



## Minutes Regular City Council Meeting September 8, 2016

Minutes of the Regular Council Meeting of Thursday, September 8, 2016, held at 6:00 p.m. in the Harry E. Mitchell Government Center, Tempe City Hall, City Council Chambers, 31 E. Fifth Street, Tempe, Arizona.

### **COUNCILMEMBERS PRESENT:**

Mayor Mark W. Mitchell

Councilmember Randy Keating

Councilmember Joel Navarro

Councilmember Kolby Granville

Councilmember Lauren Kuby

Councilmember David Schapira

### **COUNCILMEMBER ABSENT:**

Vice Mayor Robin Arredondo-Savage

### **STAFF PRESENT:**

Andrew Ching, City Manager

Ken Jones, Deputy City Manager – Chief Financial Officer

Steven Methvin, Deputy City Manager – Chief Operating Officer

Ryan Levesque, Deputy Community Development Dir. – Planning

Various Department Heads or their representatives

Judi Baumann, City Attorney

Brigitta M. Kuiper, City Clerk

Isaac Chavira, Transportation Maintenance Manager

Shelly Seyler, Deputy Public Works Dir. - Transportation

Mayor Mitchell called the meeting to order at 6:00 p.m.

1. Councilmember Navarro gave the invocation.
2. Mayor Mitchell led the audience in the **Pledge of Allegiance**.
3. **MINUTES**

Motion by Councilmember Schapira to approve agenda item 3A1 and to accept board and commission meeting minutes 3B1 – 3B9; second by Councilmember Keating. Motion passed unanimously on a voice vote 6-0.

A. Approval of City Council Meeting Minutes

1. Executive Session - August 18, 2016

B. Acceptance of Board, Commission and Committee Meeting Minutes

1. Board of Adjustment - May 25, 2016
2. Development Review Commission - May 10, 2016, May 24, 2016, and June 14, 2016
3. Development Review Commission Study Session - May 10, 2016, May 24, 2016, and June 14, 2016
4. Hearing Officer - August 2, 2016
5. Historic Preservation Commission - June 25, 2016
6. Human Relations Commission - May 10, 2016
7. Parks, Recreation, Golf and Double Butte Cemetery Advisory Board - June 15, 2016
8. Tempe Family Justice Commission - June 28, 2016
9. Tempe Sustainability Commission - July 18, 2016

#### 4. REPORTS AND ANNOUNCEMENTS

##### A. Mayor's Announcements

###### 1. *United Food Bank and Hunger Action Month proclamation*

Mayor Mitchell invited Ginny Hildebrand, President/Chief Executive Officer of United Food Bank, to the podium and read a proclamation declaring September 2016, as United Food Bank Hunger Action Month in Tempe, Arizona.

###### 2. *TIM (Tempe in Motion) Turns 20 proclamation*

Mayor Mitchell invited Shelly Seyler, Deputy Public Works Director – Transportation, to the podium and read a proclamation declaring September 2016, as the 20<sup>th</sup> birthday for TIM (Tempe in Motion) in Tempe, Arizona.

3. Mayor Mitchell announced that the Tempe Transportation Commission is accepting nominations for its 2017 Tempe Bike Hero award. Nomination forms are available on the City's website.

###### 4. *Board and Commission Appointments*

Mayor Mitchell announced that a board and commission appointment will be made under agenda item 5A18.

##### B. City Manager's Announcements

###### 1. Right-Of-Way Landscaping Program Update

Andrew Ching, City Manager, invited Isaac Chavira, Transportation Maintenance Manager, to the podium to present a Right-of-Way Landscaping Program update. In 2010, staff conducted a landscaping condition rating assessment, which established a baseline for assessing underground landscaping infrastructure, and above ground landscaping.

Mr. Chavira explained the three-tier reinvestment prioritization system that was implemented in 2013 as follows: Tier A - high impact areas; Tier B - moderate design intent at secondary entry points along arterial roadways; and, Tier C - basic design intent using native landscaping materials. Right-of-way is maintained by the City, as well as by private property owners. He displayed photographs of current and proposed areas for revitalization. Staff will revitalize gateway entry signs in conjunction with the City's branding initiative.

Councilmember Navarro voiced appreciation for revitalization efforts and maintaining quality roadways. Tempe is an aging community; every roadway and area of the City has a theme. Revitalization is important and represents Tempe's character. He stated that he does not support Tier C landscaping.

