

Requesting Department:

Town Manager



TAB S

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

**FROM: PATRICK FLYNN, ASSISTANT TOWN MANAGER
TRACY CORMAN, SENIOR MANAGEMENT ASSISTANT**

RE: CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION 958-13 WATER INFRASTRUCTURE FINANCING AUTHORITY (WIFA) LOAN DOCUMENTS AND RESOLUTION 959-13 SERIES 2013 PURCHASE AGREEMENT AND SERIES 2013 OBLIGATION INDENTURE; AUTHORIZING THE APPROVAL OF THE FINANCING DOCUMENTS FOR THE PURCHASE OF THE H2O, INC. WATER UTILITY.

DATE: JULY 17, 2013

Staff Recommendation:

Staff recommends approval of Resolution 958-13 Water Infrastructure Financing Authority (WIFA) Loan Documents and Resolution 959-13 Series 2013 Purchase Agreement and Series 2013 Obligation Indenture; authorizing approval of the financing documents for the purchase of the H2O, Inc. water utility.

Relevant Council Goal(s):

- KRA 4 Environment; Goal 2 Ensure a safe and sustainable water supply that allows for implementation of the General Plan.

Proposed Motion:

Move to approve Resolution 958-13 Water Infrastructure Financing Authority (WIFA) Loan Documents and Resolution 959-13 Series 2013 Purchase Agreement and Series 2013 Obligation Indenture; authorizing approval of the financing documents for the purchase of the H2O, Inc. water utility.

Discussion:

Resolution 958-13 WIFA Loan Documents and Resolution 959-13 Series 2013 Purchase Agreement and Series 2013 Obligation are on your agenda to authorize staff to execute the financial documents necessary to complete the purchase of the H2O, Inc. water utility. The attached resolutions are the last Council actions needed for the purchase. As you know, the purchase has involved a lengthy process of negotiation with H2O, Inc., a preliminary review of the company and a public election held on May 21, 2013. A brief recap of the timeline listing the major project milestones to date is provided below.

Project Timeline to Date

Nov. 9, 2012: Council approved Resolution 920-12 authorizing Town staff to negotiate purchase terms with H2O, Inc. Water Utility.

Dec. 19, 2012 Council approved the initial Purchase Terms with a down payment of \$15,000,000 due at the close of escrow, to be funded by a loan from the Water Infrastructure Financing Authority (WIFA). The terms specify that the balance of the acquisition is to be paid by issuing 30 year tax exempt municipal revenue bonds to H2O, Inc. as follows:

Years 1-5 Interest only as follows:

Yr 1	\$1,539,508.00
Yr 2	\$1,609,860.00
Yr 3	\$1,679,813.00
Yr 4	\$1,747,766.00
Yr 5	\$1,819,719.00

Years 6-30 Fully Amortizing Bond with annual payments of \$1,819,719.00.

This stream of payments amounts to a present day acquisition price of approximately \$44,000,000.

Jan. 2013 Due to a Court of Appeals ruling on a case from the City of Marana vs. Pima County, the Town was required to hold an election to ask voters for the authority to purchase the H2O, Inc. Water Utility.

Feb. 6, 2013 Council approved Resolution #932-13 calling a special election to be held on May 21, 2013.

May 21, 2013 The special election resulted in a final vote of 2,550 in favor, and 379 opposed to the purchase.

Jun. 19, 2013 Water Infrastructure Finance Authority (WIFA) Board approval of the Town's application for a \$16,000,000 low interest loan. This loan will cover both the cost of the \$15,000,000 down payment as well as all costs associated with the acquisition, engineering and future interconnections between the water systems.

Jun. 19, 2013 Council approved Resolution 949-13 approving the asset purchase agreement for acquiring the H2O, Inc. Water Utility.

The purchase of H2O, Inc. will be funded through two sources. Resolution 958-13 gives staff the authority to execute the WIFA loan documents for the down payment when the loan documents are finalized at the time the purchase closes in late September or early October. Resolution 959-13 authorizes the approval of the Series 2013 Purchase Agreement and Series 2013 Obligation Indenture for the annual payments that are set forth in the purchase terms. Approval of both resolutions is needed to fund the purchase.

Resolution 958-13 WIFA Loan Documents

As mentioned above, WIFA approved the Town's application for a loan in the amount of \$16,000,000. This loan will cover both the cost of the \$15,000,000 down payment as well

as all costs associated with the acquisition, engineering and future interconnections between the water systems.

The interest rate for this loan will be locked in on the closing date. The rate is determined based on a formula that multiplies the municipal index by 85%. For example, if the loan were to close today the interest rate would be about 3%, with annual payments of \$1,075,000. The annual debt service is included in all pro forma estimates and will be paid by the operating revenues of the utility. In addition, we will need to build a reserve over a 5 year period (approximately \$215,000 annually) of one year's debt service. This is standard with a WIFA loan, and again is part of our estimates for buying and operating the utility. We also have sufficient reserves elsewhere if needed to comply with this WIFA requirement.

Resolution 959-13 Series 2013 Purchase Agreement and Series 2013 Obligation Indenture

The Series 2013 Purchase Agreement and Series 2013 Obligation Indenture set forth the annual stream of payments agreed to in the Purchase Terms. As mentioned above, the terms specify that the balance of the acquisition is to be paid by issuing 30 year tax exempt municipal revenue bonds to H2O, Inc. as follows:

Years 1-5 Interest only as follows:

Yr 1	\$1,539,508.00
Yr 2	\$1,609,860.00
Yr 3	\$1,679,813.00
Yr 4	\$1,747,766.00
Yr 5	\$1,819,719.00

Years 6-30 Fully Amortizing Bond with annual payments of \$1,819,719.00.

The annual payments specified in the Series 2013 Purchase Agreement and 2013 Obligation Indenture will be paid by future revenues generated by the utility. Additionally, these debt service payments are subordinate to any other debt payments of the utility.

The acquisition does not require a rate increase for Queen Creek water customers, and should the Town acquire H2O, water rates for current H2O customers would match the current rates paid by Queen Creek customers. Monthly water bills for the majority of current H2O customers, those using 7,500-10,000 gallons of water per month, will remain unchanged. Queen Creek's water service and H2O also use similar technologies and billing techniques, which means customers would notice little difference.

Conditions of closing still include the Arizona Corporation Commission deletion of H2O's Certificate of Convenience and Necessity, and satisfactory findings of the due diligence review. This review has been ongoing and includes the audit review to assess the financial records of the company, and the engineering review to evaluate the infrastructure (pumps, piping, equipment and so on) of the company.

If Council approves the attached resolutions regarding the financing documents, the next steps to complete the purchase would include:

- Arizona Corporation Commission action to delete H2O's Certificate of Convenience and Necessity. The anticipated hearing dates are Aug. 13 and 14.
- Estimated close of escrow in late September or early October.

Fiscal Impact:

The present day value of the purchase price for acquiring H2O Inc. is approximately \$44,000,000. The purchase will include an initial down payment at close of escrow in the amount of \$15,000,000, with the balance paid through issuing a 30 year tax exempt municipal revenue bond to H2O, Inc. Funds for the initial down payment will come through the Water Infrastructure Finance Authority (WIFA) program. The remaining annual payments specified in the Series 2013 Purchase Agreement and 2013 Obligation Indenture will be paid by future revenues generated by the utility. The debt service payments, along with all operating expenses are financed through revenues generated by the H2O utility.

The Town's WIFA loan application for \$16,000,000 includes the down payment for the acquisition, and additional \$1,000,000 will cover costs associated with the acquisition, engineering and future interconnections between the systems.

Alternatives:

The Council may decide not to move forward with the acquisition of the H2O Inc. Water Utility.

Attachments:

Resolution 958-13 WIFA Loan

Resolution 959-13 Series 2013 Purchase Agreement and 2013 Obligation Indenture

RESOLUTION NO. 958-13

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF TOWN OF QUEEN CREEK APPROVING THE FORM, AND AUTHORIZING THE EXECUTION AND DELIVERY OF, A LOAN AGREEMENT WITH THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA FROM ITS DRINKING WATER REVOLVING FUND PROGRAM AND, IF NECESSARY, GUARANTY OR SIMILAR AGREEMENTS; TO PROVIDE RESERVE FUND SURETY BONDS OR INSURANCE POLICIES NECESSARY IN CONNECTION THEREWITH; DELEGATING THE DETERMINATION OF CERTAIN MATTERS RELATING THERETO TO THE MAYOR OR TO THE MANAGER OF THE TOWN; PROVIDING FOR THE TRANSFER OF CERTAIN MONEYS AND MAKING CERTAIN COVENANTS AND AGREEMENTS WITH RESPECT THERETO; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY SUCH LOAN AGREEMENT, SUCH GUARANTY OR SIMILAR AGREEMENTS AND BY THIS RESOLUTION; AND DECLARING AN EMERGENCY

WHEREAS, Town of Queen Creek (the "Town") has heretofore applied to the Water Infrastructure Finance Authority of Arizona (the "Authority") for a loan (the "Loan") from the Authority's Drinking Water Revolving Fund Program (the "Program") to provide funds for acquiring water facilities and related assets for the Town and the payment of the Town's proportionate share of expenses of administering the Program and any bonds issued by the Authority with respect thereto (collectively, the "Project");

WHEREAS, the terms and conditions under which the Loan will be made and the obligations of the Town with respect to the Loan will be set forth in a loan agreement to be executed and delivered by the Town and the Authority (the "Loan Agreement");

WHEREAS, the Mayor and Common Council of the Town have determined that, if required by the Authority, it will be advantageous to fund any reserve fund requirement for the Loan by purchasing a reserve fund surety bond or insurance policy (the "Credit Instrument") pursuant to guaranty or similar agreement to be executed and delivered by the Town and the Authority (the "Reserve Fund Agreement");

WHEREAS, the Loan and the loan repayments payable by the Town pursuant to the Loan Agreement (the "Loan Repayments") will be secured by a pledge of the net revenues of the Town's complete (inclusive of assets to be acquired with certain proceeds of the Loan described below) water production plant and system (the "Source of Repayment");

WHEREAS, the Mayor and Common Council of the Town have determined that it will be beneficial to the citizens of the Town to enter into and to perform the Loan Agreement, whereby the Town will borrow not to exceed \$16,000,000.00 from the Authority to be repaid on or before twenty (20) years from the date of the execution and delivery of the Loan Agreement and to bear interest at a rate not to exceed six percent (6%) per annum;

WHEREAS, there has been placed on file with the Clerk of the Town and presented at the meeting at which this Resolution was adopted the proposed form of the Loan Agreement; and

WHEREAS, certain of the proceeds of the Loan will be utilized by the Town to acquire substantially all of the assets of H2O Inc., an Arizona corporation, pursuant to that certain Asset Purchase Agreement and Escrow Instructions, dated as of June 19, 2013, which, is the subject of a separate Resolution of the Mayor and Common Council of the Town of June 19, 2013, which assets, when acquired, will be assimilated into the Town's existing water delivery system and become a portion of the Project described above.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK THAT:

Section 1. (A) The form, terms and provisions of the Loan Agreement, in the form of such document (including the Exhibits thereto) presented at the meeting at which this Resolution was adopted, are hereby approved, with such insertions, omissions and changes, not inconsistent with the Town's application to the Authority or the requirements of the federal government or the Authority, as shall be approved by the Mayor or, in the absence thereof, Vice-Mayor or Town Manager of the Town, the execution of such documents being conclusive evidence of such approval, and the Mayor or, in the absence thereof, Vice-Mayor or Town Manager of the Town, and the Clerk of the Town are hereby authorized and directed, for and on behalf of the Town, to execute and attest and deliver, respectively, the Loan Agreement.

(B) If required by the Authority for purposes of the Loan Agreement, the Manager of the Town is hereby authorized to take all steps necessary to arrange for the provision of the Credit Instrument and to secure the Credit Instrument with the Source of Repayment, and the Mayor and Common Council of the Town hereby delegate to the Manager of the Town the authority to determine the form, terms and provisions of the Credit Instrument as well as the related Reserve Fund Agreement. The Mayor or, in the absence thereof, Vice-Mayor or Town Manager of the Town and the Clerk of the Town are hereby authorized and directed, for and on behalf of the Town, to execute and attest and deliver, respectively the Reserve Fund Agreement, and the Credit Instrument, if the Credit Instrument is required by the Authority.

Section 2. For the payment of the principal of and interest on the Loan and, if the Credit Instrument is required by the Authority, amounts due pursuant to Reserve Fund Agreement, the Town shall pay the Loan Repayments provided for in the Loan Agreement and, if the Credit Instrument is required by the Authority, the amounts due pursuant to the Reserve Fund Agreement, respectively. The Town shall also pay all other amounts required to be paid by the Town pursuant to the provisions of the Loan Agreement and, if the Credit

Instrument is required by the Authority, the Reserve Fund Agreement.

Section 3. The obligation of the Town to pay the Loan Repayments provided for in the Loan Agreement and, if the Credit Instrument is required by the Authority, the amounts due pursuant to the Reserve Fund Agreement, as well as to make the other payments provided for in the Loan Agreement, is limited to the Source of Repayment, and the obligations of the Town under the Loan Agreement and, if the Credit Instrument is required by the Authority, the Reserve Fund Agreement, shall not constitute nor give rise to a general obligation of the Town or any claim against its *ad valorem* property taxing powers, or constitute an indebtedness within the meaning of any statutory or constitutional debt limitation applicable to the Town.

Section 4. The appropriate officials and officers of the Town are hereby authorized and directed to take all action necessary or reasonably required by the parties to the Loan Agreement and, if the Credit Instrument is required by the Authority, the Reserve Fund Agreement, to carry out, give effect to and to consummate the transactions contemplated by the Loan Agreement and the Reserve Fund Agreement and by this Resolution and such agreements, including, without limitation, the execution and delivery of any closing and other documents reasonably required to be delivered in connection therewith.

Section 5. If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. The Mayor and Common Council of the Town hereby declare that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the execution and delivery of the Loan Agreement pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable. All resolutions or parts thereof, inconsistent herewith, are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any resolution or any part thereof.

Section 6. All actions of the officers and agents of the Town, including the Mayor, Vice-Mayor, Manager, Common Council and staff of and for the Town, which conform to the purposes and intent of this Resolution and which further the execution and delivery of the Loan Agreement as contemplated by this Resolution, whether heretofore or hereafter taken, are hereby ratified, confirmed adopted and approved. The proper officers and agents of the Town are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the Town as may be necessary to carry out the terms and intent of this Resolution.

Section 7. All acts and conditions necessary to be performed by the Town or to have been met precedent to and in the execution and delivery of the Loan Agreement in order to make it a legal, valid and binding obligation of the Town will, at the time of delivery of the Loan Agreement, have been performed and have been met, in regular and due form as required by law, and no statutory, charter or constitutional limitation of

indebtedness or taxation will have been exceeded in the execution and delivery of the Loan Agreement.

Section 8. All formal actions of the Mayor and Common Council of the Town concerning and relating to the passage of this Resolution were taken in an open meeting of the Mayor and Common Council of the Town, and all deliberations of the Mayor and Common Council of the Town and of any committees that resulted in those formal actions were in meetings noticed and open to the public, in compliance with all legal requirements.

Section 9. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public health and welfare and for the further reason that the execution and delivery at the earliest possible date of the Loan Agreement is urgently needed to attempt to secure the lowest possible interest cost to the Town; therefore, an emergency is hereby declared to exist and this Resolution is enacted as an emergency measure and shall be in full force and effect from and after the passage and adoption by the Mayor and Common Council of the Town, as required by law, and this Resolution is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

Section 10. After the execution and delivery of the Loan Agreement and upon receipt of the Loan from the Authority, this Resolution shall be and remain not subject to repeal until the Loan and the Loan Agreement and the interest thereon shall have been fully paid, cancelled and discharged.

PASSED AND ADOPTED on July 17, 2013.

Gail Barney, Mayor,
Town of Queen Creek

ATTEST:

Jennifer F. Robinson, Clerk,
Town of Queen Creek

APPROVED AS TO FORM:

Fredda Bisman, Town Attorney,
Town of Queen Creek

CERTIFICATION

I hereby certify that the foregoing Resolution was duly passed and adopted by the Mayor and Common Council of the Town of Queen Creek, at a meeting held on the 17th day of July, 2013, and the vote was ____ yes and ____ nays and that the Mayor and ____ Council Members were present thereat.

