

## FINAL AGENDA

REGULAR COUNCIL MEETING  
TUESDAY  
FEBRUARY 18, 2014

COUNCIL CHAMBERS  
211 WEST ASPEN AVENUE  
4:00 P.M. AND 6:00 P.M.

### 4:00 P.M. MEETING

*Individual Items on the 4:00 p.m. meeting agenda may be postponed to the 6:00 p.m. meeting.*

#### 1. CALL TO ORDER

##### NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).*

#### 2. ROLL CALL

*NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.*

MAYOR NABOURS	
VICE MAYOR EVANS	COUNCILMEMBER ORAVITS
COUNCILMEMBER BAROTZ	COUNCILMEMBER OVERTON
COUNCILMEMBER BREWSTER	COUNCILMEMBER WOODSON

#### 3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

##### MISSION STATEMENT

*The mission of the City of Flagstaff is to protect and enhance the quality of life of its citizens.*

#### 4. APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

- A. **Consideration and Approval of Minutes:** City Council Work Session of January 28, 2014; and the Special Meeting (Executive Session) of February 11, 2014.

##### **RECOMMENDED ACTION:**

Amend/approve the minutes of the City Council Work Session of January 28, 2014; and the Special Meeting (Executive Session) of February 11, 2014.

#### 5. PUBLIC PARTICIPATION

*Public Participation enables the public to address the Council about an item that is not on the agenda (or is listed under Possible Future Agenda Items). Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak.*

*You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.*

**6. PROCLAMATIONS AND RECOGNITIONS**

None

**7. APPOINTMENTS**

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that the City Council may vote to go into executive session, which will not be open to the public, for the purpose of discussing or considering employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee, or employee of any public body...., pursuant to A.R.S. §38-431.03(A)(1).*

**A. Consideration of Appointments: Parks and Recreation Commission.**

**RECOMMENDED ACTION:**

Make one appointment to term expiring August 2015.

**B. Consideration of Appointments: Tourism Commission.**

**RECOMMENDED ACTION:**

Make two Hospitality appointments to terms expiring January 2017.

**C. Consideration of Appointments: Personnel Board.**

**RECOMMENDED ACTION:**

Make one appointment to term expiring October 2016.

**8. LIQUOR LICENSE PUBLIC HEARINGS**

**A. Consideration and Action on Liquor License Application: Lisa Dishman-McCulloch, "Nomads", 19 W. Phoenix Ave., Series 07 (beer and wine bar), Person Transfer and Location Transfer.**

**RECOMMENDED ACTION:**

Hold public hearing.

The City Council has the option to:

- 1) Forward the application to the State with a recommendation for approval;
- 2) Forward the application to the State with no recommendation; or
- 3) Forward the application to the State with a recommendation for denial based on the testimony received at the public hearing and/or other factors.

**9. CONSENT ITEMS**

*All matters under Consent Agenda are considered by the City Council to be routine and will be enacted by one motion approving the recommendations listed on the agenda. Unless otherwise indicated, expenditures approved by Council are budgeted items.*

**A. Consideration and Approval of Utilizing the Cooperative Purchase Agreement Through the City of Goodyear Contract # CON-12-2155: Utility Billing Services****RECOMMENDED ACTION:**

Approve the contract with Infosend through the cooperative purchase agreement with the City of Goodyear contract, #CON-12-2155-Utility Billing Services.

**10. ROUTINE ITEMS****A. Consideration and Adoption of Ordinance No. 2014-06: An ordinance amending the official Zoning Map for a parcel of approximately 0.16 acres of land located at 515 North San Francisco Street, aka the Yeager House, by adding a Landmarks Overlay district designation ("LO") to the existing Single-Family Residential Neighborhood ("R1N") zoning classification. *(For the purpose of strengthening cultural and historical features)*****RECOMMENDED ACTION:**

- 1) Read Ordinance No. 2014-06 by title only for the final time
- 2) City Clerk reads Ordinance No. 2014-06 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2014-06

**B. Consideration and Adoption of Ordinance No. 2014-04: An ordinance amending the official Zoning Map for a parcel of approximately 0.26 acres of land located at 19 West Phoenix Avenue, aka Motel DuBeau Travelers Inn and Hostel, by adding a Landmarks Overlay district designation ("LO") to the existing Community Commercial ("CC") and T5 Main Street Transect Zone ("T5") zoning classifications. *(To protect the historical significance of the structure)*****RECOMMENDED ACTION:**

- 1) Read Ordinance No. 2014-04 by title only for the final time
- 2) City Clerk reads Ordinance No. 2014-04 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2014-04

**C. Consideration and Adoption of Ordinance No. 2014-05: An ordinance amending the official Zoning Map for a site of approximately 400.16 acres of open space land known as Picture Canyon by adding a Landmarks Overlay district designation ("LO") to the existing rural residential ("RR") zoning classification. *(For the purpose of preserving archaeological elements and Flagstaff history)*****RECOMMENDED ACTION:**

- 1) Read Ordinance No. 2014-05 by title only for the final time
- 2) City Clerk reads Ordinance No. 2014-05 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2014-05

- D. Consideration and Adoption of Resolution No. 2014-08:** A resolution authorizing the City of Flagstaff to provide up to two-hundred forty-five thousand dollars (\$245,000) to Cedar Crest/Flagstaff LP, or its successor, as a Local Government Contribution for a Low Income Housing Tax Credit Acquisition/Rehabilitation Project of the apartment complex currently known as Mountainside Village under the Arizona Department of Housing ("ADOH") 2014 or 2015 Qualified Allocation Plan. ***(Authorization to change the terms of a loan previously made for affordable housing.)***

**RECOMMENDED ACTION:**

Should the Council wish to move forward with this project:

- 1) Read Resolution No. 2014-08 by title only
- 2) City Clerk reads Resolution No. 2014-08 by title only (if approved above)
- 3) Adopt Resolution No.2014-08

**RECESS**

**6:00 P.M. MEETING**

**RECONVENE**

**NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION**

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3 ).*

**11. ROLL CALL**

*NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.*

MAYOR NABOURS

VICE MAYOR EVANS

COUNCILMEMBER BAROTZ

COUNCILMEMBER BREWSTER

COUNCILMEMBER ORAVITS

COUNCILMEMBER OVERTON

COUNCILMEMBER WOODSON

**12. PUBLIC PARTICIPATION**

**13. CARRY OVER ITEMS FROM THE 4:00 P.M. AGENDA**

**14. PUBLIC HEARING ITEMS**

None

**15. REGULAR AGENDA**

**A. Consideration and Possible Adoption:** Development Fee Land Use Assumptions and Infrastructure Improvement Plan

**RECOMMENDED ACTION:**

- 1) Adopt Land Use Assumptions
- 2) Adopt Infrastructure Improvement Plan

**16. DISCUSSION ITEMS**

None

**17. POSSIBLE FUTURE AGENDA ITEMS**

*Verbal comments from the public on any item under this section must be given during Public Participation near the beginning of the meeting. Written comments may be submitted to the City Clerk. After discussion and upon agreement of three members of the Council, an item will be moved to a regularly-scheduled Council meeting.*

**18. INFORMATIONAL ITEMS AND REPORTS FROM COUNCIL AND STAFF, REQUESTS FOR FUTURE AGENDA ITEMS**

**19. ADJOURNMENT**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on \_\_\_\_\_ , at \_\_\_\_\_ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Elizabeth A. Burke, MMC, City Clerk

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Elizabeth A. Burke, City Clerk  
**Date:** 02/14/2014  
**Meeting Date:** 02/18/2014



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**TITLE**

**Consideration and Approval of Minutes:** City Council Work Session of January 28, 2014; and the Special Meeting (Executive Session) of February 11, 2014.

**RECOMMENDED ACTION:**

Amend/approve the minutes of the City Council Work Session of January 28, 2014; and the Special Meeting (Executive Session) of February 11, 2014.

**INFORMATION**

Attached are copies of the minutes of the City Council Work Session of January 28, 2014; and the Special Meeting (Executive Session) of February 11, 2014.

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**Attachments:** [01.28.2014.CCWS.Minutes](#)  
[02.11.2014.CCSMES.Minutes](#)

# MINUTES

WORK SESSION  
TUESDAY, JANUARY 28, 2014  
COUNCIL CHAMBERS  
211 WEST ASPEN AVENUE  
6:00 P.M.

**1. Call to Order.**

Mayor Nabours called the Flagstaff Work Session of January 28, 2014, to order at 6:03 p.m.

**2. Pledge of Allegiance.**

The City Council and audience recited the Pledge of Allegiance.

**3. Roll Call**

**Councilmembers present:**

MAYOR NABOURS  
VICE MAYOR EVANS  
COUNCILMEMBER BAROTZ  
COUNCILMEMBER ORAVITS  
COUNCILMEMBER OVERTON

**Councilmembers absent:**

COUNCILMEMBER BREWSTER  
COUNCILMEMBER WOODSON

Others present: City Manager Kevin Burke; City Attorney Michelle D'Andrea

**4. Public Participation**

*Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.*

Grants Manager Stacey Brechler-Knaggs showed a short video and presented the Engineering News-Record Southwest Region Award to the City of Flagstaff and Hunter Contracting for their work on the reconstruction of the pipeline road damaged during the Shultz fire and flooding.

5. **Preliminary Review of Draft Agenda for the February 4, 2014, City Council Meeting.\***

*\* Public comment on draft agenda items may be taken under "Review of Draft Agenda Items" later in the meeting, at the discretion of the Mayor. Citizens wishing to speak on agenda items not specifically called out by the City Council for discussion under the second Review section may submit a speaker card for their items of interest to the recording clerk.*

Councilmember Barotz asked about the Business Improvement District item; she wanted to know if John VanLandingham or Mark Lamberson had communicated with the individuals who had submitted objections. Community Design and Redevelopment Manager Karl Eberhard stated that Mr. VanLandingham and Mr. Lamberson had reached out in both cases.

Mr. Burke stated that there are three items on the 4:00 p.m. agenda and asked if the Council would like to keep the schedule as is or address it differently. Council agreed to move the 4:00 p.m. agenda items to the beginning of the 6:00 p.m. agenda and have no 4:00 p.m. meeting.

6. **2013 Citizen Survey Results**

Assistant to the City Manager for Communications Kimberly Ott stated that the City successfully completed the citizen's survey. It has been four years since the last one was done. The information in the survey helps staff understand what is being done well and what needs improvement. The Council budget priorities are really falling in line with the results that were seen. The survey analyzed a wide variety of issues and compared them to the study done in 2009 and benchmarked with other similar communities.

Ms. Ott introduced Laurie Irvin with the National Research Center who provided a PowerPoint presentation that covered the following:

- ▶ 2013 RESIDENT SURVEY
- ▶ WHAT IS THE FLAGSTAFF RESIDENT SURVEY?
- ▶ HOW WAS THE SURVEY ADMINISTERED?

Councilmember Oravits noted that of the 1500 surveys mailed only 437 were completed and returned; he asked how this affected the survey results. Ms. Irvin stated that measures are in place to ensure every household is represented. It is known that women and homeowners tend to respond most often so there is an over sample of multi-family households to counter. The received surveys are compared to the 2010 census data and are adjusted to match the census set, again ensuring that all demographics are represented.

Ms. Irvin continued the presentation.

- ▶ KEY LEARNING #1
- ▶ OVERALL QUALITY OF LIFE
- ▶ QUALITY OF COMMUNITY
- ▶ TOP RATED COMMUNITY CHARACTERISTICS

- ▶ KEY LEARNING #2
- ▶ ENRICHMENT OPPORTUNITIES
- ▶ KEY LEARNING #3

Mayor Nabours stated that there is a lot of information in the survey and to make the best use of it the Council is going to need to put some of them in context and follow-up with them.

Ms. Irvin continued the presentation.

- ▶ KEY LEARNING #4
- ▶ QUALITY OF NATURAL ENVIRONMENT, PARKS AND ENVIRONMENTAL
- ▶ MAINTAINING A HEALTHY FOREST
- ▶ PROTECT CITY FROM WILDFIRES
- ▶ KEY LEARNING #5
- ▶ TRAVEL THROUGH CITY
- ▶ TRANSPORTATION SYSTEMS
- ▶ STREET MAINTENANCE
- ▶ SUPPORT FOR SALES TAX INCREASE FOR STREET IMPROVEMENTS
- ▶ KEY LEARNING #6
- ▶ SERVICE RATINGS
- ▶ KEY LEARNING #7
- ▶ GOVERNMENT PERFORMANCE
- ▶ SUMMARY OF KEY LEARNINGS

Ms. Irvin stated that the results were very positive and there was good information in the survey that can be used in the priority and planning setting.

## 7. **Bushmaster Park Concept Plan**

Parks Manager Steve Zimmerman offered a PowerPoint presentation on the Bushmaster Park Concept Plan.

- ▶ BUSHMASTER PARK CONCEPT DESIGN PROJECT
- ▶ WHY ARE WE HERE TONIGHT?
- ▶ BACKGROUND/HISTORY
- ▶ COMMUNITY CONCERNS
- ▶ INTERNAL WORK GROUP
- ▶ PARTNERS
- ▶ COMMUNITY OUTREACH
- ▶ STRATEGIES
- ▶ PHASE I
- ▶ PHASE II
- ▶ CONCEPT PLAN
- ▶ FUNDING
- ▶ WHAT'S THE COST?
- ▶ DISCUSSION/QUESTIONS

Councilmember Overton expressed concern about the procurement timeline with using multiple contractors and urged staff to get the timeframe as short as possible.

Vice Mayor Evans expressed excitement over the plan getting to this point. She inquired about how the east side parking lot would be connecting with Silar Homes. Mr. Zimmerman stated that staff is looking at moving the barricades down 40 feet to gain access to the park and building a bridge over the ditch. Vice Mayor Evans stated that some of the issues in Bushmaster Park could possibly be resolved if the blocked off key points were opened up as it would encourage more people to use the park; she requested that the barricades be completely removed, not relocated. Additionally, the large boulders off of Elder Dr. should be removed as well. This would give more visibility of the park.

Vice Mayor Evans inquired about the community garden and how it would be funded. She also indicated that the plan addresses the physical infrastructure but not the social infrastructure. She would like to see more information on how people are going to use the park. Lastly, she suggested relocating the Police Department bike squad to inside the park as it would put a constant police presence in the park as a home base and having something like that really assists in moving the project forward socially.

Mr. Zimmerman offered that there was discussion about removing the barricades at Silar Homes and there was a lot of concern about introducing traffic into a community that has become accustomed to little or no traffic. There have been recent discussions with the Police Department to support reopening the west parking. Both conversations will be pursued further.

With regards to the community garden, there is no agreement for a community garden to be operated by the current group the City uses; they are working on a new Memorandum of Understanding at this time. The plan outlines a place holder for a community garden to happen however it comes about. The Parks and Recreation Commissioners were highly in favor of the garden and wanted it to be included with Phase I but after public comment it was decided for Phase II. How it is to be constructed is still to be determined.

Mr. Zimmerman stated that based on the studies people wanted a place to hold family functions and a place to gather. By adding the ramadas it would facilitate a social gathering place. The Bushmaster Block Watch group currently uses a ramada and it is assumed that they would continue.

Vice Mayor Evans stated that along with the physical plan there needs to be a concept plan for the social engagement part from the community even if it is to identify what community groups will do what. New ramadas can be built but if people are still unsure about using the park the problem remains. She asked about improved signage on Lockett, Steves, Elder, and other surrounding streets. Mr. Zimmerman explained that signage for the park now is difficult because the City does not have land on which to put a sign. As the project moves further, there may be options available on Thomas road for a formal sign.

Mayor Nabours indicated that there have been discussions before that if any more parks were added the Parks Section would not be able to afford to maintain them and asked if the funding for maintenance had been addressed. It would be counterproductive to build this park up and not be able to maintain it. Mr. Zimmerman stated that the biggest cost is

putting in the infrastructure. While a new water meter is not needed, there will need to be upgrades with new electrical service. In reviewing the initial budget he believes that no additional funding will be needed for the maintenance of the park and staff is currently looking at having a full time person placed there.

Mayor Nabours offered a thank you to staff and the Parks and Recreation Commission for the activities that were considered but not adopted to be included in the plan, it shows that this was not the first run and the report is truly the final result of what they think is the best.

The following individuals addressed Council in favor of the Bushmaster Park Concept Plan:

- Marguerite Hendrie
- Marty Eckrem
- Mary Walter
- Dr. Lisa Hardy
- Denise Burley
- Tom Ziegler
- Richard Bob
- Brenda Gene
- Charles Hammersley
- Chelsea Kuiper

Comments received included:

- It is time to focus on public perception and the positive aspects of the park.
- Hope that the plan does not end with construction but will include a grander plan of Parks and Recreation planning.
- The addition of the ADA park is fantastic.
- The improvements will bring more families to the park.
- More parking will be much appreciated.
- Urge planners to move beyond public meetings to have people participate in a very specific plan.
- Provide the resources to construct a community garden but depend on participants to maintain.
- The plan is a huge alignment with the mission of the health district.
- Bushmaster Park is a central location for the Native American community. NACA would love to utilize the park for personal training and fitness classes. If the area is expanded NACA will fully utilize it.
- The entire design process was initiated by the community group and their efforts to enhance the community.
- If you build it they will come, there is little opportunity for recreation services to bring activities into this park and these improvements will dramatically change this. The improved activities will bring people in to experience the park in a positive manner.

A break was held from 7:28 p.m. through 7:39 p.m.

Mayor Nabours asked for Deputy Chief Dan Musselman to give the Police Department perspective of the plan with regard to the development. Deputy Chief Musselman stated that the Police Department realizes that the unimproved forested area is being used for inappropriate activities. The developments proposed will allow legitimate users to utilize the park and this will make the illegitimate users uncomfortable and they will move on to another space.

Councilmember Oravits asked about the impact of removing the boulders at Elder and if it would have a positive or negative affect with the extra flow of traffic. Deputy Chief Musselman explained that he is unaware of the history behind placing the boulders there but staff can look further into the issue and report back.

Mayor Nabours requested a breakdown of the maintenance concerns to ensure that going forward there is enough current funding to support the improvements at the park. He also suggested contacting Senator Begay as there may be funding available from other sources that can add to the project.

Councilmembers Overton and Barotz expressed a desire to move forward with the project. Vice Mayor Evans agreed but would like to see concept planning of what is going to happen in the park once complete. Getting together and pooling resources to promote and sponsor activities will help take back the park.

Mayor Nabours stated that in order to issue the bonds it will be necessary to come before Council for an action item and at that time staff can provide information on access, maintenance issues, and social aspects of the project. Council agreed for the project to proceed.

8. **Presentation on Principles of Sound Water Management - Water Policies: Review Policy E4 Service Outside City Limits, Review Septage, Grease & Mud Hauling Services, and Review red-line edited version of Water Policy Document**

Utilities Director Brad Hill offered a PowerPoint presentation on the Principles of Sound Water Management that addressed the following:

- ▶ UTILITIES INTEGRATED MASTER PLAN
- ▶ TONIGHT'S OBJECTIVES

Utilities Engineering Manager Ryan Roberts continued the presentation.

- ▶ INFRASTRUCTURE

Councilmember Barotz stated that in section E4 the introductory paragraph needs to be clarified as it addresses potable and sewer but the heading makes reference to reclaimed as well.

Ms. D'Andrea stated that an Executive Session is planned to review outside legal counsel's opinion that deals with the separation of reclaimed water.

Mayor Nabours asked if there was a difference in how the City treats service of potable and reclaimed water outside City limits. Mr. Burke offered that the difference is the

extension of water and sewer outside the City required an annexation and reclaimed did not. Councilmember Barotz indicated that it is confusing as it is written; it needs to be made clear that the annexation requirement is only for potable and sewer only.

Mayor Nabours offered that it may be necessary to include a definition at the beginning of the policy that defines water as potable and reclaimed as reclaimed. This would help distinguish between potable and reclaimed and show consistency throughout.

Councilmember Barotz asked if there are any other requirements or conditions before granting reclaimed water services outside City limits and if there are limitations on type of use. Mr. Hill stated that the requirements and conditions are in Section B4.

#### ► RECLAIMED WATER MAP

Mayor Nabours indicated that in A1.3 it references the Mayor and City Council separately. This is the only place that separates Mayor from Council, he asked that Mayor be removed and be updated to reflect City Council.

Mayor Nabours also referenced the top of page 32 where it references maintaining the allocation of water; it indicates that the applicant must commence construction within two years with City Council approval. The language is confusing, he asked for clarification on whether the two year timeframe is from the date of Council approval or is Council giving a two year approval. Comprehensive Planning and Code Manager Roger Eastman stated consistency is needed in the document about this statement and there are three places that the language needs to be changed. The City Council and staff used to condition the applicant to submitting a building permit within two years. That was the standard in Community Development; with the new zone change amendment process the City Council has a lot more latitude with conditions based on the project. Mr. Eastman suggested that the approval is subject to conditions as stipulated by the City Council.

Councilmember Overton asked about the checks in place to keep a Council from abusing that as a condition. Mr. Eastman stated that the Council would be the check and the discussion and or debate would be the answer to that question.

Vice Mayor Evans asked how many times the City has granted a water or sewer extension based on a pre-annexation agreement that has been annexed. Mr. Roberts stated that in the last ten years it has happened one time with W.L. Gore. Vice Mayor Evans followed up asking what the purpose of the pre-annexation agreement is and if it truly was a concept that people will be getting future annexation into the City. Mayor Nabours stated that sometimes the annexation may not be available to the property owner for years because it is conditioned upon other events. Vice Mayor Evans pointed out that the pre-annexation agreement is not truthful in a way if the City knows that annexation is not going to happen for twenty plus years. Pre-annexation assumes that the property will be brought into the City, if this is not going to happen another term should be used.

Mr. Burke offered that the intention is to get the property annexed into the City. The utility is an incentive to get them to annex. The reason that the pre-annexation has been used as a tool is because they may not be able to annex but are willing. With W.L Gore

one of the conditions is that the annexation paperwork must be filed in order to get the project started. Utility service is being used as an incentive and they will annex when available. Vice Mayor Evans asked if the property is not currently, legally able to annex a pre-annexation agreement should not be signed. She asked if there was a process for monitoring the agreements for follow up to make sure that properties are annexed.

Mr. Burke stated that the biggest check is that all of these agreements must be approved by Council. Additionally, there are two other mechanisms in place; with the upgrading of the City's records management system there is now a tickler in the Clerk's office that makes staff aware of upcoming contract expirations. Also in Community Development when a property comes in looking at a development proposal staff knows that this was the missing piece needed to fulfill the requirements for annexation.

Mayor Nabours stated that the rates for customers outside the City limits are higher than those in the City limits and there is language in the ordinance that indicates a rate of 110%; he asked if that percentage can vary and if there were any limits on it. Mr. Roberts indicated that the percentage can be adjusted by Council and noted that it is loosely based on the cost of service. It has fluctuated in the past and Council can direct the staff to address the rate in the next rate study.

Councilmember Barotz requested that if reclaimed water is separated out that Council have an opportunity to review the document again. Mr. Roberts agreed to have Council review the document once reclaimed water was separated.

Rudy Preston addressed Council offering suggestions for the document, they included:

- Include language prohibiting reclaimed augmentation when there is a shortage.
- Do not want to subsidize the water as users.
- In town users should be given priority over out of town users and all contracts should have an expiration date.
- No grandfather clause unless state law requires it.

