND PROCEDURES.

THE CITY MANAGER SHALL PREPARE INITIAL RULES AND PROCEDURES FOR THE INVESTIGATION AND ENFORCEMENT OF AN ETHICS VIOLATION BY THE ETHICS COMMISSION, WHICH SHALL BE APPROVED BY AN AFFIRMATIVE VOTE OF SEVEN COUNCIL MEMBERS. THESE RULES AND PROCEDURES MUST ADDRESS THE PROCESS AND PROCEDURES FOR THE INITIATION OF PROCEEDINGS, THE INITIAL EVALUATION BY COMMISSION, THE INVESTIGATION BY THE COMMISSION, A FORMAL HEARING AFTER INVESTIGATION BY THE COMMISSION, IF NECESSARY, AND THE COMMISSION'S RECOMMENDATION TO COUNCIL RELATED TO AN ALLEGED ETHICS VIOLATION. BY AN AFFIRMATIVE VOTE OF ALL MEMBERS, THE ETHICS COMMISSION MAY REFER ADDITIONS OR MODIFICATIONS TO THE INITIAL ETHICS COMMISSION RULES AND PROCEDURES TO THE CITY MANAGER FOR REVIEW AND RECOMMENDATION TO COUNCIL. ANY ADDITION OR MODIFICATION OF THE INITIAL ETHICS COMMISSION RULES AND

PROCEDURES MUST BE APPROVED BY AN AFFIRMATIVE VOTE OF SEVEN COUNCIL MEMBERS.

E. SANCTIONS FOR ETHICS VIOLATIONS.

BY AN AFFIRMATIVE VOTE OF THREE MEMBERS, THE ETHICS COMMISSION MAY RECOMMEND TO COUNCIL THE IMPOSITION OF ANY NUMBER OF THE FOLLOWING ACTIONS OR SANCTIONS UPON A FINDING OF A VIOLATION OF ETHICS POLICIES BY AN ELECTED OFFICIAL OR BOARD MEMBER: CENSURE, REIMBURSEMENT OF COMMISSION INVESTIGATION COSTS UP TO A MAXIMUM OF \$10,000 PER VIOLATION, OR REMOVAL FROM OFFICE IF VIOLATIONS RELATE TO A BOARD MEMBER.

F. ACTION FOR FRIVOLOUS ALLEGATIONS.

UPON A FINDING AND RECOMMENDATION BY AN AFFIRMATIVE VOTE OF THREE MEMBERS OF THE ETHICS COMMISSION, AND BY AN AFFIRMATIVE VOTE OF FIVE MEMBERS OF THE CITY COUNCIL, THE CITY COUNCIL MAY DIRECT THE CITY MANAGER THROUGH THE CITY ATTORNEY TO FILE A COMPLAINT IN THE MUNICIPAL COURT AGAINST A PERSON, OR OTHER ENTITY RECOGNIZED BY LAW, FOR THE FILING OF ALLEGATIONS OF ETHICS VIOLATIONS THAT ARE NOT WELL GROUNDED IN LAW OR FACT, AND INTERPOSED FOR ANY IMPROPER PURPOSE, SUCH AS TO HARASS, OR TO CAUSE UNNECESSARY DELAY, OR NEEDLESSLY INCREASE COSTS AND EXPENSES TO THE ELECTED OFFICIAL OR BOARD MEMBER. A PERSON FOUND LIABLE FOR VIOLATING THIS SECTION BY A PREPONDERANCE OF THE EVIDENCE SHALL BE SUBJECT TO A CIVIL PENALTY IN THE AMOUNT OF \$500.00 AND MUST PAY THE REASONABLE ATTORNEY'S FEES AND COSTS INCURRED BY THE ELECTED OFFICIAL OR BOARD MEMBER TO RESPOND TO AND DEFEND AGAINST THE IMPROPER ALLEGATIONS.

G. COUNCIL APPROVAL OF ETHICS COMMISSION RECOMMENDATION AND ACTION.

1. THE COUNCIL SHALL REVIEW AND TAKE ACTION ON ANY PROPOSED RECOMMENDATION FROM THE ETHICS COMMISSION WITHIN 30 CALENDAR DAYS OF THE DATE OF THE RECOMMENDATION, OR AT THE NEXT, REGULARLY SCHEDULED MEETING IF NO MEETING IS SCHEDULED WITHIN 30 CALENDAR DAYS OF THE RECOMMENDATION. THE COUNCIL MAY DELAY ACTION BEYOND THE 30 CALENDAR DAYS BY AN AFFIRMATIVE VOTE OF FIVE COUNCIL MEMBERS. A COUNCIL ACTION TO IMPOSE A SANCTION AGAINST AN ELECTED OFFICIAL OR BOARD MEMBER FOR AN ETHICS VIOLATION REQUIRES AN AFFIRMATIVE VOTE OF SEVEN COUNCIL MEMBERS. EXCEPT WHERE PROVIDED OTHERWISE, ALL OTHER COUNCIL ACTIONS RELATED TO A RECOMMENDATION FROM THE ETHICS COMMISSION MUST BE APPROVED BY AN AFFIRMATIVE VOTE OF FIVE COUNCIL MEMBERS.

2. AN ELECTED OFFICIAL OR BOARD MEMBER WHO PREVAILS IN DEFENDING AN ALLEGED ETHICS VIOLATION MAY SEEK, AND THE COUNCIL MAY AUTHORIZE, PAYMENT TO REIMBURSE THE ELECTED OFFICIAL OR BOARD MEMBER FOR THEIR REASONABLE ATTORNEY'S FEES AND COSTS INCURRED FROM THE DATE OF FILING THE ALLEGATIONS OF THE ETHICS VIOLATION THROUGH AND UP TO COUNCIL ACTION.

H. APPEAL.

EXCEPT FOR THE COUNCIL'S APPROVAL OF A CONSENT DECREE, WITHIN 30 CALENDAR DAYS OF COUNCIL ACTION RELATED TO AN ALLEGED ETHICS VIOLATION, THE ETHICS COMMISSION, AN ELECTED OFFICIAL, OR BOARD MEMBER MAY APPEAL A COUNCIL ACTION BY SPECIAL ACTION TO THE SUPERIOR COURT. THE COUNCIL'S APPROVAL OF A CONSENT DECREE RELATED TO AN ALLEGED ETHICS VIOLATION IS FINAL ACTION AND NOT SUBJECT TO REVIEW.

SECTION 3. Phoenix City Code Chapter 2, Article II, Section 2-96 is amended to read as follows:

Sec. 2-96. Judicial Selection Advisory Board—Establishment; membership; powers and duties; operating procedures.

A. There is hereby created a Judicial Selection Advisory Board to be composed of the Chief Presiding Judge of the City Court, who shall serve as a nonvoting member, and seven voting members, consisting of the following: the Presiding Judge of the Superior Court of Maricopa County or his designee; an appellate court judge to be appointed by the Chief Justice of the Arizona Supreme Court; a member of the Maricopa County Bar Association who shall reside in the City of Phoenix and who shall be appointed by the Mayor from among three nominees recommended by the association's board of directors; an active member of the State Bar of Arizona who shall reside in the City of Phoenix and who shall be appointed by the Mayor from among three nominees recommended by the State Bar's Board of Governors; and three public members who are nominated by the Mayor and who are residents of the City of Phoenix. None of the public members shall be an employee of the City of Phoenix. Voting members shall be subject to approval by the City Council. Voting members shall serve a term of three years and shall be eligible for reappointment for one additional three-year term. The members shall serve without salary or compensation.

B. The Board's officers shall consist of a chairman and vice-chairman, each selected from the Board's voting members. Officers shall serve one-year terms. No member shall serve more than two terms as chairman or two terms as vice-chairman, not including any term filled for the remainder of another member's unexpired term. Upon

expiration of the chairman's first term or, if selected for a second term, upon expiration of the chairman's second term, the vice-chairman automatically shall become the chairman. If upon expiration of the chairman's first term, the chairman is selected by the voting members for a second term, the vice-chairman shall automatically continue in that office for a second term. A vacancy in the office of chairman caused other than by the expiration of a term shall be filled by the vice-chairman for the remainder of the unexpired term. The members shall determine operating procedures for the Board, which shall be kept in writing. The vice-chairman shall preside whenever the chairman is absent or unable to act. The chairman will have the duty to prepare written reports as may be requested by the City Council.

C. The Board shall have the following powers and duties:

1. To seek out and encourage qualified individuals to apply for the office of judge of the City Court AND THE CITY OF PHOENIX ETHICS COMMISSION.
2. To conduct investigations into the background and qualifications of candidates for the office of judge of the City Court AND FOR THE CITY OF PHOENIX ETHICS COMMISSION, including but not limited to the use of questionnaires, personal interviews, and contacting such individuals and institutions as it deems reasonable to obtain as much background information on the candidate as possible.
3. To submit its recommendations for candidates for appointment or reappointment to the office of judge of the City Court or Chief Presiding Judge OR TO THE CITY OF PHOENIX ETHICS COMMISSION, without regard for race, religion, political affiliation or sex of the candidate, to the Mayor, who thereafter shall convene the City Council for the purpose of interviewing all candidates recommended.

D. The meetings of the Board shall be held once each year for the purpose of reviewing operating procedures and on call of the chairman or a majority of the members. The chairman shall issue a call for a meeting promptly upon learning of the existence or anticipated existence of a vacancy in the office of judge of the City Court OR THE CITY OF PHOENIX ETHICS COMMISSION. The Board shall, whenever practical, hold public meetings designed to permit interested parties and groups to submit and recommend persons for consideration.

SECTION 4. If any provision of this ordinance shall be held invalid, its invalidity shall not affect any other provision of this ordinance which can be given effect without the invalid provision, and for this purpose the provisions of this ordinance are

hereby declared to be severable.

SECTION 5. Except for SECTION 3, all sections of this Ordinance shall be effective, and shall solely apply to an act, or the failure to act, by an elected official, employee, board member, or volunteer first occurring on or after January 1, 2015.

SECTION 3 of this Ordinance shall be effective June 1, 2014.

PASSED by the Council of the City of Phoenix this ____ day of _____, _____.

MAYOR

ATTEST:

_____ City Clerk

APPROVED AS TO FORM:

_____ City Attorney

REVIEWED BY:

_____ City Manager

DLB/dlb:1119426v1

CITY COUNCIL REPORT

FORMAL AGENDA

TO: Deanna Jonovich
Deputy City Manager

AGENDA DATE: April 16, 2014

FROM: Karl Matzinger
Interim Housing Director

ITEM: 34 PAGE: 65

SUBJECT: ORDINANCE S-40695 - ALLOCATION OF GAP FUNDING FOR FUTURE
PHASES OF FRANK LUKE ADDITION HOPE VI REVITALIZATION

This report provides back-up information to Item 34 on the April 16, 2014, City Council Formal Meeting agenda, which requests City Council authorization to use up to \$5,000,000 of City of Phoenix Affordable Housing Program funds, and up to \$2,228,920 of 2006 General Obligation Affordable Housing and Neighborhood Revitalization (GO) Bond funds as presented to the Bond Executive Committee and approved in April 2011, for future phases of the Frank Luke Addition HOPE VI Revitalization.

The Neighborhoods, Housing, and Development Subcommittee recommended approval of this item on February 18, 2014.

THE ISSUE

In May 2011, the U.S. Department of Housing and Urban Development (HUD) awarded the City of Phoenix a \$20 million HOPE VI grant to revitalize the former Frank Luke Addition (FLA) public housing community. The 12.2 acre site is bounded by 16th and 18th Streets, and Villa and McKinley Streets. The revitalized FLA community, now called Aeroterra, will consist of 250 mixed-income rental units built in multiple phases, a new 6,500 square foot community and early childhood education center, and a renovated Historic building to be used as community space and leasing offices.

Development of the FLA site through City instrumentalities was approved by City Council in three different Ordinances, S-37208, S-38087, and S-38139. Ordinance S-38139, approved in August 2011, authorized the formation of new City instrumentalities, applications for Low Income Housing Tax Credit (LIHTC) financing and all actions necessary to develop, implement, and operate all phases of the FLA Revitalization.

In accordance with those Ordinances, and the commitment to redevelop the property based on receiving the federal HOPE VI grant, the Housing Department relocated residents and demolished 134 units of public housing on the FLA site with HUD approval. The first phase of the revitalization, Aeroterra Senior Village, was completed in December 2012 and remains 100 percent occupied, serving seniors and persons with disabilities in 60 public housing units.

Federal HOPE VI grant funds require the Housing Department to maintain compliance with HUD requirements such as Davis Bacon wages, environmental abatement, legal services related to the HUD Mixed Finance approval process, and additional operating reserves for public housing, which typically leads to increased costs to the development, when compared to private sector and/or other affordable developments. In addition, a unique aspect of the Phase 2 development includes the mandated renovation of the on-site Historic building.

OTHER INFORMATION

The Low Income Housing Tax Credits (LIHTC) Program is an indirect Federal subsidy used to finance the development of affordable rental housing for low-income households. Each year, the IRS allocates housing tax credits to designated state agencies which in turn award the credits to developers of qualified projects through a competitive process.

The amount of Federal HOPE VI grant funds awarded to the City for the FLA project will not cover the entire cost to redevelop the 250 rental units and a community center required by the grant. In order to bridge that gap, and leverage the HOPE VI grant funds, the Housing Department submitted LIHTC applications to the Arizona Department of Housing in March 2014 for Phases 2 and 3 of the FLA Revitalization.

Similarly to the HOPE VI grant funds, the LIHTC Program also carries unique compliance requirements and program criteria, which can increase the development costs when compared to private sector and/or other affordable developments. For example, the LIHTC Program generally limits projects to between 50 and 80 units. This can result in increased development costs because economies of scale cannot be achieved due to the limited number of units being constructed. The LIHTC Program also requires additional finance and legal costs because of the tax credit and equity investor documentation and reporting requirements. Finally, based on the City's public housing wait list information, the FLA development has a need to accommodate larger families with more three, four and five-bedroom units than a typical LIHTC development.

The development costs submitted for FLA Phases 2 and 3 are in line with other affordable projects submitted under the LIHTC process. Construction and financing costs for the two Phases are estimates and these two services will be competitively bid if awarded LIHTCs this year.

Affordable Housing GO and Bond Funds requested in this report will only be utilized if the LIHTC award is insufficient to cover the gap between final costs and funds available.

RECOMMENDATION

This item is being placed on the April 16, 2014, Formal Meeting agenda in accordance with a written request for reconsideration of April 2, 2014, Formal Agenda Item 52 filed in the City Clerk Department by Councilman Bill Gates on April 8, 2014.

April 16, 2014, Formal Agenda Item 34 requests authorization to use up to \$5,000,000 of City of Phoenix Affordable Housing Program funds, and up to \$2,228,920 of 2006 General Obligation Affordable Housing and Neighborhood Revitalization (GO) Bond funds as presented to the Bond Executive Committee and approved in April 2011, for future phases of the Frank Luke Addition HOPE VI revitalization. Authorization is also requested for the City Manager to execute all necessary documents and the City Controller to disburse the funds over the life of the contract(s).

The Neighborhoods, Housing, and Development Subcommittee recommended approval of this item on February 18, 2014.

CITY COUNCIL REPORT

TO: Deanna Jonovich
Deputy City Manager

AGENDA DATE: April 16, 2014

FROM: Karl Matzinger
Interim Housing Director

ITEM: 35 PAGE: 66

SUBJECT: ORDINANCE S-40697 - ADOPT AND SUBMIT 2014-2015 ANNUAL
AGENCY PLAN TO HUD AND AMEND SECTION 8 ADMINISTRATIVE
PLAN AND PUBLIC HOUSING ACOP

This report provides back-up information to Item 35 on the April 16, 2014, City Council Formal agenda requesting the City Council to adopt, and authorize the City Manager to submit, the 2014-15 Annual Agency Plan (AAP) to the U.S. Department of Housing and Urban Development (HUD). In addition, the item requests City Council adopt the amended Section 8 Administrative Plan and the Admissions and Continued Occupancy Policy (ACOP) for Public Housing.

The Neighborhoods, Housing, and Development (NHD) Subcommittee recommended City Council approval of this item on March 18.

THE ISSUE

The City of Phoenix Housing Department is required by federal regulation to develop and submit an AAP to the U. S. Department of Housing and Urban Development (HUD) each year. The AAP provides an overview of community needs, details available resources, identifies methods to address the needs, and translates those methods into policies and programs.

OTHER INFORMATION

Policy changes noted in the AAP include: the addition of project-based vouchers to the 2010 HOPE VI grant Frank Luke Addition Project and intention of applying for a Choice Neighborhoods Initiatives grant (if funded by Congress).

The Annual Agency Plan is required to be submitted to HUD 75 days before the commencement of the City's fiscal year in order for the City to be eligible for continued federal funding.

RECOMMENDATION

This item is being placed on the April 16, 2014, Formal Meeting agenda in accordance with a written request for reconsideration of April 2, 2014, Formal Agenda Item 54 filed in the City Clerk Department by Councilman Bill Gates on April 8, 2014.

April 16, 2014 Formal Agenda Item 35 requests the City Council to adopt, and authorize the City Manager to submit, the 2014-15 Annual Agency Plan (AAP) to the U.S. Department of Housing and Urban Development (HUD). In addition, the item requests City Council adopt the amended Section 8 Administrative Plan and the Admissions and Continued Occupancy Policy (ACOP) for Public Housing.

The Neighborhoods, Housing, and Development (NHD) Subcommittee recommended City Council approval of this item on March 18.