Councilmember Kuby asked for an explanation regarding how staff instructs contractors to use desert landscaping maintenance and pruning techniques. Mr. Chavira stated that staff will be presenting a landscape maintenance contract to the City Council in October 2016, for approval. The contract requests that company employees be certified in desert landscape maintenance. The City's Landscape Coordinator has completed the Desert Botanical Garden landscape certification program and will be working closely with contractors.

2. Andrew Ching, City Manager, stated that for the third consecutive year, Tempe received a perfect score of 100 from the Human Rights Campaign Corporate Equality Index, which recognizes the achievements of cities throughout the nation related to LGBTQ initiatives, equality, and antidiscrimination. Last year, Tempe was one of three communities in Arizona that received a score of 100.

3. Mr. Ching announced the retirement of Pete Smith, Water Conservation Coordinator, and recognized Mr. Smith for his contributions to Tempe's Water Conservation Program.

## 5. CONSENT AGENDA

All items listed on the Consent Agenda will be considered as a group and will be enacted with one motion by the City Council unless an item is removed for separate consideration. Members of the public may remove public hearing items for separate consideration. Public hearing items are designated by an asterisk (\*). Councilmembers may remove any item for separate consideration.

**Motion by Councilmember Kuby to approve the consent agenda with the exception of agenda item 5A10, which was removed for separate consideration; second by Councilmember Granville. Motion passed unanimously on a roll call vote 6-0.**

### A. Miscellaneous Items

- 5A1. Approved the July 2016 Report of Claims Paid to be filed for audit.

*Fiscal Impact:* Total payments in July: \$36,520,466.99.

- 5A2. Authorized the Mayor to execute a Right-of-Way Use License Agreement between the City of Tempe and Crown Castle NG West LLC. **(Contract #2016-181)**

*Fiscal Impact:* Crown Castle will pay fees for use of the right-of-way on any conduit/fiber installations under the current rate of \$ 2.15 per linear foot of trench and will pay fees for use of a City-owned street light pole pursuant to the applicable Wireless Services Facilities category as set forth in Appendix A of the Tempe City Code under the Engineering Fees section.

- 5A3. Approved an agreement amendment with the Tempe Community Action Agency for the purpose of providing senior services at the North Tempe Multi-Generational Center. **(Contract #2006-197A)**

*Fiscal Impact:* The agreement amendment requires an annual payment of \$1 from Tempe Community Action Agency to the City.

- 5A4. Approved the Tempe Diablos Charities, Inc. grant award authorizing the acceptance and disbursement of grant funds to Recreation Services for community programming.

*Fiscal Impact:* The amount of the grant award is \$70,000. Sufficient budget appropriation for expenditure of this grant was authorized in the Government Grants and Donations Fund (Fund 44) as part of the fiscal year 2016-2017 adopted budget.

- 5A5. Approved the Tempe Diablos Charities, Inc. grant award authorizing the acceptance and disbursement of grant funds to the Tempe History Museum for youth education programming.

*Fiscal Impact:* The amount of the grant award is \$12,000. Sufficient budget appropriation for expenditure of this grant was authorized in the Government Grants and Donations Fund (Fund 44) as part of the fiscal year 2016-2017 adopted budget.

- 5A6. Approved the Tempe Diablos Charities, Inc. grant award authorizing the acceptance and disbursement of grant funds that enable the City of Tempe-Kid Zone Enrichment Program to provide STEM education at all of the before and after school sites in Tempe.

*Fiscal Impact:* The amount of the grant award is \$30,000. Sufficient budget appropriation for expenditure of this grant was authorized in the Government Grants and Donations Fund (Fund 44) as part of the fiscal year 2016-2017 adopted budget.

5A7. Approved a Final Subdivision Plat for UNIVERSITY TECH CENTER, located at 1830 West University Drive. The applicant is Alliance Land Surveying.

*Fiscal Impact:* There is no fiscal impact on City funds.

5A8. Approved an Amended Subdivision Plat for QUIKTRIP #400, located at 2111 West University Drive. The applicant is Huellmantel and Affiliates.

*Fiscal Impact:* There is no fiscal impact on City funds.

5A9. Approved an Amended Subdivision Plat for 1444 W. AUTO DRIVE, located at 1444 West Auto Drive. The applicant is Superior Surveying Services.

*Fiscal Impact:* There is no fiscal impact on City funds.

5A10. **THIS ITEM WAS REMOVED FOR SEPARATE CONSIDERATION. SEE BELOW FOR DISCUSSION AND ACTION.** Approve a Final Subdivision Plat for ENTERPRISE RENTAL STORE, located at 8201 South Priest Drive. The applicant is Deutsch Architecture Group.