Jennifer F. Robinson, Clerk,
Town of Queen Creek

PHOENIX 53749-3 62298v2

RESOLUTION NO. 959-13

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF TOWN OF QUEEN CREEK APPROVING THE FORM, AND AUTHORIZING THE EXECUTION AND DELIVERY, OF A SERIES 2013 PURCHASE AGREEMENT AND A SERIES 2013 OBLIGATION INDENTURE, EACH WITH THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.; DELEGATING THE DETERMINATION OF CERTAIN MATTERS RELATING THERETO TO THE MAYOR OF THE TOWN; PROVIDING FOR THE MAKING OF CERTAIN COVENANTS AND AGREEMENTS WITH RESPECT THERETO; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY SUCH SERIES 2013 PURCHASE AGREEMENT, SUCH SERIES 2013 OBLIGATION INDENTURE AND/OR RELATED AGREEMENTS AND BY THIS RESOLUTION; AND DECLARING AN EMERGENCY

WHEREAS, Town of Queen Creek (the "Town") has, at a meeting of the Common Council of the Town which occurred on June 19, 2013 (the "June Meeting"), approved the Asset Purchase Agreement and the Acquisition of the Assets of the Seller (all as respectively herein defined) thereunder as contemplated thereby;

WHEREAS, the Asset Purchase Agreement contemplates that the Acquisition will be accomplished by paying a Purchase Price (herein so called) of Fifteen Million Dollars (\$15,000,000.00) in cash (to be obtained by the Town pursuant to a contemplated loan from the Water Infrastructure Finance Authority of Arizona) at the Closing (herein so called) of the transactions contemplated by the Asset Purchase Agreement, and the subsequent payment of the deferred portion of the Purchase Price in a series of payments ("Series 2013 Obligations") stipulated in the Asset Purchase Agreement;

WHEREAS, the terms and conditions under which the Series 2013 Obligations will be paid and the obligations of the Town with respect to same will be set forth in a form of Series 2013 Purchase Agreement (herein so called) to be executed and delivered by the Town and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee");

WHEREAS, the Series 2013 Obligations payable by the Town pursuant to the Asset Purchase Agreement will be secured by a pledge of the net revenues of the Town's water production plants and system (the "Source of Repayment") which will be made pursuant to a Series 2013 Obligation Indenture (herein so called; collectively, with the Series 2013 Purchase Agreement, the "Series 2013 Obligation Documents"), by and between the Town and the Trustee;

WHEREAS, the Mayor and Common Council of the Town have determined that it will be beneficial to the citizens of the Town to enter into and to perform the Series 2013 Purchase Agreement, whereby the Town will commit to pay, from the Source of Repayment the sums set forth in Section 5.3(i) of the Series 2013 Purchase Agreement, which will be secured by the obligations evidenced by the Series 2013 Obligation Indenture;

WHEREAS, there has been placed on file with the Clerk of the Town and presented at the meeting at which this Resolution was adopted the proposed form of the Series 2013 Obligation Documents;

WHEREAS, sums payable by the Town as a part of the Series 2013 Obligations will be utilized by the Town to acquire (the "Acquisition") substantially all of the assets (the "Assets") of H2O Inc., an Arizona corporation (the "Seller"), pursuant to that certain Asset Purchase Agreement and Escrow Instructions, dated as of June 19, 2013 (the "Asset Purchase Agreement"). The Assets, when acquired, will then be assimilated into the Town's existing water delivery system, which water delivery system, it is contemplated, will generate monies necessary to fund, in full, the Source of Repayment; and

WHEREAS, The forms of the Series 2013 Obligation Documents were not attached as Exhibits to the form of Asset Purchase Agreement approved at the June Meeting, but it was contemplated that the forms thereof would be finalized and approved in accordance with the terms of this Resolution and thereupon be attached to, and become a portion of, the Asset Purchase Agreement.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF TOWN OF QUEEN CREEK THAT:

Section 1. The form, terms and provisions of the Series 2013 Obligation Documents, in the respective forms of such Documents presented at the meeting at which this Resolution was adopted, are hereby approved, with such insertions, omissions and changes, as shall be approved by the Mayor or, in the absence thereof, Vice-Mayor or Town Manager of the Town, the execution of such documents being conclusive evidence of such approval, and the Mayor or, in the absence thereof, Vice-Mayor or Town Manager of the Town, and the Clerk of the Town, are hereby authorized and directed, for and on behalf of the Town, to execute and attest and deliver, respectively, the Series 2013 Obligation Documents. The Clerk of the Town is also authorized to approve any attachment of the Series 2013 Obligation Documents to the Asset Purchase Agreement as contemplated above.

Section 2. For the payment of the deferred portion of the Purchase Price pursuant to the Asset Purchase Agreement, the Town shall pay the Series 2013 Obligation Payments provided for in the Series 2013 Purchase Agreement to the Trustee under the Series 2013 Obligation Indenture. The Trustee which will then transmit such monies to the Seller in satisfaction of the Town's deferred obligations under the Asset Purchase Agreement. The Town shall also pay all other amounts required to be paid by the Town pursuant to the provisions of the Series 2103

Purchase Agreement.

Section 3. The obligation of the Town to pay the Series 2013 Obligation Payments provided for in the Series 2013 Purchase Agreement, as well as to make the other payments provided for in the 2013 Purchase Agreement, is limited to the Source of Repayment, and the obligations of the Town under the Series 2013 Purchase Agreement shall not constitute nor give rise to a general obligation of the Town or any claim against its *ad valorem* property taxing powers, or constitute an indebtedness within the meaning of any statutory or constitutional debt limitation applicable to the Town.

Section 4. The appropriate officials and officers of the Town are hereby authorized and directed to take all action necessary or reasonably required by the parties to the Asset Purchase Agreement and/or the Series 2013 Obligation Documents to carry out, give effect to and to consummate the transactions contemplated by the Asset Purchase Agreement and the Series 2013 Obligation Documents and by this Resolution and all such agreements, including, without limitation, the execution and delivery of any closing and other documents reasonably required to be delivered in connection therewith.

Section 5. If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. The Mayor and Common Council of the Town hereby declare that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the execution and delivery of the Series 2013 Obligation Documents pursuant hereto, irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable. All resolutions or parts thereof, inconsistent herewith, are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any resolution or any part thereof.

Section 6. All actions of the officers and agents of the Town, including the Mayor, Vice-Mayor, Manager, Common Council and staff of and for the Town, which conform to the purposes and intent of this Resolution and which further the execution and delivery of the Series 2013 Obligation Documents as contemplated by this Resolution, whether heretofore or hereafter taken, are hereby ratified, confirmed, adopted and approved in all respects. The proper officers and agents of the Town are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the Town as may be necessary to carry out the terms and intent of this Resolution.

Section 7. All acts and conditions necessary to be performed by the Town or to have been met precedent to and in the execution and delivery of the Series 2013 Obligation Documents in order to make them legal, valid and

binding obligations of the Town will, at the time of delivery of the Series 2013 Obligation Documents, have been performed and have been met, in regular and due form as required by law, and no statutory, charter or constitutional limitation of indebtedness or taxation will have been exceeded in the execution and delivery of the 2013 Obligation Documents.

Section 8. All formal actions of the Mayor and Common Council of the Town concerning and relating to the passage of this Resolution were taken in an open meeting of the Mayor and Common Council of the Town, and all deliberations of the Mayor and Common Council of the Town and of any committees that resulted in those formal actions were in meetings noticed and open to the public, in compliance with all legal requirements.

Section 9. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public health and welfare and for the further reason that the execution and delivery at the earliest possible date of the 2013 Obligation Documents is urgently needed to attempt to secure the full and timely performance of the Asset Purchase Agreement by the Town and the Seller; therefore, an emergency is hereby declared to exist and this Resolution is enacted as an emergency measure and shall be in full force and effect from and after the passage and adoption by the Mayor and Common Council of the Town, as required by law, and this Resolution is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

Section 10. After the execution and delivery of the Asset Purchase Agreement and the Series 2013 Obligation Documents, this Resolution shall be and remain not subject to repeal until the Series 2013 Obligation Payments shall have been fully paid, cancelled and discharged.

PASSED AND ADOPTED on July 17, 2013.

Gail Barney, Mayor,
Town of Queen Creek

ATTEST:

Jennifer F. Robinson, Clerk,
Town of Queen Creek

APPROVED AS TO FORM:

Fredda Bisman, Town Attorney,
Town of Queen Creek

CERTIFICATION

I hereby certify that the foregoing Resolution was duly passed and adopted by the Mayor and Common Council of the Town of Queen Creek, at a meeting held on the 17th day of July, 2013, and the vote was ____ yes and ____ nays and that the Mayor and ____ Council Members were present thereat.

Jennifer F. Robinson, Clerk,
Town of Queen Creek

PHOENIX 53749-3 63594v2



TO: HONORABLE MAYOR AND TOWN COUNCIL

FROM: PATRICK FLYNN, ASSITANT TOWN MANAGER

**RE: CONSIDERATION AND POSSIBLE ACTION OF ORDINANCE 535-13
SETTING THE PRIMARY PROPERTY TAX RATE AND LEVY FOR
FY 2013-14**

DATE: JULY 17, 2013

Staff Recommendation:

Staff recommends Town Council approve Ordinance 535-13 setting the primary property tax rate and levy for the Town for FY 2013-14.

Relevant Council Goal:

KRA 5 Objective 1

Maintain long-term financial sustainability for local government operations.

Proposed Motion:

Motion to approve Ordinance 535-13 as outlined in the staff recommendation above.

Discussion:

In May 2007, Town voters approved a property tax measure in the community for public safety purposes. The ballot language indicated that the property tax rate would not exceed \$1.95 of assessed valuation for this purpose.

On June 19, 2013, the Town Council conducted a public hearing on the Town’s primary property tax, as required by State Law. No comments from the public were made during the public hearing.

At a rate of \$1.95 on the Town’s current assessed value, we anticipate generating \$3,628,882 of primary property tax for public safety purposes in FY 2013-14. Achieving this levy is paramount to balancing the Town’s FY2013-14 Emergency Services budget program. Approval of Ordinance 535-13 is recommended.

Fiscal Impact:

The Town’s Emergency Services Fund will receive an estimated \$3,628,882 of primary property tax levy in order to help fund the Town’s public safety programs.

Alternatives:

Council could choose to delay this approval until first council meeting in August; however, the respective counties need the information for tax billing purposes no later than the third week in August.

Attachments:

Ordinance 535-13 for possible adoption

ORDINANCE 535-13

AN ORDINANCE OF THE MAYOR AND COUNCIL FOR THE TOWN OF QUEEN CREEK, MARICOPA COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE TOWN OF QUEEN CREEK, SUBJECT TO PRIMARY AND SECONDARY TAXATION A CERTAIN SUM ON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET FOR THE PURPOSE OF PAYING FOR PUBLIC SAFETY OPERATIONS FOR FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2013.

WHEREAS, the Town of Queen Creek Council adopted the FY2013-14 Final Budget on June 19, 2013, and

WHEREAS, the County of Maricopa and the County of Pinal are now an assessing and collecting authority for the Town of Queen Creek, the Town Clerk is hereby directed to transmit a certified copy of this Ordinance to the Assessor and Board of Supervisors of Maricopa County, Arizona.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF QUEEN CREEK, MARICOPA COUNTY, ARIZONA, as follows:

Section 1: Primary Taxation: There is hereby levied a primary property tax rate of \$1.95 on each one hundred dollars (\$100.00) of assessed value of all property, both real and personal, within the corporate limits of the Town of Queen Creek, except such property as may be by law exempt from taxation. Such property tax rate should raise an estimated \$3,569,452 tax levy from Queen Creek residents located in Maricopa County and another \$59,430 of estimated levy for Queen Creek residents located in Pinal County. The property tax levy is earmarked for paying public safety expenditures in the Town including expenditure in Fire, Sheriff and EMS area of the Town budget. In all cases, the primary property tax rate shall not exceed \$1.95 per \$100 assessed value.

Section 2: No failure by the County Officials of Maricopa County, Arizona, or Pinal County, Arizona, to properly return the delinquent list and no irregularity in the assessment or omission in the same, or irregularity of any kind in any proceedings shall invalidate such proceedings or invalidate any title conveyed by any tax deed; nor shall any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within time specified work an invalidation of any proceedings or of any such deed or sale or affect the validity of the assessment and levy of taxes or of the judgment or sale by which the collection of the same may be enforced or in any manner affect the lien of the Town upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any proceedings for collection of taxes or the foreclosure, and all acts of officer de facto shall valid as if performed by officers de jure.

Section 3: All ordinances and parts of ordinances in conflict are hereby repealed.

PASSED AND ADOPTED by the Mayor and Council of the Town of Queen Creek, Arizona, this ____ th day of _____, 2013.

Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney



TO: HONORABLE MAYOR AND TOWN COUNCIL

FROM: PATRICK FLYNN, ASSISTANT TOWN MANAGER

**RE: CONSIDERATION AND POSSIBLE ACTION OF AN ORDINANCE
SETTING THE SECONDARY PROPERTY TAX LEVY FOR STREET
LIGHTING IMPROVEMENT DISTRICTS (SLID) FOR
FY 2013-14**

DATE: JULY 17, 2013

Staff Recommendation:

Staff recommends Town Council approve Ordinance 536-13 setting the secondary property tax levy for the Street Lighting Improvement Districts for FY 2013-14.

Relevant Council Goal:

KRA 5 Objective 1

Maintain long-term financial sustainability for local government operations.

Proposed Motion:

Motion to approve Ordinance 536-13 as outlined in the staff recommendation above.

Discussion:

State Law requires the Town adopt an ordinance setting the secondary property tax levy for FY13-14. The Town currently pays the monthly electric bills for each street lighting district in the Town. The levy serves to reimburse the Town for expenses paid related to the districts electrical consumption as well as administer a 6% fee, approximately \$26K in FY13-14, for processing the monthly electricity bills and maintaining the financial records for each district. Much of the variance from FY12-13 is the result of new SLID's brought into the program, estimated at \$59K. The Town has seen an increase in the number of lights in the last year primarily in Hastings Farms and other developing subdivisions. SLID's are brought before council for approval throughout the year. The average street light in a district costs just under \$26.70 a month. This is an increase over FY12-13 of approximately \$2.30 or about 8 cents a day. This increase is the result of Salt River Project rates which were adjusted in November 2012.

Fiscal Impact:

The Town's Street Light Improvement Fund will receive an estimated \$425,512 of secondary property tax levy in order to reimburse the Town for electrical expenditures incurred and administrative costs related to the program in FY13-14. The ordinance approved for the previous fiscal year (FY12-13) amounted to \$366,036.

Alternatives:

Council could choose to delay this approval until first council meeting in August; however, the respective counties need the information for tax billing purposes no later than the third week in August.

Attachments:

Ordinance 536-13 for possible adoption

ORDINANCE 536-13

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF QUEEN CREEK, MARICOPA COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE TOWN OF QUEEN CREEK, SUBJECT TO SECONDARY TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM THE PROPERTY WITHIN THE VARIOUS STREET LIGHTING IMPROVEMENT DISTRICTS FOR FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2014.

WHEREAS, the Town of Queen Creek Council adopted the fiscal year 2013-14 Final Budget on June 19, 2013, and

WHEREAS, the County of Maricopa is now an assessing and collecting authority for the Town of Queen Creek, the Town Clerk is hereby directed to transmit a certified copy of this Ordinance to the Assessor and Board of Supervisors of Maricopa County, Arizona.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF QUEEN CREEK, MARICOPA COUNTY, ARIZONA, as follows:

Section 1: Secondary Taxation: There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the Town of Queen Creek, except such property as may be by law exempt from taxation, a secondary property tax rate sufficient to raise the sum of four hundred twenty-five thousand, five hundred, and twelve dollars (\$425,512) for the annual expenses of the Street Lighting Improvement Districts for the purpose of providing payment for annual expenses of the Street Lighting Improvement Districts for the fiscal year ending June 30, 2014.

Section 2: No failure by the County Officials of Maricopa County, Arizona, or Pinal County, Arizona, to properly return the delinquent list and no irregularity in the assessment or omission in the same, or irregularity of any kind in any proceedings shall invalidate such proceedings or invalidate any title conveyed by any tax deed; nor shall any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within time specified work an invalidation of any proceedings or of any such deed or sale or affect the validity of the assessment and levy of taxes or of the judgment or sale by which the collection of the same may be enforced or in any manner affect the lien of the Town upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any proceedings for collection of taxes or the foreclosure, and all acts of officer de facto shall valid as if performed by officers de jure.

Section 3: All ordinances and parts of ordinances in conflict are hereby repealed.

PASSED AND ADOPTED by the Mayor and Council of the Town of Queen Creek, Arizona, this ____ th day of _____, 2013.

Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney

Street Lighting Improvement Districts

SLID #	SLID Name	# of lights on	Amount FY13
1	QC Ranchettes I	17	\$4,892
2	QC Ranchettes II	7	\$2,014
3	QC Ranchettes III	7	\$2,014
4	Will Rogers	10	\$3,316
5	QC Ranchettes III	14	\$4,028
6	Roman Estates1, II, III	16	\$3,129
7	Will Rogers	11	\$3,648
8	Queenland Manor	39	\$13,220
9	Queenland Manor	16	\$5,424
10	Villages at QC Loop Rd	11	\$4,069
11	Sossaman Est Ph I	68	\$22,868
12	Villages 1	4	\$1,326
13	Villages 4	10	\$3,316
14	Villages 5	9	\$2,985
15	Villages 6	10	\$3,316
16	Villages 7	8	\$2,653
17	Villages 8	13	\$4,311
18	Villages 9	9	\$2,985
19	Villages 21	9	\$2,985
20	Cortina 1	32	\$10,561
21	Cortina 2	14	\$4,572
22	Cortina 3	16	\$5,306
23	Cortina 4	23	\$7,485
24	Roman Estates IV,V,VI, VII	13	\$3,740
25	Sossaman Est Ph 2	63	\$21,165
26	Cortina 5 & 6	21	\$7,009
27	Cortina 8,9,10	52	\$16,964
28	Villgs at QC Loop Phase II	7	\$2,480
29	Emperor Estates 1 & 2	55	\$18,239
30	Villages 10	9	\$2,985
31	Villages 11A	5	\$1,658
32	Villages 11B	3	\$995
33	Villages 12	7	\$2,321
34	Villages 13	9	\$2,985
35	Villages 15	8	\$2,653
36	Villages 16	5	\$1,658
37	Montelena	60	\$19,897
38	Indigo Trails	19	\$6,301
39	Villages 14	5	\$1,658
40	Villages 17 *	4	\$704
41	Villages 18	10	\$3,316
42	Cortina 7	19	\$6,301
43	Cortina 11 *	13	\$2,287
44	La Sienterra	27	\$8,953
45	Crismon Heights	44	\$14,359
46	Villages 2	10	\$3,316
47	Ocotillo Landing	27	\$8,953
48	Cortina 12	10	\$3,316
49	Cortina13	15	\$4,975

50	Crismon Meadow	7	\$2,014
51	Langley Est II	47	\$15,995
52	Emperor Estates 3	21	\$6,964
53	Nauvoo Station	71	\$23,312
54	Victoria Phase 2 Parcel 1	14	**
55	Ocotillo Heights	22	\$6,673
57	Lucia at Queen Creek	22	\$7,296
58	Charleston Estates	20	\$6,632
59	Sossaman Estates III-Phase A	13	\$4,570
60	Hastings Farms Parcel A	29	\$9,708
61	Hastings Farms Parcel B	16	**
62	Hastings Farms Parcel H	36	\$12,211
63	Hastings Farms Parcel I	24	\$8,073
64	Hastings Farms Parcel J	25	\$8,073
65	Villagio	25	\$8,914
66	Hastings Farms Parcel C	16	\$5,704
67	Hastings Farms Parcel E	11	\$3,922
68	La Jara	17	\$5,840
	Total		\$425,512

*Indicates a SLID that had capital investment for poles. These SLID's have a lower average cost due to the initial capital outlay for installation.