Mr. Hill continued the presentation

- ▶ SEPTAGE, GREASE & MUD HAULING
- ▶ SEPTAGE
- ▶ GREASE
- ▶ MUD HAULING
- ▶ ADMINISTRATIVE OVERVIEW
- ▶ RECOMMENDED POLICY ADDITIONS

Vice Mayor Evans clarified that when referring to full cost recovery it includes the cost to get the adequate infrastructure in place. She noted that the City's low price encourages more utilization from outside the city and she is unsure that this is the intention suggesting that making the cost higher or comparable to other cities may encourage them to utilize other treatment plants to lessen the burden on the City since the issues are with capacity.

Councilmember Overton asked if ADEQ regulates where vendors choose to dump septage. Mr. Hill explained that septage drivers have to take septage to a treatment

plant per federal standard and the City of Flagstaff has an ordinance that does not allow the pulling of a sewer lid.

Councilmember Oravits stated that it was shocking to learn how far and wide people are coming to dump septage. He asked if there was a way to tier the rates based on location. Flagstaff constituents pay for this infrastructure and it would be nice to tier the costs to account for that. Vice Mayor Evans agreed saying that it is not fair that Flagstaff citizens have to pay for a private company outside the City to utilize the infrastructure. She requested that staff look into what is possible with regards to a tiered rate structure.

9. **Review of Draft Agenda Items for the February 4, 2014, City Council Meeting.\***

*\*Public comment on draft agenda items will be taken at this time, at the discretion of the Mayor.*

None.

10. **Public Participation**

Rudy Preston addressed Council about wanting a policy that dictates public outreach and input. He also addressed homelessness in Flagstaff.

11. **Informational Items and Reports from Council and Staff, requests for Future Agenda Items**

Mr. Burke stated that the agenda February 11, 2014, is very light but there is a robust executive session. He asked how the Council would like to handle the schedule. Council agreed to begin executive session at 4:00 p.m., the work session at 6:00 p.m. and then reconvene into executive session immediately following the work session.

12. **Adjournment**

The Work Session of the Flagstaff City Council held January 28, 2014, adjourned at 9:01 p.m.

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MAYOR

ATTEST:

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CITY CLERK

**MINUTES OF THE SPECIAL MEETING (EXECUTIVE SESSION) OF THE FLAGSTAFF CITY COUNCIL HELD ON TUESDAY, FEBRUARY 11, 2014, IN THE STAFF CONFERENCE ROOM, SECOND FLOOR OF THE FLAGSTAFF CITY HALL, 211 WEST ASPEN, FLAGSTAFF, ARIZONA**

1. Call to Order

Mayor Nabours called the meeting to order at 4:02 p.m.

2. Roll Call

Present:

Absent:

Mayor Nabours  
Vice Mayor Evans  
Councilmember Barotz  
Councilmember Brewster  
Councilmember Oravits  
Councilmember Overton  
Councilmember Woodson

Others present: City Manager Kevin Burke; City Attorney Michelle D'Andrea.

3. Recess into Executive Session

**Mayor Nabours moved to recess into Executive Session; seconded; passed unanimously.** The Flagstaff City Council recessed into Executive Session at 4:02 p.m.

4. **EXECUTIVE SESSION:**

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body; and discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to ARS 38-431.03(A)(3) and (4), respectively.

- i. Aggressive Panhandling Ordinance
- ii. Baldwin Attorneys Fees
- iii. Joining Amicus Brief re Subdivision Performance Bonds
- iv. Water Policy

The Flagstaff City Council recessed Executive Session at 5:56 p.m. and reconvened into Executive Session at 8:09 p.m.

- v. Hopi v. City of Flagstaff

5. **ADJOURNMENT**

The Flagstaff City Council reconvened into Open Session at 8:36 p.m. at which time the Special Meeting of February 11, 2014, adjourned.

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MAYOR

ATTEST:

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CITY CLERK

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Stacy Saltzburg, Deputy City Clerk  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014



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**TITLE:**

**Consideration of Appointments:** Parks and Recreation Commission.

**RECOMMENDED ACTION:**

Make one appointment to term expiring August 2015.

**Policy Decision or Reason for Action:**

By making the above appointment, the Parks and Recreation Commission will be at full membership and will be able to continue meeting on a regular basis. There are two applications on file, they are as follows:

James Baker (new applicant)  
Adam Kaupisch (new applicant)

**Financial Impact:**

These are voluntary positions and there is no budgetary impact to the City of Flagstaff.

**Connection to Council Goal:**

Effective governance.

**Has There Been Previous Council Decision on This:**

None.

**Options and Alternatives:**

- 1) Appoint one Commissioners: By appointing members at this time, the Parks and Recreation Commission will be at full membership, allowing the group to meet and provide recommendations to the City Council.
- 2) Table the action to allow for further discussion or expand the list of candidates.

**Background/History:**

The Parks and Recreation Commission consists of seven citizens serving three-year terms. There is currently one seat available.

This commission makes recommendations to the Council regarding City parks and recreational programs, the annual budget and capital improvements for the Parks and Recreation Divisions.

**Key Considerations:**

It is important to fill the vacancies so as to allow the Commission to continue meeting on a regular basis.

**Community Benefits and Considerations:**

The City's boards, commissions, and committees were created to foster public participation and input and to encourage Flagstaff citizens to take an active role in city government.

**Community Involvement:**

INFORM: The vacancies are posted on the City's website and individual recruitment and mention of the opening by Commission members and City staff has occurred, informing others of this vacancy through word of mouth.

**Expanded Options and Alternatives:**

**COUNCIL INTERVIEW TEAM:** Vice Mayor Evans and Councilmember Brewster.

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**Attachments:**    [P & R Roster](#)  
                          [P & R Authority](#)  
                          [P & R Applicant Roster](#)  
                          [P & R Applications](#)



## City of Flagstaff, AZ

### PARKS AND RECREATION COMMISSION MEMBERS

<u>NAME</u>	<u>APPOINTED</u>	<u>TERM EXPIRES</u>	<u>TRAINING COMPLETED</u>
<b><u>Burley, Denise</u></b> Senior Manager/Coconino County 3135 W. Brenda Loop Flagstaff, AZ 86001 Cell Phone: 606-1558 Term: (1st 8/09 - 8/11; 2nd 8/11 - 8/14)	10/04/2011	08/14	10/20/2011
<b><u>Fitchett, Jessica</u></b> Asst. To the VP for Finance and Administration/Northern Arizona University 1151 W. University Heights N. Flagstaff, AZ 86001 Cell Phone: 928-607-7664 Term: (1st 8/13-8/16)	08/26/2013	08/16	11/04/2013
<b><u>Hammersley, Charles</u></b> Park & Rec Professor/NAU 5950 E. Mountain Oaks Dr. Flagstaff, AZ 86004 Work Phone: 928-523-6655 Term: (1st 10/11 - 8/14)	10/04/2011	08/14	10/20/2011
<b><u>Hughes, Christopher</u></b> Computer Technician/Independent Contractor 1492 W. Univ. Hgts. Dr. S. Flagstaff, AZ 86005 Cell Phone: 928-221-4627 Term: (1st 8/13-8/14)	08/26/2013	08/14	No



## City of Flagstaff, AZ

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<b><u>Kleiner, Greg</u></b>	<b>09/18/2012</b>	<b>08/15</b>	<b>12/03/2009</b>
Retired 2206 N. Twisted Limb Way Flagstaff, AZ 86004 Home Phone: 526-6567 Term: (1st 10/07-08/09; 2nd 8/09 - 8/12; 3rd 8/12-8/15)			
<b><u>Ziegler, Thomas</u></b>	<b>08/26/2013</b>	<b>08/16</b>	<b>11/04/2013</b>
Adjunct Instructor/Student Teacher Supervisor/NAU 1455 W. Melissa Dr. Flagstaff, AZ 86005 Cell Phone: 928-637-8568 Term: (1st 8/13-8/16)			
<b><u>Z-VACANT,</u></b>		<b>08/15</b>	<b>No</b>

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**Staff Representative: Brian Grube**

**As Of: February 06, 2014**

CHAPTER 2-03  
PARKS AND RECREATION COMMISSION

SECTIONS:

2-03-001-0001 COMMISSION CREATED; MEMBERS:  
2-03-001-0002 TERMS; VACANCIES; COMPENSATION:  
2-03-001-0003 ORGANIZATION AND RULES:  
2-03-001-0004 POWERS AND DUTIES:

SECTION 2-03-001-0001 COMMISSION CREATED; MEMBERS:

There is hereby created a Parks and Recreation Commission for the City, consisting of seven (7) members appointed by the City Council. In addition, the City council may designate a Councilmember representative as a non-voting, ex-officio member of the Commission.

(Ord. No. 2007-11, Amended 02/06/2007)

SECTION 2-03-001-0002 TERMS; VACANCIES; COMPENSATION:

Terms of the appointed members shall be for three (3) years.

The Council shall fill vacancies for the unexpired term of any of the members of the Commission and no member of the Commission shall receive compensation for services thereon. (Ord. 1475, 2-3-87)

SECTION 2-03-001-0003 ORGANIZATION AND RULES:

Upon the taking effect of this Chapter, and when appointed, the members shall meet and organize and elect a Chairman to serve for one year with a new Chairman being elected each succeeding year. The Commission may adopt by-laws, procedures and standards for the operation of the Commission not inconsistent with the provisions of this Chapter. A quorum shall consist of four (4) voting members. The Commission shall meet not less than four (4) times each year.

(Ord. No. 2007-11, Amended 02/06/2007)

SECTION 2-03-001-0004 POWERS AND DUTIES:

The duties of the Commission shall be to advise the Council, through periodic written reports to the Council, recommending policy direction on City lands, structures and facilities that are set aside or should be set aside or dedicated to recreational purposes, including but not limited to parks, swimming pools, playgrounds, playing and sports fields and golf courses. The scope of the activities of the Commission shall also include but not be limited to advising and recommending policy direction in activities involving recreational and cultural pursuits of

the elderly and the young and to otherwise employ in constructive and wholesome manner and leisure time of the citizens.

The City Council may consider the advice and recommendation of the Commission and thereafter give direction through the City Manager to implement the recreational program as they see fit. (Ord. 865, 12-12-72)

The Commission shall review and make recommendation on the annual budget of the Parks Section and Recreation Section prior to the submittal thereof to the City Manager.

(Ord. 1335, 10-16-84)



## City of Flagstaff, AZ

### PARKS AND RECREATION COMMISSION APPLICANTS

<u>NAME</u>	<u>APPOINTED</u>	<u>TERM EXPIRES</u>	<u>TRAINING COMPLETED</u>
<b><u>Baker, James</u></b> Executive Producer/Self 2028 W. Fresh Aire St. Flagstaff, AZ 86001 Home Phone: 928-556-0326			No
<b><u>Kaupisch, Adam</u></b> Sr. Software Engineer/Northern Arizona Healthcare 1330 W. Melissa Dr. Flagstaff, AZ 86005 Home Phone: 406-438-3594			No

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**Staff Representative: Brian Grube**

**As Of: February 06, 2014**

## Stacy Saltzburg

**From:** noreply@civicplus.com  
**Sent:** Monday, August 19, 2013 11:45 AM  
**To:** Elizabeth Burke; Stacy Saltzburg  
**Subject:** Online Form Submittal: Board/Commission Application

If you are having problems viewing this HTML email, click to view a [Text version](#).

## Board/Commission Application

### Important Notice:

The City Council may consider appointments to boards and commissions in executive sessions which are closed to the public, and then make the appointments in a public meeting. You have the right, however, to have your application considered in a public meeting by providing a written request to the City Clerk.

### Application to Serve on a Board/Commission

#### **Please note that this information is a public record.**

Date:\* 8/19/2013  
Board/Commission you wish to serve on:\* Parks Recreation  
If applicable, type of seat for which you are qualified:

#### **Your Information**

Name:\* James Baker Home Phone:\* 928 556 0326  
Home Address:\* 2028 W. Fresh Aire St. Zip:\* 86001  
Mailing Address (If different from above):  
Employer:\* Self Job Title:\* Executive Producer  
Business Phone: Cell: 928 607 5980  
E-mail:\* [zumaroo productions@gmail.com](mailto:zumaroo productions@gmail.com)  
Indicate preferred telephone:\*  
(X) Home ( ) Cell  
( ) Work

#### **Background Information**

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.

Six years as President of Woodlands Village Home Owners Association. Five years on De Miguel Elementary School Site Council. NPS Volunteer, Walnut Canyon National Monument.

Why do you want to serve on the board or commission you listed?

To bring together a coalition of local corporations and developers to help offset the cost of land acquisitions for future park and playgrounds. As Flagstaff grows the need for large parks and outdoor activity areas will only increase. Infill land for such opportunities is decreasing as development is on the rise, and I believe now is the time to implement stronger development requirements for larger parcels to be set aside for parks and recreation.

By submitting this electronic form, I acknowledge that any information provided above is a public record, and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

\* indicates required fields.

The following form was submitted via your website: Board/Commission Application

Date:: 8/19/2013

Board/Commission you wish to serve on:: Parks Recreation

If applicable, type of seat for which you are qualified::

Name:: James Baker

Home Phone:: 928 556 0326

Home Address:: 2028 W. Fresh Aire St.

Zip:: 86001

Mailing Address (If different from above)::

Employer:: Self

Job Title:: Executive Producer

Business Phone::

Cell:: 928 607 5980

E-mail:: [zumarooproductions@gmail.com](mailto:zumarooproductions@gmail.com)

Indicate preferred telephone:: Home

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.: Six years as President of Woodlands Village Home Owners Association.  
Five years on De Miguel Elementary School Site Council.  
NPS Volunteer, Walnut Canyon National Monument.

Why do you want to serve on the board or commission you listed?: To bring together a coalition of local corporations and developers to help offset the cost of land acquisitions for future park and playgrounds. As Flagstaff grows the need for large parks and outdoor activity areas will only increase. Infill land for such opportunities is decreasing as development is on the rise, and I believe now is the time to implement stronger development requirements for larger parcels to be set aside for parks and recreation.

**Additional Information:**

Form submitted on: 8/19/2013 11:45:11 AM

Submitted from IP Address: 24.121.86.72

Referrer Page: No Referrer - Direct Link

Form Address: <http://az-flagstaff3.civicplus.com/Forms.aspx?FID=166>

## Stacy Saltzburg

**From:** noreply@civicplus.com  
**Sent:** Wednesday, January 15, 2014 3:40 PM  
**To:** Elizabeth Burke; Stacy Saltzburg  
**Subject:** Online Form Submittal: Board/Commission Application

If you are having problems viewing this HTML email, click to view a [Text version](#).

## Board/Commission Application

### Important Notice:

The City Council may consider appointments to boards and commissions in executive sessions which are closed to the public, and then make the appointments in a public meeting. You have the right, however, to have your application considered in a public meeting by providing a written request to the City Clerk.

### Application to Serve on a Board/Commission

#### Please note that this information is public information.

Date:\* 1/15/2014  
Board/Commission you wish to serve on:\* Parks and Recreation Commission  
If applicable, type of seat for which you are qualified: Citizen

#### Your Information

Name:*	Adam Kaupisch	Home Phone:*	406.438.3594
Home Address:*	1330 W Melissa Dr	Zip:*	86005
Mailing Address (If different from above):			
Employer:*	Northern Arizona Healthcare	Job Title:*	Sr. Software Engineer
Business Phone:	928.213.6687	Cell:	
E-mail:*	akaupisch@gmail.com		
Indicate preferred telephone:*	<input checked="" type="checkbox"/> Home <input type="checkbox"/> Work	<input type="checkbox"/> Cell	

#### Background Information

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.

I recently moved here from Helena, MT. While in Helena, I served on the City/County Parks and Recreation Advisory Board where I helped to plan, coordinate and execute new universally accessible park, dog park, and mountain biking terrain park. Additionally I offered my insight in selling/purchasing property for parks as well as creating sustainable maintenance plans for improving existing parks. I thoroughly enjoy participating on the board and helping to build a better community. Feel free to contact Amy Teegarden, Director of Parks and Recreation in Helena, MT at 406.447.8462 or ateegarden@helenamt.gov for a reference.

Why do you want to serve on the board or commission you listed?

Personally I've experienced the benefits of parks and recreation throughout my life; whether it be playing at or hiking through parks, or participating in community programs like tennis, geo-caching, kids soccer, etc. Now, as a father of two children (ages 4 and 6), I find parks to be an integral part of our lives. Furthermore, I plan on living in Flagstaff for a long time. I'd like to start planting my roots and figuring out what I can do to be more involved in improving the community I live in.

By submitting this electronic form, I acknowledge that any information provided above is public information, and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

\* indicates required fields.

The following form was submitted via your website: Board/Commission Application

Date:: 1/15/2014

Board/Commission you wish to serve on:: Parks and Recreation Commission

If applicable, type of seat for which you are qualified:: Citizen

Name:: Adam Kaupisch

Home Phone:: 406.438.3594

Home Address:: 1330 W Melissa Dr

Zip:: 86005

Mailing Address (If different from above)::

Employer:: Northern Arizona Healthcare

Job Title:: Sr. Software Engineer

Business Phone:: 928.213.6687

Cell::

E-mail:: akaupisch@gmail.com

Indicate preferred telephone:: Home

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.: I recently moved here from Helena, MT. While in Helena, I served on the City/County Parks and Recreation Advisory Board where I helped to plan, coordinate and execute new universally accessible park, dog park, and mountain biking terrain park. Additionally I offered my insight in selling/purchasing property for parks as well as creating sustainable maintenance plans for improving existing parks. I thoroughly enjoy participating on the board and helping to build a better community. Feel free to contact Amy Teegarden, Director of Parks and Recreation in Helena, MT at 406.447.8462 or [ateegarden@helenamt.gov](mailto:ateegarden@helenamt.gov) for a reference.

Why do you want to serve on the board or commission you listed?: Personally I've experienced the benefits of parks and recreation throughout my life; whether it be playing at or hiking through parks, or participating in community programs like tennis, geo-caching, kids soccer, etc. Now, as a father of two children (ages 4 and 6), I find parks to be an integral part of our lives. Furthermore, I plan on living in Flagstaff for a long time. I'd like to start planting my roots and figuring out what I can do to be more involved in improving the community I live in.

Additional Information:

Form submitted on: 1/15/2014 3:40:05 PM

Submitted from IP Address: 207.224.163.172

Referrer Page: <http://www.flagstaff.az.gov/index.aspx?NID=1883>

Form Address: <http://az-flagstaff3.civicplus.com/Forms.aspx?FID=166>

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Stacy Saltzburg, Deputy City Clerk  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014



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**TITLE:**

**Consideration of Appointments:** Tourism Commission.

**RECOMMENDED ACTION:**

Make two Hospitality appointments to terms expiring January 2017.

**Policy Decision or Reason for Action:**

By making the above appointments, the Tourism Commission will be at full membership and will be able to continue meeting on a regular basis. There are nine applications on file, they are as follows:

Ruben Abeyta  
Ashley Kurtz  
Benjamin Murphy  
Jenny Pagel  
Aaron Riley  
Janis Russell  
Susan Shields  
Christopher Shields  
Judy Weiss

**Financial Impact:**

These are voluntary positions and there is no budgetary impact to the City of Flagstaff.

**Connection to Council Goal:**

Effective governance.

**Has There Been Previous Council Decision on This:**

None.

**Options and Alternatives:**

- 1) Appoint two Commissioners: By appointing members at this time, the Tourism Commission will be at full membership, allowing the group to meet and provide recommendations to the City Council.
- 2) Table the action to allow for further discussion or expand the list of candidates.

**Background/History:**

The Tourism Commission consists of nine citizens serving three-year terms; five of these citizens shall be from the hospitality industry. There is currently two hospitality seats available.

The mission of the Tourism Commission is to develop, promote, and maintain Flagstaff as a year-round visitor destination with professional visitor services that will benefit the community economically, environmentally, and socially.

**Key Considerations:**

It is important to fill the vacancies so as to allow the Commission to continue meeting on a regular basis.

**Community Benefits and Considerations:**

The City's boards, commissions, and committees were created to foster public participation and input and to encourage Flagstaff citizens to take an active role in city government.

**Community Involvement:**

INFORM: The vacancies are posted on the City's website and individual recruitment and mention of the opening by Commission members and City staff has occurred, informing others of this vacancy through word of mouth.

**Expanded Options and Alternatives:**

**COUNCIL INTERVIEW TEAM:** Councilmember Overton and Councilmember Barotz.

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**Attachments:**    [Tourism Roster](#)  
                          [Tourism Authority](#)  
                          [Tourism Applicant Roster](#)  
                          [Tourism Applicant Matrix](#)  
                          [Tourism Applications](#)



## City of Flagstaff, AZ

### TOURISM COMMISSION MEMBERS

<u>NAME</u>	<u>APPOINTED</u>	<u>TERM EXPIRES</u>	<u>TRAINING COMPLETED</u>
<b><u>Dullbson, Dino</u></b> HOSPITALITY General Manager/Owner/Econo Lodge 2480 E. Lucky Lane Flagstaff, AZ 86004 Cell Phone: 928-380-3450 Term: (1st 2/10 - 1/13; 2nd 1/13 - 1/16)	<b>02/19/2013</b>	<b>01/16</b>	<b>02/16/2012</b>
<b><u>Hasapis, James "Jamey"</u></b> AT-LARGE Owner/President/Muttley Krew Dog Biscuits, LLC 3235 S. Debbie St. Flagstaff, AZ 86001 Cell Phone: 928-310-8974 Term: (1st 11/07-1/09; 2nd 1/09 - 1/12; 3rd 1/12 - 1/15)	<b>01/03/2012</b>	<b>01/15</b>	<b>03/18/2010</b>
<b><u>Hockman, Jean</u></b> AT-LARGE Retired 1970 Fox Hill Road Flagstaff, AZ 86004 Home Phone: 526-5813 Term: (1st 1/11-1/12; 2nd 1/12-1/15)	<b>09/21/2010</b>	<b>01/15</b>	<b>No</b>
<b><u>Pappas, Lori</u></b> AT-LARGE Market Segment Manager/Suddenlink 902 N. Fox Hill Flagstaff, AZ 86004 Work Phone: 928-266-0693 Term: (1st 11/07 - 1/10; 2nd 1/10 - 1/13; 3rd 1/13-1/16)	<b>02/19/2013</b>	<b>01/16</b>	<b>04/24/2008</b>



## City of Flagstaff, AZ

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<b><u>Patel, Minesh</u></b>	<b>01/21/2014</b>	<b>01/17</b>	<b>03/12/2013</b>
HOSPITALITY Owner/JTT R&B LLC 2331 S. Rocking Horse Lane Flagstaff, AZ 86001 Cell Phone: 928-300-7115 Term: (1st 11/12 - 1/14; 2nd 1/14-1/17)			
<b><u>Price, Mark</u></b>	<b>01/03/2012</b>	<b>01/15</b>	<b>10/20/2011</b>
HOSPITALITY General Manager/Sonesta ES Suites - Flagstaff 3883 N. Steves Blvd. Flagstaff, AZ 86004 Cell Phone: 928-221-4283 Term: (1st 1/09-1/12; 2nd 1/12-1/15)			
<b><u>Schepper, Brent</u></b>	<b>02/01/2011</b>	<b>01/14</b>	<b>No</b>
HOSPITALITY Co-Owner/Fratelli Pizza 1020 N. Pine Cliff Drive Flagstaff, AZ 86001 Cell Phone: 699-6438 Term: (1st 9/10 - 1/11; 2nd 1/11 - 1/14)			
<b><u>Schindler, Kevin</u></b>	<b>01/21/2014</b>	<b>01/16</b>	<b>No</b>
AT-LARGE Outreach Manager/Lowell Observatory 1400 W. Mars Hill Rd. Flagstaff, AZ 86001 Cell Phone: 928-607-1387 Term: (1st 01/14-01/16)			
<b><u>Theiss, Jeff</u></b>	<b>02/01/2011</b>	<b>01/14</b>	<b>02/16/2012</b>
HOSPITALITY General Manager/Drury Inn & Suites 302 W. Beryl Rd. Flagstaff, AZ 86001 Work Phone: 928-773-4900 Term: (1st 2/11 - 1/14)			

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## *City of Flagstaff, AZ*

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**Staff Representative: Heidi Hansen**

**As Of: February 06, 2014**

CHAPTER 2-13  
TOURISM COMMISSION

SECTIONS:

<a href="#">2-13-001-0001</a>	CREATION OF COMMISSION:
<a href="#">2-13-001-0002</a>	COMPOSITION AND TERM OF OFFICE:
<a href="#">2-13-001-0003</a>	COMPENSATION OF COMMISSION MEMBERS:
<a href="#">2-13-001-0004</a>	ORGANIZATION:
<a href="#">2-13-001-0005</a>	MEETINGS:
<a href="#">2-13-001-0006</a>	DUTIES:

SECTION 2-13-001-0001 CREATION OF COMMISSION:

There is hereby established a City Tourism Commission. There shall be nine (9) voting members of said Commission who shall meet as hereinafter provided to consider and recommend programs for the expenditure of the portion of the Bed, Board and Booze Tax as designated by Ordinance No. 1532.