\*5A11. Held a public hearing and recommended the approval of a Series 01 in-state producer's liquor license for Four Peaks Brewing Company, Inc., dba Four Peaks Brewing Co., 1340 East 8th Street, Suite #104.

*Fiscal Impact:* N/A

\*5A12. Held a public hearing and recommended the approval of a Series 01 in-state producer's liquor license for Hop Knot Brewing LLC, dba Four Peaks Brewery, 2401 South Wilson Street.

*Fiscal Impact:* N/A

\*5A13. Held a public hearing and recommended the approval of a series 12 restaurant liquor license for Desert Pizza LLC, dba Happy Joe's Pizza, 1806 East Southern Avenue.

*Fiscal Impact:* N/A

\*5A14. Held a public hearing and recommended the approval of an acquisition of control of a Series 03 domestic microbrewery liquor license for Four Peaks Brewing Company, Inc., dba Four Peaks Brewing Co., 1340 East 8th Street, Suite #104.

*Fiscal Impact:* N/A

\*5A15. Held a public hearing and recommended the approval of an acquisition of control of a Series 12 restaurant liquor license for Four Peaks Brewing Company, Inc., dba Four Peaks Brewing Co., 1340 East 8th Street, Suite #104.

*Fiscal Impact:* N/A

\*5A16. Held a public hearing and recommended the approval of an acquisition of control of a Series 07 beer and wine bar liquor license for Hop Knot Brewing LLC, dba Four Peaks Brewery, 2401 South Wilson Street.

*Fiscal Impact:* N/A

- \*5A17. Held a public hearing and recommended the approval of an acquisition of control of a Series 03 domestic microbrewery liquor license for Hop Knot Brewing LLC, dba Four Peaks Brewery, 2401 South Wilson Street.

*Fiscal Impact:* N/A

- 5A18. Approved an appointment to the Tempe Family Justice Commission.

*Fiscal Impact:* N/A

<b>Tempe Family Justice Commission</b>	<b>Term Expires 12/31/2016</b>
Kimberly Frick (Partial Term) (Arizona State University Faculty Member)	Appointment

**B. Award of Bids/Contracts**

- 5B1. Approved an increase to the approved spending level of a contract with Staffing Specialists who provides temporary drivers to supplement City staff in the operation of refuse vehicles.

*Fiscal Impact:* Total spending on this contract will not exceed \$275,000 during the one-year renewal period (ending November 9, 2016) and will increase the contract value from \$200,000 to \$275,000, an increase of \$75,000. Sufficient funds have been appropriated in the Solid Waste Fund – cost center 3713 (Residential) – for the anticipated expenditures.

- 5B2. Approved the utilization of one-year State of Arizona contracts with Brown's Partsmaster, Inc. and Ferguson Enterprises, Inc. for the purchase of plumbing parts and supplies.

*Fiscal Impact:* Total cost of these contracts will not exceed \$600,000. Sufficient funds have been appropriated in the General Fund – cost center 1871 (Facilities Services), and the Water/Wastewater Fund – cost centers 3003 (Water Utilities Warehouse), 3013 (Johnny G. Martinez Water Treatment Plant) and 3014 (South Tempe Water Treatment Plant) – for the anticipated expenditures.

- 5B3. Approved the utilization of a one-year Western States Contracting Alliance cooperative contract with SHI International Corporation for the purchase of desktop and server operating system software, Microsoft Enterprise software support, software licensing, and related services to be overseen by the Internal Services Department.

*Fiscal Impact:* Total cost of this one-year contract shall not exceed \$950,000 during the one-year contract period. Sufficient funds have been appropriated in General Fund cost center 1991 (IT Administration) and other City-wide cost centers as needed for the anticipated expenditures.

- 5B4. Approved a one-year contract renewal with Stanley Convergent Security Solutions for the purchase, repair, installation, and upgrades of security systems throughout the City.

*Fiscal Impact:* Total cost of this contract will not exceed \$200,000 during the one-year contract renewal period. Sufficient funds have been appropriated in various City-wide funds and cost centers for the anticipated expenditures.

- 5B5. Approved a one-year contract renewal with Bound Tree Medical, LLC for emergency medical supplies used by the Fire Medical Rescue Department.

*Fiscal Impact:* Total cost of this contract will not exceed \$250,000 during the one-year renewal period. Sufficient funds have been appropriated in the General Fund cost center

2374 (Fire – Ambulance Operations) for the anticipated expenditures in the current fiscal year. The total expenditures do not take into account reimbursement for some of the medical supplies used by the City's ambulance service provider.