CITY COUNCIL REPORT

FORMAL AGENDA

TO: Rick Naimark
Deputy City Manager

AGENDA DATE: April 16, 2014

Paul Blue
Deputy City Manager

FROM: Alan Stephenson
Acting Planning and Development
Director

ITEM:76 PAGE: 109

Hank Marshall
Acting Community and Economic
Development Director

SUBJECT: PUBLIC HEARING AND RESOLUTION ADOPTING LEGAL FINDING FOR
THE RIO SALADO REDEVELOPMENT AREA

This report provides backup information on Item 76 on the April 16, 2014, Formal agenda, a request for City Council approval of the Rio Salado Redevelopment Study Area as a redevelopment area. The study area was found to meet blight criteria pursuant to A.R.S. 36-1471 and is eligible to be designated a redevelopment area. The study area is generally bounded by I-17 to the north; Broadway Road to the south; 19th Avenue to the west; 16th Street to the east. A detailed map of the study area is attached. The Downtown, Aviation, and Redevelopment (DAR) Subcommittee recommended approval of this item on March 5, 2014.

THE ISSUE

At the June 11, 2013, City Council Policy Session, City Council directed staff to begin the process for studying the proposed Rio Salado Redevelopment Area. The City Council, on November 20, 2013, authorized an amendment to an existing contract with Discovery Triangle Development Corporation to study the subject area to determine eligibility for the formation of a redevelopment area. Significant studies of the area, along with several revitalization efforts, have already been done over the last decade. These past planning efforts provide foundation for the redevelopment study area designation and the goals of those plans will be further implemented by adoption as a redevelopment area. This designation will not change any of those land use goals or any existing development rights of property owners.

OTHER INFORMATION

Creation of the Rio Salado Redevelopment Area will assist the City's efforts to revitalize the study area. While redevelopment areas in Phoenix have historically focused on neighborhood revitalization, the Rio Salado Redevelopment Area is focused on economic development – namely, stimulating capital investment and fostering the growth of employment-generating uses. Through this strategy, the City hopes to create jobs and business opportunities for the benefit of Phoenix residents, Phoenix employers and the region's economy.

Based on this strategy, the recommended boundary includes specific areas and parcels that are well positioned for investment. These include large parcels, groups of contiguous parcels with common ownership, City-owned parcels, areas suitable for commercial or industrial development, and vacant or underutilized parcels that could accommodate employment-generating uses. In order to protect existing neighborhoods, the recommended boundary also avoids large areas of residential properties. The resulting boundary is representative of the area with the greatest potential for job creation, capital investment and business opportunities.

Designation as a redevelopment area allows for the City to continue working with property owners to facilitate a variety of revitalization measures that include blight elimination, special development funding mechanisms, and work on individual property redevelopment plans/studies to guide revitalization efforts for the area.

In order to assess current conditions in the area, Discovery Triangle Development Corporation collected data on the proposed redevelopment area's current land use, as well as building and area conditions. After analysis of the available information, the Planning and Development Department, Community and Economic Development Department and Discovery Triangle have determined that:

1. There is deterioration of the area and its improvements;
2. There are unsafe and unsanitary conditions that relate to the condition of the property; and
3. There is faulty lot layout in relation to size, shape and configurations.

These factors retard the provision of economic development; constitute a social liability, and detract from the provision of public health, safety, morals, or welfare in their present state and use. Individually or in combination, these conditions substantially impair or arrest the sound growth of the City of Phoenix.

Existing land use as well as building and area conditions demonstrate that current conditions satisfy statutory requirements for declaring the area a redevelopment area. Its deterioration, unsafe conditions and faulty lot layout do not contribute to the stability and vitality of the surrounding area. The redevelopment process offers an opportunity to help remove these conditions; to facilitate revitalization of new and existing land uses; and to support private improvements in the area.

On March 5, 2014, the Downtown, Aviation, and Redevelopment Subcommittee recommended City Council approval of the proposed Rio Salado Redevelopment Area and declared the area eligible to be a redevelopment area as this area meets the blight criteria established by A.R.S. 36-1471. Establishment of this area as a redevelopment area will further the implementation of the General Plan and existing City Council adopted plans.

The Neighborhood Services Department requested to modify the proposed redevelopment boundaries so as not to overlap with the existing Target Area B. This request is reflected in the updated redevelopment map with a minor change as shown in Attachment A. This revised area meets the statutory requirements for a redevelopment designation. Designation as a redevelopment area allows for the City to continue working with property owners to facilitate a variety of revitalization measures that include blight elimination, special development funding mechanisms, and work on individual property redevelopment plans to guide revitalization efforts for the area.

RECOMMENDATION

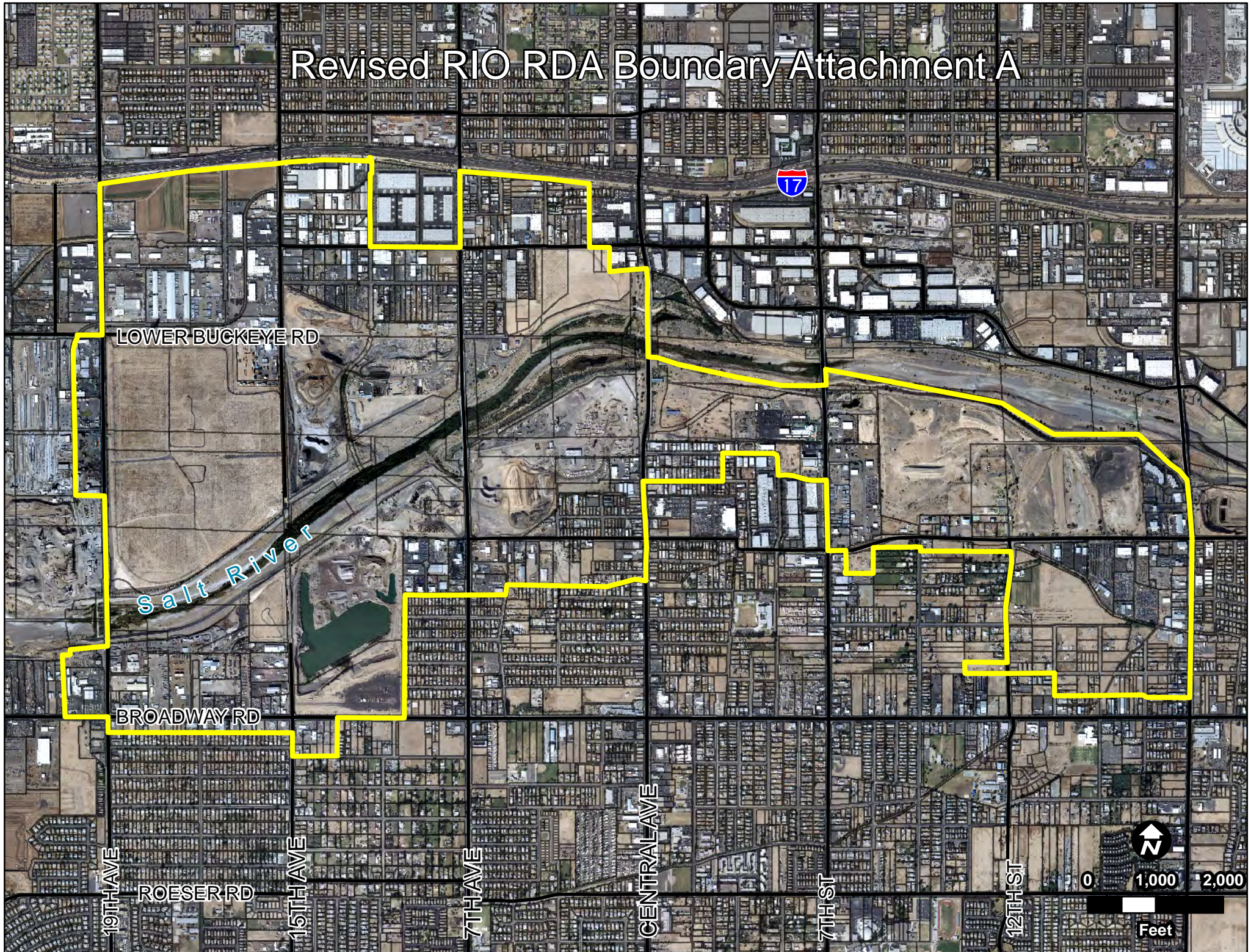
Staff requests City Council approval of the proposed Rio Salado Redevelopment Area and make a finding that this area meets the blight criteria established by A.R.S. 36-1471 as recommended by the Downtown, Aviation, and Redevelopment Subcommittee with the minor change to the boundaries as shown in Attachment A.

As specific redevelopment projects come forward staff will develop a specific site/action plan pursuant to the requirements of A.R.S. 35-1479. This plan will also address conformance to the existing General Plan and appropriate area plan(s). The plan will then be brought back to the Subcommittee and full City Council for review and approval.

Attachment A – Revised Boundary Map

Attachment B – Rio Salado Redevelopment Area Study

Revised RIO RDA Boundary Attachment A



Report: Rio Salado Redevelopment Study Area

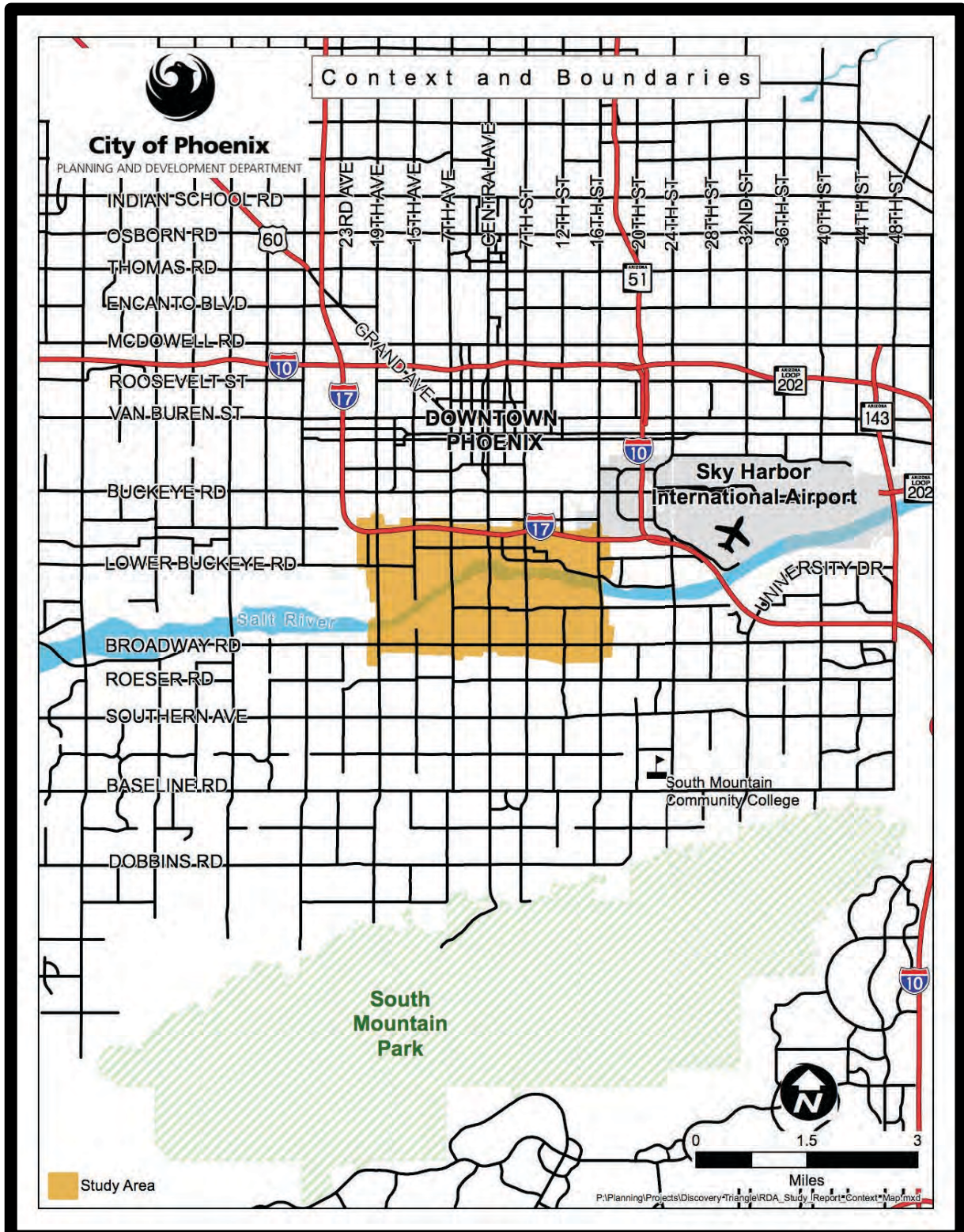


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Executive Summary

The Mayor and City Council initiated this report to analyze and document the current building, land use and area conditions in the area referred to as the Rio Salado Redevelopment Area (RSRDA). The Study Area is generally bounded by I-17 to the north, Broadway Road to the south, 19th Avenue to the west and 16th Street to the east.

The primary purpose for the analysis is to evaluate conditions of the Study Area and to determine if it qualifies under Arizona State Statute as a Redevelopment Area.

The primary statutory requirement for a formal designation of an area as a Redevelopment Area is a finding that a predominance of the property is blighted.

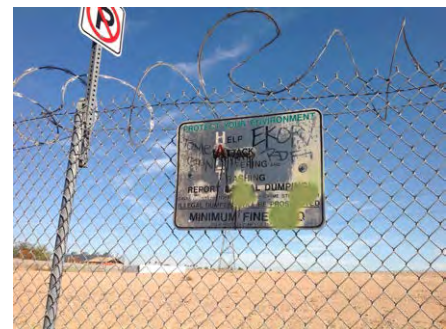
This Report describes and documents the statutorily defined blighted conditions that, when aggregated, constitute a finding of a predominance of blight, allowing the Mayor and Council to designate the area as a Redevelopment Area.

ARS § 36-1471 provides the following list of factors that, through the presence of one or more, may allow an area to be declared as predominately blighted. Blighted properties within the Study Area were found to meet one or more of 4 of the 9 statutory requirement options, specifically:

- A dominance of defective or inadequate street layout.
- Faulty lot layout in relation to size, adequacy, accessibility or usefulness.
- Unsanitary or unsafe conditions.
- Deterioration of site or other improvements.

A formal declaration by the Phoenix City Council will assist in focusing City efforts to revitalize the economy in the Area, with a specific focus on economic development and quality job creation.

This Report is divided into six sections which describe the history and boundaries of the Study Area, past and ongoing planning and revitalization efforts, demographic, land use and zoning background in addition to a physical survey of the existing conditions. It also describes the legal framework which authorizes the City of Phoenix to conduct this analysis and to consider formal designation of the Study Area as a Redevelopment Area.



Redevelopment Area Overview

A Redevelopment Area is designated by City Council through a formal finding of blighted conditions within the Study Area boundaries by City Council vote. At a City Council public hearing, approval of a Redevelopment Area requires adoption of a Council resolution that resolves/finds that both that:

1. One or more slum or blighted areas exist in the municipality.
2. The redevelopment of that area or areas is necessary in the interest of the public health, safety, morals or welfare of the residents of the municipality.

The existence of blighted conditions has both a short and long term negative affect on the City's ability to improve economic development prospects and attract investment which enables quality job creation. Alternatively, areas that are well maintained and offer few obstacles to responsible development become prime locations for existing business expansion, new businesses establishment and a thriving local economy. These attractive areas generate more positive tax revenue to support critical City services.



While the majority of the City of Phoenix's 19 Redevelopment Area *Plans* are aimed at catalyzing neighborhood revitalization, this Report is focused on commercial and industrial areas that have potential for redevelopment or reinvestment.

Redevelopment Area Requirements

ARS § 36-1471 defines a Blighted area to be an area, other than a slum area, where sound municipal growth and the provision of housing accommodations is substantially retarded or arrested in a predominance of the properties by any of the following:

- A. A dominance of defective or inadequate street layout.
- B. Faulty lot layout in relation to size, adequacy, accessibility or usefulness.
- C. Unsanitary or unsafe conditions.
- D. Deterioration of site or other improvements.
- E. Diversity of ownership.
- F. Tax or special assessment delinquency exceeding the fair value of the land.
- G. Defective or unusual conditions of title.
- H. Improper or obsolete subdivision platting.
- I. The existence of conditions that endanger life or property by fire and other causes.



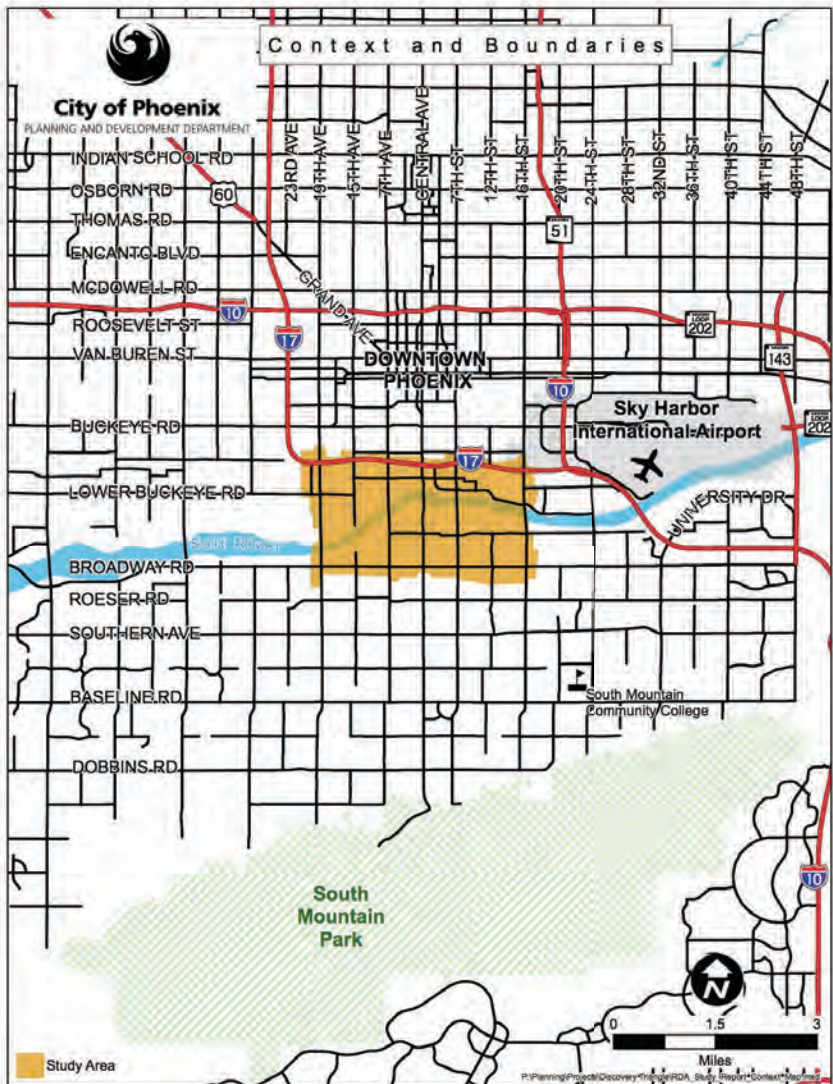
Rio Salado Redevelopment Study Area

Boundaries and Context

The Rio Salado Redevelopment Study Area is bound by 19th Avenue on the west; 16th Street on the east; Broadway Road on the south; and Interstate 17 on the north. The area is located just south of Downtown Phoenix (1 mile) and just west of Sky Harbor International Airport (1-1/2 miles to the east); and is bisected by the Salt River.

