

MINUTES OF THE PEORIA CITY COUNCIL
CITY OF PEORIA, ARIZONA
CITY COUNCIL CHAMBER
April 9, 2013

A **Special Meeting and Study Session** of the City Council of the City of Peoria, Arizona was convened at 8401 West Monroe Street in open and public session at 5:00 p.m.

Members Present: Mayor Bob Barrett; Vice Mayor Tony Rivero; Councilmembers Ron Aames, Cathy Carlat, Jon Edwards, Carlo Leone and Bill Patena.

Members Absent: None

Other Municipal Officials Present: Carl Swenson, City Manager; Susan Daluddung, Deputy City Manager; Jeff Tyne, Deputy City Manager; Steve Kemp, City Attorney; Rhonda Geriminsky, City Clerk; John Imig, Information Technology Director; Bo Larsen, Public Information Director; Brent Mattingly, Finance Director; Bobby Ruiz, Fire Chief; John Sefton, Community Services Director; Scott Whyte, Economic Development Services Director; and Claudia Luján, Assistant to the City Manager.

Audience: Approximately ten members of the public were present.

Note: The order in which items appear in the minutes is not necessarily the order in which they were discussed in the meeting.

CONSENT AGENDA

CONSENT AGENDA: All items listed with a "C" are considered to be routine or have been previously reviewed by the City Council, and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests; in which event the item will be removed from the General Order of Business, and considered in its normal sequence on the Agenda.

Motion was made by Councilmember Carlat, seconded by Councilmember Leone, to approve the Consent Agenda. Upon vote, the motion carried unanimously 7 to 0.

1C. **Authorization to Hold an Executive Session**

Authorized the holding of an Executive Session for the purpose of discussion with City staff in order to consider its position and instruct staff regarding negotiations for the purchase, sale, or lease of real property in the vicinity of Grand Avenue and Peoria Avenue pursuant to A.R.S. § 38-431.03.A.7

ADJOURNMENT:

Being no further business to come before the Council, the meeting was duly adjourned at 5:01 p.m.

A **Study Session Meeting** of the City Council of the City of Peoria, Arizona was convened at 8401 West Monroe Street in open and public session at 5:40 p.m.

STUDY SESSION AGENDA

Subject(s) for Discussion Only

2. Building Re-Use Implementation Strategy

Scott Whyte, Economic Development Director, outlined the Building Re-Use Implementation Strategy, including the objectives and the phases incorporated in the strategy.

Wes Gullet, First Strategic Communications & Public Affairs, outlined the Peoria partnerships involved in the Building Re-Use Implementation Strategy.

Mr. Gullet summarized the Building Re-Use Study which included:

- A Strengths, Weaknesses, Opportunities, Threats “SWOT” analysis of targeted industries
- Benchmarking to similar cities
- Economic viability of buildings
- Blue Ocean Case Study

Mr. Gullet provided an overview of:

- The SWOT analysis of targeted industries
- The viability of the community
- The viability for buildings within the City
- Benchmarking comparisons to other cities of similar size and distance from freeways
- Review of specific buildings within the City
- Old Town Development acceleration strategy
- Peoria Town Center recommendations

Discussion ensued regarding:

- The vision for Peoria Town Center
- Higher education possibilities
- The former Smitty’s Building
- Use of residential land and associated zoning needs
- Recommendations for the Goodwill Building
- Recommendations for the Arrowhead 101 Business Park, Building E

Tim Coleman, Chief Executive Officer of Blue Ocean Biomanufacturing, outlined Blue Ocean’s potential plans for the Arrowhead 101 Business Park, Building E.

Mr. Coleman outlined the changing drug development dynamic, as well as Blue Ocean's mission, approach and goals of the available property in the City.

Discussion ensued regarding:

- The production of molecules and the Federal Drug Administration timeline
- Lease options

Mr. Gullet continued to provide an overview of:

- The Olive Industrial Building recommendations
- Seldon Industrial Building recommendations
- Former Best Buy Building recommendations

Mr. Gullet outlined the next steps in the Building Re-Use Implementation Strategy.

Discussion ensued regarding:

- Study schedule and expansion of scope of work
- Exclusive Negotiating Agreement with Blue Ocean

Mr. Whyte discussed the next steps with Blue Ocean Biomanufacturing.