(Ord. No. 1579, Enacted, 08/02/88)  
(Ord. 2001-27, Amended, 11/20/2001)

SECTION 2-13-001-0002 COMPOSITION AND TERM OF OFFICE:

The composition of the membership shall consist of:

- A. A Councilmember designated by the City Council to serve, as a non-voting ex-officio member, during the Councilmember's term of office. (Ord. 1674, 9-18-90)
- B. Five (5) members to be appointed by the City Council. Each member shall be from the hospitality industry and serve for three (3) years, on a staggered term basis.
- C. Four (4) additional members to be appointed by the City Council, to serve for three (3) years, on a staggered term basis. (Ord. 1674, 9-18-90)
- D. The City Manager or the Manager's designee shall be an ex-officio member of the Commission. The member shall have no voting privileges.

The City Manager shall be responsible for staff support of the Tourism Commission.

The Council shall fill vacancies for the unexpired term of any of the members of the Commission.

A member's term in office shall commence with the first regular Commission meeting following the appointment and terminate with the

regular Commission meeting at which the successor takes office. No voting member of the Commission may be appointed to more than two (2) consecutive full terms. Said requirement shall not apply to the Councilmember representative.

(Ord. No. 1579, Enacted, 08/02/88); (Ord. No. 1674, Amended, 09/18/90); (Ord. 2001-27, Amended, 11/20/2001); (Ord. No. 2006-09, Amended 04/10/2006)

SECTION 2-13-001-0003 COMPENSATION OF COMMISSION MEMBERS:

Members of the Commission shall serve without compensation.

(Ord. No. 1579, Enacted, 08/02/88)

SECTION 2-13-001-0004 ORGANIZATION:

The Commission shall elect a Chairperson from among its members. The term of the Chairperson shall be one year with eligibility for reelection. Commission members may not serve more than two (2) consecutive terms as Chairperson. The Council representative shall not be eligible for the Chair.

(Ord. No. 1579, Enacted, 08/02/88)

SECTION 2-13-001-0005 MEETINGS:

A. The Commission shall hold at least one regular meeting per month, which shall at all times be open to the public. The time and place of said meeting shall be posted in accordance with the applicable Arizona State Statutes.

A quorum consisting of a minimum of five (5) voting members, shall be required to conduct business.

B. The Chairperson of the Commission shall meet with the Chairperson of the Economic Development Commission and the Beautification Commission at least once per month. The purpose of the meeting is for coordination of the three commissions only. The intent is not to create another commission. The meeting shall at all times be open to the public. The time and place of said meeting shall be posted in accordance with applicable Arizona State Statutes.

C. If a member is absent for three (3) meetings within a twelve month period, excused or unexcused, that member may be replaced by the City Council.

(Ord. No. 1579, Enacted, 08/02/88)  
(Ord. 2001-27, Amended, 11/20/2001)

SECTION 2-13-001-0006 DUTIES:

The duties of the Commission shall be to:

- A. Prepare a Five (5) Year Master Plan. The Five Year Plan shall be used as a guideline for future programs. Said Plan shall be presented to the Council prior to April 1 of each year.
- B. Develop and present to City Council an Annual Plan outlining the Commission's program recommendations for the upcoming fiscal year. Said plan shall be presented to the Council prior to April 1 of each year.
- C. Make recommendations to the City Council concerning the annual budgetary allocation of the tourism portion of the Bed, Board and Booze Tax, as outlined in Ordinance No. 1532, Section 4 A. 3.b.(1)-(7).
- D. Perform any additional duties as determined by the City Council, related to tourism activities. (Ord. 1579, 8-2-88)

(Ord. No. 1579, Enacted, 08/02/88)



## City of Flagstaff, AZ

### TOURISM COMMISSION APPLICANTS

<u>NAME</u>	<u>APPOINTED</u>	<u>TERM EXPIRES</u>	<u>TRAINING COMPLETED</u>
<b><u>Abeyta, Ruben</u></b> HOSPITALITY General Manager/Fairfield Inn by Marriott 2348 Keams Canyon Trail Flagstaff, AZ 86001 Cell Phone: 505-515-5006			No
<b><u>Kurtz, Ashley</u></b> Tourism and Facility Sales Coordinator/Museum of Northern Arizona 1385 W. University Ave. #4-231 Flagstaff, AZ 86001 Cell Phone: 623-330-7714			No
<b><u>Murphy, Benjamin</u></b> Owner/All-Star Grand Canyon Tours 3834 N. Paradise Rd. Flagstaff, AZ 86004 Cell Phone: 928-864-9554			No
<b><u>Pagel, Jenny</u></b> Client Trainer/Consultant/CivicPlus 1531 W. Stone Ridge Dr Flagstaff, AZ 86001 Cell Phone: 785-305-0614			No
<b><u>Riley, Aaron</u></b> AT-LARGE Branch Manager/Enterprise Holdings 5404 E. Cortland Blvd #249 Flagstaff, AZ 86004 Cell Phone: 928-380-5224			No



## City of Flagstaff, AZ

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**Russell, Janis****No**

HOSPITALITY

Director of Sales/DoubleTree by Hilton Flagstaff

1074 W. Deadwood Court

Flagstaff, AZ 86005

Work Phone: 928-773-8804

**Shields, Susan****No**

HOSPITALITY

Director of Sales/Little America Hotel

2697 N. Sandstone Way

Flagstaff, AZ 86004

Cell Phone: 928-637-5467

**Shields, Christopher****No**

AT-LARGE

Director of Sales & Marketing/High Country  
Conference Center

Flagstaff, AZ 86004

Cell Phone: 928-203-6765

**Weiss, Judy****No**

AT-LARGE

Parks &amp; Recreation Director/Coconino County

4255 E. Soliere #259

Flagstaff, AZ 86004

Work Phone: 928-679-8004

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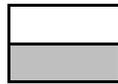
**Staff Representative: Heidi Hansen****As Of: February 06, 2014**

# Tourism Commission

Positions and Terms to be Filled

Applications  
Received  
From:

	Incumbent	HOSPITALITY Jan-17	HOSPITALITY Jan-17
Ruben Abeyta			
Ashley Kurtz			
Benjamin Murphy			
Jenny Pagel			
Aaron Riley			
Janis Russell			
Susan Shields			
Christopher Shields			
Judy Weiss			



Indicates positions that the City Council can appoint the Applicant.

Indicates that Applicant is not eligible for this position.

**IMPORTANT NOTICE:** The City Council may consider appointments to boards and commissions in executive sessions which are closed to the public, and then make the appointments in a public meeting. You have the right, however, to have your application considered in a public meeting by providing a written request to the City Clerk.

**CITY OF FLAGSTAFF  
APPLICATION TO SERVE ON A BOARD/COMMISSION**

RETURN TO: CITY CLERK'S OFFICE, 211 WEST ASPEN AVENUE, FLAGSTAFF, AZ 86001

**PLEASE NOTE THAT THIS INFORMATION IS PUBLIC INFORMATION.  
APPLICATIONS WILL BE KEPT ON FILE FOR ONE YEAR!**

DATE: 1/29/14

BOARD/COMMISSION YOU WISH TO SERVE ON: Tourism Commission

IF APPLICABLE, TYPE OF SEAT FOR WHICH YOU ARE QUALIFIED: Hospitality

YOUR NAME: Ruben Abeyta HOME PHONE: 505-515-5006

HOME ADDRESS: 2348 Keams Canyon Trail ZIP: 86001

MAILING ADDRESS (if Different from Above): \_\_\_\_\_

EMPLOYER: Fairfield Inn by Marriott JOB TITLE: General Manager

BUS. PHONE: 928-773-1300 CELL: 505-515-5006 E-MAIL: RubenA@SWHM.com

PLEASE INDICATE PREFERRED TELEPHONE:  HOME  WORK  CELL

**BACKGROUND INFORMATION:** Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.

*See Attached*

Why do you want to serve on the board or commission you listed? (Attach additional page if needed.)

*See Attached*

I understand that any information provided above is public information and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.



Applicant Signature

**My name is Ruben Abeyta and I lived in Flagstaff from 1987 to 2001. I have been in the Hotel and Hospitality business for 27 years in different capacities which include USA Rent-a car, Nava Hopi Tours, Little America Hotel, Hilton Hotels, and most recently the Fairfield brand of Marriott here in Flagstaff. While I was in Flagstaff I was involved in the creation of the Flagstaff Lodging and Restaurant Association from 1997 to 2001. I also served on the Tourism Commission board from 1998 to 2001 as Board Member and Chairperson from 2000- 2001. I left Flagstaff at the end of 2001 and moved to Elko Nevada to open a Hilton Garden Inn Hotel and develop a private RV Resort (Iron Horse RV Resort) Please refer below to my years outside of Flagstaff and the impact I had in community service.**

#### **COMMUNITY-RELATED:**

- President, Elko Rotary Club
- Met with former President Jimmy Carter to raise \$3K for Habitat for Humanity, as President of the Elko Rotary Club
- Elko County distribution of Dictionaries to Elko 3<sup>rd</sup> Graders for 5 years
- Johnny Appleseed Playground project, Elko
- Sponsor and volunteer, Ruby Mountain Balloon Festival
- Board Member, California Interpretive Center Project

#### **AWARDS (Summary):**

- Elko Area Chamber of Commerce Customer Service Award
- White House Secret Service Award
- Hispanic Businessman Recognition by the Governor of Nevada

#### **AFFILIATIONS (Summary):**

Elko Rotary Club (Past President)

Elko Area Chamber of Commerce

Elko Convention Center Board Member

Elko Economic Development Authority

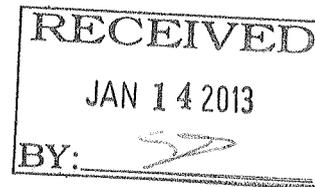
Board Member + Chairperson of Lodging Committee and Marketing Committee, Elko Area Convention Center

**My desire to serve the city of Flagstaff is to join the many people who would like to ensure that our Community stays safe, desirable and place we can call home. With this yearning in mind I am dedicated to the success of the Hospitality industry which plays a major role in the overall goal to make Flagstaff a Community we can be proud of.**

**Stacy Saltzburg**

**From:** support@civicplus.com  
**Sent:** Monday, January 14, 2013 1:50 PM  
**To:** Elizabeth Burke; Stacy Saltzburg  
**Subject:** Online Form Submittal: Board/Commission Application

**Categories:** Orange Category



If you are having problems viewing this HTML email, click to view a [Text version](#).

**Board/Commission Application**

**Important Notice:**

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**Application to Serve on a Board/Commission**

**Please note that this information is a public record.**

Date:\* 1/14/2013  
Board/Commission you wish to serve on:\* Tourism Commission  
If applicable, type of seat for which you are qualified:

**Your Information**

Name:\* Ashley Kurtz Home Phone:\* 623-330-7714  
Home Address:\* 1385 W University Ave. Zip:\* 86001  
4-231  
Mailing Address (If different from above):  
Employer:\* Museum of Northern Arizona Job Title:\* Tourism and Facility Sales Coordinator  
Business Phone: 928-774-5213 Cell: 623-330-7714  
E-mail:\* akurtz@mna.mus.az.us  
Indicate preferred telephone:\* ( ) Home (X) Cell  
( ) Work

**Background Information**

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.

I am currently involved in tourism through the Museum of Northern Arizona (MNA). As the Tourism and Facility Sales Coordinator, I am responsible for tourism outreach and for booking tours for MNA. As well, I am a member of Meeting Professionals International (MPI). Many of the industries involved are meeting planners, hotels, and venues for meetings, which also draws a large group of people to Flagstaff.

Why do you want to serve on the board or commission you listed?

I am interested in getting involved with the tourism commission, because I believe that there is a large market that Flagstaff is missing. Phoenixians provide a lot of tourism, but there is a large portion of Grand Canyon traffic that we seem to have lost and I would like to discuss and learn about different ways we can bring that business back to Flagstaff. Whether the city chooses to believe it or not our economy thrives on tourism and without a significant increase small businesses and non-profits like MNA will continue to struggle.

By submitting this electronic form, I acknowledge that any information provided above is a public record, and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

\* indicates required fields.

The following form was submitted via your website: Board/Commission Application

Date:: 1/14/2013

Board/Commission you wish to serve on:: Tourism Comission

If applicable, type of seat for which you are qualified::

Name:: Ashley Kurtz

Home Phone:: 623-330-7714

Home Address:: 1385 W University Ave. 4-231

Zip:: 86001

Mailing Address (If different from above)::

Employer:: Museum of Northern Arizona

Job Title:: Tourism and Facility Sales Coordinator

Business Phone:: 928-774-5213

Cell:: 623-330-7714

E-mail:: akurtz@mna.mus.az.us

Indicate preferred telephone:: Cell

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.: I am currently involved in tourism through the Museum of Northern Arizona (MNA). As the Tourism and Facility Sales Coordinator, I am responsible for tourism outreach and for booking tours for MNA. As well, I am a member of Meeting Professionals International (MPI). Many of the industries involved are meeting planners, hotels, and venues for meetings, which also draws a large group of people to Flagstaff.

Why do you want to serve on the board or commission you listed?: I am interested in getting involved with the tourism commission, because I believe that there is a large market that Flagstaff is missing. Phoenicians provide a lot of tourism, but there is a large portion of Grand Canyon traffic that we seem to have lost and I would like to discuss and learn about different ways we can bring that business back to Flagstaff. Whether the city chooses to believe it or not our economy thrives on tourism and without a significant increase small businesses and non-profits like MNA will continue to struggle.

Additional Information:

Form submitted on: 1/14/2013 1:49:37 PM

Submitted from IP Address: 207.246.31.4

Referrer Page: <http://az-flagstaff2.civicplus.com/index.aspx?NID=994>

Form Address: <http://az-flagstaff3.civicplus.com/Forms.aspx?FID=166>

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**CITY OF FLAGSTAFF**  
**APPLICATION TO SERVE ON A BOARD/COMMISSION**

**RETURN TO: CITY CLERK'S OFFICE, 211 WEST ASPEN AVENUE, FLAGSTAFF, AZ 86001**

**PLEASE NOTE THAT THIS INFORMATION IS A PUBLIC RECORD.**  
**APPLICATIONS WILL BE KEPT ON FILE FOR ONE YEAR!**

DATE: 11/2/12 *ok*

BOARD/COMMISSION YOU WISH TO SERVE ON: Flagstaff Tourism Commission

IF APPLICABLE, TYPE OF SEAT FOR WHICH YOU ARE QUALIFIED:

YOUR NAME: Benjamin J. Murphy HOME PHONE: 928-864-9554

HOME ADDRESS: 3834 N. Paradise Rd, Flagstaff, AZ ZIP: 86004

MAILING ADDRESS (If Different from Above):

EMPLOYER: All-Star Grand Canyon Tours JOB TITLE: Owner

BUS. PHONE: 928-814-8887 CELL: 928-864-9554 E-MAIL: info@allstargrandcanyontours.com

PLEASE INDICATE PREFERRED TELEPHONE: HOME WORK **CELL**

**BACKGROUND INFORMATION:** Please explain how your community activities and other relevant experience/ interests are applicable to this board or commission.

I finished a 4 year US Coast Guard tour in 1997, and since then I have been a resident of Flagstaff; I love this town. I moved here to attend NAU, and immediately got a job as a tour guide. I graduated with honors 5 years later with two degrees, but stayed in tourism because I really enjoy it. I started All-Star Grand Canyon Tours seven years ago, and we are the number one tour company on Tripadvisor. My company has an excellent reputation world wide as well as here in the community. I believe in supporting local businesses and we work closely with hotels, restaurants, and different attractions here in Flagstaff. On a daily basis I sell Flagstaff as a destination to visit Grand Canyon and the surrounding area. I am very familiar with what Flagstaff has to offer to tourists and I want to help promote Flagstaff to better my community. Why do you want to serve on the board or commission you listed? (Attach additional page if needed.)

See Attached Page

I understand that any information provided above is a public record and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

*B. Murphy*  
Applicant Signature

## **Why Ben Murphy wants to serve on the Flagstaff Tourism Commission**

Flagstaff Arizona is an excellent tourist destination and a perfect springboard location to visit Grand Canyon, Sedona, Lake Powell, Antelope Canyon, and several other destinations of the area; i.e. Museum of Northern Arizona, Lowell Observatory, AZ Snowbowl, Hitchin' Post Stables, Flagstaff Extreme Course, excellent restaurants, hotels and shops. We live in a beautiful crossroad location that has an abundance of outdoor recreation opportunities, and friendly people. Our economy depends on tourism and I am afraid we may lose that business due to misleading advertisements and misinformed tourists. Here are my thoughts:

In the late 1800's Peter Berry created the first Grand Canyon lodging for tourists, the Grandview hotel. At that time Flagstaff was the only destination for travelers desiring to visit the Grand Canyon, and at that time, Flagstaff was known as the "Gateway to Grand Canyon." It was a two day ride by horse-drawn buckboard wagon or stagecoach to reach the Grand Canyon, because of the travel involved a tourists' only option were accommodations in Flagstaff prior to and following their visit.

In 1910 the Grand Canyon Railway was completed. Since then, Williams, AZ has stolen the title "Gateway to the Grand Canyon."

In 1963 Tusayan, AZ built their first accommodations; the Red Feather Lodge. Since, several other hotels have been built in the area.

On March 28, 2007 the Skywalk on the West end of the Canyon was opened to the public, since then Arizona has been losing it's identity as the "Grand Canyon State" to Nevada. On a daily basis I speak with tourists about the Grand Canyon, and unfortunately, a large percentage of them believe Grand Canyon National Park is next to Las Vegas. Following an educational conversation, I typically convince consumers to stay in Flagstaff, or fly back and fourth between Las Vegas and Tusayan.

Gruppo Stilo, an Italian resort developer, wants to construct an immense, 3-million-square-foot high-end commercial mall, luxury resort, spa, hotel, dude ranch, condo, and housing project in Tusayan; another potential risk for Flagstaff to lose more business.

Sedona, AZ has over 4 million visitors each year and Grand Canyon gets nearly 5 million visitors. It is my goal in serving the Flagstaff Tourism Commission to have the majority of those visitors stay, play, and spend their money, right here in Flagstaff. Let's reclaim Flagstaff's rightful title as "The Original Gateway to the Grand Canyon."



# Benjamin J Murphy

3834 North Paradise Road  
Flagstaff, AZ 86004  
**T** 928-814-8887  
**F** 928-226-0444  
**M** 928-864-9554  
[info@allstargrandcanyontours.com](mailto:info@allstargrandcanyontours.com)  
[www.allstargrandcanyontours.com](http://www.allstargrandcanyontours.com)

## Profile

Accomplished and creative Professional Guide and business owner. Known for delivering quality tours through vast knowledge of the Southwest and Four Corners Region. Brings 15 years of solid experience and select strengths that enhance any guest experience while touring. Equally effective at relationship building, producing repeat clientele while providing unsurpassed customer service.

## Experience

### **Owner/Lead Guide, All-Star Grand Canyon Tours Inc. Flagstaff, AZ - '05-present**

- Itinerary development, sales and estimating for all luxury, private tour adventures.
- Execution and management of tours.
- Employee/Guide training.

### **Lead Guide, Angel's Gate Tours, Flagstaff, AZ - 2005 - 2006**

- Lead day hikes and South Rim Tours of Grand Canyon
- Provide interpretation, education, group safety and group management while hiking large distances within and above the Canyon.
- Also provide picnic style lunch service and trail food service.
- Shuttle service to and from the Canyon in large SUV's and 15 passenger vans.

### **Snowboard Instructor/Seasonal Employee, Arizona Snowbowl, Flagstaff, AZ - '05-present**

- Certified AASI Level 1 Snowboard Instructor.
- General Duties: Instruct both Adults and Children in the art of Snowboarding. Also built relationships to produce a repeat list of clientele for years to come.

### **Lead Guide, Grand Classroom, Charlottesville, VA - 2004 - 2009**

- Provide educational based multi-day tours for private schools of the Southwest and Four Corners Region including Geology, Ecology, Biology, History, Anthropology and Art.
- Groups range from seven to 50 guests ranging in age from eleven to eighteen years.
- Tours originated in Las Vegas or Phoenix and targeted Sedona, Flagstaff, Grand Canyon, Lake Powell, Antelope Canyon, Marble Canyon, Zion, Bryce, Kodachrome Basin, Hoover Dam, Glen Canyon Dam and sections of the Colorado River.

### **Lead Hiking Guide, Touch the Southwest, Flagstaff, AZ - 1999 - 2005**

- Responsible for management of luxury base camps and gourmet meals in scenic outdoor locations in the Southwest and Four Corners Region.
- Provide day hikes for high-end clientele.
- Responsible for guest orientation, gear sizing, safe guest transportation, guest and crew safety management, set up and breakdown of camp and gear maintenance.
- Tours focus on Sedona, Grand Canyon, Sunset Crater, Wupatki, Vermillion Cliffs, Monument Valley and Canyon de Chelly.

3834 North Paradise Road  
Flagstaff, AZ 86004  
T 928-814-8887  
F 928-226-0444  
M 928-864-9554  
[info@allstargrandcanyontours.com](mailto:info@allstargrandcanyontours.com)  
[www.allstargrandcanyontours.com](http://www.allstargrandcanyontours.com)

#### **Lead Guide, Four Season Outfitters, Flagstaff, AZ - 2002 - 2006**

- Lead day hikes and multi-day backpacking trips of Grand Canyon.
- Responsible for guest orientation, gear sizing, safe guest transportation, guest and crew safety management, set up and breakdown of camp, gear maintenance and meals.
- Tours focus on overnight trips in Havasupai and on the corridor trails of Grand Canyon.

#### **Lead Guide, Sky Island Treks, Tuscon, AZ - 1999 - 2004**

- Initiated employment as a grunt, hauling weight and setting up campsites in various outdoor locations in the Southwest and Four Corners Region but was quickly promoted to Lead Guide in the corridor sections of Grand Canyon.
- Responsible for guest orientation, gear sizing, safe guest transportation, guest and crew safety management, set up and breakdown of camp, gear maintenance and meals.