The Study Area lies within two urban villages. The area north of the Salt River is the Central City Village and the area south of the Salt River is the South Mountain Village.

The area is a gateway to Downtown Phoenix, sports and cultural amenities, the emerging bio science campus and universities located downtown, Sky Harbor International Airport, the Salt River and the Nina Mason Pulliam Audubon Center, South Mountain Community College and South Mountain Park.



History

The Study Area has a rich history of residential and mining operations that dates back several generations. The first known settlement of the area was created by the Hohokam peoples. This ancient agricultural society farmed along the Rio Salado and masterfully created waterways/canals. Several pioneers later settled the area in the late 1800's and at the turn of the twentieth century began acquiring thousands of acres along the Rio Salado for farming purposes.

In the early 1900's, the Central Avenue Bridge (formerly Central Street Bridge) was constructed and many more homes were built in the area. One of the subdivisions built at that time is Southgate Park Subdivision constructed in 1928, and is located at Central and Jones avenues. Other subdivisions include Central Gardens located at Central Avenue and Riverside Street and Frances Margaret located at 7th Avenue and Illini Street both built in the 1940's.

The area started to change to more commercial and industrial land uses in the 1940's and 1950's. The area saw a rise in the mining of sand and gravel as Phoenix boomed during the post World War II era of the 1950's.

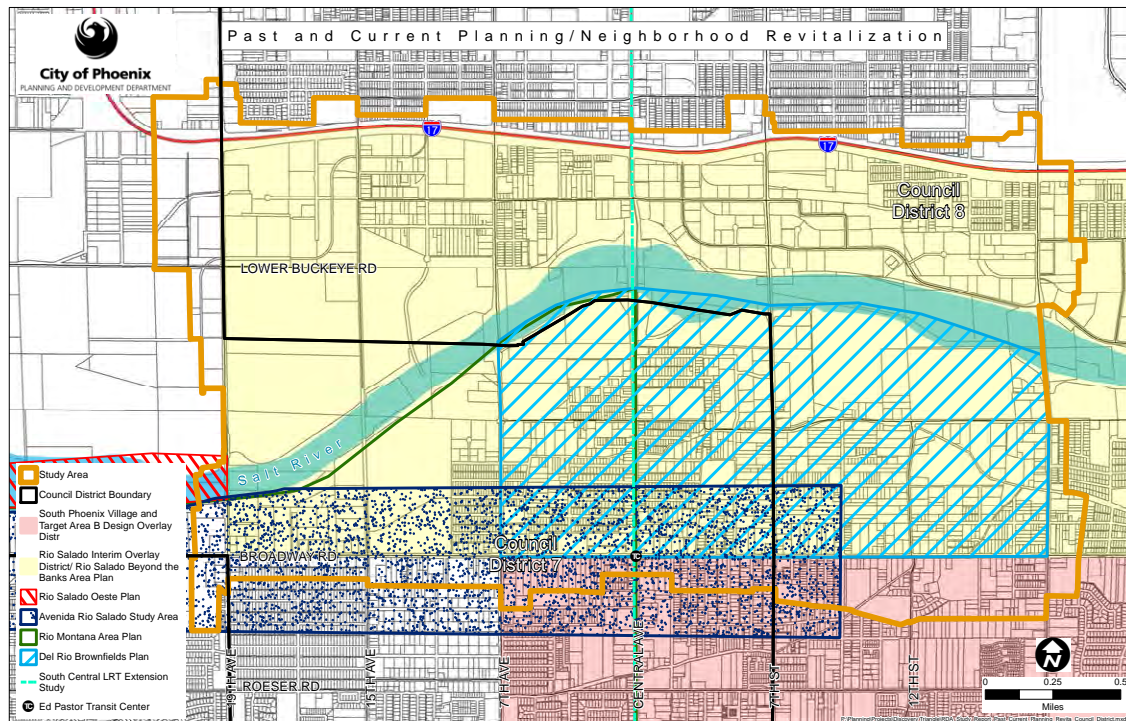
The area today still has many of the original residential subdivisions, as well as the addition of commercial and industrial land uses. Seventh Avenue and Seventh Street continue to provide access to downtown and South Phoenix amenities for area residents.



RSRDA Past and Current Planning / Revitalization Efforts

The Rio Salado Redevelopment Study Area has been the focus of past and current planning related projects and revitalization efforts. The following list captures these efforts:

1. South Mountain Target Area B Redevelopment Plan
2. Rio Salado Oeste Plan
3. Rio Salado Habitat Restoration Project
4. Rio Montana Area Plan
5. Rio Salado Interim Overlay
6. Rio Salado Beyond the Banks Area Plan
7. Del Rio Brownfields Plan
8. Avenida Rio Salado Study Area
9. South Central Phoenix Corridor Alternatives Analysis



The **South Mountain Target Area B Redevelopment Plan** was adopted by the Phoenix City Council in 1980 and is bound by variable parcels north of Broadway Road to Elwood Street, Southern Avenue to the south, 7th Avenue to the west and 24th Street to the east. The redevelopment plan provides a framework for the stabilization, development and redevelopment of the area and to meet the Arizona Revised Statutes 36-1417.

The **Rio Salado Oeste Plan** is a combined effort between the City of Phoenix and the Federal Government to restore approximately 1,500 acres of riverine habitat throughout

a 8-mile study area by returning the river channel to a more natural state by grading and terracing the channel from 19th to 83rd Avenues.

The **Rio Salado Habitat Restoration Project** is a federally funded plan/project that developed a master plan to restore nearly five miles of native wetland and riparian habitat along the banks of the river. The plan developed strategies to restore the blighted river corridor with the first segment of the project opening on November 5, 2005.

The **Rio Montana Area Plan** was adopted by the Phoenix City Council in 2000 and is bound by the Rio Salado to the north, South Mountain Park to the south, South Central Avenue to the east and 27th Avenue to the west. This plan focuses on preserving the rural character of the area, the natural desert and open space, encouraging pedestrian and equestrian activities, sense of community and economic development.

The **Rio Salado Interim Overlay District** was adopted by the Phoenix City Council in 2002 and is bound by the centerlines of Interstate 17/Interstate 10 on the north, 19th Avenue on the west, 32nd Street on the east and Broadway Road on the south. The overlay district is designed to control open, outdoor land uses and other uses in order to have a positive impact on the Rio Salado Habitat Restoration Project and add to the long-term value of adjacent land.

The **Rio Salado Beyond the Banks Area Plan** was adopted by the Phoenix City Council in 2003 and is bound by Interstate 17 (I-17/Maricopa Freeway) and Interstate 10 (I-10) to the north, Broadway Road to the south, 32nd Street to the east and 19th Avenue to the west. The plan identifies goals and policies to guide development decisions for an area beyond the banks of the Rio Salado, and to complement the Phoenix Rio Salado Habitat Restoration Project.

The **Del Rio Brownfields Plan** was adopted by the Phoenix City Council in 2012 and is bound by 7th Avenue to the west, 16th Street to the east, Salt River (Rio Salado) to the north, and Broadway Road to the south. The primary objective of this plan focuses on the environmental remediation and redevelopment of three brownfield sites.

The **Avenida Rio Salado Study Area Plan** is a partnership between the City of Phoenix, Arizona Department of Transportation and the Federal Highway Administration. The plan focuses on the study and design of increasing vehicular traffic along Broadway Road from 7th Street to the future 202 South Mountain Freeway/67th Avenue. Construction will begin in segments during 2014.

The **Valley Metro South Central Phoenix Corridor Alternatives Analysis** is a 24-month study that evaluates several high-capacity transit options. The study area is bound by 7th Avenue on the west, 7th Street on the east, Washington Street on the north, and Baseline Road on the south. Options for the corridor include light rail, bus rapid transit and modern streetcar, to determine which transit mode and route serves the community best. The study is scheduled to be finalized in 2014.

RSRDA Overview

(Note that the information in this section relates to the entire Study Area.)

Demographics

According to the 2010 Census Summary File 1, there are 6,224 people residing in the Study Area and 2,037 housing units. Of the 6,224 residents, 82.6% identify their race as Hispanic or Latino.

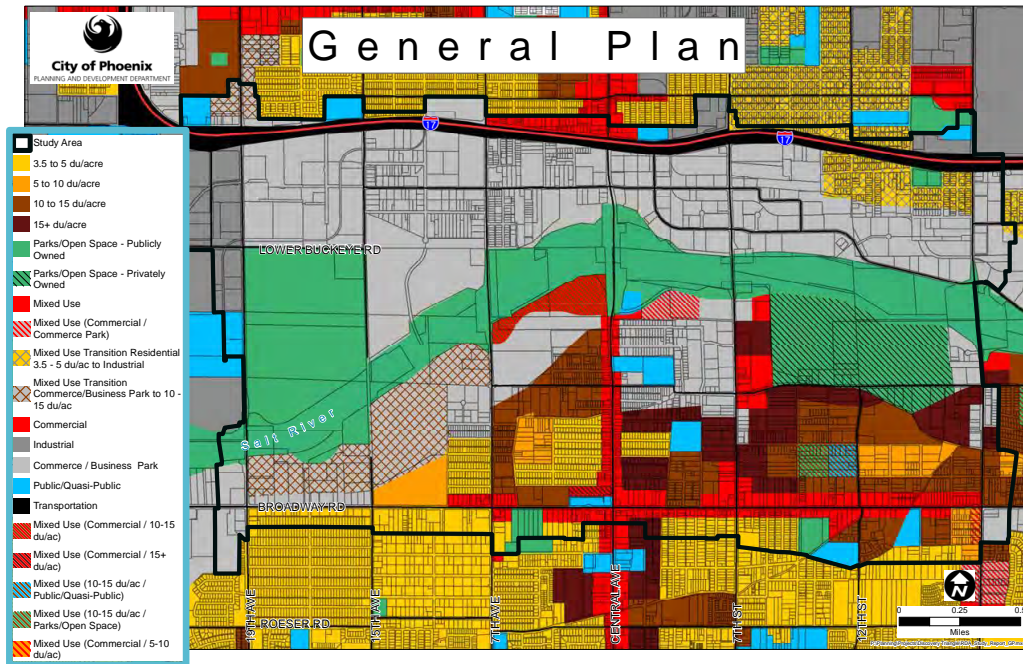
Population, Ethnicity, Housing Units Rio Salado RDA 2010 Census Summary File 1		
Custom Report selected from "Block" or "Block Group" Scale Geography in GIS		
Subject	Total	
	Number	Percent
POPULATION (April 1, 2010)		
Total Population (April 1, 2010)	6,224	100.0%
ETHNICITY		
Hispanic or Latino (of any race)	5,139	82.6%
Not Hispanic or Latino (of any race)	1,085	17.4%
- Not Hispanic or Latino (White Race)	594	9.5%
HOUSING UNITS		
Total Housing Units	2,037	100.0%
Occupied Housing Units	1,681	82.5%
Vacant Housing Units	356	17.5%
Source: City of Phoenix Planning & Development, Maricopa Assoc. of Governments (MAG) & U.S. Census Bureau et al. "Census Summary File 1 Redistricting Data from "Block" Scale Geography." Washington, D.C. April 1, 2010. Date Created: December 18, 2013		

According to the 2007-2011 American Community Survey, the median household income for the Study Area is \$23,056. The median housing unit value is \$111,300 and the median housing rental cost is \$713.00 per month.

Household Income, Housing Value and Rent Rio Salado RDA 2007-2011 Census American Community Survey 5-Year Report		
Custom Report selected from "Block Group" Scale Geography in GIS		
Subject	Total	
	Number	Percent
HOUSEHOLD INCOME		
Households	2,781	100.00%
Median Household Income	\$23,056	
- < Less than \$25,000	1,277	45.92%
- \$25,000 to \$49,999	836	30.06%
- \$50,000 to \$99,999	610	21.93%
- \$100,000 to \$199,999	45	1.62%
- > Greater than \$200,000	13	0.47%
HOUSING		
Median Housing Unit Value	\$111,300	
Median Rent	\$713	
Total Housing Units	3,201	100.00%
Total Occupied Housing Units	2,781	86.88%
Total Vacant Housing Units	420	13.12%
- Owner Occupied Housing Units	1,419	51.02%
- Renter Occupied Housing Units	1,362	48.98%
Source: City of Phoenix Planning & Development Research Team, Maricopa Assoc. of Governments (MAG) & U.S. Census Bureau et al. Census American Community Survey (ACS) 2007-2011 (5-Year) Report from Block Group Scale Geography. Washington, D.C. July, 2013. Date Created: December 18, 2013		

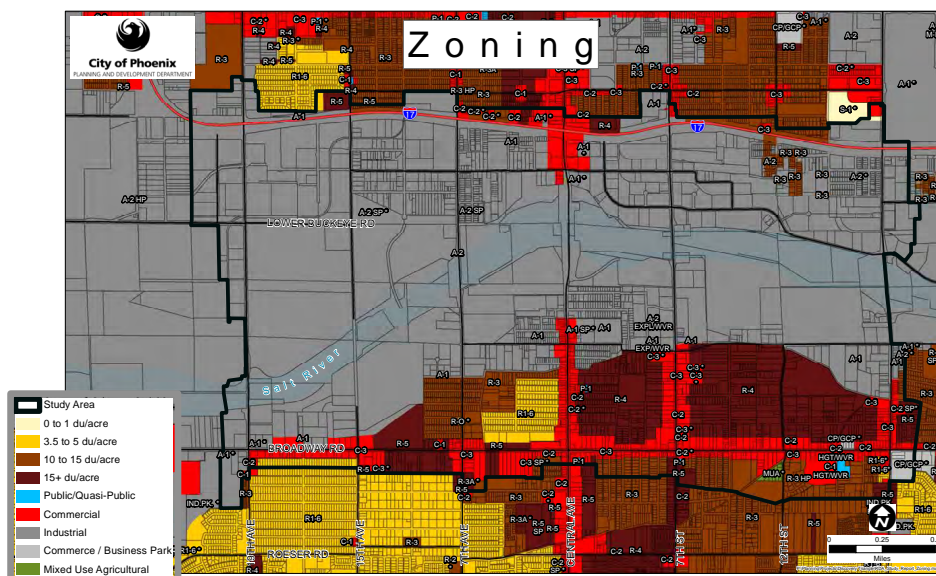
Land Use

The General Plan land use map below shows a mix of residential, commercial, and industrial land uses within the Study Area. The map also shows parks/open space, public/quasi public and transportation designations in the Area. Interstate-17 is located along the northern boundary of the Study Area and the Ed Pastor Transit Center is located at the northwest corner of Central Avenue and Broadway Road. Both serve as transit corridors for the area.



Zoning

The zoning within the study area varies from single-family and multi-family residential to commercial, commerce park, and industrial zoning districts. There is a predominance of industrial zoning in the area with over 2,500 acres of land zoned A-1 (Light Industrial) or A-2 (Heavy Industrial). This translates to uses consisting of warehousing, manufacturing, storage, mining and sand and gravel pit operations.



Area Conditions

Property Conditions Summary

Qualifying factors of blight were determined through an in-person, visual analysis of the exterior of properties in the Study Area. The following describes a number of conditions found on a preponderance of the properties in the Study Area that qualify as blighted conditions.

Fences in disrepair: Fences and screening walls must be structurally sound. Fence and wall materials must be constructed from consistent materials and must be maintained so that they are free from deterioration.

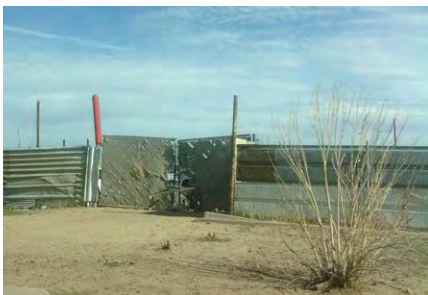
Trash/debris: Property owners are responsible for keeping their property free of junk, litter, and debris.

Outside storage: Outside storage of personal property at residentially zoned properties is limited to the rear yard behind the primary structure only. Any building or landscape materials for use on the property, machinery, appliances or parts/auto parts may not be visible from beyond the boundaries of a residentially zoned property.

Un-paved commercial parking: Vehicle parking surfaces on non-residential lots must be finished and maintained according to City Code specifications. Unfinished and dirt parking surfaces are not permitted.

Unmaintained vegetation: Property owners are responsible for keeping their properties free of weeds, tall grass, tumbleweeds, shrubs, trees, palm fronds, and other dead or dried vegetation.

Inoperable vehicles: Vehicles that do not operate legally and safely cannot be placed on a property in a way that allows them to be seen from beyond the property boundaries.