- 5B6. Approved a one-year contract renewal with Fluoresco Lighting and Signs for streetlight installation.
- Fiscal Impact:* Total cost of this one-year contract will not exceed \$375,000 during the one-year renewal period. Sufficient funds have been appropriated in the Traffic Signals CIP Fund – cost center 6999849 (Streetlight Pole Replacement) – for the anticipated expenditures.
- 5B7. Approved a one-year contract renewal with SealMaster of Arizona for the purchase of a polymer modified asphalt emulsion sealcoating.
- Fiscal Impact:* Total cost of this contract shall not exceed \$150,000 during the contract renewal period. Sufficient funds have been appropriated in the Highway User Revenue Fund – cost center 3813 (Construction) – for the anticipated expenditures.
- 5B8. Approved a one-year contract renewal with Otto Logistics LLC for the transportation and disposal of sludge generated at the Tempe water plants.
- Fiscal Impact:* Total cost of this contract will not exceed \$75,000. Sufficient funds have been appropriated in the Water/Wastewater Fund – cost centers 3013 (Johnny G. Martinez Plant) and 3014 (South Tempe Water Plant) – for the anticipated expenditures.
- 5B9. Awarded one-year contracts with four, one-year renewal options to provide mobile food truck vending services for various City sponsored events to: Affogato Truck, Burgers Amore, Cactus Corn, Coffee Run, Cheese Love and Happiness, DeMarco's Italian Ice Creams, Desert Snow, Grilled Addiction, Grandma's Navajo Fry Bread, Kicks Frozen Yogurt, Kona Ice of Tempe, Queso Good Quesadilla Truck, Livin Lite, Paz Cantina, Po Boyz BBQ, Rock Star Hot Dogs, Steel City Pierogi, Udder Delights, Tasty Tangerine, Tia Rosa's Food Truck Company, Tikiz Shaved Ice and Ice Cream, Waffle Crush, and Wandering Donkey. **(Contract #2016-182)**
- Fiscal Impact:* There is no cost to the City related to this award. These contracts will generate revenue to the City based on the collection of a \$50 landing fee and 10% of gross revenues (per vendor per event).
- 5B10. Awarded a construction manager at risk pre-construction services contract to Achen-Gardner Construction, LLC for the Waterline Replacement project in the Brentwood Manor and Tempe Royal Palms Neighborhoods. **(Contract #2016-183)**
- Fiscal Impact:* The pre-construction services contract amount is \$106,880.25. Funds to cover this contract and related costs are appropriated for fiscal year 2016/17 in Capital Improvement Project No. 3299989, Transmission and Distribution Capital Improvements.
- 5B11. Awarded a construction contract to Insituform Technologies, LLC for the flood irrigation infrastructure improvements – CIPP Lining, located at 902 South Mill Avenue to 1290 South Mill Avenue. **(Contract #2016-184)**
- Fiscal Impact:* The contract amount is \$329,249 and the project contingency amount is \$32,924.90. Funds to cover this contract and related costs are appropriated for fiscal year 2016/17 in the Capital Improvement Project No. 3205899, Flood Irrigation Infrastructure Asset Maintenance.

- 5B12. Awarded a construction contract to Briston Construction, LLC for the Rio Salado Multi-use Path, Priest Drive Underpass, located at 56 South Priest Drive. **(Contract #2016-185)**

*Fiscal Impact:* The contract amount is \$574,771.45 and the project contingency amount is \$57,477.15. Funds to cover this contract and related costs are appropriated for fiscal year 2016/17 in the Capital Improvement Project No. 6007189, Rio Salado Southbank Path Underpass at Priest Drive.

- 5B13. Awarded Job Order No. 3 to Valley Rain Construction Corporation for the playground, pathway and lighting improvements to Selleh Park.

*Fiscal Impact:* The Job Order No. 3 amount is \$288,482.44 and the project contingency amount is \$28,848.24. Funds to cover this contract and related costs are appropriated for the fiscal year 2016/17 in the Capital Improvement Project No. 6305499, Park Playground Infrastructure & Equipment Replacement and Renovation.

C. Resolutions

- 5C1. Adopted **RESOLUTION NO. R2016.85** authorizing the Mayor to execute the Arizona State Forestry Division Cooperative Intergovernmental Agreement between the Arizona State Forester and the City of Tempe for the purpose of providing mutual support in the form of labor and equipment. **(Contract #2016-186)**

*Fiscal Impact:* This agreement does not require a specific budget allocation and any significant costs for operation would be reimbursed.