#### **Guide, Hillside Enterprises, Flagstaff, AZ - 1998 - 2004**

- Provide tours including interpretation, education, group safety and group management for international guests whom on occasion did not speak English.
- Shuttle service to and from the Canyon in large SUV's and 15 passenger vans.

#### **Art Teacher, Mt. Elden Middle School, Flagstaff, AZ- 2003 - 2004 School Year**

- Duties include developing class curriculum and classroom management for 25 - 30 seventh and eighth grade students.

#### **Search and Rescue, United States Coast Guard, East Coast - 1995 - 1998**

- Search and Rescue
- Responsible for operating small and large boats/ships and various equipment.
- Law Enforcement Boarding Team Member

#### **Education**

- Northern Arizona University, B.A.Ed Art Education and B.F.A. Studio Art/Ceramics, Flagstaff, AZ - Graduated May 2003 Honors Student

#### **Skills**

Grand Canyon Trail Experience: Hermit Trail, Havasupai to the Colorado, North and South Kaibab, Bright Angel, Grandview, Tonto trails, Tanner, North and South Bass, New Hance, Thunder River and Deer Creek, Utah Flats/Phantom Creek Route, Clear Creek and Boucher. Accomplished Creative Artist and Athlete. Excellent people and management skills in developing working relationships. AASI Certified Snowboard Instructor. Certified Wilderness First Responder & Adult/Child Certified CPR.

#### **References**

Please contact

## Stacy Saltzburg

**From:** noreply@civicplus.com  
**Sent:** Tuesday, February 05, 2013 6:31 PM  
**To:** Elizabeth Burke; Stacy Saltzburg  
**Subject:** Online Form Submittal: Board/Commission Application

If you are having problems viewing this HTML email, click to view a [Text version](#).

## Board/Commission Application

### Important Notice:

The City Council may consider appointments to boards and commissions in executive sessions which are closed to the public, and then make the appointments in a public meeting. You have the right, however, to have your application considered in a public meeting by providing a written request to the City Clerk.

### Application to Serve on a Board/Commission

**Please note that this information is a public record.**

Date:\* 2/5/2013  
Board/Commission you wish to serve on:\* Tourism  
If applicable, type of seat for which you are qualified:

### Your Information

Name:\* Jenny Pagel Home Phone:\* 785-305-0614  
Home Address:\* 1531 E Stone Ridge Dr Zip:\* 86001  
Mailing Address (If different from above):  
Employer:\* CivicPlus Job Title:\* Client Trainer/Consultant  
Business Phone: Cell: 785-305-0614  
E-mail:\* jennypagel@gmail.com  
Indicate preferred telephone:\*  Home  Cell  
 Work

### Background Information

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.

I recently moved to Flagstaff because when traveling here for work I truly fell in love with the community. I cycle, have dogs, enjoy the small town feel and appreciate the beauty. When talking to my friends and family I tell them I live in a post card. As a new citizen I feel I can bring a fresh perspective. Also, I was previously very involved in my community of Topeka, KS and want to be engaged locally. My activities included: Junior League, Chamber of Commerce, Young Professional Organization Chairperson and other volunteer activities. In addition I work for CivicPlus, the company that hosts Coconino County and the Flagstaff websites. As a consultant traveling the country I use these websites as examples and tools for communities to engage their citizens and maximize government services. By working with over 2,000 clients across the US and Canada I feel this is great resource to share trends and keep up to date on other tools available.

Why do you want to serve on the board or commission you listed?

I want to be involved in the community as I am investing in my future here as a new home owner and want to promote the attributes to others. I moved here because of the amenities available ranging from the small town feel, outdoor activities, quality of life and pet friendly. The experiences I have working with various community organizations and being involved at different levels in other communities would be a great asset.

By submitting this electronic form, I acknowledge that any information provided above is a public record, and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

\* indicates required fields.

The following form was submitted via your website: Board/Commission Application

Date:: 2/5/2013

Board/Commission you wish to serve on:: Tourism

If applicable, type of seat for which you are qualified::

Name:: Jenny Pagel

Home Phone:: 785-305-0614

Home Address:: 1531 E Stone Ridge Dr

Zip:: 86001

Mailing Address (If different from above)::

Employer:: CivicPlus

Job Title:: Client Trainer/Consultant

Business Phone::

Cell:: 785-305-0614

E-mail:: jennypagel@gmail.com

Indicate preferred telephone:: Cell

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.: I recently moved to Flagstaff because when traveling here for work I truly fell in love with the community. I cycle, have dogs, enjoy the small town feel and appreciate the beauty. When talking to my friends and family I tell them I live in a post card.

As a new citizen I feel I can bring a fresh perspective. Also, I was previously very involved in my community of Topeka, KS and want to be engaged locally. My activities included: Junior League, Chamber of Commerce, Young Professional Organization Chairperson and other volunteer activities. In addition I work for CivicPlus, the company that hosts Coconino County and the Flagstaff websites. As a consultant traveling the country I use these websites as examples and tools for communities to engage their citizens and maximize government services. By working with over 2,000 clients across the US and Canada I feel this is great resource to share trends and keep up to date on other tools available.

Why do you want to serve on the board or commission you listed?: I want to be involved in the community as I am investing in my future here as a new home owner and want to promote the attributes to others. I moved here because of the amenities available ranging from the small town feel, outdoor activities, quality of life and pet friendly. The experiences I have working with various community organizations and being involved at different levels in other communities would be a great asset.

## Stacy Saltzburg

**From:** noreply@civicplus.com  
**Sent:** Saturday, March 16, 2013 12:27 AM  
**To:** Elizabeth Burke; Stacy Saltzburg  
**Subject:** Online Form Submittal: Board/Commission Application

If you are having problems viewing this HTML email, click to view a [Text version](#).

## Board/Commission Application

### Important Notice:

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### Application to Serve on a Board/Commission

#### **Please note that this information is a public record.**

Date:\* 3/15/2013  
Board/Commission you wish to serve on:\* Tourism  
If applicable, type of seat for which you are qualified: Operator of tourism related business

#### Your Information

Name:\* Aaron Riley Home Phone:\* 928-380-5224  
Home Address:\* 5404 E Cortland Blvd #249 Zip:\* 86004  
Mailing Address (If different from above):  
Employer:\* Enterprise Holdings Job Title:\* Branch Manager  
Business Phone: 928-779-1975 Cell: 928-380-5224  
E-mail:\* aaronius.az@gmail.com  
Indicate preferred telephone:\*  Home  Cell  
 Work

#### Background Information

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.

I am the Branch Manager for Enterprise Holdings at the Flagstaff Pulliam Airport. I oversee operations for our company's the three rental car brands of Alamo, National, and Enterprise. As the operator of the largest car rental company in Flagstaff and a 17 veteran of the rental car industry, I can offer a wealth of tourism related knowledge to the board.

Why do you want to serve on the board or commission you listed?

I also applied for a spot of the Airport Commission. I am qualified to sit on either board. Why do I want to sit on this board? Simple, growth in the tourism segment benefits everyone. The more money spending tourists we can push into Flagstaff the better our quality of life becomes. It will ultimately lead to more jobs, construction projects, and a larger tax base. I would be a strong advocate for more direct transportation options (plane or train) to Flagstaff.

By submitting this electronic form, I acknowledge that any information provided above is a public record, and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

\* indicates required fields.

The following form was submitted via your website: Board/Commission Application

Date:: 3/15/2013

Board/Commission you wish to serve on:: Tourism

If applicable, type of seat for which you are qualified:: Operator of tourism related business

Name:: Aaron Riley

Home Phone:: 928-380-5224

Home Address:: 5404 E Cortland Blvd #249

Zip:: 86004

Mailing Address (If different from above)::

Employer:: Enterprise Holdings

Job Title:: Branch Manager

Business Phone:: 928-779-1975

Cell:: 928-380-5224

E-mail:: [aaronius.az@gmail.com](mailto:aaronius.az@gmail.com)

Indicate preferred telephone:: Cell

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.: I am the Branch Manager for Enterprise Holdings at the Flagstaff Pulliam Airport. I oversee operations for our company's the three rental car brands of Alamo, National, and Enterprise. As the operator of the largest car rental company in Flagstaff and a 17 veteran of the rental car industry, I can offer a wealth of tourism related knowledge to the board.

Why do you want to serve on the board or commission you listed?: I also applied for a spot of the Airport Commission. I am qualified to sit on either board. Why do I want to sit on this board? Simple, growth in the tourism segment benefits everyone. The more money spending tourists we can push into Flagstaff the better our quality of life becomes. It will ultimately lead to more jobs, construction projects, and a larger tax base. I would be a strong advocate for more direct transportation options (plane or train) to Flagstaff.

**Additional Information:**

Form submitted on: 3/16/2013 12:27:18 AM

Submitted from IP Address: 81.17.16.170

Referrer Page: No Referrer - Direct Link

Form Address: <http://az-flagstaff3.civicplus.com/Forms.aspx?FID=166>

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**CITY OF FLAGSTAFF  
APPLICATION TO SERVE ON A BOARD/COMMISSION**

RETURN TO: CITY CLERK'S OFFICE, 211 WEST ASPEN AVENUE, FLAGSTAFF, AZ 86001

**PLEASE NOTE THAT THIS INFORMATION IS PUBLIC INFORMATION.  
APPLICATIONS WILL BE KEPT ON FILE FOR ONE YEAR!**

DATE: 1-17-14

BOARD/COMMISSION YOU WISH TO SERVE ON: Tourism Commission

IF APPLICABLE, TYPE OF SEAT FOR WHICH YOU ARE QUALIFIED: Hospitality

YOUR NAME: Janis Russell HOME PHONE: 928-699-9690

HOME ADDRESS: 1074 W. Deadwood Court ZIP: 86005

MAILING ADDRESS (if Different from Above): \_\_\_\_\_

EMPLOYER: DoubleTree by Hilton Flagstaff JOB TITLE: Director of Sales

BUS. PHONE: 928 773 8804 CELL: 928 699 9690 E-MAIL: janis.russell@hilton.com

PLEASE INDICATE PREFERRED TELEPHONE:  HOME  WORK  CELL

**BACKGROUND INFORMATION:** Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.

My 12 years in Flagstaff in the Hotel & Hospitality Industry and my interest in making Flagstaff's tourism revenue grow will be an asset to this Commission. I have a personal interest in seeing Route 66 continue to be a focal part of the city's draw for domestic and international travellers. I am an active Chamber member and currently serve on the Board of Directors for Shadows Foundation. I also volunteer for the American Cancer Society.

Why do you want to serve on the board or commission you listed? (Attach additional page if needed.)

To be more in tune with how the city and CVB are managing tourism, advertising and working with the stakeholders to drive tourism to Flagstaff restaurants, hotels and attractions. My experience in hospitality sales will allow me to give valuable input to the Commission and its partners.

I understand that any information provided above is public information and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

Janis Russell  
Applicant Signature

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**CITY OF FLAGSTAFF**

**APPLICATION TO SERVE ON A BOARD/COMMISSION**

**RETURN TO: CITY CLERK'S OFFICE, 211 WEST ASPEN AVENUE,  
FLAGSTAFF, AZ 86001**

**PLEASE NOTE THAT THIS INFORMATION IS PUBLIC INFORMATION. DATE: January 17, 2014**

APPLICATIONS WILL BE KEPT ON FILE FOR ONE YEAR!

**BOARD/COMMISSION YOU WISH TO SERVE ON: Tourism Commission**

**IF APPLICABLE, TYPE OF SEAT FOR WHICH YOU ARE QUALIFIED: I am not certain which seats are available**

**YOUR NAME: HOME PHONE: Susan Shields 928-637-5467 (cell)**

**HOME ADDRESS: ZIP: 2697 N. Sandstone Way Flagstaff Az 86004**

**MAILING ADDRESS (if Different from Above): n/a**

**EMPLOYER: JOB TITLE: Director of Sales, Little America Hotel**

**BUS. PHONE: 928-779-7920 CELL: 928-637-5467 E- sshields@flagstaff.littleamerica.com  
PLEASE INDICATE PREFERRED TELEPHONE: X WORK or XCELL, either is fine**

**BACKGROUND INFORMATION: Please explain how your community activities and other relevant experience/ interests are applicable to this board or commission.**

As a hospitality professional for over 30 years, I have had to navigate through many situations affecting the properties in which I was working, while maintaining my strong customer relationships. I feel this balancing act has strengthened my position not only within my Hotel, but with my company and my community. I understand that everyone has a voice! However, it takes a unique person to hear that voice and to channel the energy from that voice into something that is beneficial for all concerned parties.

I have always been told that I have that quality.

Working on a Board such as this, I feel my contribution would be very valuable in this area.

**Why do you want to serve on the board or commission you listed? (Attach additional page if needed.)**

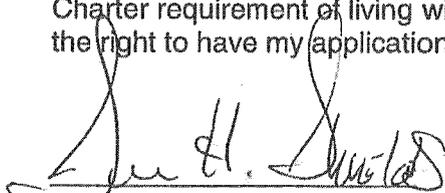
I am very fortunate to have moved back into this community almost 4 years ago.

As an Arizona Native, and an NAU HRM Graduate, I am very proud to not only represent the largest full service Hotel in Flagstaff, but also to represent Flagstaff, especially from a tourism perspective.

I believe Flagstaff is an undiscovered jewel with a tremendous amount of potential. And, I would love to be part of that discovery process. I am extremely proud to live and work here and I believe my enthusiasm and hard work would translate into a very valuable contribution to this Board.

Thank you for your consideration!

I understand that any information provided above is public information and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

A handwritten signature in black ink, appearing to read "J. H. Smith", written over a horizontal line.

**Applicant Signature**

**IMPORTANT NOTICE:** The City Council may consider appointments to boards and commissions in executive sessions which are closed to the public, and then make the appointments in a public meeting. You have the right, however, to have your application considered in a public meeting by providing a written request to the City Clerk.

**CITY OF FLAGSTAFF**  
**APPLICATION TO SERVE ON A BOARD/COMMISSION**

RETURN TO: CITY CLERK'S OFFICE, 211 WEST ASPEN AVENUE, FLAGSTAFF, AZ 86001

**PLEASE NOTE THAT THIS INFORMATION IS A PUBLIC RECORD.**  
APPLICATIONS WILL BE KEPT ON FILE FOR ONE YEAR!

DATE: 11-30-12

BOARD/COMMISSION YOU WISH TO SERVE ON: Tourism Commission

IF APPLICABLE, TYPE OF SEAT FOR WHICH YOU ARE QUALIFIED:

YOUR NAME: Judy Weiss HOME PHONE: 480-993-9080

HOME ADDRESS: 4255 E. Soliere # 259, Flagstaff ZIP: 86001

MAILING ADDRESS (If Different from Above):

EMPLOYER: Coconino County JOB TITLE: Parks and Recreation Director

BUS. PHONE: 928-679-8004 CELL: 928-266-2335 E-MAIL: jweiss@coconino.az.gov

PLEASE INDICATE PREFERRED TELEPHONE: HOME WORK CELL

**BACKGROUND INFORMATION:** Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.

I have worked with tourism activities throughout my 30+ year career as a parks and recreation professional. The provision of parks, open space and recreational amenities and programs are a proven economic driver through the tourism industry. In my current position I am responsible for the activities at Fort Tuthill County Park. While a great facility for locals, Fort Tuthill is becoming a year round recreation destination with an estimated annual economic impact of \$12 million. Most of these dollars are coming from visitors to the Flagstaff area.

Why do you want to serve on the board or commission you listed? (Attach additional page if needed.)

Having input to the work of the Tourism Commission as a local government employee is a unique perspective and one that can benefit the hoteliers, event producers, and business people that comprise the Commission. We live in a community that invests heavily in tourism and I believe I have the expertise and capability to share that can serve to enhance the visitor experience in Flagstaff.

I understand that any information provided above is a public record and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

  
Applicant Signature

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Stacy Saltzburg, Deputy City Clerk  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014



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**TITLE:**

**Consideration of Appointments:** Personnel Board.

**RECOMMENDED ACTION:**

Make one appointment to term expiring October 2016.

**Policy Decision or Reason for Action:**

By making the above appointment, the Personnel Board will be at near full membership and will be able to continue meeting on an as needed basis. There is one application on file as follows:

Corey Ringenberg (new applicant)

**Financial Impact:**

These are voluntary positions and there is no budgetary impact to the City of Flagstaff.

**Connection to Council Goal:**

Effective governance.

**Has There Been Previous Council Decision on This:**

None.

**Options and Alternatives:**

1) Appoint one Board Member: By appointing member at this time, the Personnel Board will be at near full membership, allowing the group to meet and provide recommendations to the City Council.

2) Table the action to allow for further discussion or expand the list of candidates.

**Background/History:**

The Personnel Board consists of seven members serving three-year terms. There are currently two seats available.

The Personnel Board conducts hearings to ensure due process for regular, classified employees who are dismissed, demoted, or suspended without pay. The Board forwards all recommendations to the City Manager who has final authority in all personnel matters.

**Key Considerations:**

It is important to fill the vacancies so as to allow the Board to continue meeting on an as needed basis.

**Community Benefits and Considerations:**

The City's boards, commissions, and committees were created to foster public participation and input and to encourage Flagstaff citizens to take an active role in city government.

**Community Involvement:**

INFORM: The vacancies are posted on the City's website and individual recruitment and mention of the opening by Board members and City staff has occurred, informing others of this vacancy through word of mouth.

**Expanded Options and Alternatives:**

**COUNCIL INTERVIEW TEAM:** Mayor Nabours and Councilmember Woodson.

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**Attachments:**    [Personnel Roster](#)  
                          [Personnel Authority - Ordinance 1116](#)  
                          [Personnel Authority - Ordinance 1146](#)  
                          [Personnel Authority - Ordinance 1198](#)  
                          [Personnel Applicant Roster](#)  
                          [Personnel Applications](#)



## City of Flagstaff, AZ

### PERSONNEL BOARD MEMBERS

<u>NAME</u>	<u>APPOINTED</u>	<u>TERM EXPIRES</u>	<u>TRAINING COMPLETED</u>
<b><u>Davis, Terry</u></b> Retired P.O. Box 30547 Flagstaff, AZ 86003-0547 Cell Phone: 602-885-5218 Term: (1st 10/07-10/12; 2nd 10/12-10/16)	10/16/2007	10/16	10/08/2008
<b><u>Hasemeier, Jonathan</u></b> Financial Advisor/Merrill Lynch 1515 S. Yale, Apt. 3-5A Flagstaff, AZ 86001 Cell Phone: 480-241-1101 Term: (1st 2/13 - 10/17)	02/19/2013	10/17	11/04/2013
<b><u>Pizzi, John J.</u></b> Private Investigator/Self 1777 W. Univ. Heights Drive So. Flagstaff, AZ 86001 Home Phone: (928) 214-0930 Term: (1st 9/05-10/10; 2nd 10/10-10/15)	10/18/2011	10/15	10/08/2008
<b><u>Sauer, Dietrich</u></b> Director of Human Resources/Flagstaff Unified School District 4981 S. Topaz Road Flagstaff, AZ 86001 Cell Phone: 928-221-3435 Term: (1st 10/07-10/13; 2nd 10/13 - 10/16)	10/01/2013	10/16	10/08/2008



## City of Flagstaff, AZ

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<b><u>Snow, Cathy</u></b>	<b>11/22/2011</b>	<b>10/16</b>	<b>03/12/2013</b>
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Asst. Director, Human Resources/Northern  
Arizona University  
4005 Lake Mary Rd. #13  
Flagstaff, AZ 86001  
Cell Phone: 928-853-1358  
Term: (1st 11/11-10/16)

<b><u>Z-VACANT,</u></b>		<b>10/15</b>	<b>No</b>
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<b><u>Z-VACANT,</u></b>		<b>10/16</b>	<b>No</b>
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**Staff Representative: Shannon Anderson**

**As Of: February 06, 2014**

# CITY OF FLAGSTAFF

## ORDINANCE NO. 1116

AN ORDINANCE ADOPTING PERSONNEL POLICIES OF THE CITY OF FLAGSTAFF-1980; REPEALING ORDINANCE NOS. 971, 1041, 1063, 1067 AND 1103; REDEFINING OFFICERS AND EMPLOYEES SUBJECT TO THE PERSONNEL SYSTEM; PROVIDING A STATEMENT OF POLICY; AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1: There is hereby established pursuant to Article IV, Section 5, of the Charter of the City of Flagstaff a personnel system based on the principles of merit and fitness to be known as the "Personnel Policies of the City of Flagstaff-1980", which policies are hereby adopted by reference pursuant to Article VII, Section 13, of the Charter of the City of Flagstaff, and the same are hereby designated and declared to be a public record of the City of Flagstaff.

SECTION 2: That three (3) copies of the "Personnel Policies of the City of Flagstaff-1980" shall be filed in the office of the City Clerk of the City of Flagstaff, Arizona, and there retained available for the use and inspection by any interested person during normal business hours. The aforesaid rules and regulations shall be placed on file with the City Clerk immediately following the adoption and approval of this Ordinance.

SECTION 3: Ordinances Nos. 971, 1041, 1063, 1067 and 1103, and any other ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 4: That the City Manager, or such other officer or employee as he may designate, shall be the Personnel Director of the City and shall be charged with the proper and efficient administration and operation of the City of Flagstaff Personnel System.

SECTION 5: Nothing in the personnel rules or policies adopted for their implementation shall be construed or interpreted to reduce or restrict any powers or duties provided for in the Charter of the City of Flagstaff.

SECTION 6: The City of Flagstaff retains the exclusive right through the City Manager, subject to the provisions of the City Charter, applicable State law and the personnel regulations to:

- A. Direct and supervise its employees;
- B. Appoint, promote, classify, transfer, assign, retain, suspend, demote, discharge, or take disciplinary action against any employee;
- C. Relieve from duty any employee because of lack of funds, lack of work, reorganization or for any other legitimate reason;
- D. Maintain the efficiency of its governmental operations;
- E. Determine the means, methods and personnel by which operations are to be conducted;
- F. Take whatever actions may be necessary to carry out its responsibilities in situations of emergency.

# CITY OF FLAGSTAFF

ORDINANCE NO. 1116

Page 2

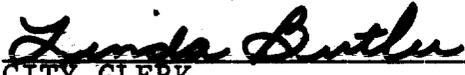
SECTION 7: That the immediate operation of the provisions of this Ordinance is necessary for the public peace, health and safety of the residents and citizens of the City of Flagstaff; that an EMERGENCY is, therefore, declared to exist; THAT THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT IMMEDIATELY UPON ITS PASSAGE AND ADOPTION BY THE COUNCIL OF THE CITY OF FLAGSTAFF.

PASSED AND ADOPTED by the Council and approved by the Mayor of the City of Flagstaff, this 31<sup>st</sup> day of June, 1980.