This examination was limited to an on-site visual inspection of the property's exterior condition and is not a detailed engineering or architectural analysis, nor does it include a building's interior condition. The intent is to document obvious indications of blighted conditions within the Study Area.

A.R.S. Conditions Survey

The following conditions were found to be present in this Study Area and meet the Arizona Revised Statutes requirements of Blighted conditions in a Redevelopment Area:

Faulty lot layout in relation to size, adequacy, accessibility or usefulness

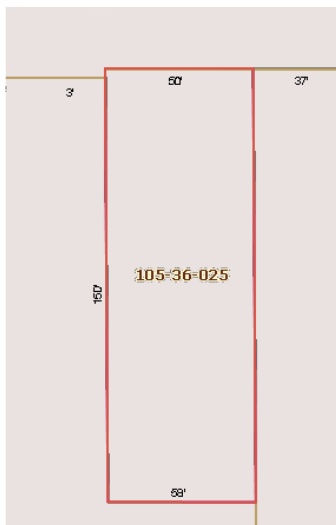
Several properties in the Study Area were observed to have faulty lot layout. Faulty lot layout can be observed on properties that are long, narrow, or irregularly shaped, lots that are inadequate in size, and lots with configurations that are impractical or results in misused or unused land.



Irregularly Shaped Lot



Narrow Lot



Narrow Lot



Irregularly Shaped Lots

Unsanitary or unsafe conditions

Unsanitary or unsafe conditions arise when a property falls into disrepair. These conditions include severely cracked or uneven surfaces for pedestrians, trash/debris, vandalism/graffiti, and the existence of hazardous conditions or materials. These conditions were observed within the Study Area, including several former landfill sites and a rock and gravel quarry.



Vandalism/Graffiti



Trash/Debris



Landfill



Quarry

Deterioration of site or other improvements

A majority of blighted properties within the Study Area demonstrate conditions of site deterioration. These conditions include evidence of lack of general site maintenance, unpaved commercial parking lots, deteriorated roofs, walls, fencing, lighting, fences, gates, and deteriorated parking surfaces/curbs/partial foundation concrete.



Deterioration of Site



Partial Concrete Foundation

Analysis and Conclusion

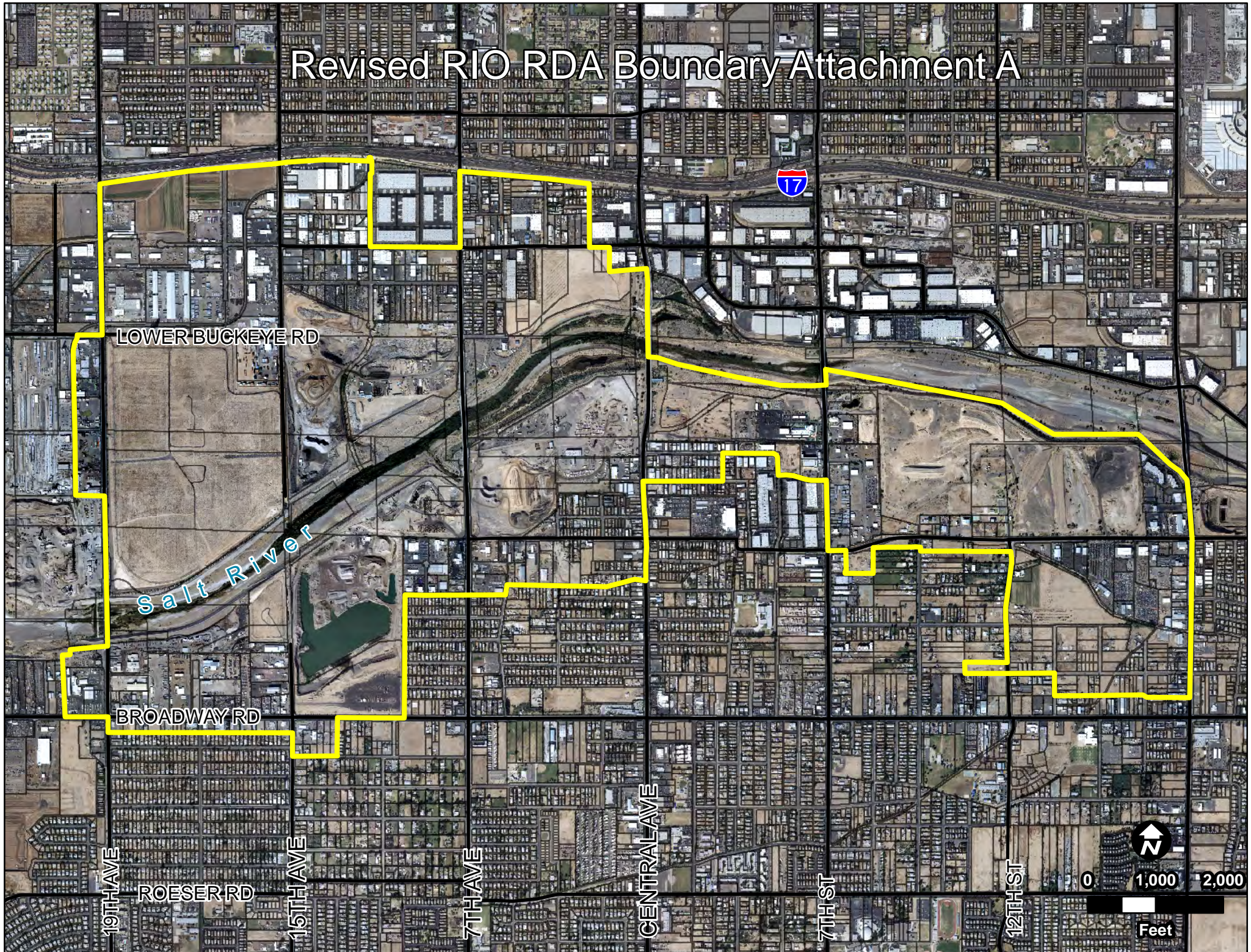
Analysis

While redevelopment areas in Phoenix have historically focused on neighborhood revitalization, the Rio Salado Redevelopment Area is focused on economic development – namely, stimulating capital investment and fostering the growth of employment-generating uses. Through this strategy, the City hopes to create jobs and business opportunities for the benefit of Phoenix residents, Phoenix employers and the region's economy. Based on this strategy, the DTDC focused on including specific areas and parcels that are positioned for investment while also meeting the requirements of the RDA statute. These include large parcels, groups of contiguous parcels with common ownership, City-owned parcels, areas suitable for commercial or industrial development, and vacant or underutilized parcels that could accommodate employment-generating uses. In order to protect existing neighborhoods, the DTDC also attempted to avoid including large areas of residential properties. The resulting boundary recommended by the DTDC is depicted in Attachment A, and represents an area with potential for job creation, capital investment and business opportunity.

Findings

Upon DTDC's property analysis, a predominance of the properties within the proposed Rio Salado Redevelopment Area (Attachment A) are affected by one or more of the blight conditions criteria as defined by ARS §36-1471. Based on the analysis described in this Report, the City Council can find that a) one or more slum or blighted areas exist in the municipality, and that b) the redevelopment of the area is necessary in the interest of the public health, safety, morals and welfare of the residents of the municipality. These findings enable the City Council to designate the Area as a Redevelopment Area.

Revised RIO RDA Boundary Attachment A



LOWER BUCKEYE RD

Salt River

BROADWAY RD

19TH AVE

ROESER RD

15TH AVE

7TH AVE

CENTRAL AVE

7TH ST

12TH ST



0 1,000 2,000

Feet

CITY COUNCIL REPORT

FORMAL AGENDA

TO: Ed Zuercher
City Manager

AGENDA DATE: April 16, 2014

FROM: Mario Paniagua
Budget and Research Director

ITEM: 77 PAGE: 110

SUBJECT: POSTING OF POTENTIAL GENERAL FUND REVENUE

This report provides backup information to item 77 on the April 16, 2014, Formal agenda and recommends posting of several potential General Fund revenue sources on the City's website in compliance with State Law. This report also provides additional information regarding several revenue ideas. The posting will begin the 60-day comment period, enabling the Council to take any action desired as soon as the scheduled June 18, 2014 Council meeting. Action will allow staff to begin developing any desired revenue options for the Proposed Budget presentation of May 6, 2014.

THE ISSUE

The City Manager's Trial Budget was formally presented on March 25, 2014 and is currently being discussed at more than 20 community budget hearings Citywide. The Trial Budget assumed no changes to existing labor agreements and no new revenue sources or increases to existing rates or fees. Labor negotiations are ongoing, with all 5 labor unions currently in the fact-finding process with management. The outcome of labor negotiations will either add to or subtract from the \$37.7 million budget deficit. As to revenue, several members of the City Council raised specific revenue ideas at the March 25 meeting, and at each of the community budget hearings to date, several ideas for revenue have been raised by the public, either pro or con. Any new General Fund revenues added would also subtract from the \$37.7 million deficit. This report reviews initial research conducted by staff on revenue suggestions raised, as well as additional ideas generated by staff.

State law requires a 60-day posting period on the City's website for notice of intent to add new fees or taxes or to increase existing fees or taxes. This is to allow the public ample time to comment on proposals. Given the time to approve the budget before the next fiscal year begins, a 60-day posting beginning on April 17 would allow the City Council to act by June 18, the final meeting of the fiscal year. Therefore, the City Council is being asked to authorize posting revenue ideas in order to give the City Council the ability to act on June 18.

It is difficult to build a budget without certainty on any new revenues; however, staff can build budget options for the May 6 Proposed Budget based on any approved revenue options. Raising revenue by between 0.75% - 1.00% of the General Fund budget (\$8 million - \$11 million) would have significant impact on reducing needed service cuts to balance the budget.

OTHER INFORMATION

Items Recommended for Posting

The City Manager recommends posting the revenue ideas contained in this section on the City's website to allow the 60-day period for comment to begin. Based on Council approval, the posting period for any or all of these items or any other recommendations from the City Council would begin April 17, 2014. This will allow the City Council to consider adopting any of the potential revenue items as soon as the June 18, 2014 Council Formal meeting, which is the last meeting of the fiscal year. The estimated revenue to be generated by each idea is an approximate amount based on current information available.

Environmental

- A new fee on grocery bags of up to \$0.05 fee per bag to help offset costs due to grocery bag litter and negative impact on recycling facilities. It is not clear how much additional revenue this may generate in Phoenix, and the soonest effective date would be December of 2014 to ensure businesses are provided sufficient time to implement a new collection system. Further analysis is needed to determine what portion of this fee would be shared between the General Fund, the Solid Waste Fund, or other agents.

Street Transportation

- An increase to parking meter rates from the current rate of \$1.50 per hour to a range of \$0.50 per hour up to \$6 per hour to allow for use of the City's new meters to charge variable rates that coincide with changes in demand due to time of day, location, and special events. Combined with expansion of parking meter enforcement hours to be determined by City Council, these changes would result in approximately \$1 million - \$2 million additional General Fund revenue annually, and would be offset somewhat by costs for additional enforcement needs.

Parks & Recreation

- Expansion of the parking meter program to include parking at highly utilized mountain parks. Hourly parking meter rates would fall within limits set for on-street parking administered through the Streets Department. Further analysis will determine how much additional General Fund revenue this change could result in, which would be offset somewhat by costs for additional enforcement needs.
- An increase to the annual Adult Recreation Pass from \$10 to up to \$20 for residents and from \$20 to up to \$40 for non-residents; this change could result in approximately \$130,000 - \$160,000 in additional General Fund revenue annually.
- An increase to the annual Youth Recreation Pass from \$5 to up to \$10 for residents and from \$10 to up to \$20 for non-residents; this change could result in approximately \$80,000 - \$90,000 in additional General Fund revenue annually.
- An increase to the Adult athletic field usage fee from \$15 to up to \$17 per hour for residents and from \$22.50 to up to \$25 per hour for non-residents; this change could result in approximately \$25,000 - \$35,000 in additional General Fund revenue annually.

- An increase to the Youth athletic field usage fee from \$4 to up to \$6 per hour for residents and from \$6 to up to \$10 per hour for non-residents; this change could result in approximately \$160,000 - \$180,000 in additional General Fund revenue annually.
- A new lighting fee for athletic fields of up to \$5 per hour during peak demand times; this change could result in approximately \$290,000 - \$320,000 in additional General Fund revenue annually.
- An increase to the charge for Recreation Pass replacement cards from \$2 to up to \$5 each. This change could result in approximately in \$4,000 - \$5,000 additional General Fund revenue annually.

Human Services

- An increase to the Senior Center annual Recreation Pass from \$10 to up to \$20 for residents and from \$20 to up to \$40 for non-residents; this change could result in approximately \$65,000 - \$75,000 in additional General Fund revenue annually.

General

- An additional excise tax collected through City utility service bills and based on water meter size of up to \$1.50 per month for most users; every \$0.25 assessed would result in approximately \$1.7 million additional General Fund revenue annually.

Other Revenue Ideas

Staff also has conducted research on several other potential sources of additional General Fund revenue, which are listed below.

Sales Tax on Food - Several speakers at community budget hearings have advocated for (and some against) the sales tax on food. The existing 1.0% sales tax on food sunsets by City ordinance as of April 1, 2015. Raising the sales tax on food or extending the time period would require either a direct vote of the City Council or a referral to the voters. The 2% food for home consumption tax became effective April 1, 2010 and was reduced to 1% effective January 1, 2014 with a complete expiration scheduled for March 31, 2015. Each additional 1% of food tax would result in about \$27 million in annual collections. Currently, 60% of food sales tax revenue collected is allocated to the General Fund, while 30% goes to Public Safety Funds, and 10% to the Phoenix Parks and Preserves Initiative Fund (PPPI).

Increase Overall Local Sales Tax Rate - Another idea proposed at budget hearings is to increase the overall local sales tax rate. Local sales tax consists of 15 categories that are collected based on a percentage of business income accruing in each category. Of the 15 categories collected, all except advertising provide General Fund resources. Increasing the sales tax rate of each category by an increment of 0.1% would generate estimated revenue of about \$31 million on an annual basis. Raising the overall sales tax rate would require either a direct vote of the City Council or a referral to the voters.

Property Tax - Questions have been raised regarding City of Phoenix property tax revenue. From 2009-10 through 2014-15, City of Phoenix taxpayers will be assessed \$534 million less in taxes cumulatively as a result of the Council policy to maintain the overall property tax rate at \$1.82 per \$100 of assessed valuation. However, the primary portion of the property tax levy (which supports the General Fund) is already proposed to be set at its legal maximum for 2014-15. As a result, there is no room to raise General Fund revenue through the property tax.

Library fees - Staff has assessed the suggestion of a “premium membership” library card. Such a card would offer a customer special privileges for a fee. These privileges might include expediting a holds request (i.e. moving the customer to the front of the queue for a book or DVD) or providing additional time on a public Internet computer (i.e., two hours instead of the one-hour limit). Staff is not recommending this approach as a way to generate revenue for the following reasons:

- The City of Phoenix charter “provide(s) for the establishment and support of free public libraries and reading rooms” (XVIII, 11). Charging a fee for a “premium membership” may conflict with the charter’s provision for providing the community with free access to library resources and materials and conflicts with our goal of providing equal access.
- The amount of revenue generated by a “premium membership” would be fairly small and could be outweighed by the cost of administering it. The majority of customers who access the Library’s services do so because they are free. Customers who are able to obtain their materials or Internet service for a fee already do so through a wide variety of commercial entities.

The Library Department will assess increases to rental rates of meeting rooms at branch libraries to more closely match rates at the central library. This would result in about \$15,000 additional revenue annually for city libraries.

Fees for Rezoning and Zoning Adjustments - General Fund fees for planning and zoning are currently being evaluated by staff and require further analysis and vetting to determine the overall impact. It is important that the City ensure these fees remain competitive with other cities and potential impact is discussed. Increases to these fees would not have a significant impact on the City’s deficit; however staff plans to discuss these with the appropriate Council subcommittee at an upcoming meeting.

Potential Revenue Sources Requiring Changes to State or Federal Laws

Taxing of Online Sales - The U.S. Supreme Court ruled in 1992 that without federal legislation, states could not collect sales tax from retailers that do not have a physical presence (“nexus”) in their state. According to a report by the state’s Joint Legislative Budget Committee, the potential increase to state and local sales taxes in Arizona through taxing of online sales is estimated at \$98 million, although other studies estimate the amount could possibly be significantly higher. Currently pending federal legislation called the Marketplace Fairness Act would allow states to collect sales tax from those remote retailers with no nexus in their state, including online and catalogue retailers and excepting retailers with less than \$1 million in remote sales. Online retailer Amazon has begun collecting sales tax for goods sold to those living in Arizona.

The City's Finance Department is exploring the implementation of a voluntary compliance program for online retailers in Phoenix to encourage compliance with City tax requirements.

9-1-1 Emergency Response - The 2012 Fire Department efficiency study included a recommendation for a 911 emergency response tax as a means to generate additional revenues to the City. Arizona Revised Statutes (A.R.S) §§ 42-5402 prohibits the City from enacting any tax related to 9-1-1 emergency response, therefore a change to state law would be required to allow the City to pursue this option. It should also be noted that the City recovers approximately 100% of costs for 9-1-1 dispatch services provided to other cities through charges. The charges to the other cities are based on a cost model reviewed by the City Auditor.

Vacant Land Tax/Unoccupied Commercial Building Tax - The imposition of a new or additional tax on vacant land or unoccupied commercial property by the City for the purpose of raising general revenues is preempted by A.R.S. § 42-17256. Even if it were not preempted such a tax would be subject to the levy limits established by A.R.S. §§ 42-17051 and the Arizona Constitution, Art. 9, §§ 18 and 19.

The imposition of a special assessment or special tax for a special purpose is not preempted by A.R.S. § 42-17256. However, in addition to other legal requirements, special taxes generally must be used to finance specific public benefits, and special assessments generally must be used to provide some benefit to the properties subject to the tax.