** These are active SLID's without energized lights. Lights are not anticipated to be active in FY13-14.

Requesting Department:
Development Services



TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

**FROM: CHRIS ANARADIAN, DEVELOPMENT SERVICES DIRECTOR;
WAYNE BALMER, PLANNING ADMINISTRATOR; DAVE WILLIAMS,
SENIOR PLANNER**

RE: PUBLIC HEARING AND POSSIBLE ACTION ON ORDINANCE 537-13, RZ13-019 / SP13-020 "HARKINS AT QUEEN CREEK MARKETPLACE", A request by Ralph Pew of Pew and Lake PLC, on behalf of VPQCM LLC (Vestar) for Rezoning of 14.5 acres of land from a Planned Area Development with underlying C-2 zoning to a Planned Area Development with underlying Town Center (TC) zoning in addition to a request for site plan approval for a Harkins 14 screen movie theater as well as 3 additional retail and or restaurant buildings to be added to the Queen Creek Marketplace. The applicant is also requesting to increase the building height to allow for a 60' tall spire in addition to allowing exposed neon to the exterior of the Harkins building as architectural lighting. This project is located in the vicinity of the southeast corner of Rittenhouse Road and Ellsworth Loop Road within the Queen Creek Marketplace.

DATE: JULY 17, 2013

PLANNING & ZONING COMMISSION RECOMMENDATION

The Planning Commission recommended approval of RZ13-019/SP13-020, Rezoning, Site Plan, Landscape Plan, Building Elevation Plan for "Harkins at Queen Creek Marketplace" subject to the Conditions of Approval contained in this report.

STAFF RECOMMENDATION

Staff concurs with the Planning Commission's recommendation.

PROPOSED MOTION

Move to approve Ordinance 537-13, RZ13-019/SP13-020 Rezoning, Site Plan, Landscape Plan, Building Elevation Plan for Harkins at Queen Creek Marketplace subject to the Conditions of Approval as provided in Ordinance 537-13.

RELEVANT COUNCIL GOALS

- KRA 8, Objective 1: Maintain a balanced community and economically diverse employment base by evaluating new economic development models focusing on fostering economic development within the community through regular monitoring of national trends.
- KRA 8, Objective 8: Enhance the opportunities for Queen Creek businesses to succeed.
- General Plan Growth Areas Element, Goal 5, Policy 5b: Encourage the use of available infrastructure capacity to accommodate new development consistent with the land use goals and provisions of the General Plan.

SUMMARY

This proposal requests several changes to the existing Queen Creek Marketplace including;

1. Rezoning from a Planned Area Development with underlying C-2 zoning to a Planned Area Development with underlying Town Center (TC) zoning.
2. Site plan approval for a Harkins 14 screen movie theater. (This would be located on the pad site previously approved for JC Penny).
3. Site plan approval for 3 additional retail and / or restaurant buildings.
4. Increase in height of the buildings to 60' to allow for a spire on the Harkins theater.
5. To allow for the use of exposed neon lighting on the exterior of the Harkins building to be used as architectural lighting.

HISTORY

- | | |
|-----------------|---|
| June 12, 2013 | Planning Commission recommended approval of RZ13-019 / SP13-020 "Harkins at Queen Creek Marketplace". |
| April 19, 2006: | Town Council approved RZ05-018, SP05-020, and Ordinance 348-06 for Queen Creek Marketplace. |

DISCUSSION

The applicant is requesting to rezone of 14.5 acres of land from a Planned Area Development with underlying C-2 zoning to a Planned Area Development with underlying Town Center (TC) zoning in addition to allow for a movie theater, which is not an allowed use in the C-2 zoning district.

The applicant is also requesting approval of an amended site plan showing a Harkins 14 screen movie theater and 3 other retail and / or restaurant buildings.

The proposal also requests an increase the building height to allow a spire extending 15' above the height of the parapet to a maximum height of 60 feet, in addition to allowing exposed neon to the exterior of the Harkins building as architectural lighting.

The site plan proposes to modify the existing JC Penny pad site (originally 170,000 square feet) to provide space for the movie theater which is approximately 64,000 square feet in addition to a 7,750 square foot shops building (designed to complement the theater) and a 20,000 square foot retail building. Additional parking would be included between the 20,000 square foot retail building which would be adjacent to Kohl's and the movie theater.

The applicant has also proposed to relocate Pad M and associated 7,000 square foot building from its location southwest of Chick-Fil-A to the southwest corner of the signalized entrance drive on Rittenhouse opposite Pad I (which is owned by In and Out Burgers). No architecture has been provided at this time. As part of the original approval, Pad M is subject to administrative site plan and architectural approval by the Zoning Administrator based on compliance with the Queen Creek Marketplace Design Guidelines.

Given the reduction in square footage and in the increase in parking, the overall site exceeds the Town minimum requirements for parking by 396 spaces.

The elevations for all of the proposed buildings incorporate the previously approved design standards for the Queen Creek Marketplace. Some of these design features include standing seam metal canopies, brick and stucco, slate accents and varying paint colors. These materials are all used in a manner similar to the other buildings previously approved and constructed in the Queen Creek Marketplace. Staff supports the architecture of the proposed buildings.

As part of their request, the applicant is proposing an increase in the height of the building to 60 feet to accommodate the 45 foot height of the theater in addition to the 60 foot tall spire. The height is comparable to other spires previously approved for churches.

The applicant is also requesting the use of neon lighting on the exterior of the building and the spire as a decorative architectural detail. The lighting would be visible on the north, south and east side of the building and spire, but should not be visible to the west from either the Rite of Passage or Victoria Estates. Additionally smaller lights would be used to accent the exterior of the building similar to other buildings in the Queen Creek Marketplace.

The Queen Creek Marketplace has incorporated pedestrian scaled public art throughout the project. Staff has discussed the inclusion of public art and the applicant has agreed to include an art element with the type and location to be approved by staff.

Planning Commission

During the Planning Commission meeting there was some discussion regarding the need for providing a second pedestrian connection point between PAD N and the Theater building. There is currently a pedestrian walkway running north and south in front of the existing buildings which is planned to continue north to the theater building. Based on the Commission's discussion, Condition of Approval #10 was added by the Commission to address the issue of pedestrian connectivity.

Project Information	
Project Name	Harkins at Queen Creek Marketplace
Site Location	In the Queen Creek Marketplace, southwest corner of Ellsworth Road and Ellsworth Loop Road.
Current Zoning	C-2 PAD
Proposed Zoning	Town Center (TC) PAD
General Plan Designation	Commercial Services
Surrounding Zoning Designations:	
North	C-2 General Commercial (Chick-Fil-A)
South	C-2 General Commercial (Kohl's)
East	C-2 General Commercial (BEV-MO, Petsmart)
West	R1-43 (Project Challenge)
Site Area	14.5 Acres
Parking Required	4,056 for all of Queen Creek Marketplace
Parking Provided	4,452 for all of Queen Creek Marketplace
Building Square Footage	
Harkins Theater	64,000 Square Feet
Major N	20,000 Square Feet
Shops H	7,750 Square Feet
Pad M	7,000 Square Feet
TOTAL	98,750 Square Feet

ANALYSIS

General Plan Review: The project is located in the Commercial Services designation on the General Plan. This project complies with the General Plan.

Zoning Review: The zoning designation of the property is currently C-2 PAD. The applicant is requesting approval to rezone to Town Center (TC) PAD.

Preliminary Plat Review: No preliminary plat is included as part of this request. A lot line adjustment will be needed, however, to shift lot lines to accommodate the proposed changes.

Site Plan Review: The project does not alter the traffic flow for the site and the lower square footage reduces the need for overall parking. The proposed buildings are in

locations supported by staff. On-site drainage and retention, and landscaping are not affected by the proposed changes.

Building Elevation Review: The elevations meet or exceed the architectural requirements for the Queen Creek Marketplace.

Landscape / Open Space / Fence Plan Review: The overall landscape will not be modified as part of this proposal.

Lighting: The applicant is requesting exposed neon on the exterior of the building as architectural lighting. All other site lighting will remain as previously approved. Staff is supportive of this request.

PUBLIC COMMENTS

Staff has advertised the public hearing in the Arizona Republic – Gilbert Edition, posted two large public hearing signs on the property in conspicuous locations, and mailed letters to all property owners within 1200' of this proposal. Information on the case has also been posted on the Town's website.

Staff has received one public comment from Thom Shuett via email on June 18, 2013. Below are his comments:

*Why would you allow Harkins to have an elevation above the height restriction in the Queen Creek code? You have opened the door to more exceptions. The neon lighting and height will only serve to continue to make our town less unique. Yet another poor decision.
Thom Schuett, Queen Creek*

The applicant held a neighborhood meeting on May 28, 2013 at the Queen Creek Library. Notification of the meeting was sent to property owners within 1400 feet of the project. Three neighbors attended the meeting. Questions concerned: 1) the timing of the project, 2) parking and access to other locations within the Marketplace during construction. All three neighbors were very supportive of the project.

CONDITIONS OF APPROVAL

1. The Rezoning approved in case number RZ13-019 is effective upon signature by the property owner of the Prop 207 waiver and filing of the waiver with the Town of Queen Creek Planning Division. Failure to sign and return the waiver to the Planning Division within five (5) working days of the date of approval shall render this conditional approval null and void.
2. Development shall comply with all remaining development standards in the Zoning and Subdivision Ordinances, applicable stipulations contained in Ordinance 348-06

(Queen Creek Marketplace), and the approved guidelines for the Queen Creek Marketplace.

3. Development will conform to the site plan, landscape plan, and submitted project narrative. Minor Modifications may be approved by staff to accommodate the specific development requirements of the proposed uses at the time of building permit issuance. For the purpose of this stipulation, Minor Modifications are defined as a less than 10 percent change in areas and /or quantities, of design elements.
4. A public art element shall be included with the final design and location to be approved by staff.
5. All development shall be in compliance with the master drainage, master water, master sewer, and master geotechnical reports. During the construction document review phase, the Civil Engineer shall provide a signed and sealed letter stating the development is in compliance with the master reports. If during the construction document review phase the development is found to be not in compliant with the master reports, updated reports shall be provided.
6. All construction documents submitted to the Town for review during the construction document review phase shall be in accordance with Town Ordinances, Town checklists, Town design standards & guidelines, and requirements, except as superseded by these conditions of approval.
7. The fire flow fee for commercial meters is charged at \$0.7686 per square foot of the planned building area. Landscape meters do not pay a fire flow fee. This is a separate charge to any Development Fee's or Hook Up Fee's.
8. All improvements shall conform to the latest Town of Queen Creek Design and Construction Standards Manual for the Water System, Irrigation System, and Wastewater Collection System or by the latest MAG Standards and Specifications.
9. All on-site fire hydrant runs or fire protection loops are required to have a Double Detector Check Valve with Meter (DDCVM) at all connection points to the Water Division's system.

Added by the Planning Commission:

10. Applicant shall work with staff to provide additional pedestrian connection between PAD N and the theater building if feasible.

ATTACHMENTS

1. Ordinance 537-13
2. Location Map
3. Narrative
4. Site Plan
5. Building Elevations
6. DRAFT Planning Commission minutes from the June 12, 2013 Meeting.

ORDINANCE 537-13

AN ORDINANCE OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, DECLARING AS PUBLIC RECORDS THAT CERTAIN DOCUMENTS TITLED “HARKINS AT QUEEN CREEK MARKETPLACE – LEGAL DESCRIPTION”, ATTACHED HERETO AS EXHIBIT “A”, AND ADOPTING EXHIBIT “A”, THEREBY AMENDING THE OFFICIAL ZONING DISTRICT MAP FOR THE TOWN OF QUEEN CREEK, ARIZONA, PURSUANT TO ARTICLE 3, SECTION 3.4 OF THE ZONING ORDINANCE FOR THE TOWN OF QUEEN CREEK TO CHANGE THE ZONING DISTRICT CLASSIFICATION FOR APPROXIMATELY 14.5 ACRES FROM A PLANNED AREA DEVELOPMENT WITH UNDERLYING C-2 TO A PLANNED AREA DEVELOPMENT WITH UNDERLYING ZONING OF TOWN CENTER. THE PROPERTY IS LOCATED SOUTH OF RITTENHOUS ROAD WEST OF THE ELLSWORTH LOOP ROAD. THE ASSOCIATED ZONING CASE IS RZ13-019.

WHEREAS, Arizona Revised Statutes § 9-802 provides a procedure whereby a municipality may enact the provisions of a code or public record by reference, without setting forth such provisions, providing that the adopting ordinance is published in full; and

WHEREAS, Article 3, ZONING PROCEDURES, Section 3.4 ZONING AMENDMENT, establishes the authority and procedures for amending the Zoning Ordinance; and

WHEREAS, the development proposed is consistent and shall be developed in accordance with Article 4, Section 4.10 PLANNED AREA DEVELOPMENTS; and,

WHEREAS, Article 4, ZONING, Section 4.2 Zoning District Maps, establishes the Zoning District Maps and states that the Zoning District Maps, along with all the notations, references, and other information shown thereon, are a part of this Ordinance and have the same force and effect as if said maps and all the notations, references, and other information shown thereon were all fully set forth or described in the zoning ordinance text; and,

WHEREAS, a Public Hearing on this ordinance was heard before the Planning and Zoning Commission on June 12, 2013; and

WHEREAS, the Planning and Zoning Commission voted 7-0 in favor of this text amendment case;

NOW THEREFORE BE IT ORDAINED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS FOLLOWS:

- Section 1. The document attached hereto as Exhibit "A," titled Harkins at Queen Creek Marketplace - Legal Description is hereby declared to be public records;
- Section 2. Three (3) copies of Exhibit "A" are ordered to remain on file with the Town Clerk;
- Section 3. If any section, subsection, clause, phrase or portion of this ordinance or any part of these amendments to the Queen Creek Zoning Map is for any reason held invalid or unconstitutional by the decision of any court or competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED BY the Mayor and Town Council of the Town of Queen Creek, Maricopa County, this 17th day of July, 2013.

FOR THE TOWN OF QUEEN CREEK:

ATTESTED TO:

Gail Barney, Mayor

Jennifer F. Robinson, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

John Kross, Town Manager

Mariscal, Weeks, McIntyre &
Friedlander, PA, Attorneys for the
Town

EXHIBIT A
Harkins at Queen Creek Marketplace
Legal Description



LEGAL DESCRIPTION

QUEEN CREEK MARKETPLACE
HARKINS, SHOPS, MAJOR & PAD M DEVELOPMENT

LOTS 2, 5 AND 13 OF QUEEN CREEK MARKETPLACE – PHASE 1 AS SHOWN ON FINAL PLAT RECORDED IN BOOK 963 OF MAPS, PAGE 14, MARICOPA COUNTY RECORDS (M.C.R.), LYING WITHIN THE EAST HALF AND SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

THE ABOVE DESCRIBED LOTS CONTAINS AN AREA OF 628,783 SQUARE FEET OR 14.43 ACRES, MORE OR LESS.



Conditions of Approval

1. The Rezoning approved in case number RZ13-019 is effective upon signature by the property owner of the Prop 207 waiver and filing of the waiver with the Town of Queen Creek Planning Division. Failure to sign and return the waiver to the Planning Division within five (5) working days of the date of approval shall render this conditional approval null and void.
2. Development shall comply with all remaining development standards in the Zoning and Subdivision Ordinances, applicable stipulations contained in Ordinance 348-06 (Queen Creek Marketplace), and the approved guidelines for the Queen Creek Marketplace.
3. Development will conform to the site plan, landscape plan, and submitted project narrative. Minor Modifications may be approved by staff to accommodate the specific development requirements of the proposed uses at the time of building permit issuance. For the purpose of this stipulation, Minor Modifications are defined as a less than 10 percent change in areas and /or quantities, of design elements.
4. A public art element shall be included with the final design and location to be approved by staff.
5. All development shall be in compliance with the master drainage, master water, master sewer, and master geotechnical reports. During the construction document review phase, the Civil Engineer shall provide a signed and sealed letter stating the development is in compliance with the master reports. If during the construction document review phase the development is found to be not in compliant with the master reports, updated reports shall be provided.
6. All construction documents submitted to the Town for review during the construction document review phase shall be in accordance with Town Ordinances, Town checklists, Town design standards & guidelines, and requirements, except as superseded by these conditions of approval.
7. The fire flow fee for commercial meters is charged at \$0.7686 per square foot of the planned building area. Landscape meters do not pay a fire flow fee. This is a separate charge to any Development Fee's or Hook Up Fee's.
8. All improvements shall conform to the latest Town of Queen Creek Design and Construction Standards Manual for the Water System, Irrigation System, and Wastewater Collection System or by the latest MAG Standards and Specifications.