MAYOR

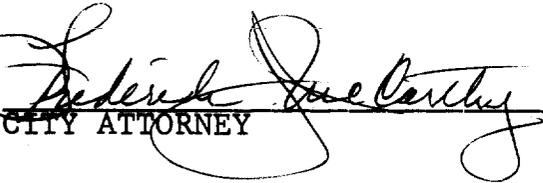


ATTEST:



CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

# CITY OF FLAGSTAFF, ARIZONA

## ORDINANCE NO. 1146

AN ORDINANCE AMENDING ORDINANCE NO. 1116 BY ADDING PROCEDURAL ITEMS TO AS WELL AS DEFINING AND CLARIFYING PRESENT PORTIONS OF, AND ADDING NEW MATTER ON APPOINTMENTS, PROMOTIONS, LAY OFFS, MATERNITY LEAVE, SUSPENSIONS, DISMISSALS, AND DEMOTIONS, AND AMENDING SECTIONS 105, 108, 202, 203, 204, 303, 304, 401, 405, 409, 411, 412, 502, 503, 504, AND 505.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1: Section 105 of Ordinance No. 1116 is amended to read:

### Section 105. PERSONNEL BOARD

- A. The Board created by Ordinance No. 971 and appointed by the City Council shall be known as the Personnel Board. The Personnel Board is responsible for determining that the employee's rights have been protected and that proper procedures have been followed in matters concerning the dismissal, demotion or suspension of the employee.
1. The City Council shall appoint five (5) individuals to serve on the Personnel Board, and two (2) alternates who shall serve in the absence of any regular members.
  2. The City Council shall have the power to remove members of the Personnel Board.
  3. No member of the Personnel Board shall hold any other paid municipal position.
  4. The Personnel Director and the City Attorney shall be ex-officio members of the Board and shall be privileged to take part in all actions of the Board except for making motions and voting.
  5. Five (5) members of the Board shall constitute a quorum for the transaction of business.
- B. The Personnel Board shall determine the order of business for the conduct of its meetings.
1. The Board shall meet on call of the Chairman or Secretary or a majority of the members of the Board.
  2. The Board shall hear appeals submitted by any permanent employee in the classified service, in relation to his dismissal, demotion or suspension.
  3. The provisions of this Section shall not apply to reductions in pay via reclassifications or other matters described in Section 9 (Grievance Procedure).
- C. In an investigation or hearing conducted by the Board, it shall have the power to examine witnesses under oath.

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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1. The Chairman or acting Chairman of the Personnel Board shall have the power to administer oaths to witnesses.
- D. Any permanent employee in the classified service who has been dismissed, demoted, or suspended, and any classified employee who has been disciplined under Sections 409, 410, 411, and 412 shall be entitled to a written statement of the reasons for such action.
  1. Such written statement shall be supplied within seven (7) calendar days following the action.
  2. The employee shall have up to seven (7) calendar days within which to answer the charges and request a hearing before the Personnel Board.
  3. Upon the filing of an appeal, the Personnel Director shall set a date and place with concurrence of the Board Chairman for a hearing on the appeal not less than ten (10) days, nor more than thirty (30) days from the date of filing. The Personnel Director shall notify all interested parties of the date, time, and place of hearing.
  4. The appellant shall appear personally, unless physically unable to do so, before the Personnel Board at the time and place of the hearing. Hearings shall be conducted by rules set by the Personnel Board and approved by the City Council. All such rules shall be reviewed by the City Attorney and forwarded to the Council with his comments.
  5. When a case is brought before the Personnel Board, the department head involved shall prepare and present the City's case to the Personnel Board.
  - 5- 6. The findings and recommendations of the Personnel Board shall be forwarded to the City Manager for action. The City Manager shall accept in whole or in part, or reject, said findings and recommendations.

SECTION 2: Section 108 of Ordinance No. 1116 is amended to read:

## Section 108. TEMPORARY AND PART-TIME SERVICE

- A. Appointment to any position may be designated as permanent part-time or temporary.
  1. A temporary appointment shall be for no more than six (6) months' duration. After six (6) months the employee shall be terminated and the position may be reopened.
  2. Employees available for intermittent emergency work are not to be limited to a temporary appointment of six (6) months.
  3. A permanent part-time appointment shall require a normal work week of 20 hours or more.

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~.

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

Page 3

4. Employees holding such appointments shall be designated as Permanent Part-Time or Temporary and shall comprise the Temporary and Permanent Part-Time Service.
  5. Temporary employees shall not be included in the Classified Service.
  6. Permanent part-time employees are included in the Classified Service. Permanent part-time employees shall accrue benefits on a pro-rated basis.
- B. Employees holding temporary appointments shall receive no fringe benefits except as required under State statute or contractual agreements.
- C. Temporary employees shall have the right to file formal grievances under the Grievance Procedure (Article 9).
- D. Temporary employees defined by this Section shall not have the right of appeal to the Personnel Board, as provided in Section 105, Personnel Board Paragraph B2, and Section 104, Classified Service, Paragraph F.

SECTION 3: Section 202 of Ordinance No. 1116 is amended to read:

## Section 202. APPROPRIATE MERIT SALARY STEP

- A. Classified employees shall be eligible for consideration for merit pay increases as follows:
1. From step "A" to step "B" upon successful completion of ~~the probationary period:~~ twelve (12) months of continuous service.
  2. To the "C" step after twelve (12) months of service in the "B" step.
  3. To the "D" step after twelve (12) months of service in the "C" step.
  4. To the "E" step after twelve (12) months of service in the "D" step.
- B. A newly hired classified employee shall be compensated at the "A" step of the salary range of the job class for which he was hired. When economic conditions, unusual employment conditions, or exceptional qualifications of a candidate for employment indicate that a higher hiring rate would be in the City's best interest, the City Manager may authorize hiring at a higher step in the salary range, upon request of the Personnel Director and appropriate department head. The provisions of this Section shall also apply to re-employed and reinstated classified employees.
- C. Merit pay increases for classified employees shall only be granted upon recommendation of the employee's department head for efficient service and continued improvement by

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# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

Page 4

the employee in the effective performance of the duties of his position with the approval of the City Manager.

1. The completion of a performance evaluation must accompany each merit pay increase recommendation.
  2. The effective date of merit pay increases shall be on the employee's classification date.
- D. Salaries and merit reviews for the City Manager, City Attorney, and City Magistrates, shall be determined by the City Council.
- E. Salaries and merit reviews for the remainder of the unclassified employees shall be determined by the City Manager, or by responsible department heads, and approved by the City Manager.
- F. Upward salary adjustments. When an employee's position is reclassified to a higher level classification, or when a classification is assigned to a higher salary range, the following rules shall determine the affected employee's salary:
1. In all cases, every affected employee shall be assigned to one of the steps specified in the new salary range.
  2. In no case will an employee receive a decrease as a result of a salary adjustment to a higher salary range.
  3. Employees assigned to a higher pay range that overlaps with their present range shall be placed in the lowest step in the new range that will result in an increase in pay.
  4. Affected employees shall retain their classification dates for purposes of performance evaluation and merit increases.
- G. Downward salary adjustments - The salary of an employee whose position is reclassified to a lower classification or whose classification is assigned to a lower salary range, will be determined by the following procedure:
1. The employee will be placed at the step of the lower salary range which is closest to his current rate of pay, and which does not result in an increase.
- H. Promotion - Promotions shall be made as provided in Article 4, Section 401. Employees promoted to a pay range that overlaps their present pay range shall be placed in the lowest step in the new range that will result in an increase in pay.
- I. Demotion for cause - An employee who is demoted for cause shall be placed in the step of the lower salary range that will provide a reduction in pay of not less than 5%. The employee shall be given a new anniversary date for purposes of merit pay increases in accordance with the provisions of Section A, 1-4 above.

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~.

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

Page 5

- J. Disciplinary pay step reduction - An employee who is being paid in a salary step higher than the "A" step may be reduced by one or more steps on the basis of unsatisfactory work performance, physical condition, or conduct. Such action shall require the specific recommendation of the employee's department head and the Personnel Director with the approval of the City Manager.
1. The employee shall be notified in writing by his department head not later than two (2) calendar weeks prior to the effective date of the action. Such notice shall inform the employee that he may file a reply with the department head and Personnel Director no later than one calendar week prior to the effective date of the action. Such reply shall be reviewed by the City Manager for final action.
  2. The employee shall have the opportunity to attach a statement to the notice.
  3. The employee may be returned to his former salary step at such time as deemed appropriate by his department head.

SECTION 4: Section 204 of Ordinance No. 1116 is amended to read:

## Section 203. WORKING HOURS AND PAY

- A. The average regular work week for full-time classified employees shall be forty (40) hours. The work week for all employees begins on Sunday morning at 12:01 A.M. and ends the following Saturday at midnight. The average regular work week for Fire Suppression employees shall be fifty-six (56) hours per week.
- B. As a standard policy all employees shall be allowed two (2) work breaks of fifteen (15) minutes duration per day. All work breaks shall be scheduled by the supervisor so that work areas are covered. This applies to all personnel except: On-duty Police Officers, on-duty Fire Personnel, operating field crews, employees operating equipment on scheduled routes and other instances where the nature of the employee's duties prevent orderly scheduling of any specific time for work breaks.
- C. Lunch periods shall be scheduled for all employees except those specifically excluded by the City Manager. The lunch period will ordinarily last for one hour, however, by mutual consent between employee and department head, may be reduced to one-half hour.
- D. Employees shall not be allowed to accumulate work breaks and/or lunch periods for the purpose of taking time off.
- E. Regular salaries and compensation for all City employees shall be paid on a bi-weekly basis.

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~.

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

Page 6

F. For the purpose of vacation, sick leave, family leave, personal leave, and holiday leave, a working day shall be considered as equal to .38461% of the number of working or duty hours in the established work year for each employee.

SECTION 5: Section 204 of Ordinance No. 1116 is amended to read:

## Section 204. OVERTIME PAY

- A. A full-time classified employee who performs authorized work in excess of his regular work week, work day, or shift, shall be compensated for such overtime at the rate of one-and-one-half (1 1/2) times his regular rate of pay.
1. Overtime shall be calculated to the nearest one-quarter (1/4) hour of overtime worked.
  2. All overtime must be authorized in advance by the appropriate department and ratified by the City Manager or his designee.
  3. All unclassified and certain classified job classes shall be exempt from the above overtime provisions upon recommendation of the Personnel Director and approval of the City Manager.
    - a. Employees in these exempt classes may receive overtime pay in the event of extraordinary circumstances or emergency conditions. This may be done only by written order of the City Manager upon the recommendation of the department head.
    - b. Time off for work performed during extraordinary circumstances or emergency conditions by employees in these exempt job classes may be authorized and administered by the appropriate department head.
  4. There shall be no overtime compensation for time spent in attending meetings including travel time of any kind which are for the purpose of education or training, except where attendance is made mandatory by the employee's division or department head.
- B. All full-time classified employees ~~except-for-department heads~~; are authorized to accrue compensatory time on a one to one basis, in lieu of overtime pay. This policy shall be subject to the approval of each department head and shall be based on the unique personnel requirements of each department.
1. No employee shall be allowed to accrue in excess of twenty-four (24) hours except for commissioned fire personnel who shall be allowed to accrue thirty-six (36) hours.

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~.

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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2. All compensatory time shall be reported as it is accrued, or used, on the payroll time report submitted to the Finance Division. Accruals shall be marked "c" and appear in the O.T. line of the Payroll Time Report. Comp. Time used shall be marked "c" and appear in the REG. - first line - of the Payroll Time Report.
  3. The practice of maintaining individual departmental records of accrued compensatory time shall be discontinued. The official record shall be maintained by the Finance Division.
  4. Classified employees shall advise the individual within their department responsible for preparing the departmental payroll time report, by Friday noon prior to the end of the pay period, if they desire to have overtime credited as accrued compensatory time. Otherwise, any eligible overtime will be treated as overtime pay.
  5. Employees with balances in excess of twenty-four (24) hours, (thirty-six (36) hours for commissioned fire personnel), as of June 3, 1980, will be allowed to retain said balances. However, any and all excess hours must be used by the end of the last payroll period ending in December, 1981.
  6. Upon termination of service the employee will be paid for his accrued compensatory time.
- C. The City Manager is authorized to make adjustments for call back and standby pay by administrative memoranda.

SECTION 6: Section 303 of Ordinance 1116 is amended to read:

## Section 303. EXAMINATION

- A. Open competition will be the mode of selection for employment with the City of Flagstaff. The selection technique used in the examination process shall be impartial and relate to those subjects which in the opinion of the Personnel Director and City Manager, will maximize reliability, objectivity and validity through a practical and normally multipart evaluation of applicant attributes necessary for successful job performance and career development.
1. Examinations shall consist of selection techniques which will test fairly the qualifications of candidates. Such tests may be, but are not necessarily limited to, written tests, performance tests, personal interviews, physical agility tests,

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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evaluation of work experience and training, medical examinations, successful completion of prescribed training, or any combination of these or other evaluations. The probationary period shall be considered an extension of the examination process.

2. The City Manager may require the satisfactory completion of a medical and physical examination prior to permanent appointment in certain job classes as may be determined from time to time.
  3. No question on any test, or the application of any test, shall attempt to elicit information concerning race, color, ancestry, national origin, religious creed, political opinions or affiliations, sex, age, mental or physical handicapped condition not job related, arrest record, or child care or transportation arrangements of an applicant.
  4. The Personnel Director may, at his discretion, designate any part of the examination process as qualifying only.
- B. ~~Applications for City positions will be accepted at any time and all applicants will be notified of the time and place for the next testing.~~ Job interest cards for City positions will be accepted at any time. The Personnel Department will notify interested persons when an appropriate position is opened.
- C. When the examinations of applicants for any class of employment have been evaluated, the applicant shall be sent notice of their relative attainment expressed in terms of percentage points. Those who fail to make a passing grade will also be notified.
- D. An applicant may review his examination results by request to the Personnel Director within ten (10) calendar days after the notices of examination results are mailed or posted. If the review should disclose any errors, the examination record of all those affected shall be modified by the Personnel Director to show a correct record. Applicants affected shall be notified of the corrected record.

SECTION 7: Section 304 of Ordinance 1116 is amended to read;

Section 304. EMPLOYMENT ELIGIBILITY LISTS AND APPOINTMENTS

~~A. -- Employment lists, in order of their priority, shall be re-employment lists and eligibility lists.~~

~~1. -- Re-employment lists shall contain the names of regular, full-time employees laid off in good standing for lack of funds or work.~~

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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~~2.--Names-on-re-employment-lists-shall-remain-for-a period-not-to-exceed-one-(1)-year.~~

A. All vacancies in the City of Flagstaff's classified service shall be filled by one of the following methods and by giving preference to this order when all other qualifications are equal.

1. Certification and appointment from lay off lists.

2. Certification and appointment from Departmental promotional lists.

3. Certification and appointment from reinstatement lists.

4. Certification and appointment from open competitive eligibility lists.

~~B.--Eligibility-lists-shall-include-only-those-names-of-candidates-for-employment-or-promotion-who-are-qualified.--At such-times-as-a-department-management-evaluation-is-included in-the-establishment-of-a-promotional-eligibility-list, the-list-shall-rank-the-eligible-candidates-in-the-order of-final-evaluation.~~

~~1.--Eligibility-lists-may-contain-the-names-of-one-or more-persons-eligible-for-employment-or-promotion.~~

~~2.--Open-competitive-eligibility-lists-shall-remain-in effect-for-a-period-of-one-(1)-year-or-until-depleted. Eligibility-lists-may-be-extended-by-the-Personnel Direector-for-a-period-not-to-exceed-one-(1)-additional year.~~

~~3.--Promotional-eligibility-lists-shall-remain-in-effect for-a-period-of-one-(1)-year-or-until-depleted.~~

B. The Personnel Director shall certify to the City Manager, Department Head, or Division Head, the names of those successfully demonstrating their eligibility for employment.

~~6.--When-an-appointment-is-to-be-made-to-a-vacancy,-the-Personnel Direector-shall-submit-to-the-appropriate-department-head the-names-on-the-appropriate-employment-list.--Appointments to-vacant-positions-shall-be-made-by-the-appropriate department-head,-with-the-review-of-the-Personnel-Direector.~~

~~1.--The-appropriate-department-head,-with-the-review-of the-Personnel-Direector-may-order-names-removed-from an-eligibility-list-for-good-and-suffieient-reasons.~~

~~2.--Due-to-the-time-and-funds-expended-in-developing employment-lists,-they-shall-be-used-prudently-before canecelling-prior-to-normal-expiration-date.~~

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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C. When a vacancy is to be filled and the total number of individuals on all the above named lists is five or less, the Department Head may make appointments from such eligibles or may request the Personnel Director to establish a new list. When so directed, the Personnel Director shall hold a new examination or interview and establish a new list. The length of eligibility for the list is limited to six months, but may be extended to one year.

~~D.~~ 1. Temporary appointments may be made at the discretion of the Department Head, after consultation with the Personnel Director, upon approval of the City Manager when internal and external applicants fail to meet the requirements of the vacant position.

~~E.~~ 2. Emergency appointments may be made by department heads to meet the immediate requirements of the emergency condition such as extraordinary fire, flood, earthquake, plane crash, or other disaster which threatens public life or property. When such need occurs, they shall notify the Personnel Director who shall meet their manpower requirements.

SECTION 8: Section 401 of Ordinance 1116 is amended to read:

## ARTICLE 4. EMPLOYEE STATUS - PERSONNEL ACTIONS

### SECTION 401. PROMOTION

A. A change in an employee's work to more extensive duties together with higher minimum qualifications and a class with higher maximum pay is a promotion.

~~1.--The-Department-Head-may-select-an-employee-from-the promotional-list-or-eligibility-lists,-or-may request-a-new-examination-be-given-and-new-eligibility lists-be-established.~~

1. Promotions, as defined in Section A, will be a Department option in the filling of a vacancy. Promotions will only be made within the department.

2. When a vacancy occurs within a Department, the Department Head may request the Personnel Director to establish a promotional list of qualified workers, the candidates being drawn from the same Department as the vacancy.

3. The number of names submitted on the promotional list shall equal the number of vacancies plus two. Whenever there are fewer than three qualified individuals on a promotional list, the Department Head may make appointments from such eligibles or may request a new list be established in accordance with Section 304-C.

~~2.~~ 4. Upon promotion to another class, an employee shall receive a rate of pay higher than he was receiving in the former class, disregarding any extra compensation received within the former class.

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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3. ~~5.~~ Upon promotion, the employee shall be given a new classification date effective at the time of appointment and begin serving probation in the new class.

SECTION 9: Section 405 of Ordinance 1116 is amended to read:

Section 405. ~~LAY-OFF~~ REDUCTION IN FORCE

- A. The City Manager may lay off an employee in the classified service because of material change in duties or organization or shortage of work or funds. Employees in good standing shall be placed on an appropriate re-employment list as provided by these rules.
- B. Whenever possible, the employees will be given a 2 week notice of pending lay-offs.
- C. To determine objectively which employees are to be laid off, the following factors will be used on a Departmental basis.
1. Length of continuous service (full-time) with the City.
  2. Employee skills, training, and job knowledge as determined by his three most current merit evaluations.
  3. Any other factor the Department Head and City Manager may consider to be important.
- D. The Personnel Department and Finance Department will meet with the employees to be laid off and provide the following:
1. Estimate on the duration of lay-off.
  2. Explanation of how seniority rights will be affected.
  3. Explanation on how vacation and sick leave will be affected.
  4. Effects on life, health insurance, and retirement benefits.
  5. Explanation of final pay.
  6. Where to sign up for unemployment insurance.
  7. Explanation of re-employment list.

SECTION 10: Section 409 of Ordinance 1116 is amended to read:

Section 409. SUSPENSION WITHOUT PAY

- A. A department head, with review of the Personnel Director, may suspend an employee at any time, for up to five (5) working days for disciplinary purpose. Suspension without

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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pay in this paragraph constitutes a temporary loss of pay status levied as a penalty for an offense where the cause is not sufficiently serious enough for demotion or dismissal.

1. Upon taking such action, the department head shall file with the employee and the Personnel Director a written notification containing a statement of the substantial reasons for the action and the effective date of the action.
2. No classified employee shall be suspended for more than thirty (30) calendar days at one time, nor shall any employee be penalized by suspension for more than thirty (30) calendar days in any fiscal year.
3. The suspension of any employee beyond five (5) working days, for each incident, shall require approval of the City Manager.

B. A Department Head may suspend a classified employee without pay where the department head's intention is to recommend that the employee be dismissed pursuant to Section 412. All such suspensions shall be immediately reported to the City Manager. At the time of such suspension, the classified nonprobationary employee who has been suspended shall receive a written statement of the reasons for such proposed action and notified that he may have a hearing concerning the proposed dismissal before the Personnel Board if requested within seven (7) days following suspension and invoke the procedures of Section 105D. If no such hearing is requested within seven (7) days after said written notice is given to the employee, the Department Head shall forward to the City Manager a Personnel Action Form with his recommendation as to dismissal. The City Manager shall accept in whole or in part, or reject, the recommendations of the Department Head, and his decision shall be final.

SECTION 11: Section 411 of Ordinance 1116 is amended to read:

## Section 411. DEMOTION

Department Heads wishing to demote a classified employee must forward to the City Manager and Personnel Director a written statement of the reasons for such proposed action as well as give the employee a copy of the written statement of the reasons for such proposed action and notification of his right to a hearing concerning the proposed demotion before the Personnel Board if he so requests, within seven (7) days after receiving notice in accordance with the procedures of Section 105 D. If no appeal is filed with the Personnel Board, the City Manager shall act upon the Department Head's recommendation and shall accept in whole or in part or reject said recommendations. The City Manager may ~~demote~~ initiate the demotion of any employee whose ability to perform his required duties falls below standard as evidenced by the employee's performance evaluation or for disciplinary purposes. Written notice of the demotion shall be given to the employee

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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before the effective date of the demotion, and an opportunity afforded to the employee to invoke the provisions of Section 105 D in regard to the said demotion shall he so desire.

SECTION 12: Section 412 of Ordinance 1116 is amended to read:

## Section 412. DISMISSAL

- A. Any ~~classified or~~ unclassified employee, except those appointed by the City Council, may be dismissed at any time by the City Manager for cause. ~~Any classified non-probationary employee who has been dismissed shall receive a written statement of the reasons for such action and a hearing before the Personnel Board if he requests one in writing.~~ If in the City Manager's judgment an emergency situation exists which requires the immediate dismissal or suspension for cause, with or without pay, of a classified employee without a pre-termination hearing, he may suspend or discharge said employee giving the employee a written statement of the reasons for said action and said employee shall have the right to a post-termination hearing as provided in Section 105 D hereof.
- B. The tenure of classified employees shall be secure during acceptable conduct and satisfactory performance of their duties and responsibilities. Each of the following shall constitute grounds for dismissal of a classified employee:
1. That the employee is inefficient in the performance of his duties and responsibilities.
  2. That the employee is unsafe to himself or other employees in the performance of his duties and responsibilities.
  3. That the employee has been abusive in his attitude, language, behavior, or conduct toward a fellow employee, a supervisor, or the public, or that his action has resulted in physical harm, injury, or fear of same to such persons.
  4. That the employee has been insubordinate, willfully disobedient, or has failed to obey any lawful and reasonable direction from an appropriate supervisor.
  5. That the employee has accepted a fee, gift, or other valuable consideration in the course of performing his duties and responsibilities which is given and/or received with the hope or expectation of receiving favored treatment or other special considerations.
  6. That the employee has been convicted of a felony while employed by the City.
  7. That the employee has falsified any document, report or statement relating to his employment with the City of Flagstaff.

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~.

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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8. That the employee through negligence or willful misconduct has caused damage to public property or waste of public supplies.
  9. That the employee has been inexcusably absent, has failed to receive prior approval for any paid or unpaid absence, or has abandoned his position.
  10. That the employee has been guilty of intentional discrimination because of race, color, religion, sex, national origin, or age.
  11. Failure to properly report an accident involving City property or City liability.
  12. That the employee's attendance is such that the efficiency or effectiveness of the program is impeded.
  13. That the employee has violated guidelines governing outside employment.
  14. That the employee has stolen public or private property, misappropriated city funds, or has been an accomplice in any of these activities while employed by the City of Flagstaff.
  15. That the employee has consumed alcoholic beverages or any other intoxicants or illicit drugs, including marijuana or other controlled substances without lawful prescription, during working time or while on special assignment, without prior approval of the City Manager or the department head, or that the employee has reported to work in an intoxicated condition.
- C. It should be noted that the aforementioned listing is not exclusive in nature and is intended only to indicate a range of actions that are considered grounds for dismissal.