Phone Books Assessment - Any tax/fee assessed on the distribution of phone books is constrained by a federal court ruling regarding First Amendment protections for yellow pages/phone books.

Racinos/Slots (Turf Paradise) - Cities are prohibited by State law from allowing these forms of gambling within their jurisdictional boundaries.

RECOMMENDATION

As discussed in more detail above, staff recommends posting the following potential revenue sources on the City website for public comment and information in compliance with state law:

- A new fee on grocery bags of up to \$0.05 fee per bag to help offset costs due to grocery bag litter and negative impact on recycling facilities.
- An increase to parking meter rates from the current rate of \$1.50 per hour to a range of \$0.50 per hour up to \$6 per hour to allow for use of the City's new meters to charge variable rates that coincide with changes in demand due to time of day, location, and special events.
- Expansion of the parking meter program to include parking at highly utilized mountain parks.
- An increase to the annual Adult Recreation Pass from \$10 to up to \$20 for residents and from \$20 to up to \$40 for non-residents.

- An increase to the annual Youth Recreation Pass from \$5 to up to \$10 for residents and from \$10 to up to \$20 for non-residents.
- An increase to the Adult athletic field usage fee from \$15 to up to \$17 per hour for residents and from \$22.50 to up to \$25 per hour for non-residents.
- An increase to the Youth athletic field usage fee from \$4 to up to \$6 per hour for residents and from \$6 to up to \$10 per hour for non-residents.
- A new lighting fee for athletic fields of up to \$5 per hour during peak demand times.
- An increase to the charge for Recreation Pass replacement cards from \$2 to up to \$5 each.
- An increase to the Senior Center annual Recreation Pass from \$10 to up to \$20 for residents and from \$20 to up to \$40 for non-resident.
- An additional excise tax collected through City utility service bills and based on water meter size of up to \$1.50 per month for most users.

With a posting on April 17, 2014, the City Council would be able to act as soon as June 18, 2014 on any revenue sources they authorize staff to post, after taking into account public input.

CITY COUNCIL REPORT

FORMAL AGENDA

TO: Rick Naimark
Deputy City Manager

AGENDA DATE: April 16, 2014

FROM: Alan Stephenson
Acting Planning & Development
Director

ITEMS:81 & PAGES: 114 & 115
82

SUBJECT: GPA-DSTV-1-13-2 AND Z-64-13-2 LOCATED AT THE SOUTHEAST
CORNER OF CAVE CREEK ROAD AND PEAK VIEW ROAD

This report provides back-up information on Items 81 and 82 on the April 16, 2014, Formal Agenda.

THE ISSUE

A General Plan Amendment and companion rezoning application have been submitted for approval to the City Council for a parcel located at the southeast corner of Cave Creek Road and Peak View Road. Application is being made by Adam Baugh of Withey Morris PLC, representing CCRP, LLC.

OTHER INFORMATION

General Plan Amendment case GPA-DSTV-1-13-2 is a request to change the General Plan land use designation on 19.88 acres from Commercial (14.98 acres), Residential 0-2 (.24 acre), Residential 2-3.5 (4.55 acres), and Residential 2-5 (.11 acre) to Residential 2-5 to allow for single-family residential development.

Rezoning case Z-64-13-2 is a request to rezone 19.88 acres from C-O (6.42 acres), C-1 (8.91 acres), and R1-10 (4.55 acres) to R1-6 to allow single-family residential development.

The Desert View Village Planning Committee reviewed the applications on March 4, 2014. The General Plan Amendment was recommended for approval on an 11-0 vote, and the zoning case was recommended for approval subject to stipulations on an 11-0 vote.

The applications were heard by the Planning Commission on March 11, 2014, and recommended both cases for approval on an 8-0 vote.

Attachments:

- A – Staff Report GPA-DSTV-1-13-2
- B – Staff Report Z-64-13-2



City of Phoenix
PLANNING & DEVELOPMENT DEPARTMENT

**GENERAL PLAN AMENDMENT
STAFF ANALYSIS**

Application: GPA-DSTV-1-13-2

Applicant: Adam Baugh/Withey Morris PLC

Location: Southeast corner of Cave Creek Road and Peak View Road

Acres: 19.88 +/-

Current Plan Designation: Commercial
Residential 0-2 du/acre
Residential 2.5-3.5 du/acre
Residential 2-5 du/acre

Requested Plan Designation: Residential 2-5 du/acre

Reason For Request: To provide single-family residential

Associated Zoning Case: Z-64-13-2

Village Planning Committee Action: Desert View – March 4, 2014

Staff Recommendation: Approval

Findings:

- 1) The proposed designation will complement the existing character in the area.
- 2) The companion zoning case, Z-64-13-2, will help the preservation of the natural desert character.

BACKGROUND

The proposed site is a 19.88-acre parcel on the southeast corner of Cave Creek Road and Peak View Road. The majority of the parcel is vacant except for the most eastern portion, which has a single-family home on it. The current General Plan land use designation is a mix of Commercial, Residential 0-2 du/ac, Residential 2-3.5 du/ac, and Residential 2-5 du/ac. The area to the north is designated Commerce/Business Park, to the west is designated Commercial, to the east and south is designated Residential 0 to 2 du/ac.

The subject site was rezoned in 2007 for Genesis Church which proposed a mixed-use church campus that included office, retail, residential homes, and loft-style residential units which have since been abandoned. To the north of the subject site is a daycare center and mini-storage that is zoned CP/BP (Commerce Park/Business Park). To the south is unincorporated Maricopa County with a mix of vacant land and large lot single-family residential. To the east is large lot single-family residential and zoned Rural-43. The lot at the southeast corner of Peak View Road and 42nd Street zoned S-1 was annexed into the City of Phoenix, while the remaining parcels zoned Rural-43 remain in the unincorporated Maricopa County. To the west of the subject site is Cave Creek Road and undeveloped State Land.

The North Land Use Plan designates this area as Residential 0-2 du/ac. The subject site is currently designated Commercial, Residential 0 to 2 du/ac, Residential 2 to 3.5 du/ac, Residential 2 to 5 du/ac. The pending General Plan Amendment request for Residential 2 to 5 du/ac would be more compatible with the surrounding area. The North Land Use Plan designates the area east of 44th Street Residential 2-5 du/ac.

RELATIONSHIP TO GENERAL PLAN GOALS AND POLICIES

- **LAND USE**

GOAL 1- URBAN FORM: GROWTH SHOULD BE STRUCTURED INTO A SERIES OF URBAN VILLAGES CHARACTERIZED BY THE FIVE COMPONENTS OF THE URBAN VILLAGE MODEL: CORE, NEIGHBORHOODS, COMMUNITY SERVICE AREAS, REGIONAL SERVICE AREAS, AND OPEN SPACE.

The proposed amendment and companion rezoning case, Z-64-13-2, will help implement two neighborhood principles of the Urban Village Model: Include a mix of housing types and densities that support a broad range of lifestyles as well as protect and enhance the character of each neighborhood and its various housing lifestyles through new development that is compatible in scale, design, and appearance.

- **COST OF DEVELOPMENT**

GOAL 2 - FINANCING METHODS: ADDITIONAL PUBLIC SERVICES FOR NEW DEVELOPMENT SHOULD BE FUNDED AND FINANCED USING THE BEST METHODS AVAILABLE.

The proposed development will use Development Impact Fees to help fund costs of regional growth-related capital facilities such as streets and park facilities.

- **CIRCULATION**

GOAL 2B - SCENIC CORRIDORS: SCENIC CORRIDORS SHOULD BE IDENTIFIED AND MAINTAINED TO PRESERVE NATURAL AREAS, VIEWS AND AREAS OF UNIQUE CHARACTER ADJACENT TO ARTERIAL STREETS.

The proposed amendment incorporates the 205-foot setback from the Cave Creek Road centerline. The scenic corridor is a valuable amenity to the surrounding neighborhood as well as the entire Desert View Village.

- **HOUSING**

GOAL 2 - HOUSING CHOICE: A DIVERSE CHOICE OF HOUSING SHOULD BE PROVIDED IN ALL VILLAGES OF THE CITY TO MEET THE NEEDS OF ALL HOUSEHOLDS.

The proposed land use designation will provide additional housing opportunities within the Deer Valley Village.

- **NEIGHBORHOOD**

GOAL 2: NEW DEVELOPMENT AND EXPANSION OR REDEVELOPMENT OF EXISTING DEVELOPMENT IN OR NEAR RESIDENTIAL AREAS SHOULD BE COMPATIBLE WITH EXISTING USES AND CONSISTENT WITH ADOPTED PLANS

Policy 3: Create new development or redevelopment that is sensitive to the scale and character of the surrounding neighborhoods and incorporates adequate development standards to prevent negative impact(s) on the residential properties.

The proposed development, via accompanying rezoning case Z-64-13-2, will be sensitive in scale and character to the surrounding neighborhoods. The proposed single-family residential subdivision will mirror the development to the north both in terms of density and layout.

- **NATURAL RESOURCES AND CONSERVATION**

GOAL 3 - VEGETATION PROTECTION: VEGETATION SHOULD BE PROTECTED AND CONSERVED AS A MEANS OF PRESERVING THE DIVERSE CHARACTER OF LOCAL PLANT COMMUNITIES.

The companion rezoning case, Z-64-13-2, will promote the preservation or re-vegetation of native plant species through the Cave Creek Road Scenic Corridor.

- **OPEN SPACE**

GOAL 1 - NATURAL OPEN SPACES: UNIQUE OR SIGNIFICANT NATURAL OPEN SPACES SHOULD BE PRESERVED AND PROTECTED.

The scenic corridor along Cave Creek Road will be preserved to provide natural open spaces.

The proposed amendment has no significant effect on the following General Plan Elements:

**BICYCLING
CONSERVATION, REHABILITATION & REDEVELOPMENT
ENVIRONMENTAL PLANNING
WATER RESOURCES
PUBLIC BUILDINGS
PUBLIC SERVICES AND FACILITIES
SAFETY
RECREATION**

RECOMMENDATION

Staff recommends that the request be approved.

ATTACHMENT

Aerial
Sketch Map










GENERAL PLAN AMENDMENT

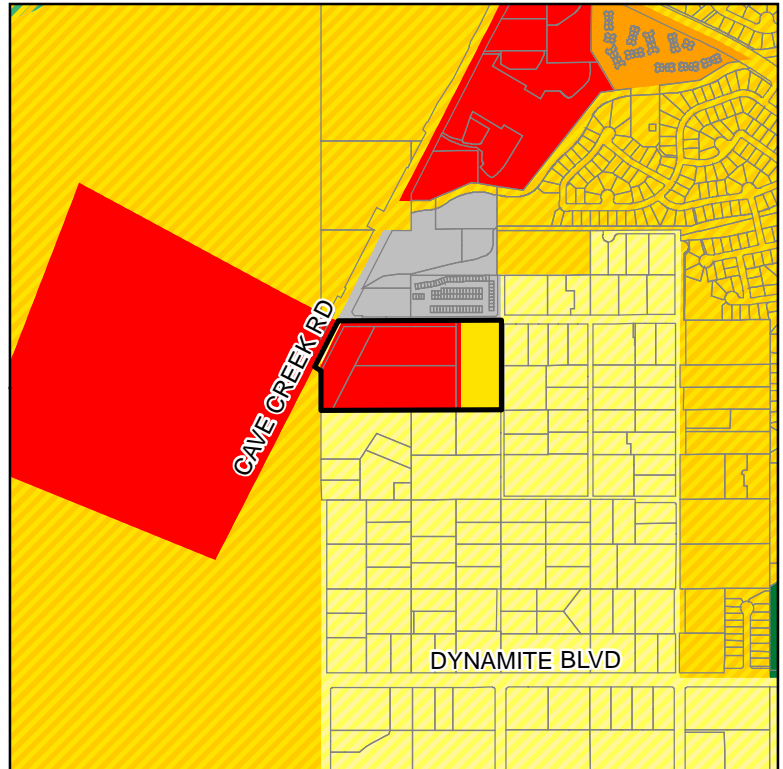
CITY OF PHOENIX ♦ PLANNING DEPARTMENT ♦ 200 W WASHINGTON ST ♦ PHOENIX, AZ ♦ 85003 ♦ (602) 262-6882

APPLICATION NO: GPA-DSTV-1-13-2	ACRES: 19.88 +/-
VILLAGE: Desert View	COUNCIL DISTRICT: 2
APPLICANT: G. Adam Baugh	



EXISTING:

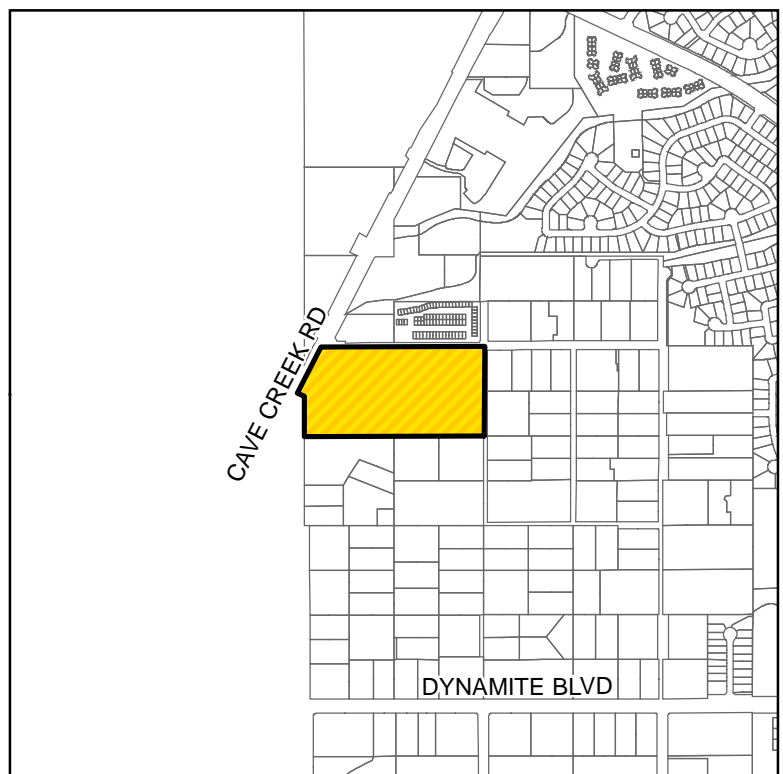
- Commerical (14.98 +/- Acres)
- Residential 2 to 3.5 du/acre (4.55 +/- Acres)
- Residential 0 to 2 du/acre (.24 +/- Acre)
- Residential 2 to 5 du/acre (.11 +/- Acre)

-  Proposed Change Area
-  Preserves / 2-3.5 or 3.5-5 du/acre
-  Parks/Open Space - Public
-  Commerce / Business Park
-  Commercial
-  Residential 5 to 10 du/acre
-  Residential 2 to 3.5 du/acre
-  Residential 2 to 5 du/acre
-  Residential 0 to 2 du/acre



PROPOSED CHANGE:

- Residential 2 to 5 du/acre (19.88 +/- Acres)
-  Proposed Change Area
-  Residential 2 to 5 du/acre



GPA-DSTV-1-13-2



GPA-DSTV-1-13-2





Village Planning Committee Meeting Summary GPA-DSTV-1-13-2

Date of VPC Meeting	March 4, 2014
Request From	Commercial Residential 0 to 2 du/ac Residential 2 to 3.5 du/ac Residential 2 to 5 du/ac
Request To	Residential 2 to 5 du/ac
Proposed Use	Single-Family Residential
Location	Southeast corner of Cave Creek Road and Peak View Road
VPC Recommendation	Approval
VPC Vote	11-0

VPC DISCUSSION:

Committee members Willie Collins and Steve Kruczek arrived at the meeting during this item.

Ms. Tricia Gomes presented the details of the case.

Mr. Adam Baugh, Withey Morris, presented on behalf of the property owner. Mr. Baugh explained that the proposed development consisted of 104 residential lots and a significant amount of open space that exceeds the Zoning Ordinance requirements. Mr. Baugh summarized the neighborhood meeting, which 8-10 area residents attended and was generally well received.

Mr. Reginald Younger expressed concerns with only one ingress and egress point into the subdivision. Mr. Baugh indicated that the Development Division reviewed the subdivision and there was no issue with one ingress and egress point into the subdivision.

Mr. Deanna Chew inquired if the site had washes. Mr. Baugh indicated that there were no washes on the site, but the open spaces to follow the natural contours of the site.

Mr. Doug Dickson inquired about potential parking near the community pool. Mr. Baugh stated that further review of the site layout could be evaluated to determine if better access to the pool could be accommodated.

Vice Chairman Steven Bowser inquired if the proposed streets would be private. Mr. Baugh indicated that the streets would be private. In addition to the private streets internal to the site, improvements would be made to Peak View Road, 42nd Street, and Cave Creek Road.

Ms. Sheryl Doodeman, area resident, spoke in opposition of the request. Ms. Doodeman stated that she has lived in the unincorporated Maricopa County since 1977 and the proposed development of 5 units per acre did not fit with the area. She pointed out that she was opposed to the proposed church site in 2006 and opposed houses on 15 acres back in the 1980's. Ms. Doodeman stated that there were washes on the site and expressed concerns with drainage. Ms. Doodeman stated that she would not like to see 42nd Street improved and would prefer that it remain a dirt road.

Ms. Alice Blazer, area resident, spoke in opposition of the request. Ms. Blazer stated that she has lived in the unincorporated Maricopa County for 25 years and does not believe that the proposed development was in character with the area. Traffic in the area has increased with the preschool and Toy Barn at the northeast corner of Cave Creek Road and Peak View Road, the request for residential will contribute to the increased traffic. Ms. Blazer expressed concern and potential impacts to the horses and children in the area with the increase traffic on Peak View Road. Ms. Blazer stated that the proposed development was too dense and the lots were too small.