Discussion ensued regarding:

- The Goodwill property
- Timelines and potential educational uses in other locations
- The significance of businesses closing in Old Town
- The importance of dealing with the vacant property

ADJOURNMENT:

Being no further business to come before the Council, the meeting was duly adjourned at 6:37 p.m.

EXECUTIVE SESSION AGENDA

3. An Executive Session was convened immediately following the Special City Council Meeting for the purpose of discussion with City staff in order to consider its position and instruct staff regarding negotiations for the purchase, sale, or lease of real property in the vicinity of Grand Avenue and Peoria Avenue pursuant to A.R.S. § 38-431.03.A.7.

Clerk's Note: In accordance with A.R.S. § 38-431.03(B), minutes of executive sessions must be kept confidential except as outlined in statute.

A **Regular Meeting** of the City Council of the City of Peoria, Arizona was convened at 8401 West Monroe Street in open and public session at 7:00 p.m.

Following a moment of silent reflection, Councilmember Leone led the Pledge of Allegiance.

Members Present: Mayor Bob Barrett; Vice Mayor Tony Rivero; Councilmembers Ron Ames, Cathy Carlat, Jon Edwards, Carlo Leone and Bill Patena.

Members Absent: None

Other Municipal Officials Present: Carl Swenson, City Manager; Susan Daluddung, Deputy City Manager; Jeff Tyne, Deputy City Manager; Steve Kemp, City Attorney; Rhonda Geriminsky, City Clerk; John Imig, Information Technology Director; Chris Jacques, Planning and Community Development Director; Bo Larsen, Public Information Manager; Bill Mattingly, Public Works Director; Brent Mattingly, Finance Director; Roy Minter, Police Chief; Dan Nissen; Assistant City Engineer; Bobby Ruiz, Fire Chief; John Sefton, Community Services Director; Scott Whyte, Economic Development Services Director; and Linda Blas, Deputy City Clerk.

Audience: Approximately 250 members of the public were present.

Note: The order in which items appear in the minutes is not necessarily the order in which they were discussed in the meeting.

Presentation:

4. Recognition of Ben Benson, Leonard Litzky and Bill Sandvig as Diamond Club Captains for 20 seasons

Mayor Barrett and Councilmember Leone presented plaques to Ben Benson, Leonard Litzkey and Bill Sandvig in recognition of their volunteer service as captains for the Peoria Diamond Club during the past 20 years.

Note: Ben Benson was not present to receive his plaque.

5. "Donate Life Registration Week" Proclamation

Mayor Barrett read a Proclamation declaring April 14-20, 2013 as "Donate Life Registration Week" encouraging residents to register as organ donors and giving fellow citizens in need a second chance at life.

Following the presentation, Mayor Barrett accepted a "Donate Life" flag on behalf of the City from Mr. William Bercu.

6. "What Community Means to Me" Drawing Contest Winners

Roy Minter, Police Chief, and Mayor Barrett presented awards to the following Neighborhood Livability Team's drawing contest winners from local elementary schools:

- 1st Place: Abby De los Reyes - 4th Grade, Lake Pleasant Elementary School
- 2nd Place: Amanda Durazo - 5th Grade, Paseo Verde Elementary School
- 3rd Place: Jenna Baus - 4th Grade, Paseo Verde Elementary School

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Mayor Barrett asked if any Councilmember wished to have an item removed from the Consent Agenda.

Vice Mayor Rivero requested that Agenda Item 10C be removed for separate discussion.

Motion was made by Councilmember Edwards, seconded by Councilmember Leone, to approve the Consent Agenda with the exception of Agenda Item 10C. Upon vote, the motion carried unanimously 7 to 0.

7C. **Disposition of Absence**

Approved the absence of Mayor Bob Barrett from the Regular City Council Meeting held at 7:00 p.m. on February 19, 2013.

8C. **Minutes**

Approved the February 19, 2013 Meeting Minutes.