SECTION 13: Section 502 of Ordinance 1116 is amended to read:

## Section 502. VACATION

- A. The purpose of annual vacation leave is to enable each eligible employee to return to work mentally refreshed. All regular, full-time employees in the classified and unclassified service with an average regular work week of forty (40) hours, except temporary employees and probationary employees who have served less than six (6) months in the service of the City, shall receive annual vacation with pay at the following rates:

All permanent classified employees with less than five (5) years continuous service and hired after February 17, 1976.	10 Working Days (3.85% of a Work Year)
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Changes or additions in text are indicated by underline, deletions by ~~strikeout~~

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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Permanent and probationary classified employees hired prior to February 17, 1976 with less than ten (10) years continuous service; and after February 17, 1976, all permanent classified employees with more than five (5) years continuous service. 12 Working Days (4.62% of a Work Year)

Permanent classified employees with more than ten (10) years continuous service and unclassified employees with less than twenty (20) years continuous service. 15 Working Days (5.77% of a Work Year)

Permanent classified and unclassified employees with more than twenty (20) years continuous service. 20 Working Days (7.69% of a Work Year)

For the purpose of computing annual vacation leave, a working day shall be considered as equal to .38461% of the number of working or duty hours in the established work year for each employee.

- B. The times during a calendar year at which an employee may take his vacation shall be determined by the Department Head with due regard for the wishes of the employee and particular regard for the needs of the service. If the requirements of the service are such that an employee cannot take part or all of his annual vacation in a particular calendar year, such vacation shall be taken during the following calendar year. Length of service shall be used to resolve conflicts over vacation periods between employees of the same class.
- C. No employee may accrue more than ~~eighteen-(18)-months of vacation leave~~, can be earned in eighteen (18) months of continuous service. Any employee with a surplus over the maximum accrual shall use the excess prior to January 1, 1981 or forfeit the excess.
- D. In the event one or more municipal holidays fall within an annual vacation leave such holiday shall not be charged as vacation leave, and the vacation leave shall be extended or credited accordingly.
- E. Employees who have satisfactorily completed probation and who terminate employment shall be paid in a lump sum for all accrued vacation leave earned prior to the effective date of termination.

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~.

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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SECTION 14: Section 503 of Ordinance 1116 is amended to read:

## Section 503: SICK LEAVE

- A. Sick leave with pay shall be granted to all probationary and permanent employees within the competitive service. Temporary employees will not accrue sick leave. Sick leave shall not be considered as a right which an employee may use at his discretion, but shall be allowed only in case of actual personal sickness or dependent sickness or injury (see dependent sick leave Section 503.01). In the case of personal sickness where employees are capable of performing light duty, they shall so advise their Department Head who will make these arrangements, provided such light duty is available. Unnecessary use of sick leave shall be cause for disciplinary action.
- B. In order to receive compensation while absent on sick leave, the employee shall notify his immediate supervisor, Division or Department Head prior to or within one hour after the time set for beginning his daily duties. In case your immediate supervisor cannot be reached, notice shall be given to the Personnel Director. The employee may be required to file a physician's certificate or a personal affidavit with the Personnel Director, stating the cause of absence.
- C. Probationary employees will be allowed to use up to six (6) work days sick leave at any time during their first six (6) months of employment. Thereafter, sick leave shall be accumulated to a total of not more than one hundred thirty (130) work days. Unearned sick leave used shall be deducted from the employee's last pay check.
- D. In the event that any paid holiday occurs during a period when an employee is on paid sick leave, the holiday shall not be charged against the employee's accrued sick leave. The only sick leave hours that shall be charged to any employee's accrued sick leave shall be those hours that the employee is regularly scheduled to work.
- E. Once maximum sick leave has been accumulated, unused sick leave accrued in excess of the maximum shall be paid to the employee on the first pay period in December and shall include leave accrued through the last pay period in November at the rate of one (1) day's pay for each three (3) day's unused sick leave accrued in excess of the maximum. Employees leaving the service shall be paid for unused sick leave at the rate of one (1) day's paid for each three (3) day's of unused sick leave under the following conditions:
  1. Employees retiring from the City employment with a minimum of ten (10) years service at the minimum age of sixty-two (62).

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~.

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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2. Employees terminating City employment with a minimum of twenty (20) years service.
- F. An employee receiving temporary disability payments under the workmen's compensation laws may use accumulated sick leave in order to continue to maintain his regular income. City employees receiving full salaries from the City, as well as disability payments under workmen's compensation, must remit to the City any funds received from the State Compensation Fund. These payments will be credited to the employee's sick leave account. The purpose of this regulation is to ensure that an employee does not suffer an economic hardship as a result of a work related injury, as well as to ensure that the employee will not be making a financial gain as a result of an injury. It is the employee's prerogative to determine whether he wishes to continue on the City payroll or whether he wishes to accept the disability payments from the State Compensation Fund in lieu of continuing on the City payroll.
- G. In the event that an employee becomes sick or has an accident during paid time off for vacation, with proper medical documentation, the time may be charged to accrued sick leave.

SECTION 15: Section 503.04 of Ordinance 1116 is amended to read:

## Section 503.01 DEPENDENT SICK LEAVE

- A. All classified and unclassified permanent employees will be allowed to utilize accrued sick leave for care of sick or injured dependents.
  1. In order to receive compensation for dependent sick leave, the employee shall notify his immediate supervisor or ~~the Personnel Director~~ Department Head prior to, or within one hour after, the time set for beginning his daily routine.
  2. However, all shift personnel shall be required to make notification one hour prior to the start of their shift.
  3. The Department Head may require documentation of injury or sickness of the employee's dependents.

SECTION 16. Section 503.02 of Ordinance 1116 is amended to read:

## Section 503.02 PERSONAL LEAVE

- A. All classified and unclassified permanent employees will be allowed to use one (1) day of accrued sick leave per calendar year for matters of personal business.
  1. In order to receive compensation for personal leave, the employee shall notify his immediate supervisor or ~~the Personnel Director~~ Department Head prior to or within one hour after the time set for beginning his daily routine.

Changes or additions in text are indicated by underline, deletions by ~~strikeout~~

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1146

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However, all shift personnel shall be required to make notification one hour prior to the start of their shift.

2. Personal leave cannot be carried over into another calendar year.
3. Employees will not be allowed to take personal leave after submitting a notice of resignation.

SECTION 17: Section 504 of Ordinance 1116 is amended to read:

## Section 504. FAMILY LEAVE

- A. Family leave with pay may be granted in the event of serious illness where death appears imminent or the death of a member of the employee's immediate family. The immediate family shall consist of the employee's spouse, children, parents, grandparents, grandchildren, brothers, sisters or the spouse's children, parents, grandparents, grandchildren, brothers, sisters, or other dependents as petitioned.
- B. For each occurrence, up to three (3) days of family leave may be granted for an immediate family member's death if within the state of Arizona and up to five (5) days may be granted if outside of the state.

SECTION 18: Section 505 of Ordinance 1116 is amended to read:

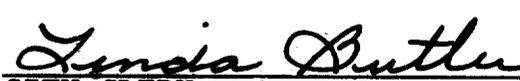
## Section 505. MATERNITY LEAVE

- A. Maternity leave shall be under the same provisions as sick leave (Section 503).
- B. If the employee does not have enough accrued sick leave, she may apply for vacation leave and/or personal leave without pay.

PASSED AND ADOPTED by the Council and approved by the Mayor of the City of Flagstaff, this 3rd day of February, 1981.

  
MAYOR

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY

Changes or additions in text are indicated by underline, deletions by ~~strike out~~.

# CITY OF FLAGSTAFF, ARIZONA

## ORDINANCE NO. 1198

AN ORDINANCE AMENDING ORDINANCE NO. 1116, PERSONNEL POLICIES, PERTAINING TO SECTION 105, "PERSONNEL BOARD"; SECTION 409, "SUSPENSION WITHOUT PAY"; SECTION 603, "NEPOTISM"; AND SECTION 801, "SAFETY".

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1: Amend Section 105, A.1, A.2, A.4 and A.5, pertaining to membership, the ex-officio members of, the Personnel Board, the required quorum of, respectively, to read as follows:

A.1: The City Council shall appoint ~~five-(5)~~ seven (7) individuals to serve on the Personnel Board ~~and two-(2)-alternates-who-shall-serve-in-the-absence of-any-regular-members.~~

A.2: ~~The-City-Council-shall-have-the-power-to-remove members-of-the-Personnel-Board.~~

Any member who misses two consecutive hearings may cease to be a member of the Board contingent upon Council action.

A.4: The Personnel Director ~~and-the-City-Attorney~~ shall be an ex-officio member of the Board and shall be privileged to take part in all actions of the Board except for making motions by voting.

A.5: ~~Five-(5)-members~~ A majority of the Board shall constitute a quorum for the transaction of business.

SECTION 2: Amend Section 105 D.5 of Ordinance No. 1116 pertaining to the presentation of the City's case to the Personnel Board to read as follows:

When a case is brought before the Personnel Board, the department head involved, or the department head's designee, shall prepare and present the City's case to the Personnel Board.

SECTION 3: Amend Section 409 A.3 of Ordinance No. 1116 relating to suspension of employees without pay to read as follows:

Except as provided in subsection B of this section the suspension of any employee beyond five (5) working days, for each incident, shall require approval of the City Manager.

SECTION 4: Amend Section 603 A of Ordinance No. 1116 pertaining to nepotism to read as follows:

Relatives shall be defined to include: mother (in-law), father (in-law), sister (in-law), brother (in-law), daughter (in-law), son (in-law), husband, wife, step-children, step-parents, grandchildren, grandparents, great-grandchildren, great-grandparents, nieces, nephews, uncles and aunts.

Additions indicated by underline, deletions by ~~strikeout~~.

# CITY OF FLAGSTAFF, ARIZONA

ORDINANCE NO. 1198

Page 2

SECTION 5: Amend Section 801 B of Ordinance No. 1116 pertaining to safety and training of employees by adding the following provision:

2. Cases of vehicular accidents and property abuse shall be reviewed by the City Accident Review Board which will make recommendations to the appropriate department head.

PASSED AND ADOPTED by the Council and approved by the Mayor of the City of Flagstaff, this 6th day of April, 1982.

  
MAYOR

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY

Additions indicated by underline, deletions by ~~strikeout~~.



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## *City of Flagstaff, AZ*

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### PERSONNEL BOARD APPLICANTS

<u>NAME</u>	<u>APPOINTED</u>	<u>TERM EXPIRES</u>	<u>TRAINING COMPLETED</u>
<u>Ringenberg, Corey</u> Sergeant/Coconino County 2488 W. Coronado Ave Flagstaff, AZ 86001 Cell Phone: 928-600-1023			No

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**Staff Representative: Shannon Anderson**

**As Of: February 06, 2014**

## Stacy Saltzburg

**From:** noreply@civicplus.com  
**Sent:** Wednesday, January 15, 2014 1:01 PM  
**To:** Elizabeth Burke; Stacy Saltzburg  
**Subject:** Online Form Submittal: Board/Commission Application

If you are having problems viewing this HTML email, click to view a [Text version](#).

## Board/Commission Application

### Important Notice:

The City Council may consider appointments to boards and commissions in executive sessions which are closed to the public, and then make the appointments in a public meeting. You have the right, however, to have your application considered in a public meeting by providing a written request to the City Clerk.

### Application to Serve on a Board/Commission

#### Please note that this information is public information.

Date:\* 01/15/14  
Board/Commission you wish to serve on:\* Personnel Board  
If applicable, type of seat for which you are qualified: Non-Employee/ Community Member

#### Your Information

Name:\* Corey Ringenberg Home Phone:\* 928-600-1023  
Home Address:\* 2488 W. Coronado Ave. Zip:\* 86001  
Mailing Address (If different from above): Flagstaff, AZ  
Employer:\* Coconino County Job Title:\* Sergeant  
Business Phone: 928-226-5241 Cell: 928-600-1023  
E-mail:\* cringenberg@coconino.az.gov  
Indicate preferred telephone:\*  
 Home  Cell  
 Work

#### Background Information

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.

Through previous assignments and my current position with the County I have worked with many types of employee discipline matters, to include employee review boards. The use of progressive discipline and corrective behavior models for service in the public environment are very familiar to me.

Why do you want to serve on the board or commission you listed?

I wish to serve my community and the City of Flagstaff in a voluntary capacity. I believe by assisting the Personnel Board I would be able to use my knowledge and experience of employee review boards and fulfill a commitment to our community.

By submitting this electronic form, I acknowledge that any information provided above is public information, and I certify that I meet the City Charter requirement of living within the Flagstaff City limits and have read and understand the right to have my application considered in a public meeting.

\* indicates required fields.

The following form was submitted via your website: Board/Commission Application

Date:: 01/15/14

Board/Commission you wish to serve on:: Personnel Board

If applicable, type of seat for which you are qualified:: Non-Employee/ Community Member

Name:: Corey Ringenberg

Home Phone:: 928-600-1023

Home Address:: 2488 W. Coronado Ave.

Zip:: 86001

Mailing Address (If different from above):: Flagstaff, AZ

Employer:: Coconino County

Job Title:: Sergeant

Business Phone:: 928-226-5241

Cell:: 928-600-1023

E-mail:: [cringenberg@coconino.az.gov](mailto:cringenberg@coconino.az.gov)

Indicate preferred telephone:: Cell

Please explain how your community activities and other relevant experience/interests are applicable to this board or commission.: Through previous assignments and my current position with the County I have worked with many types of employee discipline matters, to include employee review boards. The use of progressive discipline and corrective behavior models for service in the public environment are very familiar to me.

Why do you want to serve on the board or commission you listed?: I wish to serve my community and the City of Flagstaff in a voluntary capacity. I believe by assisting the Personnel Board I would be able to use my knowledge and experience of employee review boards and fulfill a commitment to our community.

**Additional Information:**

Form submitted on: 1/15/2014 1:01:12 PM

Submitted from IP Address: 65.122.184.113

Referrer Page: <http://www.flagstaff.az.gov/index.aspx?NID=1883>

Form Address: <http://az-flagstaff3.civicplus.com/Forms.aspx?FID=166>

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Stacy Saltzburg, Deputy City Clerk  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014



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**TITLE:**

**Consideration and Action on Liquor License Application:** Lisa Dishman-McCulloch, "Nomads", 19 W. Phoenix Ave., Series 07 (beer and wine bar), Person Transfer and Location Transfer.

**RECOMMENDED ACTION:**

Hold public hearing.

The City Council has the option to:

- 1) Forward the application to the State with a recommendation for approval;
- 2) Forward the application to the State with no recommendation; or
- 3) Forward the application to the State with a recommendation for denial based on the testimony received at the public hearing and/or other factors.

**Policy Decision or Reason for Action:**

Series 07 licenses must be obtained through the person and location transfer of an existing license from another business. The license is being transferred from John Conley with Hickory's Smoke House BBQ, located in Flagstaff.

**Financial Impact:**

There is no budgetary impact to the City of Flagstaff as this is a recommendation to the State.

**Connection to Council Goal:**

Effective governance - regulatory action.

**Has There Been Previous Council Decision on This:**

Not applicable.

**Options and Alternatives:**

- 1) Table the item if additional information or time is needed.
- 2) Make no recommendation.
- 3) Forward the application to the State with a recommendation for approval.
- 4) Forward the application to the State with a recommendation for denial, stating the reasons for such recommendation.

**Background/History:**

An application for a person transfer and location transfer Series 07 liquor license was received from Lisa Dishman-McCulloch for Nomads, 19 W. Phoenix Ave. The person transfer and location transfer are from John Conley for Hickory's Smoke House BBQ located at 1435 S. Milton Rd., Flagstaff, Arizona.

A background investigation performed by Sgt. Matt Wright of the Flagstaff Police Department resulted in a recommendation for approval.

A background investigation performed by Tom Boughner, Code Compliance Manager, resulted in no active code violations being reported and a recommendation of approval assuming the City Council adoption of the Landmark Overlay Zone for this property.

Sales tax and licensing information was reviewed by Ranbir Cheema, Tax, Licensing & Revenue Manager, who stated that Nomads is in compliance with the tax and licensing requirements of the City however, the seller of the license has an outstanding balance for unpaid sales tax and water bill. Unless the sale of the liquor license is within the approved bankruptcy plan Mr. Cheema recommends no approval.

**Key Considerations:**

Because the application is for both a person transfer and location transfer, consideration may be given to both the applicant's personal qualifications and the location.

A Series 07 beer and wine bar license allows a beer and wine bar retailer to sell and serve beer and wine, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

The deadline for issuing a recommendation on this application is February 28, 2014.

For a Series 07 beer and wine bar license, the applicant is required to provide the distance between the applicant's business and the nearest church or school; the State does not require a geological map or list of licenses in the vicinity for any license series.

**Community Benefits and Considerations:**

This business will contribute to the tax base of the community. We are not aware of any other relevant considerations.

**Community Involvement:**

The application was properly posted on January 27, 2014. No written protests have been received to date.

**Expanded Options and Alternatives:**

- 1) Table the item if additional information or time is needed.
  - 2) Make no recommendation.
  - 3) Forward the application to the State with a recommendation for approval.
  - 4) Forward the application to the State with a recommendation for denial, stating the reasons for such recommendation.
- 

**Attachments:**     Nomads - Letter to Applicant

Hearing Procedures

Series 07 Description

Nomads - Section 13

Nomads - PD Memo

Nomads - Code Memo

Nomads - Tax Memo

OFFICE OF THE CITY CLERK

February 6, 2014

Nomads  
Attn: Lisa Dishman-McCulloch  
2 N. Hillside St.  
Flagstaff, AZ 86001

Dear Ms. Dishman-McCulloch:

Your application for a Series 7 person and location transfer liquor license for Nomads at 19 W. Phoenix Ave., was posted on January 27, 2014. The City Council will consider the application at a public hearing during their regularly scheduled City Council Meeting on **Tuesday, February 18, 2014 which begins at 4:00 p.m.**

It is important that you or your representative attend this Council Meeting and be prepared to answer any questions that the City Council may have. Failure to be available for questions could result in a recommendation for denial of your application. We suggest that you contact your legal counsel or the Department of Liquor Licenses and Control at 602-542-5141 to determine the criteria for your license. To help you understand how the public hearing process will be conducted, we are enclosing a copy of the City's liquor license application hearing procedures.

The twenty-day posting period for your liquor license application will expire on February 16, 2014 and the application may be removed from the premises at that time.

If you have any questions, please feel free to call me at 928-213-2077.

Sincerely,

Stacy Saltzburg  
Deputy City Clerk

Enclosure



# City of Flagstaff

## Liquor License Application Hearing Procedures

1. When the matter is reached at the Council meeting, the presiding officer will accept a motion to open the public hearing on the item.
2. The presiding officer will request that the Applicant come forward to address the Council regarding the application in a presentation not exceeding ten (10) minutes. Council may question the Applicant regarding the testimony or other evidence provided by the Applicant.
3. The presiding officer will then ask whether City staff have information to present to the Council regarding the application. Staff should come forward at this point and present information to the Council in a presentation not exceeding ten (10) minutes. Council may question City staff regarding the testimony or other evidence provided by City staff.
4. Other parties, if any, may then testify, limited to three (3) minutes per person. Council may question these parties regarding the testimony they present to the Council.
5. The Applicant may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of the Applicant.
6. City staff may make a concise closing statement to the Council, limited to five (5) minutes. During this statement, Council may ask additional questions of City Staff.
7. By motion, Council will then close the public hearing.
8. By motion, the Council will then vote to forward the application to the State with a recommendation of approval, disapproval, or shall vote to forward with no recommendation.

## License Types: Series 07 Beer and Wine Bar License

Transferable (From person to person and/or location to location within the same county only)

On & off-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the [glossary](#).

### PURPOSE:

Allows a beer and wine bar retailer to sell and serve beer and wine, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

### ADDITIONAL RIGHTS AND RESPONSIBILITIES:

A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of **DELIVERY**. The retailer must complete a Department approved "Record of Delivery" form for each spirituous liquor retail delivery.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept delivery of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

A log must be kept by the licensee of all persons employed at the premises including each employee's name, date and place of birth, address and responsibilities.

Off-sale ("To Go") package sales can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the one provided for the bar.

Bar, beer and wine bar and restaurant licensees must pay an annual surcharge of \$20.00. The money collected from these licensees will be used by the Department for an auditor to review compliance by restaurants with the restaurant licensing provisions of ARS 4-205.02.

**SECTION 12 Location to Location Transfer: (Bars and Liquor Stores ONLY)**

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE



- Current Business: (Exactly as it appears on license) Name Hickory's Smoke House BBQ  
Address 1435 S Milton Rd Flagstaff, AZ 86001
- New Business: (Physical Street Location) Name Nomads  
Address 19 W Phoenix Ave Flagstaff, AZ 86001
- License Type: #7 License Number: 07030017
- If more than one license to be transferred: License Type: \_\_\_\_\_ License Number: \_\_\_\_\_
- What date do you plan to move? Upon Approval What date do you plan to open? Upon Approval

**SECTION 13 Questions for all in-state applicants excluding those applying for government, hotel/motel, and restaurant licenses (series 5, 11, and 12):**

A.R.S. § 4-207 (A) and (B) state that no retailer's license shall be issued for any premises which are at the time the license application is received by the director, within three hundred (300) horizontal feet of a church, within three hundred (300) horizontal feet of a public or private school building with kindergarten programs or grades one (1) through (12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building. The above paragraph DOES NOT apply to:

- a) Restaurant license (§ 4-205.02)
- b) Hotel/motel license (§ 4-205.01)
- c) Government license (§ 4-205.03)
- d) Fenced playing area of a golf course (§ 4-207 (B)(5))

APR 30 11 51 AM '05

- Distance to nearest school: 1455 ft. Name of school Flagstaff Cooperative Preschool  
Address 203 E Brannen Ave Flagstaff, AZ 86001  
City, State, Zip \_\_\_\_\_
- Distance to nearest church: 564 ft. Name of church Flagstaff Christian Fellowship  
Address 123 S Beaver St 86001  
City, State, Zip Flagstaff, AZ
- I am the:  Lessee  Sublessee  Owner  Purchaser (of premises)
- If the premises is leased give lessors: Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_
- 4a. Monthly rental/lease rate \$ \_\_\_\_\_ What is the remaining length of the lease \_\_\_ yrs. \_\_\_ mos.
- 4b. What is the penalty if the lease is not fulfilled? \$ \_\_\_\_\_ or other \_\_\_\_\_  
(give details - attach additional sheet if necessary)
5. What is the total **business** indebtedness for this license/location excluding the lease? \$318,000.00  
Please list lenders you owe money to.

Last	First	Middle	Amount Owed	Mailing Address	City State	Zip
Alliance	Banks		318,000.00	214 E Birch Ave	Flagstaff, AZ	86001

(ATTACH ADDITIONAL SHEET IF NECESSARY)

- What type of business will this license be used for (be specific)? Beer and Wine Bar

**SECTION 13 - continued**



7. Has a license or a transfer license for the premises on this application been denied by the state within the past one (1) year?

YES  NO If yes, attach explanation.