Mr. Baugh, while in rebuttal, stated that the proposed development was more compatible with the area than the existing commercial entitlement and would generate less traffic. The proposed development would provide a transition from large lot single-family to traditional lot single-family as development moved west towards Cave Creek Road. Traffic on Peak View Road would be limited since the road terminates east at the Tatum Ranch master planned community.

Mr. Louis Lagrave made a motion to approve GPA-DSTV-1-13-2 as presented. Vice Chairman Steven Bowser seconded.

Mr. Louis Lagrave agreed with Ms. Blazer that there would be more traffic on 44th Street; however the request would down zone from a commercial use to a residential use.

Vice Chairman Bowser listed some of the uses that could be allowed with the existing entitlements.

Mr. Steve Kruczek inquired if the request for a General Plan Land Use Map designation of Residential 2 to 5 du/ac was consistent with the density of 5.25 du/ac. Ms. Tricia Gomes explained that as long as the request was within the traditional lot residential product type the General Plan would allow it.

The committee voted 11-0 to approve the motion.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

Staff has no comments.

Item #: 3
Application #: GPA-DSTV-1-13-2 (Companion case Z-64-13-2)
Request: Map Amendment
From: Commercial
Residential 0-2
Residential 2-3.5
Residential 2 to 5
To: Residential 2 to 5
Acreage: 19.88
Location: Southeast corner of Cave Creek Road and Peak View Road
Proposal: To provide single-family residential
Applicant: G. Adam Baugh
Representative: Withey Morris PLC

Ms. Tricia Gomes presented items 3 and 4; which were heard together, but separate motions were required.

GPA-DSTV-1-13-2; a general plan amendment for 19.88 acres located at the southeast corner of Cave Creek Road and Peak View Road from Commercial, Residential 0-2, Residential 2-3.5, Residential 2-5 to Residential 2 to 5 du/ac for single-family residential. The Desert View Village Planning Committee recommended approval 11-0.

Z-64-13-2; a request to rezone 19.88 acres located at the southeast corner of Cave Creek Road and Peak View Road from C-O, C-1, R1-10 to R1-6 to allow single-family residential. The Desert View Village Planning Committee recommended approval 11-0 per staff stipulations.

Staff recommended approval of both requests per the recommendations of the Desert View Village Planning Committee with an additional stipulation for Z-64-13-2:

7. That 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.

Mr. Baugh provided a brief presentation of the proposed area. To the north of the site was a storage condominium project; to the south was unincorporated Maricopa County with a mix of vacant land and large lot single-family residential. The subject site was rezoned just south of Peak View Road for Genesis Church which proposed a mixed-use church campus that included office, retail, residential homes, and loft-style residential units. The project did not move forward and the property was vacant for 5 or 6 years.

The current site plan depicts a total of 104 lots which met all of the zoning requirements with no need for variances or setback reductions. The project was compatible with the surrounding area, even though there were a few large lot County properties just south of the area. The Tatum Ranch development which had homes around the area had R1-6 zoning; which was the same request the applicant was asking for. Mr. Baugh stated it

would be a good transition between the County properties. The City of Phoenix had a General Plan designation for the property for Commercial with a blend of some residential categories.

Ms. Sheryl Doodeman stated her property was in the county island which abuts the proposed area. The smallest area was probably one home per acre, but the request was proposing five homes per acre. The density would not be compatible with the area. Ms. Doodeman also stated that Tatum Ranch did not surround the subject site. However, did have significant open space adjacent to the County properties therefore that development was hardly noticeable.

Ms. Doodeman felt paving 42nd street would create more traffic; she would prefer it remain as a dirt road. Peak View Road was a two lane road and when vehicles parked it was very congested. With the lots being so small two-story homes would have to be built and was not comfortable with people being able to peer over to her property. Ms. Doodeman stated she understood the concept of progress, but not five homes on one acre.

Commissioner Awai asked Mr. Baugh what was the average density of the Tatum Ranch development to the northeast.

Mr. Baugh stated it was designated Residential 2 to 5 on the General Plan. Over time development patterns had changed and the density had increased.

Ms. Gomes stated the subdivisions in the Tatum Ranch area were zoned R1-6; however the lot widths were a bit larger.

Mr. Baugh stated there was an obligation and duty upon the applicant to improve the half-street right-of-ways along Peak View Road and 42nd Street. The residential area may seem intensive but compared to the County island it was clearly a less impactful use than the current commercial zoning; especially given its proximity to Cave Creek Road, which was a major transportation corridor. The City of Phoenix Engineering Department reviewed the entrance and exit plans which were acceptable. It was a wider entrance to accommodate two vehicles traveling in and out of the area. Police and fire would be able to access the area from the dual gate even if one side of the gate was closed.

Commissioner Heck made a MOTION to approve GPA-DSTV-1-13-2 as recommended by the Desert View Village Planning Committee.

Commissioner Awai SECONDED.

There being no further discussion, Chairwoman Katsenes called for a vote and the MOTION PASSED 8-0 (Davis absent)

* * *



City of Phoenix
PLANNING & DEVELOPMENT DEPARTMENT

Staff Report Z-64-13-2
February 24, 2014

Desert View Village Planning Committee Meeting Date	March 4, 2014
Planning Commission Hearing Date	March 11, 2014
Request From	C-O (6.42 Acres) C-1 (8.91 Acres) R1-10 (4.55 Acres)
Request To	R1-6 (19.88 Acres)
Proposed Use	Single-Family Residential
Location	Southeast corner of Cave Creek Road and Peak View Road
Owner	CCRP, LLC
Applicant/Representative	Withey Morris, PLC/Adam Baugh
Staff Recommendation	Approval, subject to stipulations

General Plan Conformity			
General Plan Land Use Designation		Existing: Commercial (14.98 acres) Residential 0 to 2 du/ac (0.24 acres) Residential 2 to 3.5 du/ac (4.55 acres) Residential 2 to 5 du/ac (0.11 acres)	
		Pending: Residential 2 to 5 du/ac (19.88 acres) (GPA-DSTV-1-13-2)	
Street Map Classification	Cave Creek Road	Major Arterial	65-foot east half street
	Peak View Road	Local	40-foot south half street
	42nd Street	Local	25-foot west half street
<p>LAND USE ELEMENT, GOAL 1, URBAN FORM, NEIGHBORHOOD POLICY 2: PROTECT AND ENHANCE THE CHARACTER OF EACH NEIGHBORHOOD AND ITS VARIOUS HOUSING LIFESTYLES THROUGH NEW DEVELOPMENT THAT IS COMPATIBLE IN SCALE, DESIGN, AND APPEARANCE.</p> <p>NEIGHBORHOOD ELEMENT, GOAL 2 COMPATIBLE NEIGHBORHOOD DEVELOPMENT, POLICY 3: CREATE NEW DEVELOPMENT OR REDEVELOPMENT THAT IS SENSITIVE TO THE SCALE AND CHARACTER OF THE SURROUNDING NEIGHBORHOODS AND INCORPORATES ADEQUATE DEVELOPMENT STANDARDS TO PREVENT NEGATIVE IMPACT(S) ON THE RESIDENTIAL PROPERTIES.</p>			

The proposed project is consistent with the scale and density of the surrounding area. The Tatum Ranch PCD is located to the north and east of the subject site. Three single-family residential subdivisions located less than a quarter of a mile from the subject site are zoned R1-6 and are compatible in scale, design and appearance.

CIRCULATION ELEMENT, GOAL 2B - SCENIC CORRIDORS: SCENIC CORRIDORS SHOULD BE IDENTIFIED AND MAINTAINED TO PRESERVE NATURAL AREAS, VIEWS AND AREAS OF UNIQUE CHARACTER ADJACENT TO ARTERIAL STREETS.

The proposed project will incorporate the 205-foot setback from the centerline of Cave Creek Road in its plan. The scenic corridor is a valuable amenity to the surrounding neighborhood as well as the entire Desert View Village.

Area Plan

North Land Use Plan

The North Land Use Plan designates this area as Residential 0-2 du/ac. The subject site is currently designated Commercial, Residential 0 to 2 du/ac, Residential 2 to 3.5 du/ac, Residential 2 to 5 du/ac. The pending General Plan Amendment request for Residential 2 to 5 du/ac would be more compatible with the surrounding area. The North Land Use Plan designates the area east of 44th Street Residential 2-5 du/ac.

Surrounding Land Uses/Zoning

	<u>Land Use</u>	<u>Zoning</u>
On Site	Vacant/Single-Family Residence	C-O, C-1, R1-10
North	Day Care/Mini Storage	CP/BP
South	Vacant/Large Lot Single-Family (Maricopa County)	Rural-43
East	Large Lot Single-Family (Maricopa County)	S-1/Rural-43
West	Cave Creek Road	N/A

Single-Family

<u>Standards</u>	<u>Requirements</u>	<u>Provisions on the Proposed site Plan</u>
Development Option		PRD
Gross Acreage	N/A	19.88
Total Number of Units	109	104
Density	5.50 du/ac	5.23 du/ac (MET)
Typical Lot Size		4,050 square feet (45-feet by 90-feet)
Subject to Single Family Design Review	10% or more of the lots are equal or less than 65 feet in width	Yes
Open Space	Minimum 5%	22% (MET)

BACKGROUND/ISSUES/ANALYSIS

SUBJECT SITE

1. This request is to rezone a 19.88-acre site located at the southeast corner of Cave Creek Road from C-O, C-1, and R1-10 to R1-6 for a single-family residential development. The majority of the site is vacant except for the most eastern portion, which currently has a single-family residence on it.
2. A companion General Plan Amendment request (GPA-DSTV-1-13-2) from Commercial, Residential 0 to 2 du/ac, Residential 2 to 3.5 du/ac, and Residential 2 to 5 du/ac to Residential 2 to 5 du/ac has been filed for this site. The area to the north is designated Commerce/Business Park, to the west is designated Commercial, to the east and south is designated Residential 0 to 2 du/ac. Staff is recommending approval of the Residential 2 to 5 du/ac. The rationale for this recommendation is to provide a mix of housing types and density that allows for various housing lifestyles while being compatible in character to the existing surrounding land uses.

SURROUNDING USES & ZONING

3. The subject site was rezoned in 2007 for Genesis Church which proposed a mixed-use church campus that included office, retail, residential homes, and loft-style residential units which have since been abandoned. To the north of the subject site is a daycare center and mini-storage that is zoned CP/BP (Commerce Park/Business Park). To the south is unincorporated Maricopa County with a mix of vacant land and large lot single-family residential. To the east is large lot single-family residential zoned Rural-43. The lot at the southeast corner of Peak View Road and 42nd Street zoned S-1 was annexed into the City of Phoenix, while the remaining parcels zoned Rural-43 remain in the unincorporated Maricopa County. To the west of the subject site is Cave Creek Road and undeveloped State Land.

PROPOSAL

4. The site plan depicts a total of 104 lots (5.23 du/acre) on the 19.88-acre site. The minimum lot size is 4,050 square feet with 22% open space. The site includes the 205-foot scenic corridor setback along Cave Creek Road.
5. Elevations were not submitted as part of this request; however, the development is subject to Single-Family Design Review, which will require a variety of subdivision, and housing designs to create visual interest, distinctive character and identity to the community.

STREETS

6. The Street Transportation Department has indicated that there are right-of-way improvements needed for this site. Stipulations have been added to address these improvements.

OTHER

7. It has been determined that this parcel is not in a Special Flood Hazard Area (SFHA), but is located in Shaded Zone X, on panel 1305L of the Flood Insurance Rate Maps (FIRM) dated October 16, 2013.
8. Development and use of the site is subject to all applicable codes and ordinances. Zoning approval does not negate other ordinance requirements and other formal actions may be required.

FINDINGS

1. The request is consistent with the staff recommended Residential 2 to 5 du/ac on the companion General Plan Amendment.
2. The proposed zoning will compliment uses in the surrounding area.
3. The proposal will add to the diverse housing mix in the Desert View Village.
4. The scenic corridor will ensure preservation of the natural desert character, and enhancement of the Desert View character in this area.

STIPULATIONS

SITE PLAN

1. The development shall be in general conformance with the site plan date stamped December 20, 2013, as approved or modified by the Planning and Development Department with specific regard to the following:
 - a. The development shall not exceed 104 lots.
 - b. A 205-foot landscape setback from the street centerline consistent with the Cave Creek Road Scenic Corridor shall be provided along Cave Creek Road.

STREET IMPROVEMENTS

2. A right-of-way totaling 40 feet shall be dedicated and constructed for the south half of Peak View Road with paving, curb, gutter, sidewalk, curb ramps, streetlights, landscaping and other incidentals, as approved by the Planning and Development Department. All improvements shall comply with all ADA accessibility standards.
3. A right-of-way totaling 25 feet shall be dedicated for the west half of 42nd Street, as approved by the Planning and Development Department. Provide curb, gutter, sidewalk, paving and incidentals with a minimum 25-foot pavement section for the length of the project.

4. A right-of-way totaling 65 feet shall be dedicated for the east half of Cave Creek Road, as approved by the Planning and Development Department.
5. A 25-foot by 25-foot right-of-way triangle shall be dedicated at the southeast corner of Cave Creek Road and Peak View Road, as approved by the Planning and Development Department.
6. The developer shall construct all streets within and adjacent to the development with curb, gutter, sidewalk, paving, appropriate drainage structures to facilitate dry crossings and incidentals on private accessways under City permit and with City inspection, including 5-foot wide attached sidewalks on both sides of all streets. The curb at every curb return and at every entrance into a new subdivision is to be imprinted with the words "Private Street- No City Maintenance" in 2-inch high letters.

Writer

2/24/14

TG

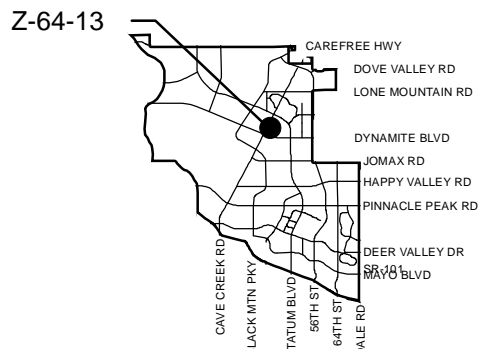
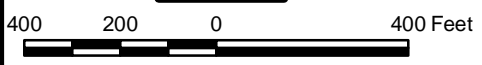
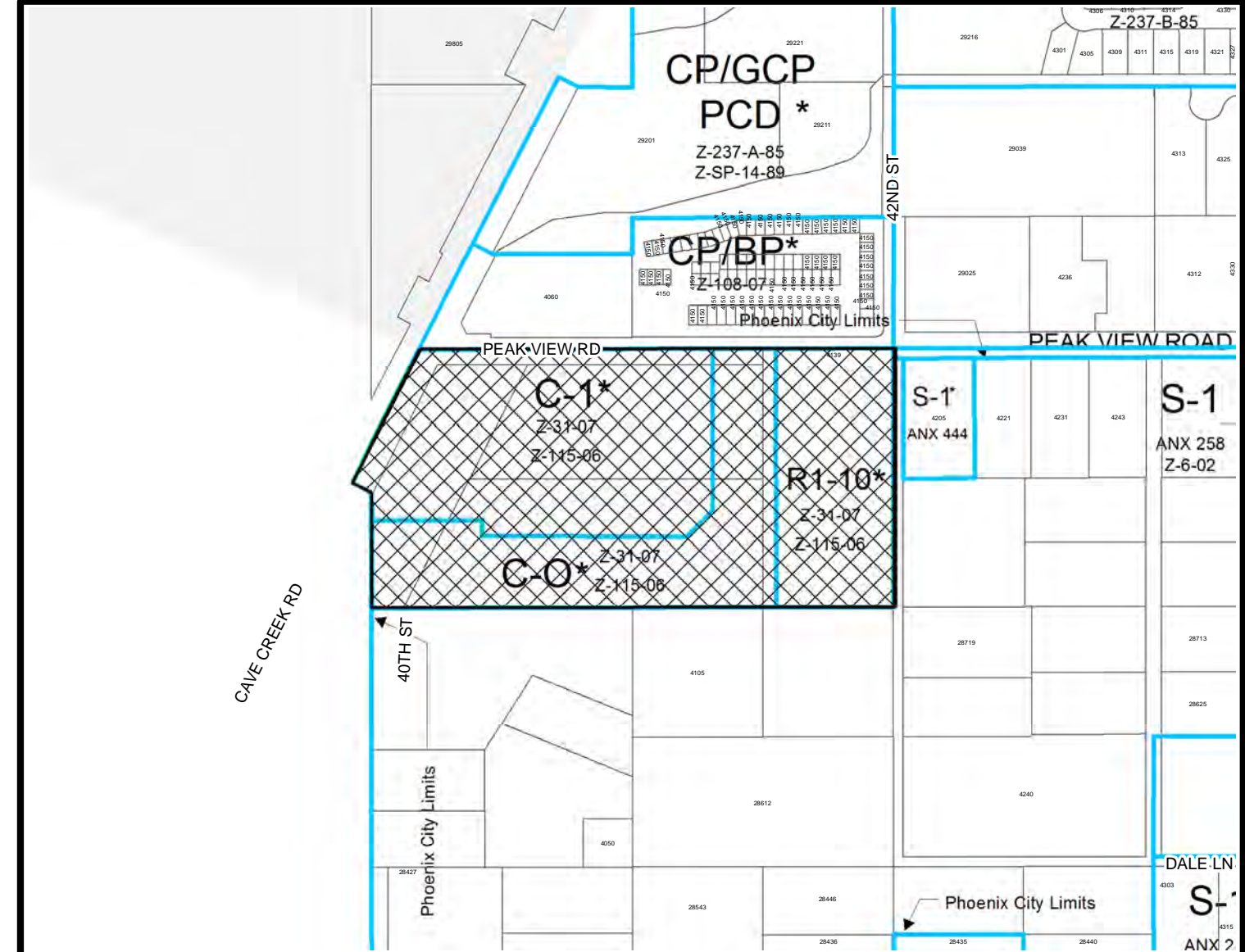
JB