- 5C2. Adopted **RESOLUTION NO. R2016.87** authorizing the Mayor to sign Amendment Two to an Intergovernmental Agreement with the Arizona Board of Regents, for and on behalf of Arizona State University, to provide funding to Tempe for existing urban and neighborhood circulator services. **(Contract #2014-196B)**

*Fiscal Impact:* Arizona State University (ASU) will contribute a total of \$889,854 to the operation of urban (FLASH) and neighborhood circulator bus services (Orbit) in fiscal year 2016-17. ASU is fully funding the FLASH system at the net operating cost of \$751,416 and contributing \$138,439 to the total net operating cost of the Orbit Mars.

- 5C3. Adopted **RESOLUTION NO. R2016.88** authorizing the Chief of Police or designee(s), to execute a grant award agreement between the Department of Justice, Office of Justice Programs and the Tempe Police Department to accept the Edward Byrne Memorial Justice Assistance Grant for the Sworn Police Officer Overhire Program. **(Contract #2016-187)**

*Fiscal Impact:* The total amount of the grant award is \$73,028. This grant award will supplement the Police Department's existing General Fund budget appropriation. Sufficient budget appropriation for expenditure of this grant was authorized in the Police Grants and Restricted Revenue Fund (Fund 45) as part of the fiscal year 2016-17 adopted budget.

- 5C4. Adopted **RESOLUTION NO. R2016.89** authorizing the Mayor to sign the Intergovernmental Agreement between the City of Tempe and the City of Scottsdale for the Regional Veterans Court. **(Contract #2016-188)**

*Fiscal Impact:* This is a grant revenue neutral agreement. The City of Tempe will be reimbursed by the City of Scottsdale for Scottsdale cases adjudicated in the Regional Veterans Court.

- 5C5. Adopted **RESOLUTION NO. R2016.91** authorizing the Mayor to execute addenda to four parking agreements in the downtown area for the purpose of updating and revising the language to conform to existing conditions. **(Contracts: #87-186A, #95-135A, #95-136A, #94-77C)**

*Fiscal Impact:* N/A

- 5C6. Adopted **RESOLUTION NO. R2016.92** approving an addendum to the intergovernmental agreement between Tempe Elementary School District #3 and the City of Tempe for continued partnership at the North Tempe Multi-Generational Center. **(Contract #2004-266C)**

*Fiscal Impact:* Per the addendum, the annual funding payment of \$122,750 is suspended. The school district will pay the City of Tempe \$12,000 to administer a contract for landscape maintenance at the North Tempe Multi-Generational Center.

- 5C7. Adopted **RESOLUTION NO. R2016.93** authorizing the Mayor to execute a development and license agreement with Arizona Fashion Source, LLC, and LabelHorde, LLC, **(Contract #2016-189, #2016-191)** and a development and license agreement with Arizona Apparel Foundation **(Contract #2016-190, #2016-192)** with respect to operating a fashion design business incubator at the Tempe Performing Arts Center located at 132 E. Sixth Street.

*Fiscal Impact:* The City will pay the currently budgeted utility costs not to exceed \$2,000 per month. Arizona Fashion Source, LLC, LabelHorde, LLC, and Arizona Apparel Foundation will invest approximately \$50,000 in building improvements to the Tempe Performing Arts Center (TPAC) over a two-year period. In addition to the License Fees that may be abated, the City will assess a \$300 monthly fee, which is not eligible for abatement, for deferred maintenance on TPAC.

**CONSENT AGENDA ITEM REMOVED FOR SEPARATE CONSIDERATION:**

**5A10. Final Subdivision Plat for ENTERPRISE RENTAL STORE, 8201 South Priest Drive.**

Councilmember Granville stated that this business backs up to the Highline Canal, which is an unimproved canal. He asked staff to explain how the City ensures that the canal improvement process goes well when there are businesses operating next to canals.

Ryan Levesque, Deputy Community Development Director – Planning, stated that the canal improvement process is not related to the plat request; however, because this property is located adjacent to a canal, the business would typically have to obtain authorization from Salt River Project (SRP) in terms of managing the canal, including whether or not access can be granted for that area. This process affects a separate portion of the property and requires negotiations or agreements for any action related to that particular portion of the property.