9. All on-site fire hydrant runs or fire protection loops are required to have a Double Detector Check Valve with Meter (DDCVM) at all connection points to the Water Division's system.
10. Applicant shall work with staff to provide additional pedestrian connection between PAD N and the theater building if feasible.



Requesting Department:
Development Services

TO: HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH: JOHN KROSS, ICMA-CM
TOWN MANAGER**

**FROM: CHRIS ANARADIAN, DEVELOPMENT SERVICES DIRECTOR;
WAYNE BALMER, PLANNING ADMINISTRATOR**

**RE: DISCUSSION AND POSSIBLE ACTION ON A REQUEST TO BEGIN
THE STATUTORY 60 DAY PUBLIC AGENCY COMMENT PERIOD
FOR THE 2013 APPLICATIONS FOR MAJOR GENERAL PLAN
AMENDMENTS**

DATE: JULY 17, 2013

PLANNING & ZONING COMMISSION RECOMMENDATION

The Planning & Zoning Commission unanimously recommended Council authorize staff to begin the statutory 60 day public agency comment period for the proposed 2013 Major General Plan Amendments.

STAFF RECOMMENDATION

Staff supports the Commission recommendation to Council to direct staff to begin the 60 day statutory public agency comment period beginning on July 29, 2013 and end on September 27, 2013 for the 2013 Major General Plan Amendments.

PROPOSED MOTION

Move to direct staff to initiate the 60 day public agency comment period for the proposed 2013 Major General Plan Amendments beginning on July 29, 2013 and ending on September 27, 2013.

DISCUSSION

In June of each year, the Town accepts requests for possible Major General Plan Amendments. By state law, requests for Major Amendments are accepted once a year and must be acted on within the same year. As part of the process, the Town Council must officially act to initiate the amendment cycle. Once the process has begun, the

State prescribes the steps that must be taken to complete the effort, culminating in the case being officially presented to the Town Council in December for final action.

Major amendments are defined in our General Plan as those which are:

- Greater than 40 acres, if the change is from residential use to a lower density residential use (R1-15 to R1-43)
- Greater than 20 acres, if the change is to increase the residential density (R1-43 to R1-15)
- Greater than 10 acres, if the change is from a residential to a non-residential use (R1-43 to commercial)
- Greater than 40 acres, if the change is from a non-residential use to a less intense non-residential use (commercial to offices)
- Greater than 20 acres, if the change is from a non-residential use to a higher intensity non-residential use (office to commercial)
- Greater than 20 acres, if the change is from a non-residential use to a residential use (commercial to residential)

CASE SUMMARIES AND AMENDMENT SCHEDULE

GP13-025, La Jara Farms

A request by Lindsay Schube on behalf of VIP Homes to change from Employment Type A to Very Low Density Residential (up to 1 du/ac) on 140.76 acres located at the southwest corner of Hawes and Germann roads. The property is currently zoned R1-43, single family residential, and is being developed as an acre-lot residential subdivision.

GP13-026, Estates at Queen Creek Station

A request by Ralph Pew on behalf of RSF Property LLC and RSF Queen Creek Property LLC to change from Employment Type A to Low Density Residential (up to 2 du/ac) on 156 acres at the southeast corner of Ellsworth and Germann roads. The property is currently zoned R1-43, single family residential.

GP13-027, Meridian Crossings

A request by Mario Mangiamele on behalf of Westcor/Queen Creek LLC Company to change from Regional Commercial to Medium Density Residential (up to 3 du/ac) on 466 acres on the south side of Riggs Road, west of the railroad. The property is still under the jurisdiction of Maricopa and Pinal counties, having not yet been annexed to the Town.

GP13-028, Barney Farms

A request by Mario Mangiamele on behalf of Ken, Newell, Gail and Pamela Barney and Dane Chaffee to change from Employment Type B and Recreation/Conservation to Mixed Use and Medium High Density Residential (up to 8 du/ac) on 241 acres at the northeast corner of Signal Butte and Queen Creek roads. The property is currently zoned I-1, Heavy Industrial.

GP13-029, The Vineyards

A request by Ralph Pew on behalf of Healy Faulkner LLC to change from Commercial and Mixed Use to Medium Density Residential (up to 3 du/ac) on 55 acres on Combs Road, west of Ironwood. The property is currently zoned R1-43, single family residential.

GP13-030, Sonoqui Creek Village

A request by Ralph Pew on behalf of KEMF Hawes & Riggs LLC to change from Very Low Density Residential (up to 1 du/ac) to Low Density Residential (up to 2 du/ac) on 107 acres at the northwest corner of Hawes and Riggs roads. The property is currently zoned R1-35, Single family residential.

Proposed General Plan Amendment Schedule

Planning Commission meeting (case introduction)	July 10, 2013 (Wednesday)
Town Council meeting (begin 60 day review)	July 17, 2013 (Wednesday)
Information on amendments added to Town website	July 24, 2013
Mail 60 review letter to public agencies	July 25, 2013 (Thursday)
Begin 60 day review	July 29, 2013 (Monday)
Mailer/Flyer advertising Open Houses distributed	August 8, 2013 (Thursday)
First Open House Queen Creek Library (Zane Grey Room)	August 28, 2013 (Wednesday) 6 p.m. – 8 p.m.
Second Open House (Wednesday) Town Hall (Council Chambers)	September 25, 2013 6 p.m. – 8 p.m.
End of 60 day review	September 27, 2013 (Friday)
Public Hearing notices published (Monday)	September 30, 2013
Sites posted for Public Hearings	September 30, 2013

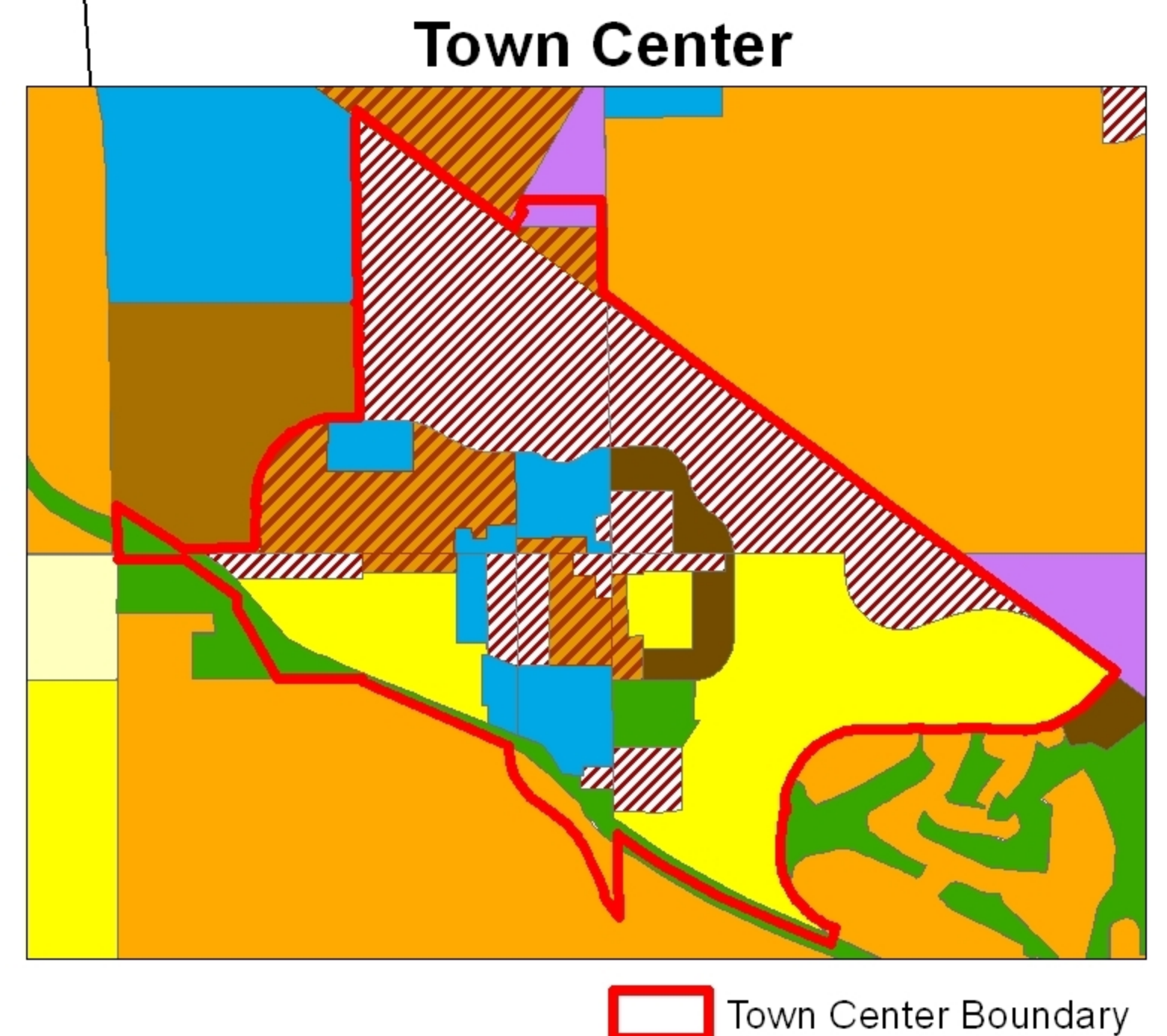
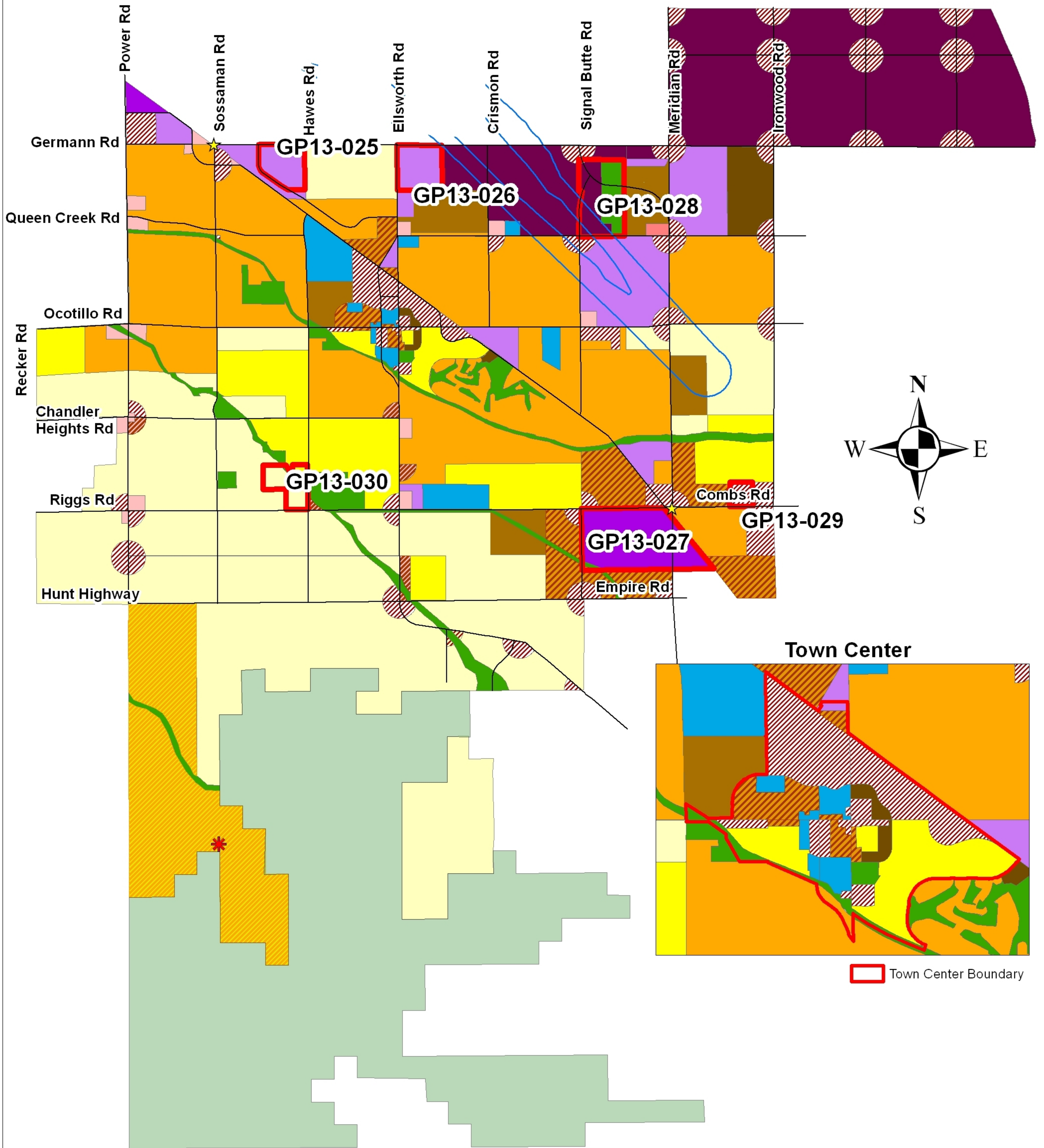
(Monday)	
First Planning Commission Hearing (introduction)	October 15, 2013 (Tuesday)
Second Planning Commission Hearing (action)	November 5, 2013 (Tuesday)
Town Council (introduction) (Wednesday)	November 20, 2013
Town Council Public Hearing & possible action 2013(Wednesday)	December 4,

ATTACHMENTS

Current General Plan land use map
 Location maps showing the proposed changes for:

- GP13-025 – La Jara Farms
- GP13-026 – The Estates at Queen Creek Station
- GP13-027 – Meridian Crossings
- GP13-028 – Barney Farms
- GP13-029 – The Vineyards
- GP13-030 – Sonoqui Creek Village