Attachments

Zoning Sketch

Aerial

Site Plan date stamped December 20, 2013



CITY OF PHOENIX PLANNING DEPARTMENT
DESERT VIEW VILLAGE
 CITY COUNCIL DISTRICT: 2

APPLICANT'S NAME: Withey Morris, PLC		REQUESTED CHANGE: FROM: C-O, (6.42 a.c.) C-1, (8.91 a.c.) R1-10, (4.55 a.c.) TO: R1-6, (19.88 a.c)	
APPLICATION NO. Z-64-13	DATE: 1/2/14 REVISION DATES: 2/4/14		
GROSS AREA INCLUDING 1/2 STREET AND ALLEY DEDICATION IS APPROX. 19.88 Acres	AERIAL PHOTO & QUARTER SEC. NO. QS 51-37	ZONING MAP P-10	
MULTIPLES PERMITTED C-O, C-1, R1-10 R1-6	CONVENTIONAL OPTION 0,129,13 99	* UNITS P.R.D. OPTION 0,155,19 126	

* Maximum Units Allowed with P.R.D. Bonus

Z-64-13-2

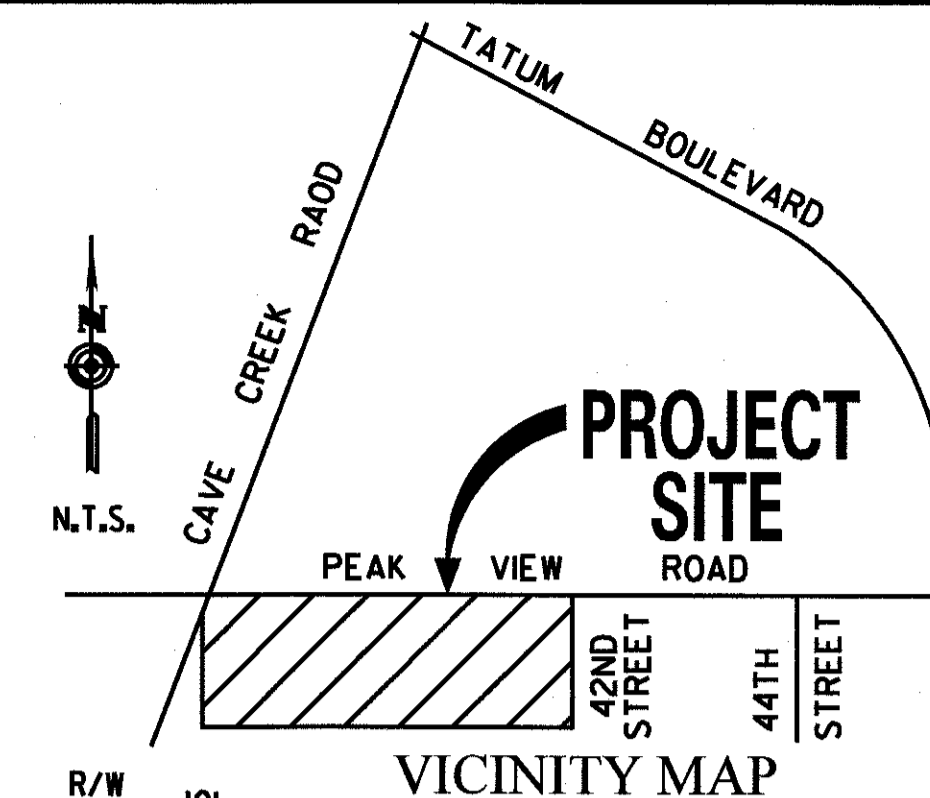


Z-64-13-2



REZONING SITE PLAN FOR SEC. OF CAVE CREEK ROAD & PEAK VIEW ROAD

A PORTION OF SECTION 30, TOWNSHIP 5 NORTH, RANGE 4 EAST,
OF THE GILA AND SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA.



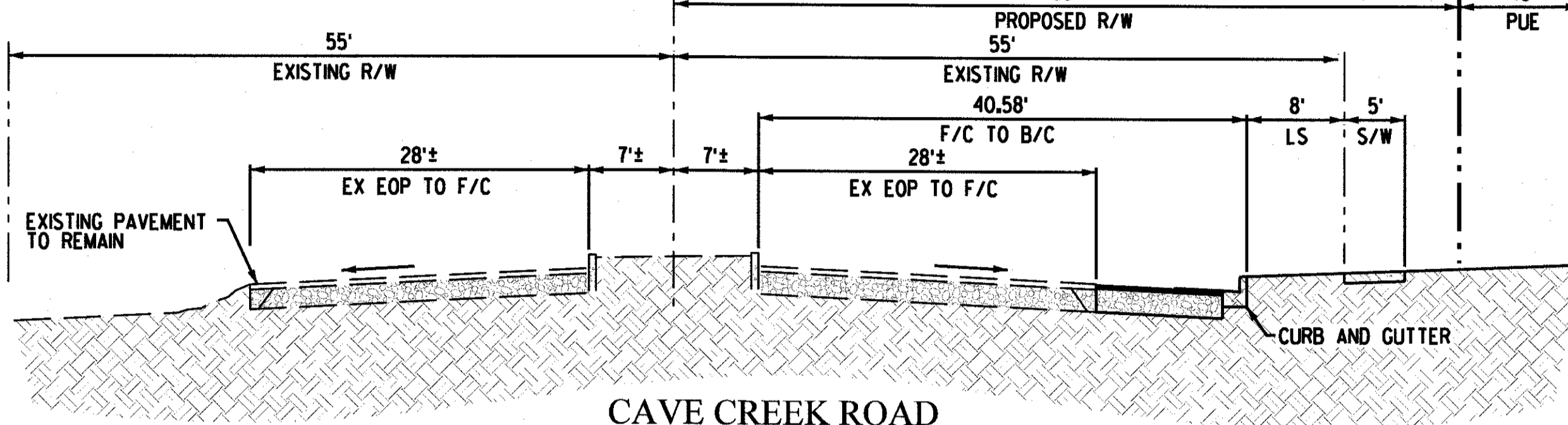
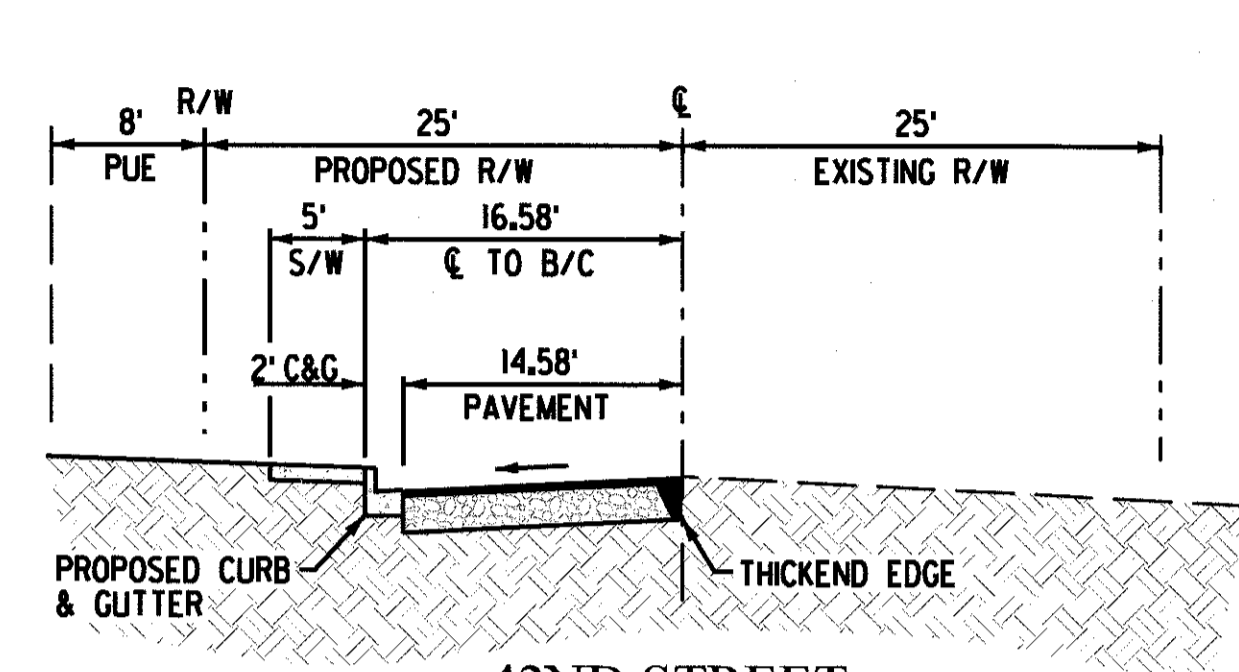
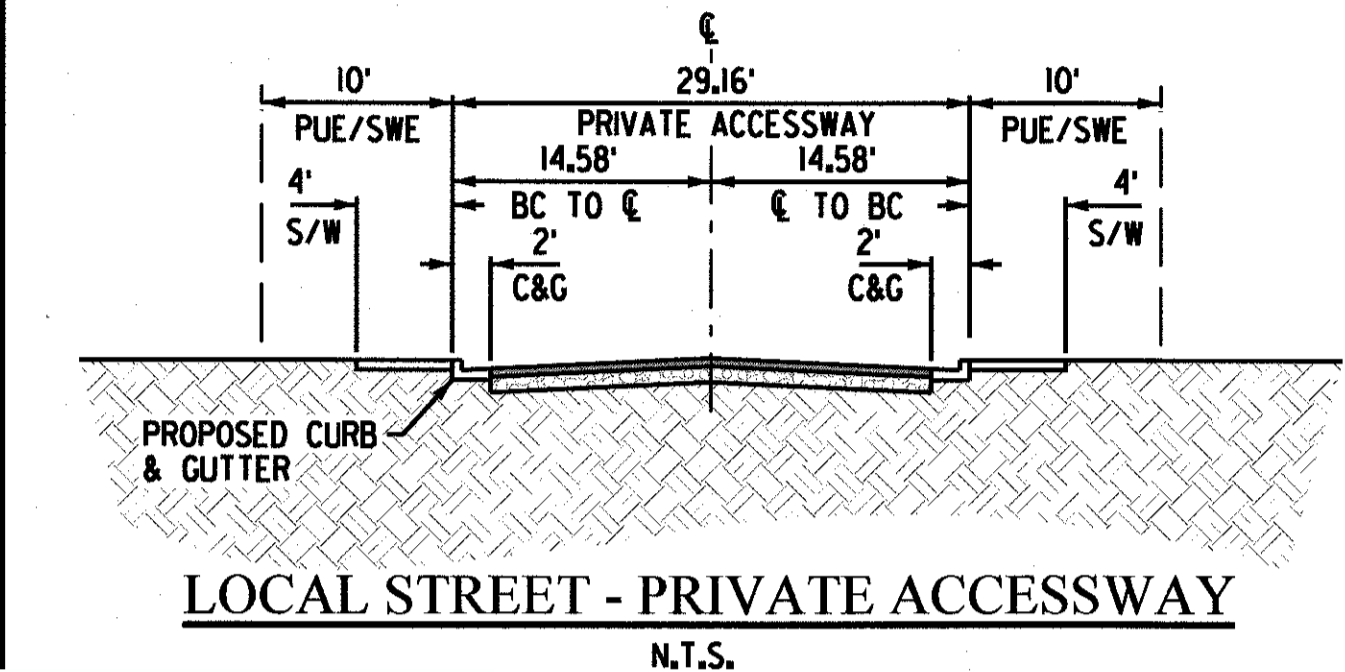
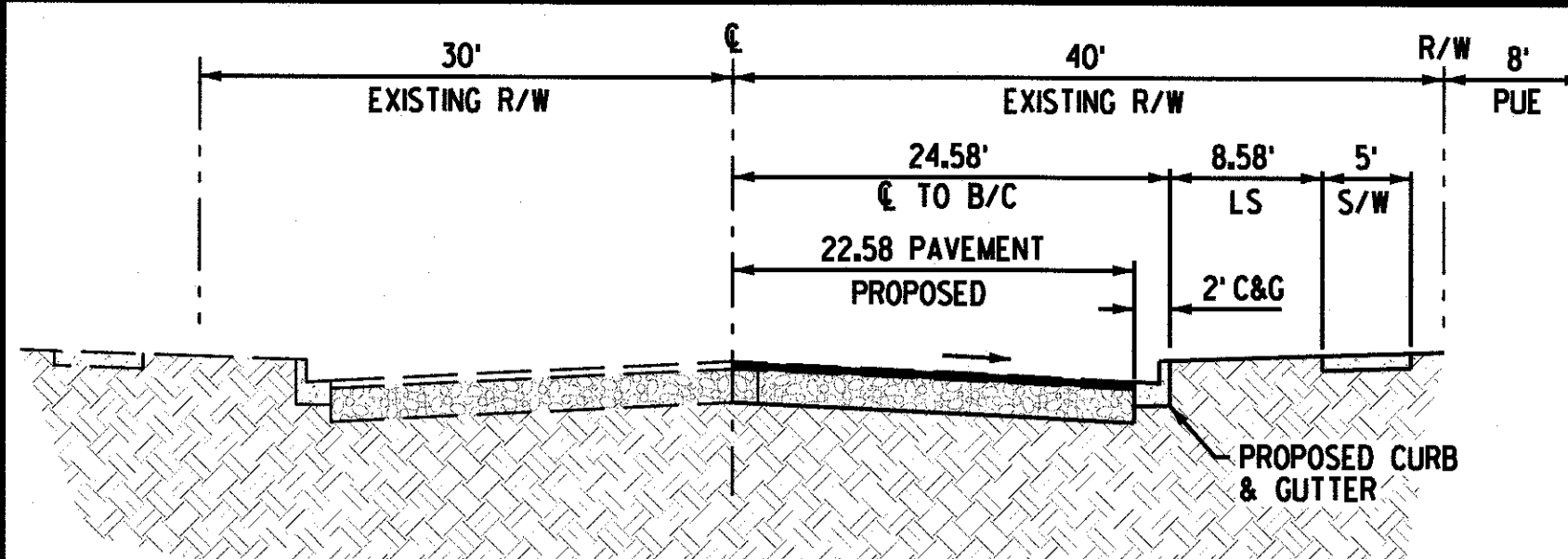
OWNER
CCRP, LLC
PO BOX 26768
SCOTTSDALE, AZ 85255
TEL (480) 419-0101
CONTACT: JASON PHILLIPS

ENGINEER
HOSKIN RYAN CONSULTANTS, INC.
6245 N. 24TH PARKWAY, SUITE 100
PHOENIX, AZ, 85016
TEL (602) 252-8384
FAX (602) 252-8385
CONTACT: MATTHEW J. MANCINI, P.E.
EMAIL: MATT@HOSKINRYAN.COM

Hoskin • Ryan Consultants, Inc.
creative engineering solutions

6245 N. 24th Parkway Suite #100 Phoenix, AZ 85016
Office (602) 252-8384 | Fax (602) 252-8385 | www.hoskinryan.com

LEGEND		
—	PARCEL BOUNDARY LINE (TYP)	TYPICAL
- - -	ADJACENT PARCEL LINE	R/W RIGHT-OF-WAY
- · - · -	CENTER LINE	SWE SIDEWALK EASEMENT
- · - · -	EASEMENT LINE	PUE PUBLIC UTILITY EASEMENT
- · - · -	PRIVATE ACCESS OR R/W LINE	BC BACK-OF-CURB
- · - · -	REZONE BOUNDARY LINE	S/W SIDEWALK
- · - · -	LOT LINE	VNAE VEHICULAR NON-ACCESS EASEMENT
- · - · -	CENTERLINE	ESMT EASEMENT
—	MINIMUM	C&G CURB & GUTTER
—	PL PROPERTY LINE	LS LANDSCAPE



CITY OF PHOENIX
DEC 20 2013
Planning & Development
Department

APN 211-38-358
TOY BARN ON CAVE CREEK
ZONING - CP/BP

APN 211-38-358
TOY BARN ON CAVE CREEK
GARAGE CONDOMINIUM
ZONING - CP/BP

INTERNAL TRACTS AND STREET
NAMES TO BE DETERMINED AT
TIME OF SITE PLAN APPLICATION

PROJECT DESCRIPTION
THIS PROJECT IS PROPOSED AS A DETACHED SINGLE FAMILY RESIDENTIAL DEVELOPMENT WITH A GROSS DENSITY OF 5.23 DU/AC. STANDARD LOT SIZES VARY WITH A MINIMUM LOT WIDTH OF 45' AND A MINIMUM DEPTH OF 90'. THE PROJECT PROPOSES A TOTAL OF 104 LOTS. THE EXISTING ZONING IS CO, C1 & THE PROPOSED ZONING IS RI-6 PRD