Councilmember Granville stated that he would like to explore developing uniform requirements for art elements, wall height, color, and style for walls and fences that are facing canals to make canals uniform and attractive. He does not want to limit the City's future options relating to canal improvements. As businesses make improvements, the City could communicate how their choices may affect future canal improvements. Mr. Levesque stated that staff can work with developers on how their sites are oriented to canals and will work on developing implementation plans. Staff has identified opportunities in the Apache Character Area for canal beautification.

**Motion by Councilmember Granville to approve agenda item 5A10; second by Councilmember Navarro. Motion passed unanimously on a roll call vote 6-0.**

- 5A10. Approved a Final Subdivision Plat for ENTERPRISE RENTAL STORE, located at 8201 South Priest Drive. The applicant is Deutsch Architecture Group.

*Fiscal Impact:* There is no fiscal impact on City funds.

6. NON-CONSENT AGENDA

All items listed on the Non-Consent Agenda will be considered separately. Agenda items scheduled for Introduction and First Public Hearing will be heard, but will not be voted upon at this meeting. Agenda items scheduled for Second Public Hearing and Final Adoption will be voted upon tonight.

A. Miscellaneous Items/Bids/Contracts/Resolutions

6A1. **Contracts with 33 firms for repair and maintenance services related to the upkeep of City facilities.**

There was no discussion on agenda item 6A1.

**Motion by Councilmember Navarro to approve agenda item 6A1; second by Councilmember Kuby. Motion passed unanimously on a roll call vote 6-0.**

6A1. Approved the award of one-year contracts with four, one-year renewal options to provide repair and maintenance services related to the upkeep of City facilities to: Hernandez Companies Inc., Building Technologies Inc., GTI Contractors LLC, SDB Inc., East Valley Disaster Services Inc., Summit Restoration & Construction LLC, DH Pace Company Inc., Crout & Heller Painting Services Inc., DR Paint LLC, Ghaster Painting & Coating Inc., A & H Painting Inc., True View Window & Glass, Intermountain Lock and Security Supply, Progressive Roofing, Star Roofing Inc., Midstate Mechanical Inc., Crawford Mechanical Services LLC, Pueblo Mechanical & Controls Inc., 365 Mechanical, MR. Rooter Plumbing, Roto-Rooter Service & Plumbing Co, Urban Energy Solutions Inc., Corbins Service Electrical LLC, Commonwealth Electric Company of the Midwest, Spectra Electrical Services Inc., Clearco Window Cleaning, Squeegee Squad, Fish Window Cleaning, Arizona Pest Squad LLC, Belfor USA Group Inc., Titan Restoration of AZ, B&F Contracting Inc., and Contractors West Inc. **(Contract #2016-193)**

*Fiscal Impact:* Total combined cost of these 33 contracts shall not exceed \$2,800,000 during the one-year contract period. Sufficient funds have been appropriated in the General Fund – cost center 1871 (Facilities Services) – and various Capital Improvement Projects, where applicable, for the anticipated expenditures.

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6A2. **Contract with CycleHop, LLC to install, operate, and maintain the City's Bike Share Program.**

Mayor Mitchell announced that, "As required by the Arizona Department of Transportation, this agreement will only be executed on behalf of the City of Tempe upon receipt of confirmation of Federal funding for this project." He voiced support for this program and noted that the City is collaborating with the cities of Phoenix and Mesa on the bike share program. He noted that bike sharing programs are being implemented in cities across the country.

**Motion by Councilmember Kuby to approve agenda item 6A2; second by Councilmember Schapira. Motion passed unanimously on a roll call vote 6-0.**

6A2. Awarded a five-year sole source contract with two, two-year renewal options to CycleHop, LLC to install, operate, and maintain the City's Bike Share Program. **(Contract #2016-194)**

*Fiscal Impact:* Total combined cost for the five-year contract is \$1,992,188. Sufficient funds have been appropriated as follows: Transit Fund cost center 3917 (Bus Stop & Bikeway Maintenance) \$100,000 per year for operating costs (\$500,000 over five years); Transit Capital Improvement Project Fund cost center 6007199 (Tempe/Phoenix

Bike Share) for one-time installation and capital costs valued at \$373,295; and federal grant funds for one-time capital costs valued at \$1,118,893. Arizona State University (ASU) will reimburse the City \$50,000 for annual operating costs.

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**B. Ordinances and Items for Introduction and First Hearing**

- \*6B1. Ordinance authorizing a power distribution easement agreement to Salt River Project Agricultural Improvement and Power District, west of Kyrene Road and south of Guadalupe Road.**

Mayor Mitchell introduced the ordinance and opened the public hearing. There was no discussion or public comment on agenda item 6B1. Mayor Mitchell closed the public hearing.