Town of Queen Creek 2008 General Plan Map



General Plan Land Use Legend

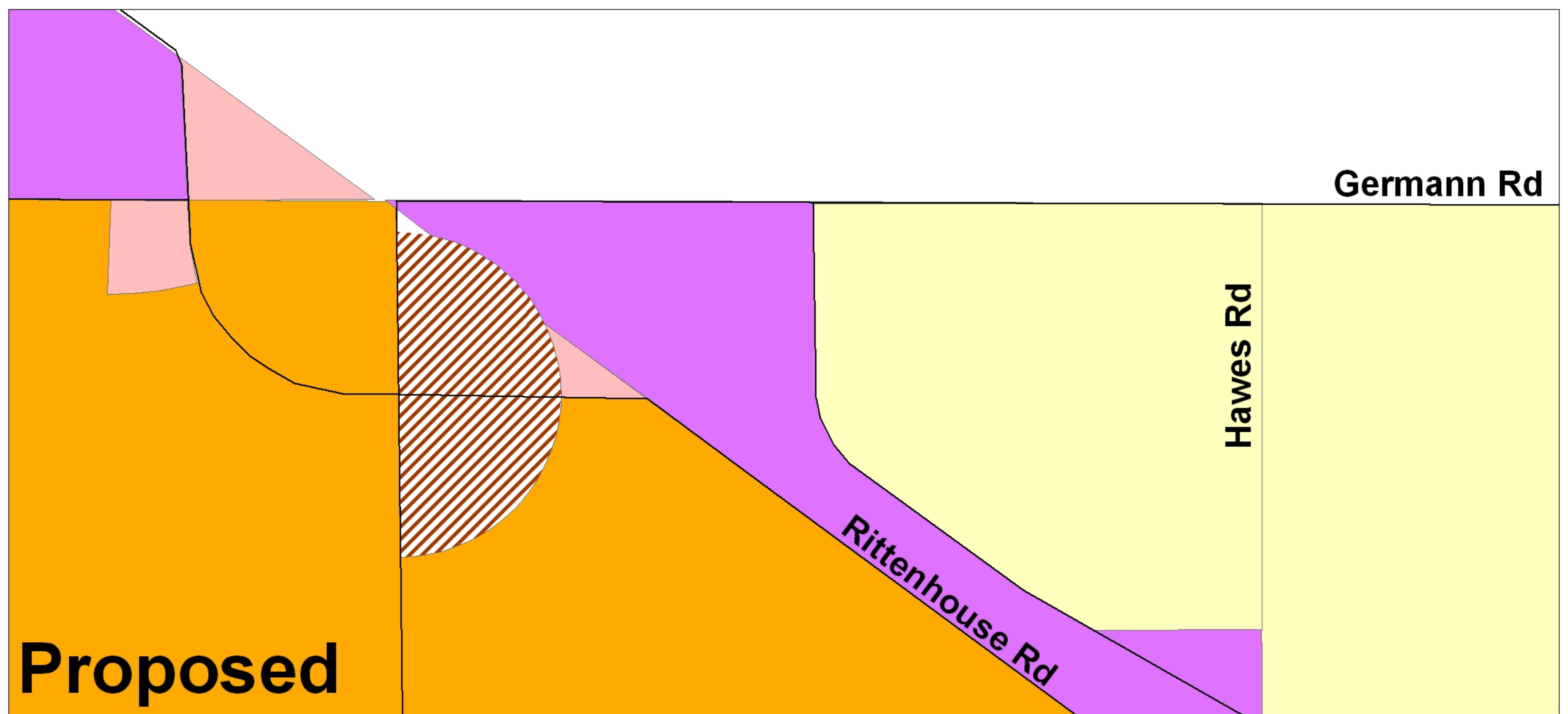
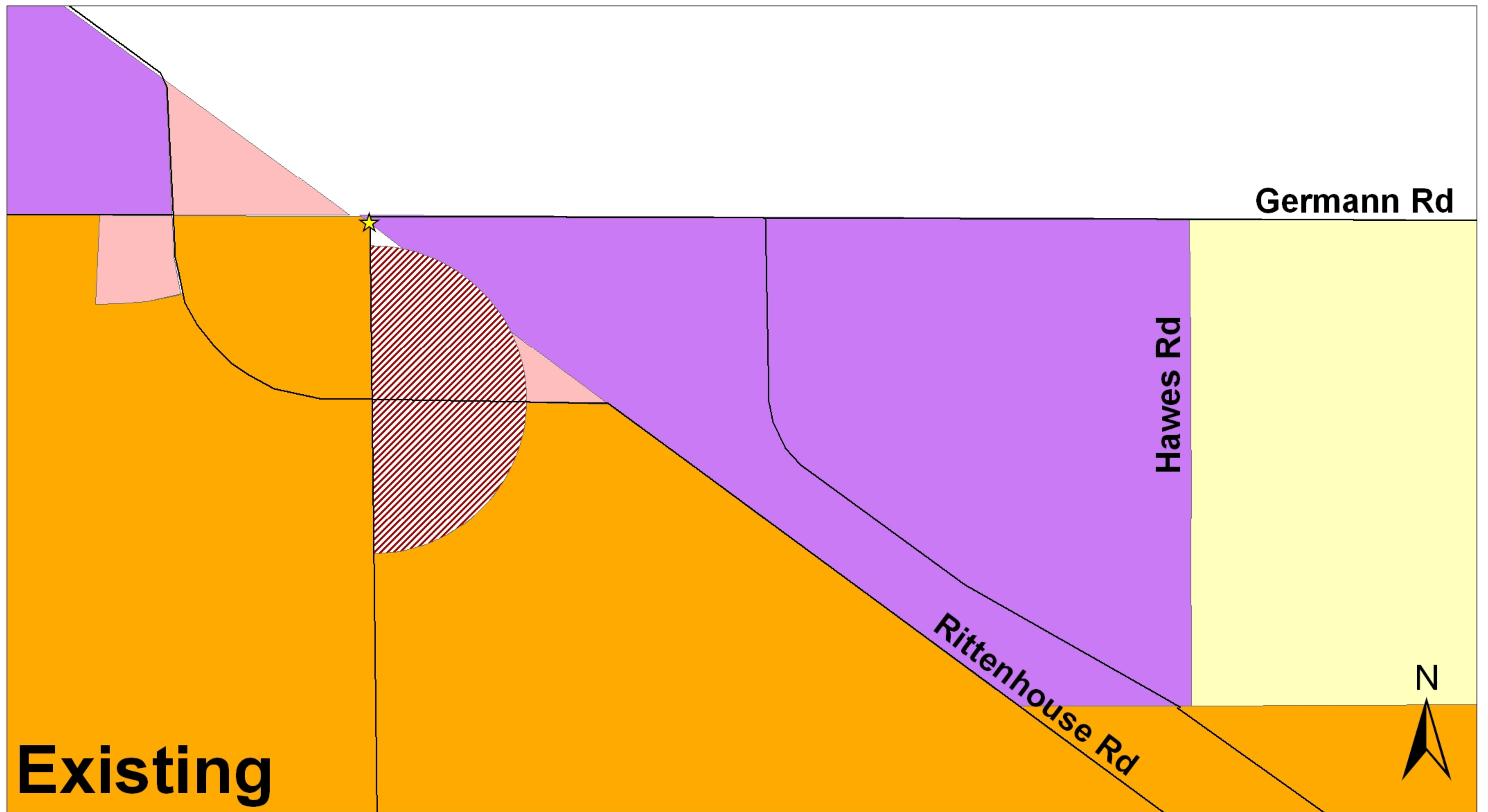
Very Low Density Residential (0-1 DU/AC)	Mixed Use	Employment Type B	Future Intersection Modification
Low Density Residential (0-2 DU/AC)	Neighborhood Commercial	Public/Quasi-Public	Resort / Tourism / Entertainment
Medium Density Residential (0-3 DU/AC)	Community Commercial	Open Space	General Plan Amendments 2013
Master Planned Community (0-1.8 DU/AC)	Office/Services	Regional Commercial Center	
Medium High Density Residential Type A (0-5 DU/AC)	Commercial	San Tan Regional Park	
Multifamily	Employment Type A	Noise Contours	

Modified by Resolutions 813-09, 814-09, 824-10, 924-12 and 934-13

All information is believed to be accurate as the date of publication, however is not guaranteed.
Created by Sidney Urias 480-358-3094



Town of Queen Creek 2013 General Plan Amendment GP13-025 La Jara Farms



General Plan Land Use Legend

Very Low Density Residential (0-1 DU/AC)	Mixed Use	Employment Type B	Future Intersection Modification
Low Density Residential (0-2 DU/AC)	Neighborhood Commercial	Public/Quasi-Public	Resort / Tourism / Entertainment
Medium Density Residential (0-3 DU/AC)	Community Commercial	Open Space	
Master Planned Community (0-1.8 DU/AC)	Office/Services	Regional Commercial Center	
Medium High Density Residential Type A (0-5 DU/AC)	Commercial	San Tan Regional Park	
Multifamily	Employment Type A	Noise Contours	

Modified by Resolutions 813-09, 814-09, 824-10, 924-12 and 934-13

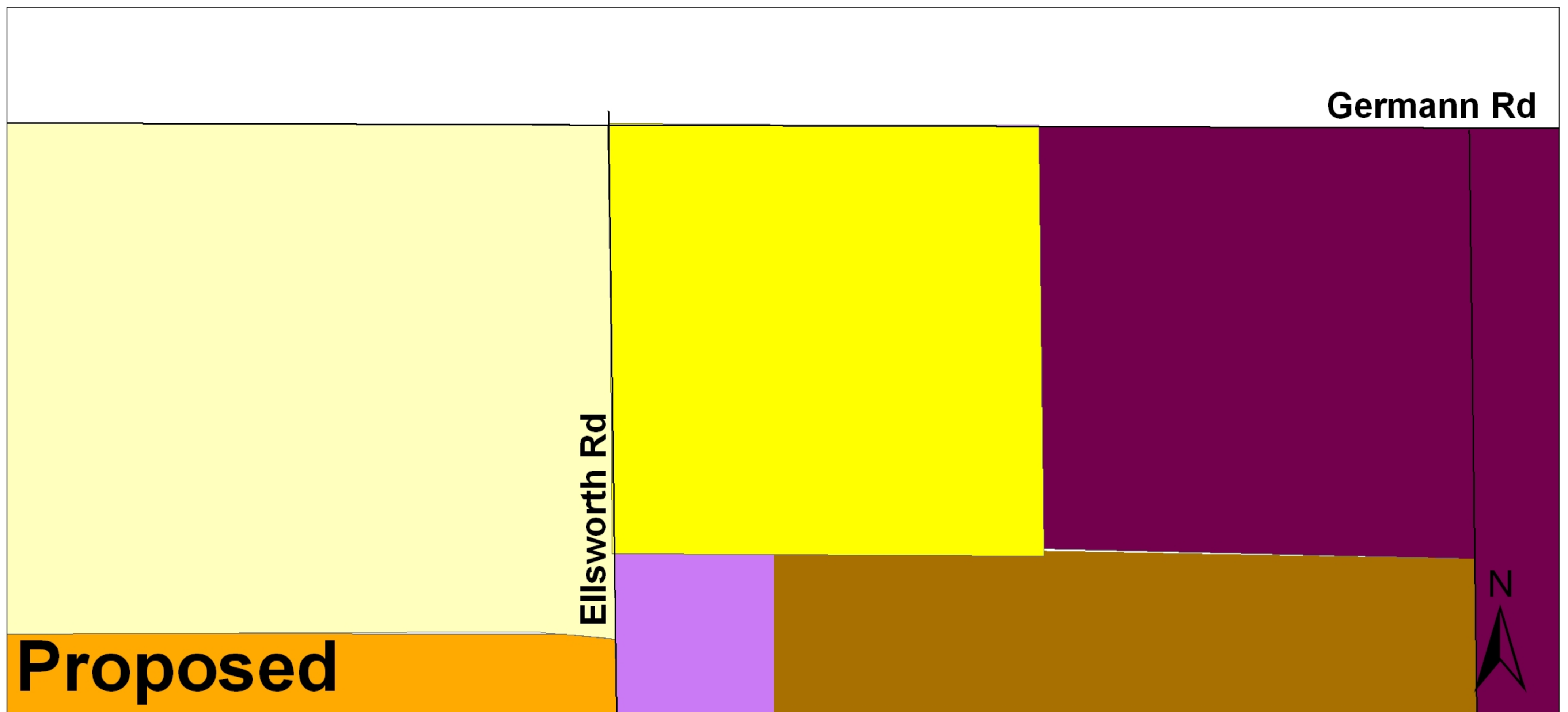
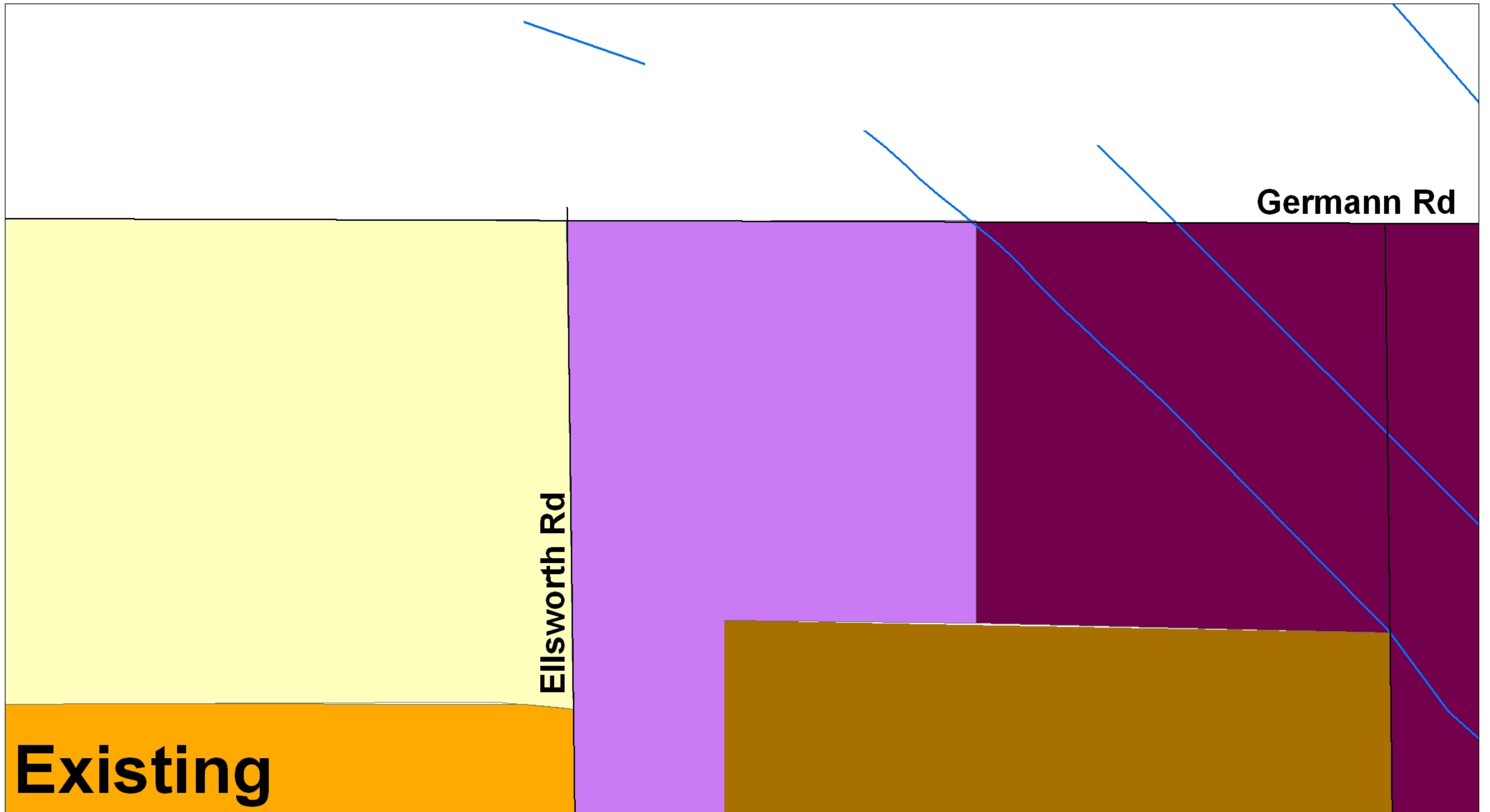
All information is believed to be accurate as the date of publication, however is not guaranteed.
Created by Sidney Urias 480-358-3094



Town of Queen Creek

2013 General Plan Amendment

GP13-026 The Estates at Queen Creek Station



General Plan Land Use Legend

- | | | | |
|--|-------------------------|----------------------------|----------------------------------|
| Very Low Density Residential (0-1 DU/AC) | Mixed Use | Employment Type B | Future Intersection Modification |
| Low Density Residential (0-2 DU/AC) | Neighborhood Commercial | Public/Quasi-Public | Resort / Tourism / Entertainment |
| Medium Density Residential (0-3 DU/AC) | Community Commercial | Open Space | |
| Master Planned Community (0-1.8 DU/AC) | Office/Services | Regional Commercial Center | |
| Medium High Density Residential Type A (0-5 DU/AC) | Commercial | San Tan Regional Park | |
| Multifamily | Employment Type A | Noise Contours | |