9C. **Code Amendment, Chapter 2, Volunteer Firefighter Pension Board, Membership**

ORDINANCE NO. 2013-04

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, AMENDING CHAPTER 2 OF THE PEORIA CITY CODE (1992) BY AMENDING SECTION 2-152 PERTAINING TO BOARDS AND COMMISSIONS; UNSCHEDULED BOARDS AND COMMISSIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Adopted **ORD. 2013-04** amending Chapter 2 of the Peoria City Code (1992 Edition) by amending Section 2-152 to increase the number of members to the Volunteer Firefighter Pension Board.

10C. **Notice of Intention, Water Rate Adjustment, Establish Public Hearing Date**

Clerk's Note: This item was heard separately at the end of the Consent Agenda.

At the request of Vice Mayor Rivero, Agenda Item 10C was pulled from the Consent Agenda for separate discussion.

Brent Mattingly, Finance Director, provided a brief summary of the requirements in accordance with Arizona State Statute to notify the public of the City's intention to consider water and wastewater rate adjustments.

Motion was made by Vice Mayor Rivero, seconded by Councilmember Edwards, to adopt a Notice of Intention to adjust the City's water, wastewater and reclaimed water rates and establish May 21, 2013 as the date for a public hearing on the proposed rate adjustments.

Upon vote, the motion carried unanimously 7 to 0.

11C. **Intergovernmental Agreement Amendment, Arizona Department of Transportation, Safety Data Mart Connectivity**

Authorized the City Manager to execute the Joint Letter of Renewal to extend the Data Access/Exchange Agreement between the City of Peoria and the Arizona Department of Transportation.

12C. **Intergovernmental Agreement, Maricopa County, Olive Avenue Underpass at New River Trail**

Approved an Intergovernmental Agreement with Maricopa County to identify and define the maintenance, ownership, and liability responsibilities for the Olive Avenue Underpass at New River Trail.

13C. **Deeds and Easements, Various Locations**

RESOLUTION NO. 2013-32

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA ADOPTING A RESOLUTION FORMALLY ACCEPTING DEEDS AND EASEMENTS FOR PROPERTY RIGHTS CONVEYED TO THE CITY OF PEORIA.

Adopted **RES. 2013-32** accepting Deeds and Easements for various Real Property interests acquired by the City.

14C. **Power Distribution Easements, Salt River Project , Pioneer Community Park, 83rd and Olive Avenues**

RESOLUTION NO. 2013-33

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, AUTHORIZING THE GRANTING OF TWO EASEMENTS TO SALT RIVER PROJECT FOR THE INSTALLATION AND MAINTENANCE OF ELECTRICAL FACILITIES ASSOCIATED WITH THE PIONEER COMMUNITY PARK IMPROVEMENTS.

Adopted **RES. 2013-33** authorizing the execution of two Power Distribution Easements to Salt River Project for the installation and maintenance of electrical facilities associated with the construction of Pioneer Community Park located at 83rd and Olive Avenues.

15C. **Final Plat, Peoria Larry Miller, 87th Avenue and Bell Road**

Approved the Final Plat of Peoria Larry Miller, located at 87th Avenue and Bell Road, subject to stipulations.

16C. **Final Plat, Silver Canyon Ranch Unit 2, 77th Lane and Happy Valley Road**

Approved the Final Plat of Silver Canyon Ranch Unit 2, located at 77th Lane and Happy Valley Road, subject to stipulations.

REGULAR AGENDA

New Business:

17R. **Land Lease, Arizona Broadway Theatre**

Jeff Tyne, Deputy City Manager, provided a summary of the current agreement with KLOS Enterprises, LLC, including the terms and the land lease payment obligations from Arizona Broadway Theatre.

Kiel Klaphake, Executive Producer of the Arizona Broadway Theater, addressed Council and outlined the relationship between KLOS Enterprises, LLC, a private entity, and the Arizona Broadway Theatre. Mr. Klaphake encouraged the Council to reconsider negotiations regarding the land-lease agreement and the potential sale of the City-owned land to Arizona Broadway Theatre.

Birt Kellam, Vice Chair of the Board of Directors for the Arizona Broadway Theatre, reiterated Mr. Klaphake's comments and highlighted the attributes of the Arizona Broadway Theatre.

Mitchell Goldberg, a local business owner, voiced his concerns that children's programming may cease to exist if the City did not continue negotiations.