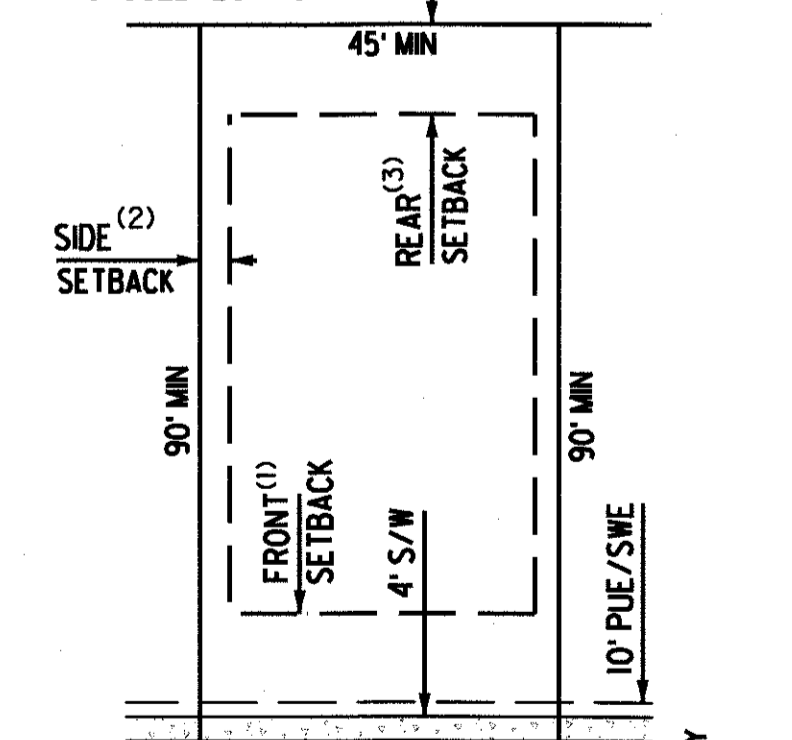
- UTILITIES**
- POLICE PROTECTION - CITY OF PHOENIX
 - FIRE PROTECTION - CITY OF PHOENIX
 - TELEPHONE - CENTURYLINK/COX
 - ELECTRIC - ARIZONA PUBLIC SERVICE
 - SEWER - CITY OF PHOENIX
 - WATER - CITY OF PHOENIX
 - GAS - SOUTHWEST GAS CORPORATION
 - CABLE TV - COX CABLE

SITE DATA

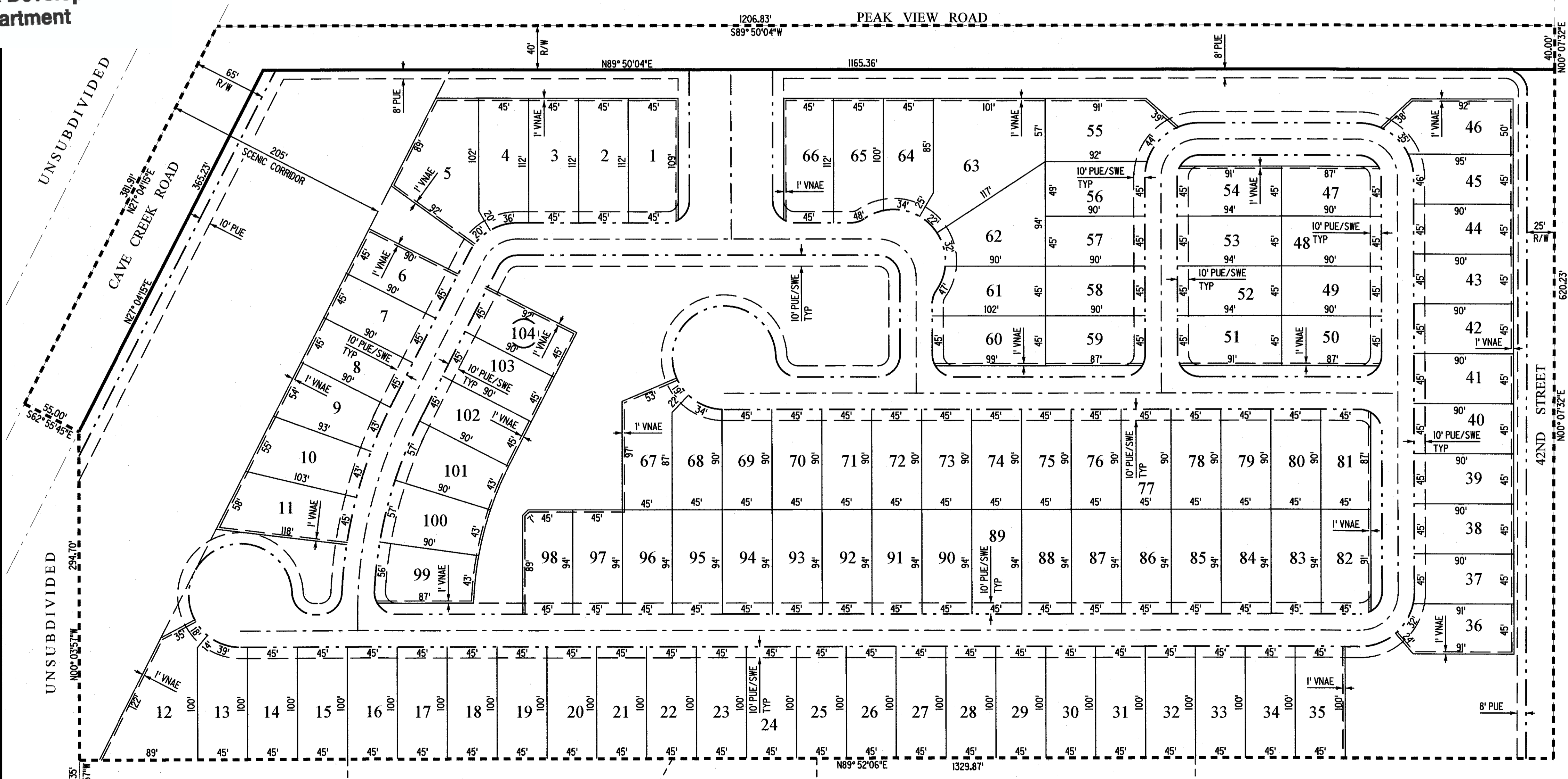
PARCEL *S - 211-39-004E, 211-39-004F, 211-39-004G & 211-39-004H

TOTAL LOTS - 104
GROSS AREA - 19.88 ACRES

GROSS DENSITY - 5.23 LOTS/ACRE
MAX. BLDG. HEIGHT - 30-FEET (2 STORIES)
SETBACKS - SEE TYPICAL LOT DETAIL
AREA OF LOTS - 10.70 ACRES
AREA OF OPEN SPACE - 4.38 ACRES
AREA OF PRIVATE STREETS - 2.79 ACRES
AREA OF R/W - 2.01 ACRES
LOT SALES PROPOSED - YES
EXISTING ZONING - CO, C1
PROPOSED ZONING - RI-6 PRD



- TYPICAL LOT LAYOUT - 45' WIDE**
- 10' MIN FROM P/L, 18' MIN FROM BACK OF S/W TO FRONT LOAD GARAGE, 10' MIN FROM P/L TO SIDE LOAD GARAGE
 - SIDE SETBACK ESTABLISHED BY BUILDING CODE, STREET SIDE SETBACK IS 10' MIN, (FROM BC)
 - REAR SETBACK ESTABLISHED BY BUILDING CODE.



APN 211-39-001T
GOODRICH FAMILY TRUST
ZONING - RU-43

APN 211-39-001U
CAREY CURT A/PEGGY J
ZONING - RU-43

APN 211-39-001V
ENTRUST ARIZONA FBO
CRAIG CAREY IRA 12769
ZONING - RU-43

APN 211-39-001S
DOODEMAN SHERL LYNN
ZONING - RU-43

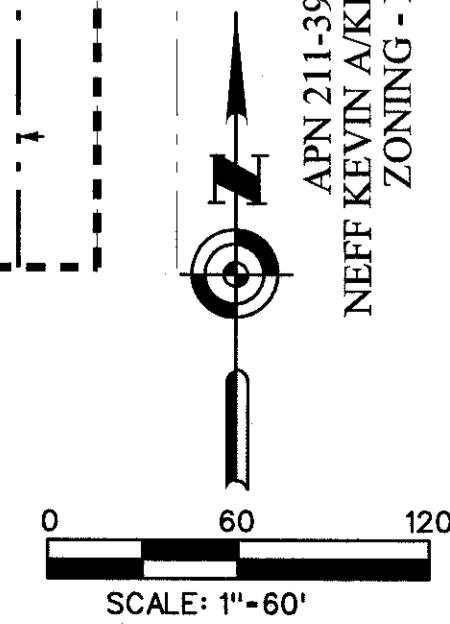
APN 211-39-001X
MCMILLAN ROCK P/SUSAN L
ZONING - RU-43

APN 211-39-003Z
WHITE TERRY L
ZONING - S-1

APN 211-39-026B
INEFF KEVIN A/KIMBERLEE A
ZONING - RU-43

APN 211-39-026A
INEFF KEVIN A/KIMBERLEE A
ZONING - RU-43

REVIEWED BY _____ DATE _____
DRAFTED BY _____ DATE _____
CHECKED BY _____ DATE _____



SEC. OF CAVE CREEK & PEAK VIEW
REZONING SITE PLAN

REVISIONS

Land Planning • Hydrology • Land Development • Civil Infrastructure • Surveying

EXPIRES 12/31/15

DESIGNED: MM
DRAWN: STAFF
CHECKED: MM
PLOT DATE: 12/22/2013

SHEET 1 OF 1
PROJECT NO. 13-039-02

45652
MATTHEW J. MANCINI
Professional Engineer
Arizona, U.S.A.



Village Planning Committee Meeting Summary Z-64-13-2

Date of VPC Meeting	March 4, 2014
Request From	C-O, C-1, R1-10
Request To	R1-6
Proposed Use	Single-Family Residential
Location	Southeast corner of Cave Creek Road and Peak View Road
VPC Recommendation	Approval, subject to staff stipulations
VPC Vote	11-0

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

Ms. Tricia Gomes presented the details of the case.

Mr. Adam Baugh, Withey Morris, presented on behalf of the property owner. Mr. Baugh explained that the proposed development consisted of 104 residential lots and a significant amount of open space that exceeds the Zoning Ordinance requirements. Mr. Baugh summarized the neighborhood meeting, which 8-10 area residents attended and was generally well received.

Mr. Reginald Younger expressed concerns with only one ingress and egress point into the subdivision. Mr. Baugh indicated that the Development Division reviewed the subdivision and there was no issue with one ingress and egress point into the subdivision.

Mr. Deanna Chew inquired if the site had washes. Mr. Baugh indicated that there were no washes on the site, but the open spaces to follow the natural contours of the site.

Mr. Doug Dickson inquired about potential parking near the community pool. Mr. Baugh stated that further review of the site layout could be evaluated to determine if better access to the pool could be accommodated.

Vice Chairman Steven Bowser inquired if the proposed streets would be private. Mr. Baugh indicated that the streets would be private. In addition to the private streets internal to the site, improvements would be made to Peak View Road, 42nd Street, and Cave Creek Road.

Ms. Sheryl Doodeman, area resident, spoke in opposition of the request. Ms. Doodeman stated that she has lived in the unincorporated Maricopa County since 1977 and the proposed development of 5 units per acre did not fit with the area. She pointed out that she was opposed to the proposed church site in 2006 and opposed houses on 15 acres back in the 1980's. Ms. Doodeman stated that there were washes on the site and expressed concerns with drainage. Ms. Doodeman stated that she would not like to see 42nd Street improved and would prefer that it remain a dirt road.

Ms. Alice Blazer, area resident, spoke in opposition of the request. Ms. Blazer stated that she has lived in the unincorporated Maricopa County for 25 years and does not believe that the proposed development was in character with the area. Traffic in the area has increased with the preschool and Toy Barn at the northeast corner of Cave Creek Road and Peak View Road, the request for residential will contribute to the increased traffic. Ms. Blazer expressed concern and potential impacts to the horses and children in the area with the increase traffic on Peak View Road. Ms. Blazer stated that the proposed development was too dense and the lots were too small.

Mr. Baugh, while in rebuttal, stated that the proposed development was more compatible with the area than the existing commercial entitlement and would generate less traffic. The proposed development would provide a transition from large lot single-family to traditional lot single-family as development moved west towards Cave Creek Road. Traffic on Peak View Road would be limited since the road terminates east at the Tatum Ranch master planned community.

Vice Chairman Steven Bowser made a motion to approve Z-64-13-2 as presented. Mr. Louis Lagrave seconded.

Chairwoman Lynn Pleskoff inquired about what else could be on the site other than residential. Ms. Tricia Gomes explained that the residential zoning would allow a handicapped group home and attached single-family.

Mr. Steve Kruczek expressed concern with the proposed density and stated 3-5 du/ac may be more appropriate for the area. Mr. Lagrave noted that at 5 du/ac the site would be limited to 99 units.

Chairwoman Pleskoff noted that the Tatum Ranch community had wider lots; therefore may not be an even comparison.

In response to Mr. Reginald Younger's comment regarding a single access point, Mr. Lagrave stated his subdivision had 84 homes with only one access point. Mr. Matt Mancini, civil engineer for the project, provided clarification on the single access and noted that as long as there was dual access, a single access point was permitted.

The committee voted 11-0 to approve the motion.

STAFF COMMENTS REGARDING VPC RECOMMENDATION & STIPULATIONS:

Staff has no comments.

Item #: 4
Application #: Z-64-13-2 (Companion case GPA-DSTV-1-13-2)
From: C-O
C-1
R1-10
To: R1-6
Acreage: 19.88
Location: Southeast corner of Cave Creek Road and Peak View Road
Proposal: Single Family Residential
Applicant: Withey Morris, PLC
Owner: CCRP LLC
Representative: Withey Morris, PLC

Ms. Tricia Gomes presented items 3 and 4; which were heard together, but separate motions were required.

GPA-DSTV-1-13-2; a general plan amendment for 19.88 acres located at the southeast corner of Cave Creek Road and Peak View Road from Commercial, Residential 0-2, Residential 2-3.5, Residential 2-5 to Residential 2 to 5 du/ac for single-family residential. The Desert View Village Planning Committee recommended approval 11-0.

Z-64-13-2; a request to rezone 19.88 acres located at the southeast corner of Cave Creek Road and Peak View Road from C-O, C-1, R1-10 to R1-6 to allow single-family residential. The Desert View Village Planning Committee recommended approval 11-0 per staff stipulations.

Staff recommended approval of both requests per the recommendations of the Desert View Village Planning Committee with an additional stipulation for Z-64-13-2:

7. That 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.

Mr. Baugh provided a brief presentation of the proposed area. To the north of the site was a storage condominium project; to the south was unincorporated Maricopa County with a mix of vacant land and large lot single-family residential. The subject site was rezoned just south of Peak View Road for Genesis Church which proposed a mixed-use church campus that included office, retail, residential homes, and loft-style residential units. The project did not move forward and the property was vacant for 5 or 6 years.

The current site plan depicts a total of 104 lots which met all of the zoning requirements with no need for variances or setback reductions. The project was compatible with the surrounding area, even though there were a few large lot County properties just south of the area. The Tatum Ranch development which had homes around the area had R1-6 zoning; which was the same request the applicant was asking for. Mr. Baugh stated it would be a good transition between the County properties. The City of Phoenix had a

General Plan designation for the property for Commercial with a blend of some residential categories.

Ms. Sheryl Doodeman stated her property was in the county island which abuts the proposed area. The smallest area was probably one home per acre, but the request was proposing five homes per acre. The density would not be compatible with the area. Ms. Doodeman also stated that Tatum Ranch did not surround the subject site. However, did have significant open space adjacent to the County properties therefore that development was hardly noticeable.

Ms. Doodeman felt paving 42nd street would create more traffic; she would prefer it remain as a dirt road. Peak View Road was a two lane road and when vehicles parked it was very congested. With the lots being so small two-story homes would have to be built and was not comfortable with people being able to peer over to her property. Ms. Doodeman stated she understood the concept of progress, but not five homes on one acre.

Commissioner Awai asked Mr. Baugh what was the average density of the Tatum Ranch development to the northeast.

Mr. Baugh stated it was designated Residential 2 to 5 on the General Plan. Over time development patterns had changed and the density had increased.

Ms. Gomes stated the subdivisions in the Tatum Ranch area were zoned R1-6; however the lot widths were a bit larger.

Mr. Baugh stated there was an obligation and duty upon the applicant to improve the half-street right-of-ways along Peak View Road and 42nd Street. The residential area may seem intensive but compared to the County island it was clearly a less impactful use than the current commercial zoning; especially given its proximity to Cave Creek Road, which was a major transportation corridor. The City of Phoenix Engineering Department reviewed the entrance and exit plans which were acceptable. It was a wider entrance to accommodate two vehicles traveling in and out of the area. Police and fire would be able to access the area from the dual gate even if one side of the gate was closed.

Commissioner Heck made a MOTION to approve Z-64-13-2 as recommended by the Desert View Village Planning Committee.

Commissioner Awai SECONDED.

There being no further discussion, Chairwoman Katsenes called for a vote and the MOTION PASSED 8-0 (Davis absent)

* * *

Stipulations:

SITE PLAN

1. The development shall be in general conformance with the site plan date stamped December 20, 2013, as approved or modified by the Planning and Development Department with specific regard to the following:
 - a. The development shall not exceed 104 lots.
 - b. A 205-foot landscape setback from the street centerline consistent with the Cave Creek Road Scenic Corridor shall be provided along Cave Creek Road.

STREET IMPROVEMENTS

2. A right-of-way totaling 40 feet shall be dedicated and constructed for the south half of Peak View Road with paving, curb, gutter, sidewalk, curb ramps, streetlights, landscaping and other incidentals, as approved by the Planning and Development Department. All improvements shall comply with all ADA accessibility standards.
3. A right-of-way totaling 25 feet shall be dedicated for the west half of 42nd Street, as approved by the Planning and Development Department. Provide curb, gutter, sidewalk, paving and incidentals with a minimum 25-foot pavement section for the length of the project.
4. A right-of-way totaling 65 feet shall be dedicated for the east half of Cave Creek Road, as approved by the Planning and Development Department.
5. A 25-foot by 25-foot right-of-way triangle shall be dedicated at the southeast corner of Cave Creek Road and Peak View Road, as approved by the Planning and Development Department.
6. The developer shall construct all streets within and adjacent to the development with curb, gutter, sidewalk, paving, appropriate drainage structures to facilitate dry crossings and incidentals on private accessways under City permit and with City inspection, including 5-foot wide attached sidewalks on both sides of all streets. The curb at every curb return and at every entrance into a new subdivision is to be imprinted with the words "Private Street- No City Maintenance" in 2-inch high letters.
7. THAT PRIOR TO PRELIMINARY SITE PLAN APPROVAL, THE LANDOWNER SHALL EXECUTE A PROPOSTIION 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.