Modified by Resolutions 813-09, 814-09, 824-10, 924-12 and 934-13

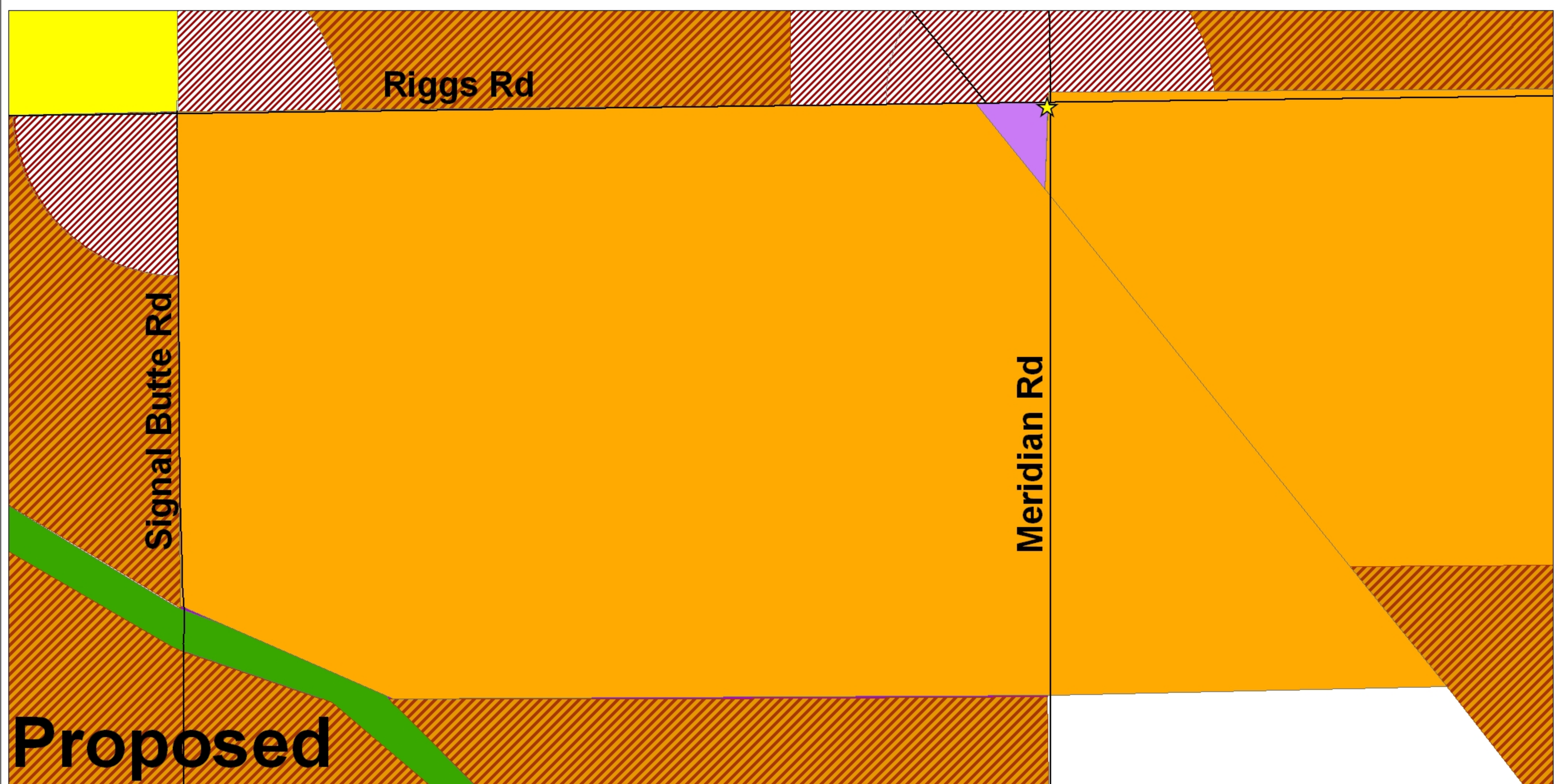
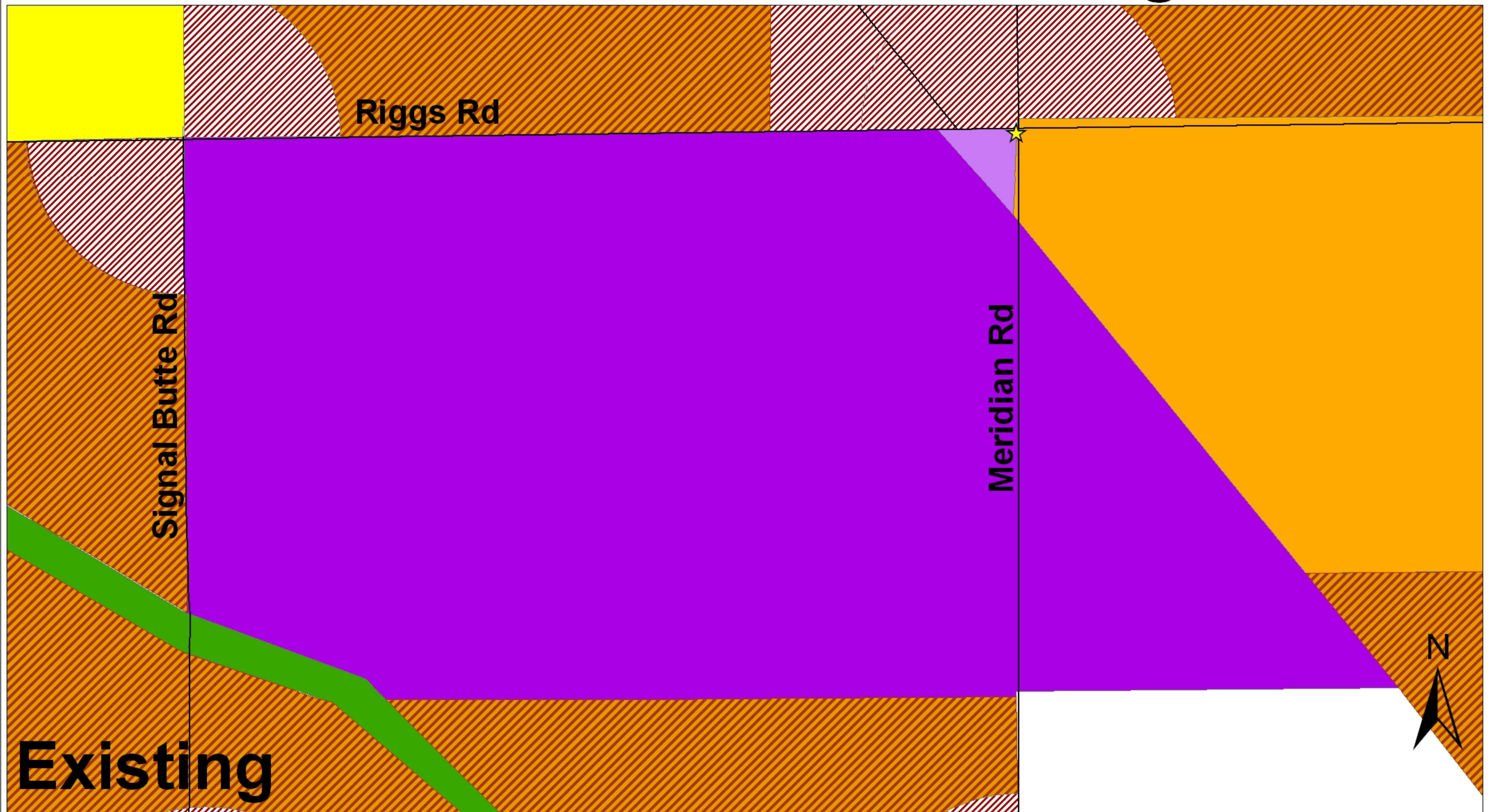
All information is believed to be accurate as the date of publication, however is not guaranteed.
Created by Sidney Urias 480-358-3094



Town of Queen Creek

2013 General Plan Amendment

GP13-027 Meridian Crossings



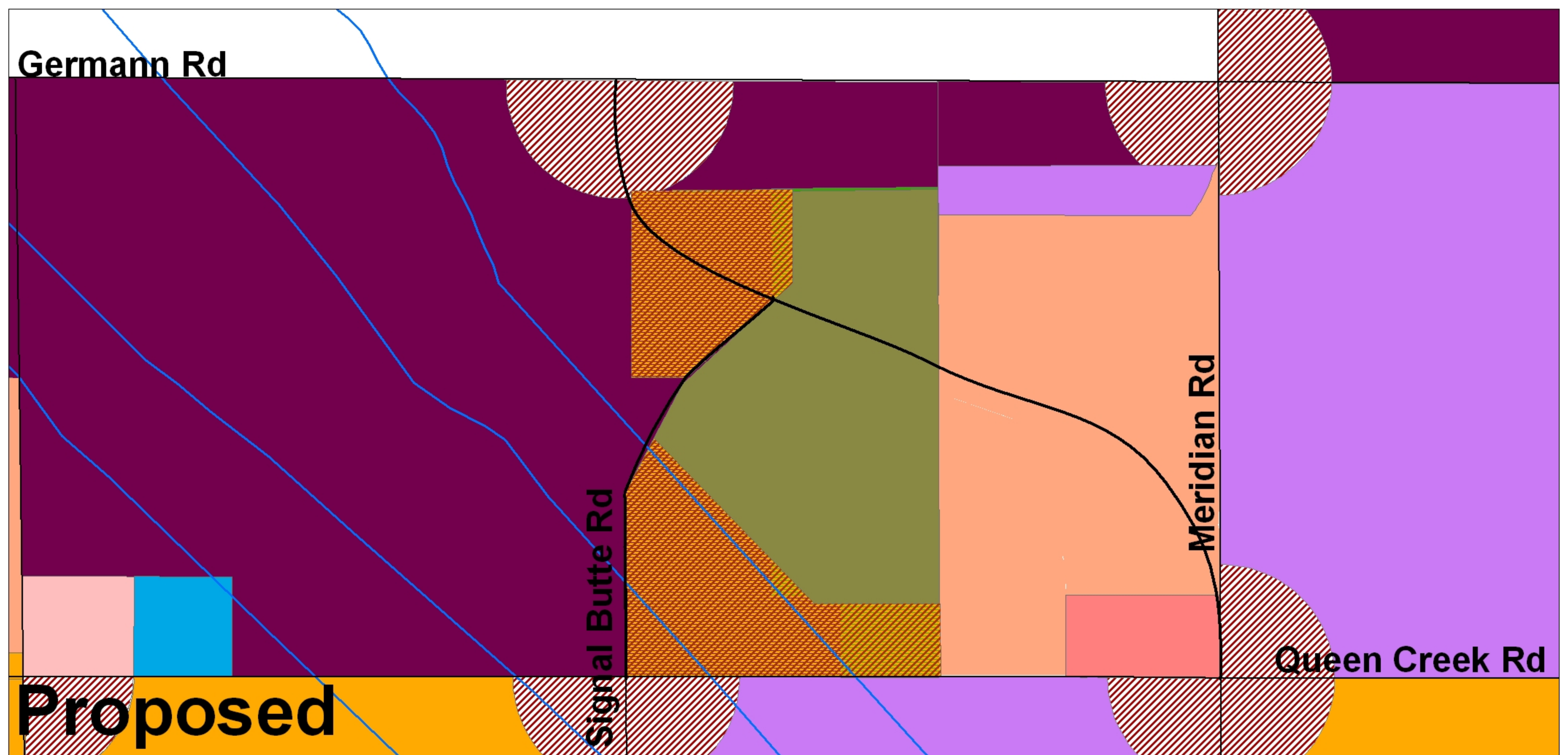
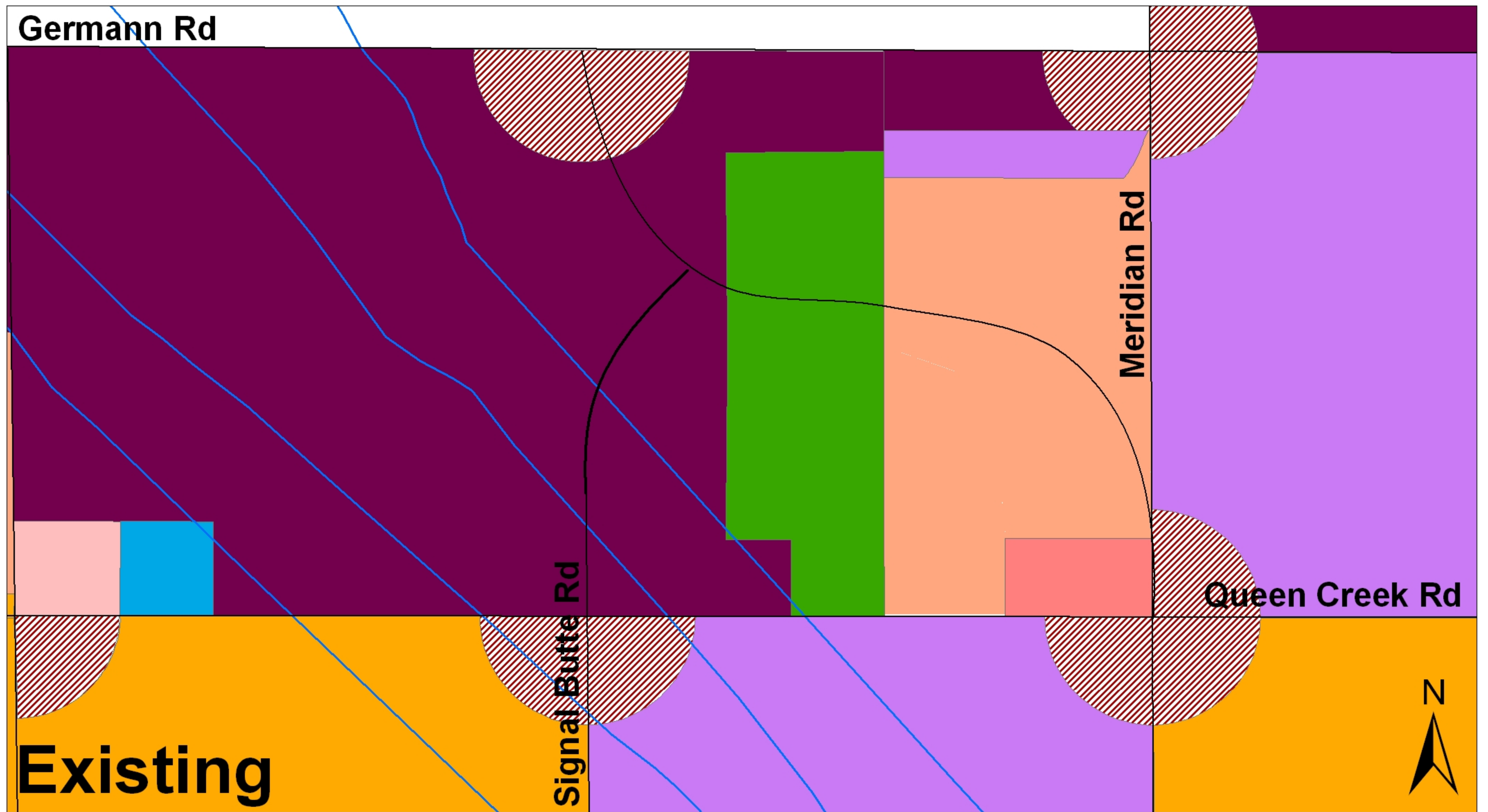
General Plan Land Use Legend			
	Very Low Density Residential (0-1 DU/AC)		Mixed Use
	Low Density Residential (0-2 DU/AC)		Neighborhood Commercial
	Medium Density Residential (0-3 DU/AC)		Community Commercial
	Master Planned Community (0-1.8 DU/AC)		Office/Services
	Medium High Density Residential Type A (0-5 DU/AC)		Commercial
	Multifamily		Employment Type A
			Employment Type B
			Public/Quasi-Public
			Open Space
			Regional Commercial Center
			San Tan Regional Park
			Noise Contours
			Future Intersection Modification
			Resort / Tourism / Entertainment

Modified by Resolutions 813-09, 814-09, 824-10, 924-12 and 934-13

All information is believed to be accurate as the date of publication, however is not guaranteed.
Created by Sidney Urias 480-358-3094



Town of Queen Creek 2013 General Plan Amendment GP13-028 Barney Farms



General Plan Land Use Legend

- | | | | |
|--|-------------------------|----------------------------|----------------------------------|
| Very Low Density Residential (0-1 DU/AC) | Multifamily | Employment Type A | Future Intersection Modification |
| Low Density Residential (0-2 DU/AC) | Mixed Use | Employment Type B | Resort / Tourism / Entertainment |
| Medium Density Residential (0-3 DU/AC) | Neighborhood Commercial | Public/Quasi-Public | |
| Master Planned Community (0-1.8 DU/AC) | Community Commercial | Open Space | |
| Medium High Density Residential Type A (0-5 DU/AC) | Office/Services | Regional Commercial Center | |
| Medium High Density Residential Type B (0-8 DU/AC) | Commercial | San Tan Regional Park | |
| | | Noise Contours | |