Cassandra Klaphake, Artistic Producer and Co-founder of the Arizona Broadway Theatre, addressed Council requesting support of Arizona Broadway Theatre's proposal to purchase the land currently leased from the City.

Discussion ensued regarding:

- Cultural amenities
- Taxpayer dollars
- The proposal offered
- Continued negotiations
- Lease payments

Motion was made by Councilmember Edwards, seconded by Councilmember Patena, to require Arizona Broadway Theatre to make lease payments of \$2,000 per month for a six-month period to allow for continued negotiations.

Upon vote, the motion carried 4 to 3 with Vice Mayor Rivero, Councilmember Aames and Councilmember Leone voting "no".

18R. Public Hearing - Liquor License, Various Locations

Brent Mattingly, Finance Director, reported on staff's recommendation to recommend approval to the State Liquor Board for: (a) a new Restaurant Liquor License (Series 12) for 71 American Grille, located at 28615 North El Mirage Road Suite #102, Belinda S. Fremouw, Applicant, LL#20007415; and (b) a new Restaurant Liquor License (Series 12) for Dao Kitchen, located at 8385 West Deer Valley Road Suite #114, Shirley Mai, Applicant, LL#20007163.

Mr. Mattingly advised that the property was posted in accordance with Arizona law, all fees were paid, all reviewing departments recommended approval, and no comments were received from the public.

Public Hearing:

Mayor Barrett opened the Public Hearing and asked if any Councilmember or citizen wished to comment on a request for: (a) a new Restaurant Liquor License (Series 12) for 71 American Grille, located at 28615 North El Mirage Road Suite #102, Belinda S. Fremouw, Applicant, LL#20007415; and (b) a new Restaurant Liquor License (Series 12) for Dao Kitchen, located at 8385 West Deer Valley Road Suite #114, Shirley Mai, Applicant, LL#20007163.

Having no requests from the public to address this item, Mayor Barrett declared the Public Hearing closed.

Council Action:

Motion was made by Councilmember Carlat, seconded by Councilmember Patena, to recommend approval to the State Liquor Board for (a) a new Restaurant Liquor License (Series 12) for 71 American Grille, located at 28615 North El Mirage Road Suite #102, Belinda S. Fremouw, Applicant, LL#20007415; and (b) a new Restaurant Liquor License (Series 12) for Dao Kitchen, located at 8385 West Deer Valley Road Suite #114, Shirley Mai, Applicant, LL#20007163.

Upon vote, the motion carried unanimously 7 to 0.

19R. PUBLIC HEARING – Rezoning, 75th Avenue and Greenway Road

Chris Jacques, Planning and Community Development Director, presented an overview of a request to rezone approximately 5.79 gross acres located at the northeast corner of 75th Avenue and Greenway Road from Suburban Ranch (SR-43) to R1-6 Single-Family Residential.

Public Hearing:

Mayor Barrett opened the Public Hearing and asked if any Councilmember or citizen wished to comment on the proposed rezoning.

Dennis Baker spoke in opposition of the rezoning and requested the applicant be required to develop the property on lot sizes of at least 10,000 sq. ft.

Mark Scussel addressed Council in opposition of the proposed rezoning. Mr. Scussel reported that citizens residing at 36 of the 39 homes in his neighborhood signed a petition for homes in the development to be built on lot sizes of 10,000 sq. ft. or greater.

Brad Denham addressed Council and expressed his concerns regarding the proposed lot sizes and the possible reduction in home values.

Ryan Weed, representing the applicant, outlined the project benefits, including:

- Development of an infill parcel that would deter vandalism, dumping and trespassing
- Development in accordance with the General Plan
- Provide a buffer to existing homes to the north and east reducing dust, traffic and noise and increasing security
- R1-6 development provides a good buffer parcel versus a potential commercial apartment complex

Having no further requests from the public to address this item, Mayor Barrett declared the Public Hearing closed.

Council Action:

Motion was made by Councilmember Aames, seconded by Vice Mayor Rivero, to postpone the item indefinitely and require the developer to conduct two public meetings.

Discussion ensued regarding the need for public involvement.

Councilmember Aames withdrew his original motion.