8. Does any spirituous liquor manufacturer, wholesaler, or employee have any interest in your business?  YES  NO

9. Is the premises currently licensed with a liquor license?  YES  NO If yes, give license number and licensee's name:

License # \_\_\_\_\_ (exactly as it appears on license) Name \_\_\_\_\_

**SECTION 14 Restaurant or hotel/motel license applicants:**

1. Is there an existing restaurant or hotel/motel liquor license at the proposed location?  YES  NO  
If yes, give the name of licensee, Agent or a company name:

\_\_\_\_\_ and license #: \_\_\_\_\_  
Last First Middle

2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.

3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.

4. As stated in A.R.S. § 4-205.02.G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spirituous liquor on the licensed premises. By applying for this  hotel/motel  restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

\_\_\_\_\_  
applicant's signature

As stated in A.R.S § 4-205.02 (B), I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing, specify why the extension is necessary, and the new inspection date you are requesting. To schedule your site inspection visit [www.azliquor.gov](http://www.azliquor.gov) and click on the "Information" tab.

\_\_\_\_\_  
applicant's initials

**SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)**

1. Check ALL boxes that apply to your business:

- Entrances/Exits
- Liquor storage areas
- Patio:  Contiguous
- Service windows
- Drive-in windows
- Non Contiguous

2. Is your licensed premises currently closed due to construction, renovation, or redesign?  YES  NO  
If yes, what is your estimated opening date? \_\_\_\_\_

month/day/year

3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.

4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spiritous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).

5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows, or increase or decrease to the square footage after submitting this initial drawing.

*LM*  
\_\_\_\_\_  
applicant's initials

## MEMORANDUM

**Memo # 14-018-01**

**TO: Chief Kevin Treadway**

**FROM: Sgt. Matt Wright**

**DATE: January 7, 2014**

**RE: LIQUOR LICENSE APPLICATION – SERIES 7- Person and location transfer for “Nomads”**

---

On February 5, 2014, I initiated an investigation into an application for a series 7 (beer and wine bar) liquor license person and location transfer of license number 07030030. The application was filed by Lisa and John McCulloch the listed Agent and Controlling Persons on the application. Lisa and John own Nomads a beer and wine bar. Nomads is located at 19 W. Phoenix Ave., in Flagstaff.

John and Lisa purchased the series 7 license from John Conley the previous owner of the license. The license lists a previous location of 1435 S. Milton Rd., which is currently called Hickory's Smoke House BBQ. Hickory's currently operates with a series 12 liquor license. Hickory's Smoke House BBQ has nothing to do with the sale or transfer of this license. Hickory's is simply occupying an address where the series 7 license once belonged.

I contacted Lisa McCulloch. Lisa stated she and John own the building at 19 W. Phoenix and are turning it into a beer and wine bar. Lisa said she and John have never owned or operated a liquor license. Lisa said they plan to open for business in April of 2014 pending the approval and issuance of this license. Lisa said they do not have a manager hired yet, but confirmed she and John would be running the day to day operations. Lisa stated she understood the requirement that she and John had to complete the state mandated liquor law training courses. Lisa stated they have not completed the required courses but planned to do so, and would have the manager do the same when one was hired.

I conducted a query through local systems and public access on Lisa and John McCulloch. No derogatory records were found on the listed applicants. The business is outside of 300 feet from the nearest school and church.

As a result of this investigation, the recommendation to Council would be for approval.



## Planning and Development Services Memorandum

**February 10, 2014**

**TO:** Stacy Saltzburg, Deputy City Clerk

**THROUGH:** Roger E. Eastman, AICP, Comprehensive Planning and Code Administrator

**FROM:** Tom Boughner, Code Compliance Mgr.

**RE:** Application for Liquor License #07030017  
19 West Phoenix Avenue, Flagstaff, Arizona 86001  
Assessor's Parcel Number 100-41-014  
Lisa Dishman-McCulloch on behalf of "Nomads"

A handwritten signature in cursive, appearing to read "Roger E. Eastman".

---

This application is a request for a Series 7 (Beer and Wine) person and location transfer for Lisa Dishman-McCulloch on behalf of Nomads, to be located at the Du Beau Motel. The bar will be located in the T-5 Main Street Transect Zone, which allows for such a business.

There are no active Zoning Code violations associated with Lisa Dishman-McCulloch or Du Beau Motel, 19 West Phoenix Avenue, at this time.

Assuming city Council adoption of the Landmark Overlay Zone for this property (Ord. No. 2014-04) on February 18, 2014, this liquor license is recommended for approval.

# City of Flagstaff Web Map

Nomads



Mon Feb 3 2014 04:57:35 PM.



# Memo

To: Stacy Saltzberg, Deputy City Clerk

From: Ranbir Cheema - Tax, Licensing & Revenue Manager; Anja Wendel – Senior Assistant City Attorney

Date: February 6, 2014

Re: Series 7 Liquor License – Person and Location Transfer – Nomads

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Hillside Enterprises LLC DBA Nomads (and Grand Canyon Hostel), located at 19 W Phoenix Ave has a current sales tax license. They are current on their tax returns filing, tax payments and are in good standing with the Sales Tax Section of the City.

However, the seller in this transaction SB Restaurant Inc has an outstanding balance for unpaid sales tax and Water bill. SB Restaurant had filed a chapter 11 bankruptcy on 12/29/2011, for which City had submitted a claim of \$8,403.46 in unpaid sales tax and \$1,261.45 in unpaid Water Utilities bill. The City has not received any update or resolution through this bankruptcy filing and these amounts are still outstanding. Unless the seller demonstrates this liquor license sale is according to the court approved plan I would recommend against approval of transfer. Please ask the seller to provide such information.

In addition, the City Attorney's Office will follow-up to determine if the City has any ability to collect outstanding debts through the bankruptcy proceeding.

/liquor licenses/Nomads.doc

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Andy Wagemaker, Revenue Director  
**Co-Submitter:** Candace Schroeder, Senior Procurement Specialist  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014



---

**TITLE:**

**Consideration and Approval of Utilizing the Cooperative Purchase Agreement Through the City of Goodyear Contract # CON-12-2155** Utility Billing Services

**RECOMMENDED ACTION:**

Approve the contract with Infosend through the cooperative purchase agreement with the City of Goodyear contract, #CON-12-2155-Utility Billing Services.

**Policy Decision or Reason for Action:**

The City previously utilized a cooperative purchase agreement for bill print and mail services through the City of Tucson which has expired. The proposed contract is effective through October 1, 2018.

Subsidiary Decisions Points: None.

**Financial Impact:**

The City currently has \$134,500 budgeted for this service. The contract with Infosend is estimated to be approximately \$125,000 annually realizing a net savings through this vendor. The proposed vendor charges a lower per piece rate for services that the City utilizes. The price for postage will remain the same with this vendor as postage costs are passed through to the City.

**Connection to Council Goal:**

Effective governance

**Has There Been Previous Council Decision on This:**

No.

**Options and Alternatives:**

Option A) Approve the cooperative agreement with Infosend through the City of Goodyear contract, #CON-12-2155-Utility Billing Services.

Option B) Do not approve the cooperative agree with Infosend through the City of Goodyear contract, #CON-12-2155-Utility Billing Services. Staff will continue to utilize the current vendor on a monthly basis and return with another option at a later date.

**Background/History:**

The City has utilized bill print and mail services for approximately 10 years. The City currently has a third party vendor print and mail three separate monthly mailings: utility bills, sales tax returns, and sales tax account statements. Periodically, the City may insert materials in utility bills or with sales tax documents at a small additional charge.

In addition to the standard bill print and mail services, the City also has consistently utilized an archiving feature offered by bill print and mail vendors. With this feature, the City is able to outsource the storage of bill images on the vendor's data infrastructure. The City utilizes the vendor's software via the internet to view and print older bill documents.

The proposed cooperative purchasing Agreement will continue with the City's long practice of outsourcing bill printing, mailing, and archiving.

**Key Considerations:**

Utilizing a bill print and mail service is a common activity for municipalities with utility services. Purchasing staff contacted several municipalities that utilize bill print and mail services and after a thorough review of options, staff opted to move forward with Infosend. Infosend is a highly recommend partner of other Arizona municipalities.

**Community Benefits and Considerations:**

Customers will notice no change in the level of service provided by the new vendor.

**Community Involvement:**

Inform

---

**Attachments:**     Utility Billing Service Contract

# CONTRACT COVER SHEET

For Contract Review - please route Contract through Fernando Camacho in Finance, Ext. # 7844. (A contract number will be assigned after approval)



Please fill out this form completely or it will be returned to you prior to review, approval, or filing in LaserFiche. If a response is not applicable, please use "N/A" - Do Not Leave Any Blanks.

Type (check one): Contract  Change Order/Modification  #NA Amendment  #NA  
 IGA  Easement  Lease/Property Acquisition   
 Development Agreement  Other  (please specify):

### IDENTIFYING INFORMATION: (Please fill in each field)

Requesting Dept., Contact Name, Ext. #: Finance, J. Gaio, 7876  
 Contractor Name, Address, Tel. No.: InfoSend  
 4240 E. La Palma Avenue  
 Anaheim, CA 92807  
 Assigned Contract Number: CON-12-2155

Brief Summary of the Services to be provided:  
 Utility Billing Services  
**Terms:**  
 Start: 10/01/12 Expire: 10/01/13  
 Contract Amount: \$ N/A  
 Council Date: COAC # N/A   
 City Clerk's Office Use - Retention Date: 1/2/2020

### REVIEWED AND APPROVED:

Procurement: AG Date: 9/5/12 Contracts/Procured Services  
 Legal: GA Date: 9/5/12 All documents  
 City Manager: NA Date: \_\_\_\_\_ When required

### CONTRACT REVIEW REQUIREMENTS

Date Submitted for Review: \_\_\_\_\_

**PROCUREMENT PROCESS - NOTE:** IGAs, Easements, Lease/Property Acquisition and Development Agreements do not require Procurement Review. However, they must still be seen by Legal Services. All Contracts must be reviewed and signed off by both Procurement & Legal Services prior to going to Council.

Designate what method you used to arrive at this contract and whether the item is budgeted for:  
 Less than \$5000  \$5,000 to \$50,000 - 3 written quotes  Cooperative Agreement  On-Call /Task Order  
 Formal Solicitation, Incl. Solicitation Number: OP- 12-2155 (IFB)  
 Other - please name (e.g., sole source, demo, etc. & attach RAP (Request for Alternate Procurement) approved by Procurement Manager.

Budgeted:  Yes  No Requires Council Action: Yes  No  If yes, Council Date: \_\_\_\_\_ COAC # \_\_\_\_\_  
 Additional Funding Source?  Federal - Identify: \_\_\_\_\_  State - Identify: \_\_\_\_\_  
 Grant/Other - Identify: \_\_\_\_\_ \*Attach all supporting documentation for funding source.  
 ADDITIONAL COMMENTS? \_\_\_\_\_

### INSURANCE & BONDS (To be completed by Procurement Specialist)

Insurance Certificate:  Attached \_\_\_\_\_ Initial Date: \_\_\_\_\_  
 Bid Bond:  Attached \_\_\_\_\_ Initial Date: \_\_\_\_\_  
 Performance Bond:  Attached \_\_\_\_\_ Initial Date: \_\_\_\_\_  
 Payment Bond:  Attached \_\_\_\_\_ Initial Date: \_\_\_\_\_

Changes are required to this contract/document as follows:  
 \_\_\_\_\_  
 \_\_\_\_\_

	<b>CITY OF GOODYEAR</b>	<b>OFFICE OF PROCUREMENT</b> 190 North Litchfield Road P.O. Box 5100 Goodyear, Arizona 85338 Phone: 623-882-7893 Fax: 623-925-0829
	<b>GOODS/SERVICES CONTRACT (Not Title 34)</b> <b>CONTRACT NO. CON-12-2155</b>	

DESCRIPTION OF SERVICES: *UTILITY BILLING SERVICES OFFER*

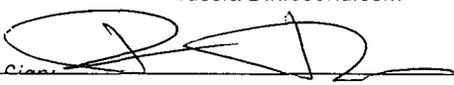
To the City of Goodyear: The undersigned, on behalf of the entity, firm, company, partnership, or other legal entity listed below, offers to the City an Agreement that contains all terms, conditions, specifications, amendments, and addenda in this Agreement. The term Contract shall mean, and consists of, the following documents: 1) This Contract for Goods/Services, version 05242012; 2) Standard Terms and Conditions; 3) Scope of Work and Fee Schedule; 4) Specifications, Attachments, Exhibits; and 5) Solicitation, Instructions to Offerors (including documents referenced and included therein).

Arizona Transaction (Sales):

Arizona Contractor License Number:  
 Privilege Tax License #  
 City of Goodyear Business Registration No.:

For clarification of this offer contact:  
 Name: Russ Alberti, District Sales Manager  
 Telephone: 480-840-3344  
 E-Mail Address: russ.a@infosend.com

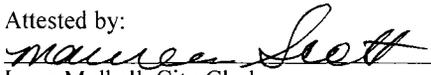
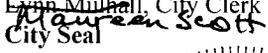
InfoSend, Inc.  
 \_\_\_\_\_  
 Company Name  
4240 E. La Palma Avenue  
 \_\_\_\_\_  
 Address  
Anaheim CA 92807  
 \_\_\_\_\_

  
 \_\_\_\_\_  
 Authorized Signature for Offer  
RUSS ALBERTI  
 \_\_\_\_\_  
 Printed Name  
7/23/12  
 \_\_\_\_\_

City State Zip Code Title Date  
**ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Goodyear Use Only)**

Your offer is accepted by the City. The term Agreement shall have the same meaning as above. As the Contractor, upon execution of this portion, you are now legally bound to provide the goods and/or services under this Contract in compliance with all terms conditions, specifications, amendments, etc. The Contractor is hereby cautioned not to start any billable work or provide any goods, material, or services for this contract until Contractor receives an executed *Purchase Order*

NA  
 \_\_\_\_\_  
 City Manager, City of Goodyear (if applicable)

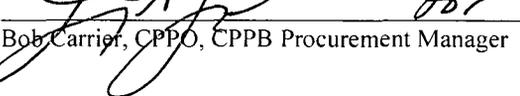
Attested by:  
  
 \_\_\_\_\_  
 Lynn Mulhall, City Clerk  
  
 \_\_\_\_\_  
 Maureen Scott, City Seal



Official File

City of Goodyear, Arizona. Eff. Date: OCT. 1, 2012

Awarded on SEPT. 15, 2012  
 Approved as to form:

  
 \_\_\_\_\_  
 Roric Massey, City Attorney  
  
 \_\_\_\_\_  
 Bob Carrier, CPPO, CPPB Procurement Manager

<b>City of Goodyear, Arizona</b>	<b>Finance Department Procurement</b> 190 North Litchfield Road P. O. Box 5100 Goodyear, Arizona 85338 Phone: 623-882-7845 Fax: 623-925-0829
<b>INVITATION FOR BID</b>	

**OP 12-2155**

Materials and/or Services: Utility Billing Services  
Contract Type: Fixed price  
Due Date: July 25, 2012 Time: 3:30 p.m. Arizona Time  
Procurement Specialist: George Bravakos, CPPB  
Phone: 623-882-7845 Email: George.bravakos@goodyearaz.gov  
Fax: 623-9235-0829  
Mailing Address: City of Goodyear, City Hall Front Desk  
190 North Litchfield Road  
P.O. Box 5100  
Goodyear, Arizona 85338

All Offers must be received by the City of Goodyear, City Hall Front Desk, at the specified location by the date and time cited above. **Late Offers will not be considered.** Offers received by the correct date and time shall be publicly opened and read. Offerors are advised to carefully read the *entire* Solicitation Package. Offers that do not comply with all Instructions to Offerors may be disqualified.

Offerors must register as a vendor with the City of Goodyear at <https://procurement.goodyearaz.gov/bsol/> to obtain a solicitation packet. RFP packages can be obtained by downloading from the City of Goodyear's website: [www.goodyearaz.gov](http://www.goodyearaz.gov) and following these instructions: Enter City website, click on BUSINESS, click on Vendor Services/Procurement, click on Solicitations for Bids/Proposals, click on OP-12-2155. Should you experience problems downloading the solicitation, contact George Bravakos, CPPB at the above email address.

Attendance at the Pre-Offer Conference is mandatory, unless otherwise specified herein.  
Pre-Offer Conference Date: July 18, 2012

Time: 9:00 a.m. Arizona Time

Location: City of Goodyear City Hall, 190 N. Litchfield Road, Goodyear AZ, 85338 Conf. Room 125/126.

All communications concerning this solicitation must be directed to responsible Procurement Specialist identified above, **via email** only. Communications with other city staff may disqualify you from the evaluation process.

Bob Carrier, CPPO, CPPB  
Procurement Manager

Published in the Arizona Republic southwest Section on: 7/11/12 and 7/13/12.

INSTRUCTIONS TO OFFERORS  
OP 12-2155

1. PREPARATION OF OFFER

- a. It is the responsibility of all Offerors to examine the entire solicitation package and seek clarification from the responsible Procurement Specialist of any item or requirement that may not be clear, and to check all responses for accuracy before submitting an offer.
- b. All offers shall be on the forms provided in the solicitation package. It is permissible to copy these forms if required. Telegraphic (facsimile) or email bids will not be considered
- c. The Offer and Acceptance document shall be returned with the submittal with an original blue ink signature by a person authorized to sign the Offer. Pricing documents and other documents which require information to be filled in must be done in ink, typewritten or computer printed. No Offers will be accepted if pencil is used. Erasures, interlineations, or other modifications in the Offer shall be initialed in original blue ink by the authorized person signing the Offer.
- d. It is the Offeror's responsibility to obtain a copy of any addenda relevant to this solicitation. Failure to submit addenda with the solicitation response may be grounds for deeming a bid non-responsive.
- e. Offers shall be submitted in a sealed envelope provided by the Offeror, and should include the Offeror's name, address and solicitation number on outside of the sealed envelope/package.
- f. Periods of time, stated as a number of days, shall be calendar days.
- g. It is the responsibility of the Offeror to submit the offer at the place and by the time provided in the solicitation.
- h. Negligence in preparing an offer confers no right of withdrawal after the due date and time of the offer. No offer shall be altered, amended, or withdrawn after the specified offer due date and time.
- i. Offers shall include all costs as described and indicated by the specifications. The City is exempt from Federal Excise Tax, including the Federal Transportation Tax. Sales tax, if any, shall be indicated as a separate item.
- j. If price is a consideration, and in case of error in the extension of prices in the offer, the unit price shall govern.
- k. The City shall not reimburse the cost of developing, presenting, or providing any responses to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.
- l. Offeror shall submit one (1) original, marked "original" and 1 (one) copies of their offer with their submittal.

2. SERIAL NUMBERS

Offers shall be for equipment on which the original manufacturer's serial number, if applicable, has not been altered in any way. Throughout the contract term, the City reserves the right to reject any altered equipment.

3. BRAND NAMES

Any manufacturer's names, trade names, brand names, or catalog numbers used in the specifications are for the purposes of describing and establishing the quality level, design and performance desired. Such references are not intended to limit or restrict bidding by other vendors, but are intended to establish the quality, design or performance which is desired. Any Offeror which proposes equal or greater quality, design or performance may be considered. The city has the sole authority to accept or reject any like items.

4. SUBSTITUTIONS OR EXCEPTIONS

The City reserves the option to not consider offers for award if the Offeror: i) takes any exception to the specifications and the City does not agree or accept the proposed changes; or ii) proposes a unit which does not meet the City's specifications exactly and the Offeror does not additionally propose the specified unit prior to bid opening, and the City rejects the alternative identified.

5. DESCRIPTIVE LITERATURE

All bidders shall include complete manufacturer's descriptive literature regarding the equipment and goods they propose to furnish. Literature shall be sufficient in detail in order to allow full and fair evaluation of the offer submitted. Failure to include this information may result in the bid being rejected.

6. PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL

All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.

7. INQUIRIES

Any questions related to the solicitation shall be directed to the responsible Procurement Specialist whose name appears on the front page **via email only**. The Offeror shall not contact or ask questions of other City staff or the City department for which the requirement is being procured. Any correspondence related to a solicitation should refer to the solicitation number, page, and paragraph number. All questions must be submitted no later than the close of business five (5) calendar days prior to the opening date.

8. BONDING

**N/A.** A bid bond for ten (10%) of the offer price is required to be submitted with the offer.

**N/A.** A performance bond for one hundred (100%) of the Contract price is required at the time of execution of the Contract and shall meet the requirements of A.R.S., Title 34, as amended, if applicable.

**N/A.** A payment bond for one hundred (100%) of the Contract price is required at the time of execution of this Contract and shall meet the requirements of A.R.S., Title 34, as amended, if applicable.

9. PRE-OFFER CONFERENCE

A Pre-Offer Conference may be held. Attendance at scheduled Pre-Offer Conferences is mandatory. The date, time and location of the conference are indicated on the cover page of this document, The Purpose of this conference will be to clarify the contents of this solicitation in order to prevent any misunderstanding of the City's position. Any doubt as to the requirements of this solicitation or any apparent omission or discrepancy should be presented to the City at this conference. The City will then determine if any action is necessary and may issue a written amendment to the solicitation. *Oral statements or instructions will not constitute an amendment to this solicitation.*

10. LATE OFFERS/MODIFICATIONS/WITHDRAWALS

Offers, modifications of offers, and withdrawals received *after* the due date and time specified for receipt will be rejected and returned to the Offeror unopened. An Offeror (or designated representative) may withdraw their offer via email to the responsible Procurement Specialist any time *prior* to the solicitation due date and time.

11. AMENDMENT OF SOLICITATION

The Offeror must submit a signed copy of any solicitation amendment(s) with their offer. It is the responsibility of the Offeror to obtain the amendment from the City website.

12. PUBLIC RECORD/CONFIDENTIAL INFORMATION

All offers submitted in response to this solicitation shall become the property of the City and shall become a matter of public record available for review, subsequent to the award. If the Offeror believes that any information provided throughout the procurement process should be withheld as confidential, it is the responsibility of the Offeror to submit to the Procurement Manager a statement when the confidential information is submitted which identifies those items the Offeror believes to be confidential and the legal reason(s) why they are confidential. The Procurement Manager shall review the request for confidentiality and advise the Offeror in writing if the information will be treated as confidential by the City. If the City receives a public records request for any of the information determined to be confidential by the Procurement Manager, the City will use reasonable efforts to give notice to the Offeror prior to the release of the information.

13. OFFER ACCEPTANCE PERIOD

In order to allow for an adequate evaluation, the City requires an offer in response to this Solicitation to be valid for one hundred twenty (120) days after the opening time and date.

14. DISCUSSIONS

The City reserves the right to conduct discussions with Offerors for the purpose of eliminating minor irregularities, informalities, or apparent clerical mistakes in the submittal in order to clarify an offer and assure full understanding of, and responsiveness to, solicitation requirements.

15. PERSONNEL

It is essential that the Offeror provide adequate experienced personnel, capable of and devoted to the successful accomplishment of the work to be performed in this Solicitation. The Offeror agrees that those persons identified in their submittal shall not be removed or replaced without a written request to and approval from the City.

16. AWARD OF CONTRACT

a. The contract will be awarded pursuant to the provisions of the City of Goodyear Procurement Code. Unless the Offeror states otherwise, or unless provided within this solicitation, the City

reserves the right to award by individual line item, by group of line items, or as a total, whichever is deemed most advantageous to the City. Notwithstanding any other provision of this solicitation, the Procurement Manager further reserves the right to i) waive any immaterial defect or informality; ii) reject any or all offers, or portions thereof; iii) reissue the solicitation; or iv) modify or cancel this solicitation.