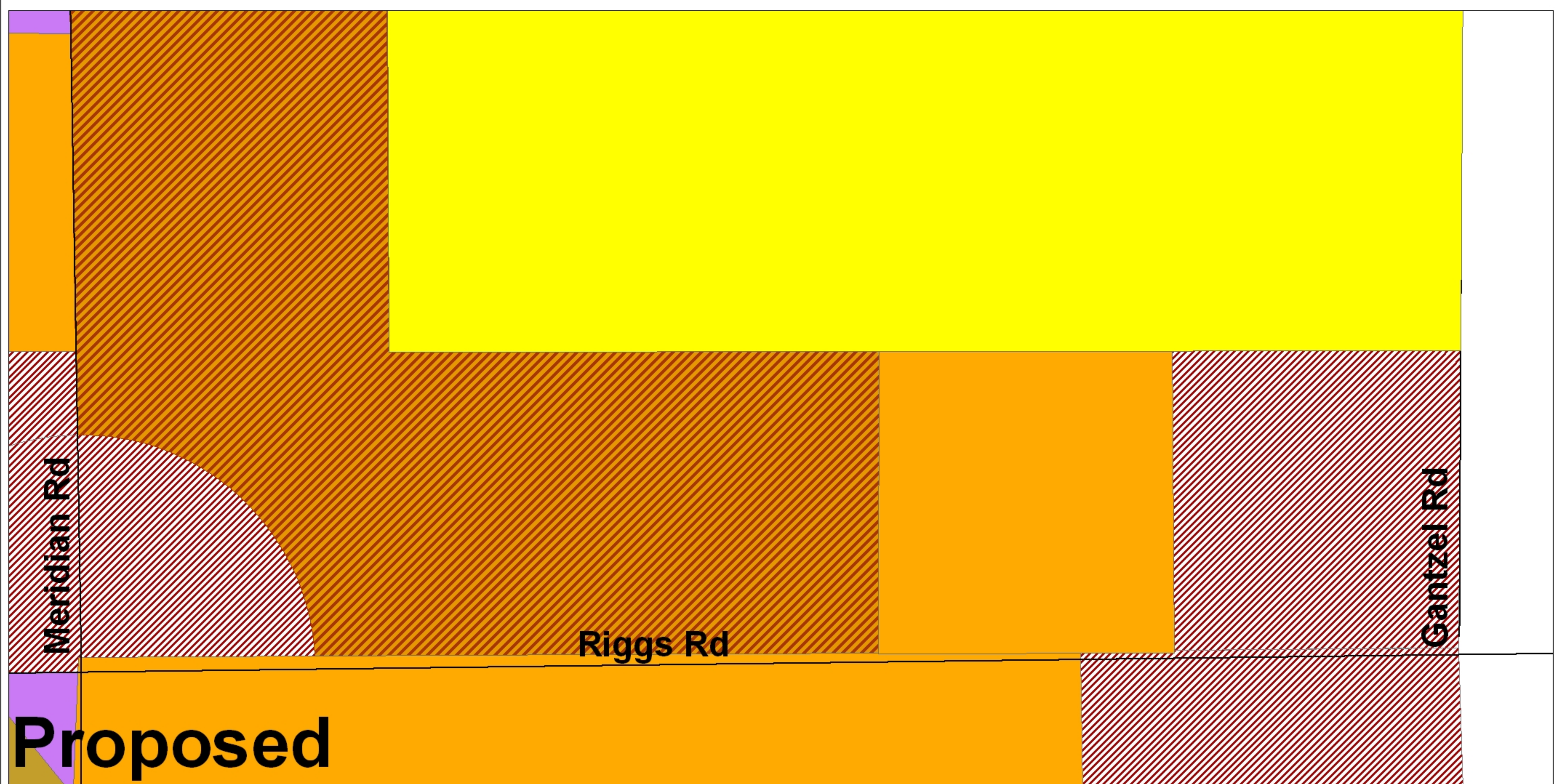
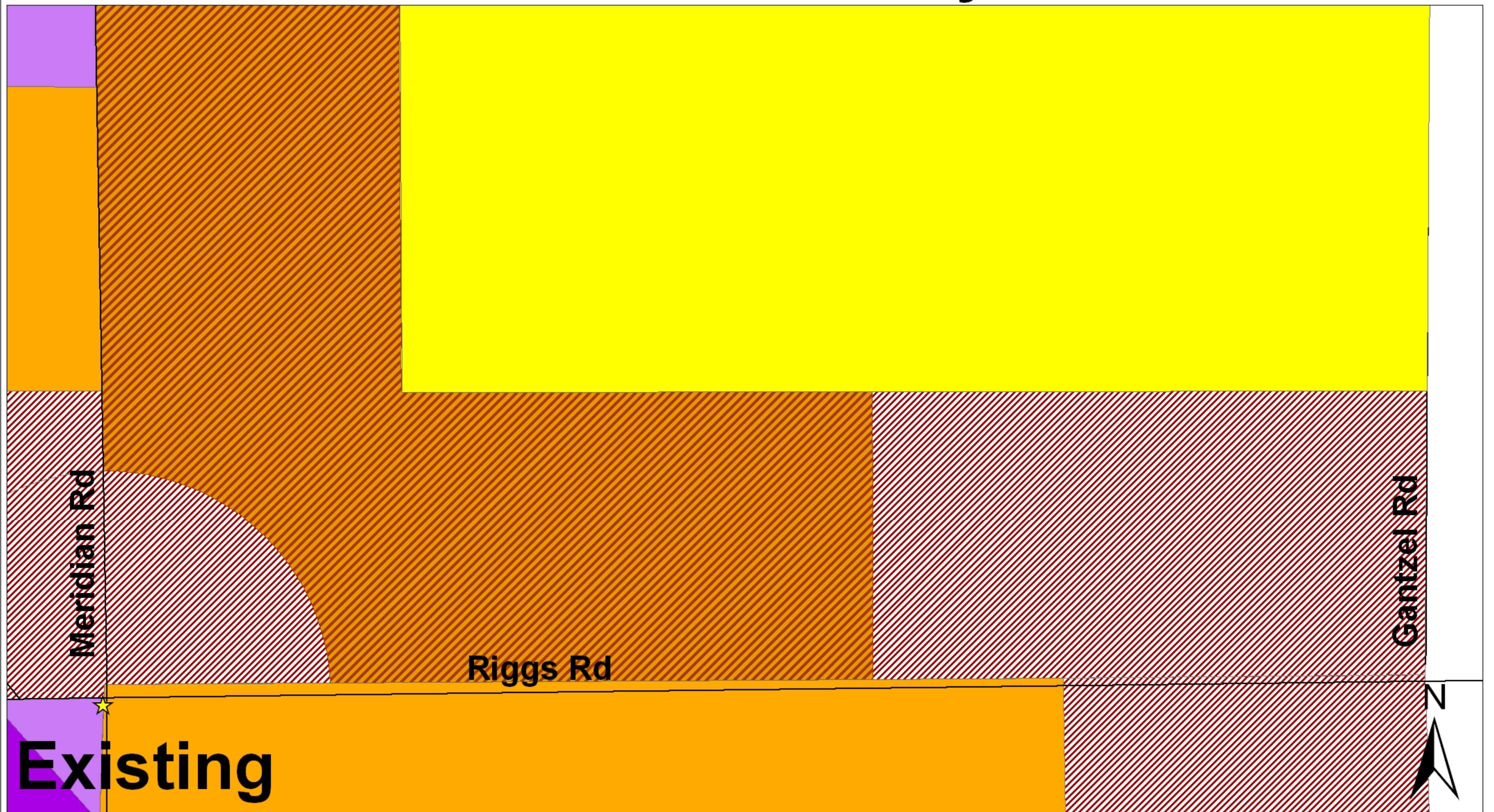
Modified by Resolutions 813-09, 814-09, 824-10, 924-12 and 934-13

All information is believed to be accurate as the date of publication, however is not guaranteed.

Created by Sidney Urias 480-358-3094



Town of Queen Creek 2013 General Plan Amendment GP13-029 The Vineyards



General Plan Land Use Legend

Very Low Density Residential (0-1 DU/AC)	Multifamily	Employment Type A	Future Intersection Modification
Low Density Residential (0-2 DU/AC)	Mixed Use	Employment Type B	Resort / Tourism / Entertainment
Medium Density Residential (0-3 DU/AC)	Neighborhood Commercial	Public/Quasi-Public	
Master Planned Community (0-1.8 DU/AC)	Community Commercial	Open Space	
Medium High Density Residential Type A (0-5 DU/AC)	Office/Services	Regional Commercial Center	
Medium High Density Residential Type B (0-8 DU/AC)	Commercial	San Tan Regional Park	
		Noise Contours	

Modified by Resolutions 813-09, 814-09, 824-10, 924-12 and 934-13

All information is believed to be accurate as the date of publication, however is not guaranteed.

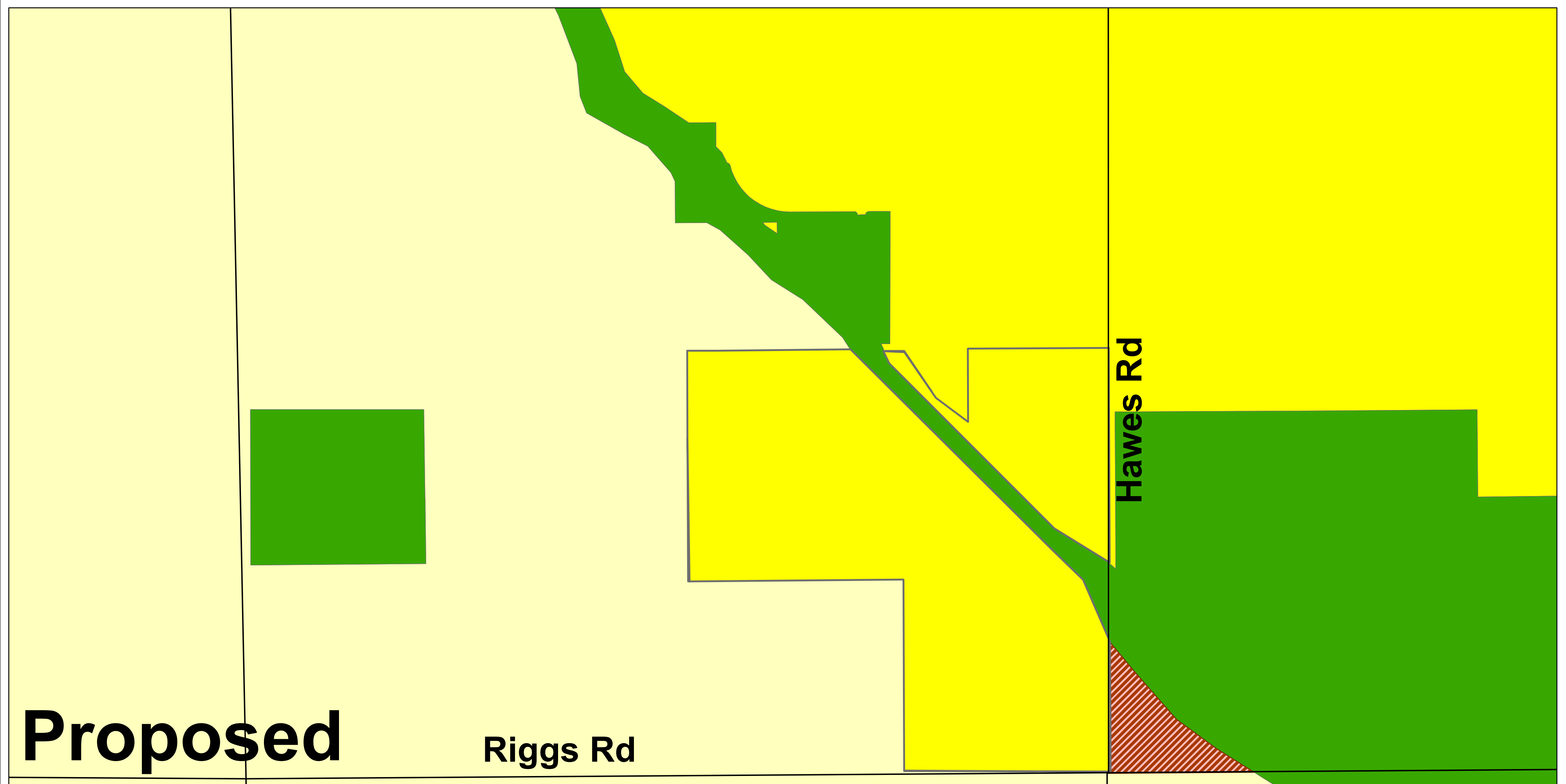
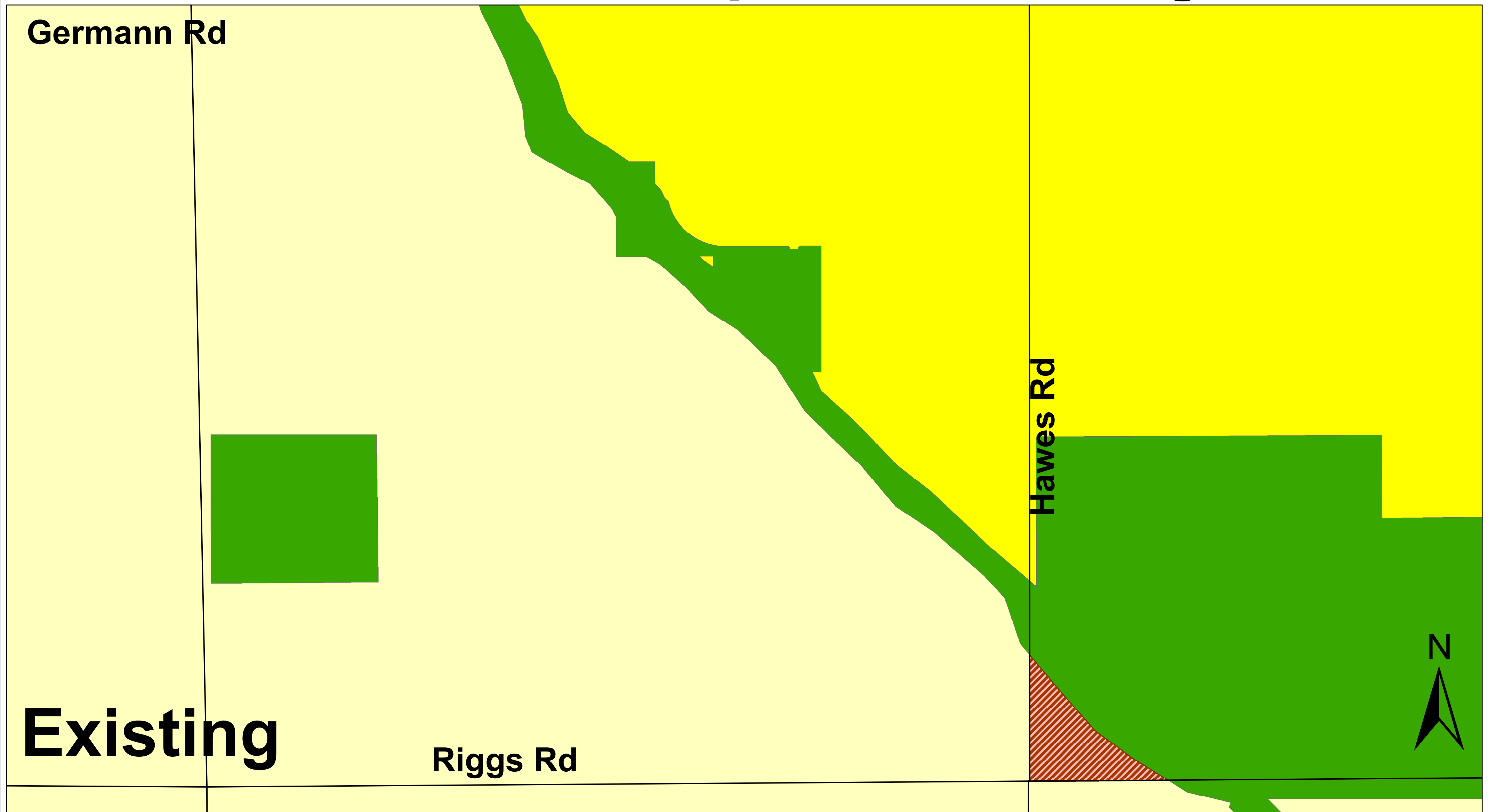
Created by Sidney Urias 480-358-3094



Town of Queen Creek

2013 General Plan Amendment

GP13-030 Sonoqui Creek Village



General Plan Land Use Legend

Very Low Density Residential (0-1 DU/AC)	Mixed Use	Employment Type B	Future Intersection Modification
Low Density Residential (0-2 DU/AC)	Neighborhood Commercial	Public/Quasi-Public	Resort / Tourism / Entertainment
Medium Density Residential (0-3 DU/AC)	Community Commercial	Open Space	
Master Planned Community (0-1.8 DU/AC)	Office/Services	Regional Commercial Center	
Medium High Density Residential Type A (0-5 DU/AC)	Commercial	San Tan Regional Park	
Multifamily	Employment Type A	Noise Contours	

Modified by Resolutions 813-09, 814-09, 824-10, 924-12 and 934-13

All information is believed to be accurate as the date of publication, however is not guaranteed.
Created by Sidney Urias 480-358-3094



Requesting Department:
Development Services



TO: HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH: JOHN KROSS, ICMA-CM
TOWN MANAGER**

**FROM: CHRIS ANARADIAN, DEVELOPMENT SERVICES DIRECTOR;
WAYNE BALMER, PLANNING ADMINISTRATOR**

**RE: DISCUSSION AND POSSIBLE DIRECTION ON THE USE OF
BANNER SIGNS.**

DATE: JULY 17, 2013

SUMMARY

Staff has recently been approached by Larry Motter on behalf of several businesses concerned with the Town's regulation on the use of banner signs. He is concerned the current ordinance language regarding how and when banners can currently be used is vague and subject to interpretation. Mr. Motter would like the Town to consider a text modification to allow banners to be used more broadly for commercial purposes.

Staff agrees the current wording regarding the use of special event banners could be improved, and will be proposing alternative language as part of the zoning ordinance update later this fiscal year.

Staff's questions for Council are whether or not there is interest in broadening the use of special event banners and if the Council is interested in staff developing a trial program to evaluate a proposed change.

DISCUSSION

When the Council reviewed the Town's signage program in 2010 changes were made to regulate sign walkers and increase the amount of time grand opening banners can be displayed. No changes were made regarding the use of banners for commercial purposes.

Since then, there has been continuing interest by the business community in revisiting the possibility of broader use of banners for special event advertising.

On May 15th Mr. Larry Motter, as a representative of the "Old Town Queen Creek" organization, sent an email on expressing his concern regarding staff allowing banners

in some instances but not in others, and proposing the Town broaden the use of special event banners to allow greater use by the business community. A copy of his email is attached.

In response to Mr. Motter's request, staff has reviewed the use of banners in Chandler, Gilbert and Mesa. The results are summarized below, with the complete text for each included as an attachment. The Town's current standards are also included for comparison.

Chandler

- One grand opening banner per a business or institutional use for 30 days
- Significant Event Signs for anniversary, special sale, change in ownership or management or similar event. Significant event signs are allowed for up to 21 days every 6 months

Gilbert

- Flying Banners and "A-Frame" signs are permitted for apartment complexes and businesses. Up to 3 flying banners or A-frames signs may be displayed on the property while the business is open.
- Temporary Use and Special Event signs are allowed for carnivals, circuses, firework displays, garage sales, parades, seasonal sales, sidewalk sales, tent sales, etc. Up to two on-site banners and two off-premise traffic directional signs may be allowed during street construction, for interim business identification, and periodic / short term display.

Mesa

- Business grand opening banners are allowed for 30 days with a use permit.
- Special event signs are allowed for temporary uses such as parades, sporting events, circuses, fairs, festivals, religious revivals political rallies, vehicle shows, etc. The signs are allowed for 4 days, for up to 4 events per year at the same location.

Queen Creek

- Up to three grand opening banners for 90 days for new businesses and changes of ownership. Banners square footage increases by occupancy size and require a use permit.
- Temporary use and special event signs for carnivals, festivals, parades, cultural events, etc. or religious institution, school or civic events. Signs are to be installed on private property no more than 5 days prior to the event and are limited to 16 square feet.

REQUESTED DIRECTION

Staff is requesting Council direction in the following areas:

- Is there interest in considering a possible amendment to the Town's current standards to allow greater use of banners?
- If there interest in making a change, should staff develop a pilot program prior to a permanent change being made?

If there is Council interest in either of these options, staff will develop options and return to the Council for further direction.