- \*6B1. Introduced and held the first public hearing to adopt an ordinance authorizing the granting of a power distribution easement to Salt River Project Agricultural Improvement and Power District over certain City-owned land located along the west side of Kyrene Road and south of Guadalupe Road, and authorizing the Mayor or his designee to execute an easement agreement and related documents. The second and final public hearing was scheduled for September 22, 2016. (Ordinance No. O2016.47)

*Fiscal Impact: N/A*

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- \*6B2. Ordinance authorizing the abandonment of a public Bus Stop Shelter Easement at the southeast corner of Rural Road and Apache Boulevard.**

Mayor Mitchell introduced the ordinance and opened the public hearing. There was no public comment on agenda item 6B2. Mayor Mitchell closed the public hearing.

In response to a question from Councilmember Granville, Shelly Seyler, Deputy Public Works Director – Transportation, stated that staff is recommending abandonment of the bus stop shelter at this location because there is no longer a bus route operating along Apache Boulevard.

- \*6B2. Introduced and held the first public hearing to adopt an ordinance authorizing the abandonment of a public Bus Stop Shelter Easement located at the southeast corner of Rural Road and Apache Boulevard. The second and final public hearing was scheduled for September 22, 2016. (Ordinance No. O2016.48)

*Fiscal Impact: N/A*

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- \*6B3. Public hearing for a resolution authorizing a General Plan Projected Density Map Amendment; an ordinance for a Zoning Map Amendment; and, a Planned Area Development Overlay, and Development Plan Review for CRESCENT RIO, 700 West 1st Street.**

Mayor Mitchell introduced the ordinance and opened the public hearing.

Stephen Earl, applicant representative, introduced individuals in the audience that are associated with the Crescent Rio project. Mr. Earl stated that the proposed project is substantially different from the project that was presented to the City Council last year. The previous case was withdrawn due to lack of support from the neighborhood and City officials.

The Development Review Commission unanimously approved this proposed project. Arizona State University has indicated that they do not object to the project and Jennifer Spade, Regatta Point resident, who opposed the previous project, now supports the current project. City staff and neighbors also support the project.

Mr. Earl displayed an aerial photo and provided a PowerPoint presentation of the project site. The project density and height have been decreased, making the project still feasible. The site is partially vacant land and includes a steel fabrication plant. The site is strategically located across from the Tempe Center for the Arts. A proposed biomedical project is located to the west of this site.

Mr. Earl displayed a slide illustrating the differences between the previous project and the proposed project. He discussed key differences as follows:

Previous project	Proposed project
112 dwelling units per acre	65 dwelling units per acre
90'; 7 – 8 stories	48-52'; 4 – 5 stories
	Reduced lot coverage 10%
	Increased landscaping
	Increased vehicle and bike parking
	Reduced traffic volume

Mr. Earl compared recently approved projects in Tempe to the proposed project. He displayed an illustration of a Crescent Community project located along the Scottsdale Road corridor and discussed its amenities.

Philip Yates, President of Riverside Neighborhood Association (RNA), stated that the Riverside community does not support this project; it is not a good fit for the area. Like the Skywater project, luxury apartments will increase the cost of living for residents in a low-income housing area. He discussed the differences between General Industrial (GID) and Mixed-Use (MU4) zoning and potential impacts to the area; traffic impacts; and, that 209 units is a lot for the area. He would be open to having shops at that location.

Councilmember Granville noted that there have been instances where people speak on behalf of the president or residents of neighborhood associations, but what was conveyed was not necessarily reflective of the residents in that neighborhood association. He thanked Mr. Yates for serving as the President of RNA and asked him to explain the process that was used to notify RNA residents about this project. Mr. Yates outlined methods used to contact residents and noted that the Maple Ash Neighborhood Association was also involved.

In response to a question, Ryan Levesque, Deputy Community Development Director – Planning, stated that if the project is not approved, the Planned Area Development (PAD) is tied to the zoning; if the PAD reverts, the zoning reverts. The PAD and zoning have a reversion clause of two years, requiring the submittal of a building permit application within that timeframe. If a building permit application is not submitted within that timeframe, an administrative hearing would be scheduled before the City Council to seek direction on whether an extension would be granted or whether staff should proceed with the reversion process for the PAD and zoning.

In response to a question, Alex Smith, Deputy Community Development Director – Special Projects, indicated that this project is not part of the Lake Assessment Program.

Mayor Mitchell closed the public hearing.