Motion was made by Councilmember Aames, seconded by Vice Mayor Rivero, to postpone the item for two months contingent upon the developer conducting a neighborhood meeting.

Upon vote, the motion carried unanimously 7 to 0.

20R. **Budget Transfer, Economic Analysis, Peoria Sports Park Project**

Scott Whyte, Economic Development Services Director, reviewed the request to appropriate funding to initiate a consulting contract to review and analyze the feasibility and public benefit of the Peoria Sports Park project.

Motion was made by Councilmember Carlat, seconded by Councilmember Patena, to approve a budget transfer in the amount of \$150,000 from the Economic Development Opportunity Contingency Account to the Other Professional Service Account for the purpose of economic analysis of the Peoria Sports Park project.

Upon vote, the motion carried unanimously 7 to 0.

21R. **Exclusive Negotiating Agreement, Emerald Yard, LLC, Rovey Industrial Park Development, Northern Avenue Between 75th and 83rd Avenues**

Scott Whyte, Economic Development Services Director, provided an overview of the request to extend the Exclusive Negotiating Agreement with Emerald Yard, LLC for the development of a rail-served industrial park.

Motion was made by Vice Mayor Rivero, seconded by Councilmember Edwards, to extend the Exclusive Negotiating Agreement with Emerald Yard, LLC for the development of the Rovey Industrial Park in Southern Peoria.

Upon vote, the motion carried unanimously 7 to 0.

22R. **Exclusive Negotiating Agreement, Copper Cactus Distillery, Old Town Peoria**

Scott Whyte, Economic Development Services Director, reported on a request to enter into an Exclusive Negotiating Agreement with Copper Cactus Distillery to explore the opportunity to locate a distillery in Old Town Peoria.

Motion was made by Vice Mayor Rivero, seconded by Councilmember Edwards, to approve an Exclusive Negotiating Agreement with Copper Cactus Distillery for the development of a distilled spirits manufacturing facility in Old Town Peoria.

Upon vote, the motion carried unanimously 7 to 0.

Call To The Public (Non-Agenda Items)

None.

Reports from City Manager

23. **Council Calendar**

24. **Informational (The following items are included for informational purposes only. There will be no separate discussion of these items unless a Councilmember so requests.)**

Carl Swenson, City Manager, provided information to Council related to the following items:

- A. Party for the Planet, Family Movie Under the Stars and Arbor Day
- B. Council Subcommittee Update

Reports from City Council:

Councilmember Leone reported on the various City of Peoria activities he attended. Councilmember Leone recognized the Community Services Department staff on the success of the Arts and Cultural Festival held on April 6, 2013.

Councilmember Carlat reported on the 7th Annual "Food for Kidz" Event held earlier in the day at Trilogy at Vistancia.

Councilmember Edwards reported on his participation in the Youth Government Day held on April 4, 2013.

Councilmember Patena announced that Peoria is in the forefront as the first City to sign two baseball teams for an additional 20 years. Councilmember Patena congratulated the City, Community Services Department staff and the Peoria Diamond Club for 20 years of successful spring training games, as well as the other entertainment opportunities held at the Sports Complex during the past 20 years.

Vice Mayor Rivero reported on his participation in the Youth Government Day activities. Vice Mayor Rivero extended his appreciation to the Community Services Department staff for their efforts in coordinating the Arts and Cultural Festival. Vice Mayor Rivero thanked Carl Swenson, City Manager, as well as the Community Services Department staff for having lights installed at Murphy Park.

Reports from the Mayor:

Mayor Barrett noted he would be attending the Greater Phoenix Economic Council summit meetings in Washington, DC and would be absent from the April 23, 2013 City Council Meeting. Mayor Barrett urged the public to attend the Relay for Life on Saturday, April 27, 2013 at the Peoria Sports Complex.

ADJOURNMENT:

Being no further business to come before the Council, the meeting was duly adjourned at 9:01 p.m.

Bob Barrett, Mayor

ATTEST:

Rhonda Geriminsky, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct summary of the proceedings of the City Council Meetings of the City Council of Peoria, Arizona held on the 9th day of April, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 4th day of June, 2013.

(Seal)

Rhonda Geriminsky, City Clerk