ATTACHMENTS

1. Town's current standards for use of temporary banners
2. Temporary banner standards for:
 - a. Chandler
 - b. Gilbert
 - c. Mesa
3. May 15, 2013 email from Larry Motter

Town of Queen Creek

6.16 SIGN REGULATIONS.

3. GRAND OPENING BANNERS – PERMIT REQUIRED.

Grand opening banners, flags or balloons may be used in conjunction with adjacent apartment, commercial and industrial areas in the R-3, R-4, B-1, TC, C-1, C-2, C-3, I-1 and I-2 zoning districts, for a maximum period of ninety (90) days, commencing with the first day following the issuance of a sign permit for the designated grand opening of a new business or change in the ownership of an existing business, in accordance to the following:

a. Such banners or flags shall be located on the exterior building wall of the tenant space to which they are appurtenant, and shall not exceed a total area of;

(1) forty-eight (48) square feet for occupancies up to 5,000 square feet.

(2) Ninety-six (96) square feet for occupancies up to 10,000 square feet.

(3) One-hundred and forty-four (144) square feet for occupancies up to 20,000 square feet.

(4) One-hundred and ninety-two (192) square feet for occupancies up to 40,000 square feet; or,

(5) Two-hundred and forty (240) square feet for occupancies over 40,000 square feet.

b. A total of up to three (3) banners are permitted for each event, and a balloon shall be counted as a banner.

c. The banner, flag, or balloon shall not be located or placed in a fashion that would obstruct the safe and orderly traffic flow, or present a danger to the health, safety and welfare of the public.

d. A permit authorizing shall be obtained prior to the use of any grand opening banner, flag or balloon.

20. TEMPORARY USE AND SPECIAL EVENT SIGNS. Signage for temporary uses or special events including, but not limited to, carnivals, festivals, parades, art or cultural events, farmer's markets, charity or educational activities, signs identifying or announcing the activities conducted by religious institutions, schools, civic and other special events or other similar activities are permitted, subject to the following criteria:

a. Banners and other forms of special vent signs announcing the activity or special event shall not be placed in the right-of-way or installed more than five (5) days immediately preceding the activity or special event, unless otherwise approved by the Zoning Administrator in accordance

with a Town-issued Tier III Special Event Permit for those times and locations approved by the Town through the Special Event Permit process.

b. Temporary use and special event signs may be placed on private property within any required setbacks or yard areas provided said signs do not obstruct vehicular view, such as within the safety triangle of an intersection. Special Event signs may be placed in the public right-of-way, subject to the approval of the Zoning Administrator, as part of an approved Tier III Special Event Permit as described in Item “a” above.

c. Temporary use and special event signs shall not exceed sixteen (16) square feet in area.

d. Window signs and posters are permissible for a maximum duration of four (4) weeks prior to the first day of the activity or special event. All such signs and posters shall be removed within five (5) days after the last day of the special event.

e. For the purposes of this regulation, special event signs shall include banners, balloons, flags, streamers, and pennants. Vehicle-mounted signs, flashing lights, illumination, animation, artificial light and seraph lights are prohibited. All signs shall include wind cuts when applicable to reduce sign billowing or sailing and shall be securely fastened to a building, pole or permanent structure. Such signs and/or banners shall not be mounted to trees, utility facilities, traffic signals or other landscape improvements.

f. Signs shall be placed only with the permission of the owner of the property on which they are placed. Both the person who installed the sign and the property owner are jointly and severally responsible for the sign removal.

g. A sign permit is required for each display.

h. A sign permit is not required for a temporary use or special event that is operated or sponsored by the Town.

i. Town staff may remove unauthorized signs. Unauthorized signs removed by the Town shall be disposed of after the Town provides notice to the organization, responsible person, or establishment identified by the sign. A notice shall be sent within five days of the removal by notifying the organization, responsible person or establishment to claim the unauthorized sign at a location specified on the notice. If unclaimed after the time period, the Town may dispose of the unauthorized sign. If an organization, responsible person or establishment is not identified by the sign, the sign may be disposed of no sooner than five (5) days after removal.

City of Chandler

Chapter 39 – Sign Code

39-10.5. Grand opening signs.

- A. A grand opening sign is a temporary sign which calls attention to a new business or institutional use. These signs are allowed in any zone in which the commercial, industrial or institutional uses are permitted.
- B. The sign or signs shall not be displayed for more than thirty (30) days.
- C. Only one (1) grand opening sign shall be allowed per use.

39-10.10 Significant Event Signs.

A. A "significant event sign" is a temporary sign displayed on property used or zoned for any use other than a single-family residence and which displays any type of event that is unique or significant to the business located upon the property. Such events include, but are not limited to, an anniversary, special sale, change in ownership or management, or similar event. A permit for a "significant event sign" is not the same as a special event permit under [Chapter 32](#) of the Chandler City Code.

B. Significant event signs are subject to all of the following requirements:

1. Such sign(s) may include a banner, pennant, wind-driven spinner, tear-drop banner, streamer, balloon, flag, or inflatable.
2. Use of such sign(s) shall be limited to no more than twenty-one (21) cumulative days within each six (6) month period in a calendar year.
3. A sign permit is required and must be displayed that is visible to the public during the allowed time of the permit.
4. No such sign(s) shall be placed in any public right-of-way.
5. An application fee established by Council resolution shall be charged for each sign permit issued under this subsection.
6. Off-premises, portable signs or "A-frame" signs are not allowed.

June 26, 2013

Town of Gilbert

Flying Banners and Temporary and Special Event Signs

4.402 General Sign Regulations

X. **Flying Banners.** Flying Banners shall be permitted for apartment complexes and businesses in the Commercial, Heritage Village Center, Office, Employment and Public Facility/Institutional Zoning Districts, subject to the following regulations:

1. *Size.* Signs shall be no greater than 15 feet in height.

2. *Number.* Up to three Flying Banners shall be permitted per apartment complex or per business. One sign per individual business shall be permitted to be placed on any one adjacent street frontage. In no event shall the combined number of Flying Banners and A-Frame Signs exceed three per apartment complex or business. For the purposes of this section, a business is defined as one entity per building or suite of 10,000 square feet or less if located in the Commercial, Heritage Village Center, and Office Zoning Districts and up to 30,000 square feet if located in the Employment and Public Facility/Institutional Zoning Districts.

3. *Display.* Flying Banners shall be displayed only:

- a. During the hours the business is open to conduct business; or
- b. During the hours an apartment complex rental office is open to conduct business.

4. *Location.* Flying Banners shall be located only:

- a. With a base at grade level.
- b. On-site or adjacent to apartment buildings.
- c. At a distance from a street frontage curb that is at least equal to the height of the Flying Banner.
- d. Adjacent to the business being advertised, as follows:

(1) For stand-alone single businesses, the flying banners shall be placed on the business property being advertised or in the right-of-way adjacent to the business property.

(2) For businesses located in a commercial/office complex with multiple tenants and/or buildings, or in employment parks, the flying banner may be placed within or at the perimeter of the complex or employment park, or in the abutting right-of-way.

5. *Prohibited Locations.* Flying Banners shall not be located:

- a. In raised or painted medians.
- b. With stakes fastened to or driven into concrete.
- c. Across any street from the business being advertised.
- d. In parking aisles or stalls.

- e. On equestrian or multi-use trails.
- f. So that less than a minimum of 4 feet is clear for pedestrian passage on all sidewalks and walkways, or so as to cause a hazard to pedestrian traffic.
- g. On fences, boulders, planters, other signs, vehicles, utility facilities, or any structure.
- h. Within a minimum distance of 20 feet from any other Flying Banner or A-Frame sign.
- i. Within a minimum distance of 30 feet from an access drive or street intersection.

6. *Construction and Maintenance.* Flying Banner signs shall be:

- a. Supported by a base of a sufficient weight and durability to withstand wind gusts, storms, etc.; and
- b. Maintained in a professional manner free from fading, tearing, etc.

Y. Temporary Uses and Special Event Signs. Temporary uses and special events listed in section 4.5012 Temporary Uses, located in the Commercial, Heritage Village Center, Office, Employment, Gateway and Public Facility/ Institutional Zoning Districts shall be permitted up to two (2) on-site banner signs and up to two (2) off-premise traffic directional signs, subject to the following regulations:

1. *On-Site Banner Signs.* Two banner signs, each no greater than 40 square feet in area may be placed on the site of the temporary use or special event.

Table 4.5012: Temporary Uses

Use Classification	Time Duration (days)	Frequency of Use	Interval between Uses (days)	Special Event Permit Required
Bazaar		15(Fifteen) Days of Use (Maximum) per Calendar Year		no
Carnival		See Municipal Code Chapter 15: Special Events		yes
Carnival, Small-scale	4	4/year	3	no
Farmer’s Market		Subject to the provisions of the approved Administrative Use Permit		no
Circus		See Municipal Code Chapter 15: Special Events		yes
Fireworks Display		See Municipal Code Chapter 15: Special Events		yes
Garage Sale		See Municipal Code Chapter 42 – Offenses and Abatement of Public Nuisances		no

Haunted House	45	1 / year		no
Parade		See Municipal Code Chapter 15-52		yes
Public Assembly		See Municipal Code Chapter 15-52		yes
Seasonal Sales	30	4 / year	14	no
Sidewalk Sale/Parking Lot Single Event	4	8 days/month	3	no
Auction, Swap Meet, Single Event		See Municipal Code Chapter 15: Special Events		yes
Tent Sale-Vehicle	3	4 / year	60	no

Table 4.402. Temporary Banner Regulations

BANNER TYPE	HEIGHT/AREA	TIME LIMIT	NUMBER	LOCATION	PROHIBITED
IDENTIFICATION BANNER/ STREET CONSTRUCTION	8 FT/18 SQ. FT.	START OF STREET CONSTRUCTION TO END OF CONSTRUCTION *	1	GROUND FIXED POLES OR POSTS OR PARKING SCREEN WALLS	PUBLIC RIGHT OF-WAY OR ON LANDSCAPING, VEHICLES, UTILITY FACILITIES, OR ANY OTHER STRUCTURE
INTERIM BUSINESS IDENTIFICATION BANNER	SEE CRITERIA A	FROM DATE OF APPLICATION FOR CERTIFICATE OF OCCUPANCY UNTIL PERMANENT SIGNAGE INSTALLATION** NOT TO EXCEED 120 DAYS	1	EXTERIOR BUILDING WALL OF BUSINESS	—
INITIAL DISPLAY BANNERS	SEE CRITERIA A	PERIOD NOT TO EXCEED 120 CALENDAR DAYS. NOT > 90 DAYS PRIOR TO 1ST DAY USE OPERATES	1	EXTERIOR BUILDING WALL OF BUSINESS	—
PERIODIC	SEE	PERIOD NOT TO	1	EXTERIOR	1

DISPLAY BANNERS	CRITERIA A	EXCEED 180 CUMULATIVE DAYS PER 12 MONTH PERIOD		BUILDING WALL OF BUSINESS	
SHORT-TERM DISPLAY BANNERS	SEE CRITERIA A	UP TO 8 DAYS PER MONTH FOR A MAXIMUM OF 4 CONSECUTIVE DAYS	1	GROUNDFIXED POLES OR POSTS OR PARKING SCREEN WALLS	PUBLIC RIGHTOF-WAY OR ON LANDSCAPING, VEHICLES, UTILITY FACILITIES, OR ANY OTHER STRUCTURE

Criteria A:

1. 40 square feet for occupancies up to 5,000 square feet;
2. 80 square feet for occupancies greater than 5,000 square feet up to 15,000 square feet;
3. 120 square feet for occupancies greater than 15,000 square feet up to 50,000 square feet; or
4. 180 square feet for occupancies greater than 50,000 square feet.

* Banners identifying an existing business are permitted during construction by a public entity or utility on a roadway immediately fronting the business premises.

** Applicant must furnish pending sign permit application for permanent signage and be diligently pursuing the manufacture and installation of such signage.

June 26, 2013

City of Mesa

11-41-7: Temporary Signs

F. Banners and Nonrigid Signs.

1. Canvas signs, banners, advertising flags, pennants, streamers, garlands, whirly-gigs, and similar devices are permitted only for the initial opening of a new business, new occupancy, or new proprietor or management.

a. A Use Permit shall be required for the display of banners and nonrigid signs.

b. Such Use Permits shall be valid for a maximum period of 30 consecutive days.

2. Banners are permitted within the public right-of-way in existing approved locations for informational messages concerning civic and cultural programs within the Downtown Zoning District, subject to the approval of the Zoning Administrator. Sponsorship shall be allowed no more than 15% coverage on a streetlight banner. Sponsorship shall be allowed no more than 30% coverage on an over-the-street banner

15. Special event signs intended to support, promote, identify, or advertise a licensed special event as authorized by Section 5-1-2, of the Mesa City Code and 11-31-27 of the Zoning code are permitted in all zoning districts, in accordance with the following:

a. Such signs are located entirely upon the property authorized by the special event license as specified in Section 5-1-2 of the Mesa City Code.

b. Such signs shall not occupy any portion of a public right-of-way except within the Downtown Zoning District, nor be placed in a location prohibited in 11-41-8(C) of this Ordinance.

c. Such signs are not displayed prior to nor after the dates of the special event as specified in the Special Event License.

d. Such signs are permitted in addition to signage otherwise permitted by this Chapter.

e. Such signs may include balloons, banners, flags, and portable signs only when displayed in full conformance with the provisions of paragraph 15.

Special Event: A temporary use in all zoning districts which:

A. Is intended for purposes of entertainment, education, commercial promotion, or cultural, religious, ethnic, or political expression; and

B. Is conducted on public or private property on a site or in an area which may not be specifically zoned, authorized, or otherwise approved for such use on a permanent basis; and

C. Is carried on in a temporary structure or outside; and

D. May occur in conjunction with an existing permitted use or as a separate activity; and

E. Includes parades, sporting events, circuses, fairs, carnivals, festivals, religious revivals, political rallies, vehicle shows and displays, and similar recognized temporary activities.

F. Shall not include wedding and funeral ceremonies, holiday boutiques, elections, private yard sales, Christmas tree and pumpkin sales lots, and charity car washes.

Special events as defined in Chapter 87 of this Title are permitted in all zoning districts, provided that:

1. The event is licensed in accordance with the provisions of Title 5 of the Mesa City Code;
 2. The duration of the event does not exceed the time period specified in the special event license or a maximum of 4 consecutive days, whichever is less;
 3. No more than 4 events are conducted on the same premises during the calendar year;
 4. The site of the event is adequately served by utilities and sanitary facilities; and
 5. The event will not present a safety hazard or public disturbance and will not cause substantial adverse impacts on surrounding properties or land uses by creating excessive noise, glare, heat, dust, odors, or pollutants as determined by the Director and Fire Marshal.
- B. Special events shall be conducted only on a lot that has an approved dust proof parking

June 26, 2013

On Wed, May 15, 2013 at 1:28 PM, Larry Motter <lmotter1@cox.net> wrote:

I have been receiving many requests that I contact the town to discuss the use of banners for Queen Creek businesses. It seems there is a double standard for which businesses are allowed to use banners. I would love to setup a meeting to discuss this further with the controlling parties.

Here are some examples I have noticed over the past few days.

1. Olive Mill has several banners and has had them up for many months along with sandwich displays on the road.
2. Schnepf Farms has always had multiple banners on their fence which is just off the street.
3. The library has a huge banner that is not even on a flat surface.

The fact that the library is a government entity does not give them the right to have a different set of rules. The fact that the Olive Mill and Schnepf Farms has multiple banners up at the same time and get by with it only because they pay more tax dollars is also another set of rules. One business "Not in Old Town" that I am working with had a representative from the town come by and took his sign and tossed it in the garbage with no warning. Why is that same representative not tossing out the banners and sandwich boards at the Olive Mill or Schnepf Farms. The town partner agreement states nothing about town partners being allowed to use banners on their property as they see fit.

I also tried to explain to everyone that just because you see another business with a banner does not mean they had that banner approved. They could be having the same challenges too.

I did explain to several business owners that there should and needs to be some restrictions on the use of monthly banners.

1. All banners visible to ANY public street must be approved by the town.
2. Banners can only be used for promoting new specials, new hours or events.
3. Banners promoting secondary product are not allowed I.E. A banner must advertise the business in some way not a business vendor.
4. A banner can be on display no longer than one month.
5. Banners cannot have ONLY generic general statements and must include the business name or logo. Example NOW OPEN, GRAND OPENING, OPEN LATE, NEW MENU, NEW MANAGEMENT, NEW LOCATION, OPEN SUNDAY, SALE, SALE TODAY.
6. Banners that are torn, damaged or faded must be replaced.
7. Banners must not be allowed to blow in the wind and must be attached on all corners.
8. General advertising free-standing banners, displays or sandwich boards are not permitted.
9. Only one banner visible from each street is allowed at any given time. Example if one banner can be viewed by multiple streets than only one can be permitted. If the banner is only visible from each individual street then multiple banners can be allowed.
10. There must also be restrictions on how many times banners can be displayed over the course of a year. If a business replaces the banner every month with a new banner it would now be considered a permanent sign and have new restrictions

There needs to be new guidelines for events too.

1. Banners for events can only be displayed during the event and must be taken down after the completion of the event. Example some events will be sponsored by alcohol distributors and will display their beer or sponsor logo on the event banners, these banners are often provided for free. These banners are only allowed during an event. A banner that is advertising the upcoming event must apply to the first set of restrictions. An event example would be if QC Café wanted to host a fenced off parking lot event they would only be allowed to display the sponsor event banner during the event itself.
2. Free-standing banners, displays or sandwich boards are only permitted during events.

These are just ideas! My intentions are to not cause trouble but to work with the town in finding an acceptable solution.

Thank You

Larry Motter
[480.980.0926](tel:480.980.0926)