- \*6B3.** Introduced and held the first public hearing to adopt a resolution authorizing a General Plan Projected Density Map Amendment from Medium to High Density (up to 25 du/ac) to High Density (up to 65 du/ac). Held a public hearing to adopt an ordinance for a Zoning Map Amendment from General Industrial (GID) to Mixed-Use (MU-4), a Planned Area Development Overlay and to approve a Development Plan Review consisting of a new mixed-use development containing 209 units and four (4) live-work units for CRESCENT RIO, located at 700 West 1st Street. The applicant is Earl, Curley & Lagarde, P.C. The second and final public hearing was scheduled for September 22, 2016. (Resolution No. R2016.90; Ordinance No. O2016.49) *Note: An affirmative vote by at least two-thirds (2/3) of the City Council is required to approve the General Plan Density Map Amendment.*

**Fiscal Impact:** While this ordinance change does not directly impact revenue, the planned development will result in collection of the standard development fees, calculated according to the approved fee structure at the time of permit issuance.

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- \*6B4. Ordinance for a Zoning Map Amendment, a Planned Area Development Overlay, and a Development Plan Review for Phase I for EASTLINE VILLAGE, 2025 East Apache Boulevard.**

Mayor Mitchell introduced the ordinance and opened the public hearing. There was no discussion or public comment on agenda item 6B4. Mayor Mitchell closed the public hearing.

- \*6B4.** Introduced and held the first public hearing to adopt an ordinance for a Zoning Map Amendment from CSS TOD, R-4, and R-4 TOD to MU-4 TOD, a Planned Area Development Overlay, and a Development Plan Review for Phase I of a new seven-story, mixed-use development for EASTLINE VILLAGE, located at 2025 East Apache Boulevard. The applicant is Gammage & Burnham, P.L.C. The second and final public hearing was scheduled for September 22, 2016. (Ordinance No. O2016.50)

**Fiscal Impact:** While this ordinance change does not directly impact revenue, the planned development will result in collection of the standard development fees, calculated according to the approved fee structure at the time of permit issuance.

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- \*6B5. Ordinance for a Zoning Map Amendment, a Planned Area Development Overlay, and a Development Plan Review for RIO SALADO RETAIL, 1953 East Rio Salado Parkway.**

Mayor Mitchell introduced the ordinance and opened the public hearing. There was no discussion or public comment on agenda item 6B5. Mayor Mitchell closed the public hearing.

- \*6B5.** Introduced and held the first public hearing for a Zoning Map Amendment from the General Industrial District (GID) and the Agricultural District (AG) to Planned Commercial Center General (PCC-2) with a Planned Area Development Overlay and a Development Plan Review for a new commercial center consisting of retail stores, restaurants, and a fuel center for RIO SALADO RETAIL, located at 1953 East Rio Salado Parkway. The applicant is Berry Riddell, LLC. The second and final public hearing was scheduled for September 22, 2016. (Ordinance No. O2016.51)

**Fiscal Impact:** While this ordinance change does not directly impact revenue, the planned development will result in collection of the standard development fees, calculated according to the approved fee structure at the time of permit issuance.

C. Ordinances and Items for Second Hearing and Final Adoption - None.

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7. CURRENT EVENTS/COUNCIL ANNOUNCEMENTS/FUTURE AGENDA ITEMS

Councilmember Granville

- Saturday, September 10, 2016 – VIP Book Talks event at the Tempe Public Library.
- Tempe Neighborhood Library Program – Tempe is the second city in United States to offer rebates for this type of program.

Councilmember Kuby

- Recognized Pete Smith, Water Conservation Coordinator, for his contributions to the City of Tempe during his career with the City.

Councilmember Keating

- Announced the 50<sup>th</sup> anniversary of Star Trek.

Mayor Mitchell

- Saturday, September 24, 2016 – College Connect event at the Tempe Public Library.
- Recognized Pete Smith, Water Conservation Coordinator, for his contributions to the City of Tempe during his career with the City.
- Saturday, September 10, 2016 – City of Tempe night at Sun Devil Stadium, Arizona State University vs. Texas Tech.

8. PUBLIC APPEARANCES

A. Scheduled – None.

B. Unscheduled – None.

The meeting adjourned at 6:56 p.m.

I, Brigitta M. Kuiper, the duly-appointed City Clerk of the City of Tempe, Maricopa County, Arizona, do hereby certify the above to be the minutes of the Regular City Council meeting of September 8, 2016, by the Tempe City Council, Tempe, Arizona.

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Mark W. Mitchell, Mayor

ATTEST:

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Brigitta M. Kuiper, City Clerk