- b. A response to a solicitation is an offer to contract with the City based upon the terms, conditions and specifications contained in the City's solicitation and the written amendments thereto, if any. If City Council approval is necessary, offers do not become contracts unless and until they are accepted by the City Council. A contract is formed when written notice of award(s) is provided to the successful Offeror(s). The Contract has its inception in the award document, eliminating a formal signing of a separate contract.
- c. In the event the City should receive two or more identical offers, the awardee will be determined by lottery.

17. BUSINESS REGISTRATION PERMIT

All Offerors awarded contracts with the City shall be required to obtain a City of Goodyear Business Registration Permit through the Goodyear Business Registration Office. For further information call Tina Daniels at (623) 882-7874 or [tina.daniels@goodyearaz.gov](mailto:tina.daniels@goodyearaz.gov).

18. PROTESTS

- a. Any interested party may protest a solicitation issued by the City or the proposed award or the award of a City Contract by submitting a request in writing with the Procurement Manager for the City of Goodyear, with a copy directed to the City Attorney for the City of Goodyear as follows:

Bob Carrier, CPPO, CPPB  
Procurement Manager  
City of Goodyear  
P.O. Box 5100  
190 North Litchfield Road  
Goodyear, AZ 85338

Roric Massey  
City Attorney  
City of Goodyear  
P.O. Box 5100  
190 North Litchfield Road  
Goodyear, AZ 85338

- b. Writing: All protests must be in writing and shall include the following information:
  - o The name, address and telephone number of the protester;
  - o The signature of the protester or its representative;
  - o The solicitation or contract number;
  - o A detailed statement of the legal or factual grounds of the protest including copies of relevant documents; and
  - o The form of relief requested. R3-4-16.01
- c. Time Frame: To be considered, protests must be filed during the time frame identified in the procurement code.
  - o *Protests of a solicitation* must be filed within five (5) days of the first advertising of the solicitation.
  - o *Protests of an award* must be filed within ten (10) days of the issue date of the Notice of Award or Notice of Intent to Negotiate and Award.
- d. The Procurement Manager is required to notify all interested parties that a protest has been filed

**END OF INSTRUCTIONS TO OFFERORS**

## SCOPE of WORK

## Utility Billing Mailing Requirements

The City of Goodyear currently processes approximately 25,000 utility bills and 2000 disconnect notices monthly. The City of Goodyear also has over 3500 accounts set up to receive their utility bills electronically via email. Utility bills and disconnect notices are sent out weekly. The largest numbers of bills that could be sent out in one week is approximately 10,000. In addition the City of Goodyear may also send out special mailings along with the customer's regular bill throughout the year. Vendors will be required to have an Identity Theft Prevention Program in place. The vendors Identity Theft Prevention Program must comply with the Federal Trade Commission's Red Flag Rule, which implements Section 114 of the Fair and Accurate Credit Transaction Act of 2003, for utility accounts. Vendor is also required to have a USPS CASS and Pave certification.

**1. Requirements for Utility Billing-Traditional Paper Bills**

Once the data has been obtained for weekly billing cycle (i.e. meter reads), it is entered by the City into the utility billing software (SunGard Public Sector NaviLine). The utility billing software generates a bill print file that is sent via the Internet to a third party print vendor on a secure website. The website is maintained by the vendor. The customer data is then printed by the vendor on a one page per bill format and is fed into an inserter where it is folded, a #9 window return envelope added, and inserted into a custom #10 window envelope. Utility bills are printed in duplex (2 sided page) grey and black ink (front), and black only on the back. Additional inserts, if notified by the City, are also sent with the billing. Customers who are on the City's Surepay program do not receive the #9 return envelopes. The bill print file distinguishes those by a "Bank Draft" message in each bill. Prior to the actual mailing of the bills the vendor will send a proof for review and approval from the City. The envelopes are mailed utilizing first class presorting to reduce postage costs. The bills are transported by the vendor to the Post Office for distribution. The vendor is responsible for ordering and maintaining all paper and envelope stock required to ensure all bills are sent out in the allotted time frame. Bills are required to be mailed out 24hours after the proof has been approved.

**2. Requirements for E-Billing**

As previously stated, the City will transfer a data file that is transmitted to the vendor via the internet on a secure website that is maintained by the vendor. The vendor will send an email notification stating that the customer's bill is available for viewing. The email notification sent out by the vendor to the customer must provide a link to view their bill on the vendor's website, and update user information if necessary. The vendor must also provide a link to the City website to make online payments. All E-bills will be accessed through the vendor's website. Bills will be viewable for two

months on the vendor's website. Registration and maintenance of E-billing will be the responsibility of the vendor. Vendor will need to provide the City with an updated list of E-bill users on a weekly basis.

### 3. Requirements for Disconnect Notices

The City's utility billing software generates a Disconnect Notice weekly for all Utility accounts that are delinquent on payments and scheduled to be shut off for nonpayment for a selected billing cycle. The utility billing software generates a data file that is sent by the City to the vendor via the Internet to a third party print vendor on a secure website. The website is maintained by the vendor. The notice is then printed by the vendor on a one page format and is fed into an inserter where it is folded, and inserted into a #10 window envelope that has the return address printed on the front. Prior to the actual mailing of the notices the vendor will send a proof for review and approval from the City. Disconnect notices are printed in black ink only, simplex (on single-side of page). The vendor is responsible for ordering and maintaining all paper and envelope stock required to ensure all disconnect notices are sent out in the time frame allotted. Disconnect notices are required to be mailed out 24 hours after the proof has been approved.

### 4. Contractor Requirements

Contractor shall have a minimum of ten (10) year experience working with public sector entities and three (3) years experience providing E-Billing services to public entities.

Contractor shall provide three references from public entities with name and telephone number of entity contact.

**END OF SCOPE OF WORK**

FEE SCHEDULE

OP12-2155

Offeror shall provide pricing for the following:

SERVICE      Per Image

Converted from:

Laser Impression Black.....	\$ _____
Data Processing.....	\$ _____
Folding .....	\$ _____
Inserting .....	\$ _____
Additional Inserts (1, return envelop).....	\$ _____
Zip +4 lookup.....	\$ _____
Metering.....	\$ _____
Sub-Total .....	\$ _____

ADDITIONAL POTENTIAL SERVICES      Per Piece

Additional Marketing pieces inserted into all accounts.....	\$ _____
Additional Marketing pieces inserted selectively .....	\$ _____
Manual Insert-7 plus page accounts.....	\$ _____
Sub-Total .....	\$ _____

POSTAGE      Per Mailing

CASS and PAVE Certification/Presort-First Class Presort.....	\$ _____
Sub-Total .....	\$ _____

PROGRAMMING      (One time fee)

Initial Development .....	\$ _____
Sub Total.....	\$ _____

CUSTOM STOCK

Paper Stock

Laser 8½ x 11, 20# laser bond white, remittance perforated, per printed black single side .....\$ \_\_\_\_\_

Laser 8½ x 11, 20# laser bond white .....\$ \_\_\_\_\_

Envelope Stock

#10 Window, 1 color printing .....\$ \_\_\_\_\_

#9 return envelope, 1 color printing.....\$ \_\_\_\_\_

9x12 double window envelope (excess accounts) .....\$ \_\_\_\_\_

Sub Total (Paper and Envelope Stock) .....\$ \_\_\_\_\_

Utility Bill PDF Archiving and E Mail Notification to Customers

ARCHIVING

Initial ingestion and PDF conversion of bills (Per Image) .....\$ \_\_\_\_\_

Online storage of image (Per Image) .....\$ \_\_\_\_\_

Sub Total.....\$ \_\_\_\_\_

E-PRESENTATION TO CUSTOMERS

Email Notification sent (Per Customer).....\$ \_\_\_\_\_

Sub Total.....\$ \_\_\_\_\_

INITIAL DEVELOPMENT

Onetime fee once all processes/requirements are known .....\$ \_\_\_\_\_

Sub Total.....\$ \_\_\_\_\_

State Tax .....\$ \_\_\_\_\_

Local Tax (if applicable).....\$ \_\_\_\_\_

GRAND TOTAL .....\$ \_\_\_\_\_

END OF FEE SCHEDULE

## STANDARD TERMS AND CONDITIONS

### GOODS/SERVICES CONTRACT (*not title 34*)

CON-12-2155

This Contract, entered into on October 1, 2012, by and between the City of Goodyear, a municipal corporation of the State of Arizona, ("City"), and InfoSend, Inc., ("Contractor"). The City and Contractor may be referred to individually as a Party or collectively as the Parties. The City engages the Contractor to perform professional services for the project known as: Utility Billing Services, ("Project").

### RECITALS

WHEREAS, the City is in need of the services that Contractor is able and willing to provide;

NOW THEREFORE, the Parties agree as follows:

### AGREEMENT

#### SECTION 1. SERVICES

- 1.1 The Contractor shall provide the following goods and services called for in this Contract to City standards and in accordance with the degree of care and skill other professionals providing such services in Arizona would exercise under similar conditions.
- 1.2 Contractor shall provide the goods and services described in the attached Scope of Work.
- 1.3 The Contractor shall comply with all guidelines provided by the City which relate to the goods and services to be provided.

#### SECTION 2. DEFINITION

- 2.1 "City" means the City of Goodyear.
- 2.2 "City Manager" means the manager of the City of Goodyear or designee.
- 2.3 "Contract" means this Goods/Services Contract and any attachments referenced herein, fully completed and executed between the City of Goodyear and the Contractor.

- 2.4 “Contractor” means the individual, partnership, entity or corporation who, as a result of the competitive process, is awarded a contract by the City of Goodyear to provide goods and/or services.
- 2.5 “Days” means calendar days unless otherwise specified herein.
- 2.6 “Litigation Expense” means any court filing fee and costs, arbitration fees or costs, witness fee, arbitration fees, and each other fee and cost of investigating and defending or asserting any claim for indemnification under this Contract, including, without limitation, in each case, attorneys’ fees, professional fees, disbursements and each other fee and cost of investigating and defending, appealing or asserting any claim for indemnification under this Contract.
- 2.7 “Loss” means any liability, loss, claim, settlement payment, cost and expense, interest, award, judgment, damages (including punitive damages), diminution in value, fines, fees and penalties or other charge, other than a litigation expense.
- 2.8 “Project” “Services” or “Work” means the subject matter of this Contract as more fully set forth in the attached Scope of Work, which may include delivery of goods and/or services.
- 2.9 “Subcontractor” means any individual, corporation, company, or other entity who contracts to perform work or render services or provide goods to a Contractor or to another subcontractor as part of this Contract with the City.

### SECTION 3. TERM OF CONTRACT

- 3.1 Unless terminated, cancelled or extended as provided herein, the term of this Contract shall be one year. This contract may be extended or renewed up to sixty (60) months, subject to appropriations. By entering into this Contract, Service Provider is agreeing to such extension or renewal. The City has no obligation to extend or renew this contract, and any decision to do so is at the sole discretion of the City.
- 3.2 The term of the contract may be automatically extended to include the warranty period.
- 3.3 Contractor shall not commence work until Contractor receives a Purchase Order signed by the City of Goodyear Procurement Manager or designee.

### SECTION 4. COMPENSATION AND PAYMENTS

- 4.1 COMPENSATION: Total compensation to be paid under this Contract shall not exceed N/A.
- 4.2 Contractor shall invoice City on or before the 10th day of each month for goods and/or services provided under this contract during the prior month. All invoices shall contain itemized hourly fees, unit cost, extended cost of goods and supporting documentation for all invoiced amounts. All invoices to the City shall identify the specific item(s) being billed and the Purchase Order number. Items are to be identified by the name, model number, and/or serial number most applicable.

- 4.3 City shall make every effort to process payments to Contractor within thirty (30) calendar days after the receipt of a correct and approved invoice, unless a good faith dispute exists to any obligation to pay all or a portion of the invoice or account.
- 4.4 PRICE ADJUSTMENT/CONTRACT EXTENSION: The City's Office of Procurement will review fully documented requests for price increase after any contract has been in effect for one (1) year. Any price increase adjustment will only be made at the time of contract extension and will be a factor in the extension review process. The Office of Procurement will determine whether the requested price increase or and alternate option is in the best interest of the City. Any price adjustment will be effective upon the effective date of the contract extension.
- 4.5 PRICE REDUCTION: A price reduction may be offered at any time during the term of the contract and shall become effective upon notice.
- 4.6 LATE SUBMISSION OF CLAIM BY CONTRACTOR: The City will not honor any invoices or claims which are tendered one (1) year after the last item of the account accrued.
- 4.7 ESTIMATED QUANTITIES: Quantities identified in the Solicitation are the City's best estimate and do not obligate the City to order or accept more than the City's actual requirements during the period of this Contract as determined by actual needs and availability of appropriate funds. It is expressly understood and agreed that Contractor is to supply the City with its complete and actual requirements for the contract period.
- 4.8 PRODUCT DISCONTINUANCE: In the event that a product or model identified in the offer is subsequently discontinued by the manufacturer, the City at its sole discretion may allow the Contractor to provide a substitute for the discontinued item. The Contractor shall request permission to substitute a new product or model and provide all of the following:
1. A formal announcement from the manufacturer that the product or model has been discontinued;
  2. Documentation from the manufacturer that names the replacement product or model;
  3. Documentation that provides clear and convincing evidence that the replacement meets or exceeds all specifications required by the original solicitation;
  4. Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model; and
  5. Documentation confirming that the price for the replacement is the same as or less than the discontinued product or model.
- 4.9 USAGE REPORT: The Contractor may be required to provide a usage report to the Procurement Manager.
- 4.10 DISCOUNTS: Payment discounts will be computed from the date receiving acceptable goods, materials and/or services or correct invoice, whichever is later to the date payment is mailed.
- 4.11 NO ADVANCE PAYMENT: Advance payments will not be authorized; payment will be made only for actual goods or services that have been received.
- 4.12 FUND APPROPRIATION CONTINGENCY: The Parties recognize that the continuation of any contract after the close of any given fiscal year of the City of Goodyear, which fiscal year ends on

June 30 of each year, shall be subject to appropriation and allocation of funds by the Goodyear City Council.

- 4.13 F.O.B. POINT: All prices are to be quoted F.O.B final destination, unless otherwise specified elsewhere in the solicitation.
- 4.14 TAXES: Contractor shall be solely responsible for any and all tax obligations that may result from Contractor's performance of this Contract.

## SECTION 5. TERMINATION

- 5.1 TERMINATION FOR CONVENIENCE: City at any time and for any reason and without cause may terminate, suspend or abandon any portion, or all, of this Contract at City's convenience. In the event that the City terminates, suspends or abandons any part of the services, the City shall provide notice to the Contractor. Upon receipt of notice, the Contractor shall, unless the notice directs otherwise, immediately discontinue further services and placing of orders for materials, facilities and supplies in connection with the performance of this Agreement. The Contractor shall appraise the services completed prior to receiving notice of the termination, abandonment or suspension and deliver to the City all drawings, special provisions, field survey notes, reports, estimates and any and all other documents or work product generated by the Contractor under the contract, entirely or partially completed, together with all unused materials supplied by the City.

In the event of termination, abandonment or suspension, Contractor shall be paid for services satisfactorily performed prior to receipt of such notice including reimbursable expenses then incurred. However, in no event shall the fee exceed that set forth in Section 4 of this Contract. Contractor shall not be entitled to any claim or claim of lien against Owner for any additional compensation or damages in the event of such termination and payment.

The City shall make final payment within thirty (30) days after the Contractor has fully complied with the provisions of Section 5 and Contractor submits a correct and approved final invoice for the fee that has been agreed to by the Parties.

Any attempt to represent any material and/or service not specifically awarded as being under contract with the City of Goodyear is a violation of the contract and the City of Goodyear Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the Contractor.

## SECTION 6. RISK OF LOSS AND LIABILITY

- 6.1 INDEMNIFICATION: Unless a federal and state statute that expressly prohibits such indemnification, Contractor shall defend, indemnify, save and hold harmless the City of Goodyear, its officials, directors, officers, employees, agents, and representatives (hereinafter referred to as "Indemnitee") at all times after the date of this Contract from and against any and all Claims, caused by, relating to, arising out of, or alleged to have resulted from, in whole or in part, any negligent, reckless or intentional acts, errors, fault, mistakes, omissions, work, goods or service of the Contractor, its directors, officers, employees, agents, representatives, or any tier of subcontractors or any other person for whose acts, errors, fault, mistakes omissions, work, goods

or service the Contractor may be legally liable in the performance of this Contract. The Indemnification provided hereunder shall extend to Claims arising out of, or recovered under, Arizona's Workers' Compensation Law or the failure of Contractor to conform to any applicable and appropriate federal, state, or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the Parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all Claims. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

In consideration of the award of this contract, Contractor agrees to waive all rights of subrogation against Indemnitee for Claims arising from the work performed by Contractor, its directors, officers, employees, agents, representatives, or any tier of subcontractors pursuant to this Contract. This indemnification provision shall survive the expiration or earlier termination of this Contract.

For purposes of this Indemnification provision the term Claims shall mean claims, suits, actions, demands, proceedings, losses, settlement payments, disbursements, expenses, and damages of every kind and description (including but not limited to costs, interest, awards, judgments, diminution in value, fines, penalties or other charges, reasonable attorneys' fees, other professionals' fees, court filing fees and costs, arbitration fees, witness fees, and each other fee and cost of investigating and defending, negotiating, appealing or asserting any claim for indemnification under this Contract) (collectively referred to "Litigation Expenses").

- 6.2 INDEMNIFICATION – PATENT, COPYRIGHT AND TRADEMARK: The Contractor shall indemnify and hold harmless the City against any liability, including costs and expenses, for infringement of any patent, copyright or trademark or other proprietary rights of any third parties arising out of contract performance or use by the City of materials furnished or Services performed under this Contract. The Contractor agrees upon receipt of notification to promptly assume full responsibility for the defense of any claim, suit or proceeding which is, has been, or may be brought against the City and its agents for alleged infringement, as well as for the alleged unfair competition resulting from similarity in design, trademark or appearance of goods by reason of the use or sale of any goods furnished under this Contract and the Contractor further agrees to indemnify the City against any and all expenses, losses, royalties, profits and damages including courts costs and attorney's fees resulting from the bringing of such suit or proceedings including any settlement or decree of judgment entered therein. The City may be represented by and actively participate through its own counsel in such suit or proceedings, it is so desires. It is expressly agreed by the Contractor that these covenants are irrevocable and perpetual.
- 6.3 TITLE AND RISK OF LOSS: The title and risk of loss of material or services shall not pass to the City until the City actually receives and accepts the materials or services at the point of delivery; and such loss, injury or destruction shall not release the Contractor from any obligation hereunder.
- 6.4 ACCEPTANCE: All materials or services are subject to final inspection and acceptance by the City. Materials or services failing to conform to the specifications of this Contract shall be held at Contractor's risk and may be returned to the Contractor. If returned, all costs are the responsibility of the Contractor. The City may elect to do any or all of the following: a) Waive the non-conformance; b) Stop the work immediately; c) Bring materials into compliance; and/or d)

Terminate the Contract and seek all remedies available in law and in equity. This shall be accomplished by a written determination by the City.

- 6.5 LOSS OF MATERIALS: The City does not assume any responsibility, at any time, for the protection of or for the loss of materials, from the execution of this Contract until the final acceptance of the work by the City.
- 6.6 DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH: Contractor shall deliver conforming materials in each installment of lot of this Contract and may not substitute nonconforming materials and/or services. Delivery of nonconforming materials or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.
- 6.7 SHIPMENT UNDER RESERVATION PROHIBITED: Contractor is not authorized to ship goods or perform services under reservation, and no tender of an invoice or bill of lading will operate as a tender of the goods or services.
- 6.8 WORK PERFORMED AT CONTRACTOR'S RISK: Contractor shall take all precautions reasonably necessary and shall be responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall utilize all protections reasonably necessary for that purpose. All work shall be done at Contractor's own risk, and Contractor shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.
- 6.9 SAFETY STANDARDS: All items supplied pursuant to this Contract shall comply with the current applicable Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.
- 6.10 PROJECT STAFFING: Prior to the start of any Services under this Contract, the Contractor shall submit to the City detailed resumes of key personnel that will be involved in performing Services prescribed in the Contract for review and approval. At any time hereafter that the Contractor desires to change key personnel while performing under the Scope, the Contractor shall submit the qualifications of the new personnel to the City for prior approval. Key personnel include but are not limited to the Contractor's principal-in-charge, project manager, project designer, project architect, system architect, system manager and system engineer.

The Contractor will maintain an adequate and competent staff of qualified persons throughout the performance of this Contract as necessary for acceptable and timely completion of the services. If the City objects, with reasonable cause, to any of the Contractor's staff, the Contractor shall take prompt corrective action and, if required, remove such personnel from the Project and replace them with the new personnel agreed to by the City.

- 6.11 SUBCONTRACTORS: Prior to beginning the work, the Contractor shall furnish the City for approval the names of subcontractors to be used on this Project. Any subsequent changes are subject to the approval of the City.
- 6.12 DAMAGE TO CITY PROPERTY: Contractor shall perform all work so that no damage to any City buildings or property results. Contractor shall repair any damage caused to the satisfaction of the City at no cost to the City. Contractor shall take care to avoid damage to adjacent finished

materials that are to remain. If finished materials are damaged, Contractor shall repair and finish in a manner which matches existing material as approved by the City at the Contractor's expense.

- 6.13 FORCE MAJEURE: Neither Party shall be in default by reason of any failure in performance of this Contract if such failure arises out of causes beyond their reasonable control and without the fault or negligence of said Party including, unforeseeable Acts of God; terrorism or other acts of public enemy; war and epidemics or quarantine restrictions.

If either Party is delayed at any time in the progress of the Work by force majeure, the delayed Party shall notify the other Party in writing of such delay, as soon as is practical, of the commencement thereof and shall specify the causes of such delay in the notice. The notice shall be hand-delivered or mailed certified-return receipt and shall make a specific reference to this provision.. The delayed Party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by contract modification for a period of time equal to the time that results or effects of such delay prevent the delayed Party from performing in accordance with this contract.

## SECTION 7. INSURANCE TERMS AND CONDITIONS - GENERAL

- 7.1 Contractor and any Subcontractor shall procure and maintain insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. Each insurer shall have a current A.M. Best Company, Inc. rating of not less than A- and a category rating of not less than "8". Use of alternative insurers requires prior approval from City. Insurance provided by Contractor shall be primary.
- 7.2 The insurance requirements herein are minimum requirements for this Contract and the City in no way warrants that the minimum limits contained herein are sufficient to protect Contractor from liabilities that might arise out of the performance of the work under this contract by Contractor and Subcontractor, his agents, representatives, employees or subcontractors. Any insurance coverage carried by the City or its employees is excess coverage and not contributory coverage to that provided by the Contractor.

Insurance coverage, other than Workers' Compensation and Professional Liability, shall name the City, its agents, representatives, directors, officials, employees, and officers, as additional insured. Prior to commencing services under this Contract, Contractor shall furnish City with Certificates of Insurance or formal endorsements as evidence that policies providing the required coverage, conditions, and limits required by this Contract are in full force and effect. Such certificates shall identify this Contract number and shall provide for not less than thirty (30) days advance Notice of Cancellation or Termination. Such certificates shall be sent directly to Office of Procurement, City of Goodyear, 190 N. Litchfield Road, Goodyear, Arizona 85338.

- 7.3 All insurance required herein shall be maintained in full force and effect until Services required to be performed and goods provided under the terms of the Contract are satisfactorily completed and formally accepted. The amount and type of insurance coverage requirements set forth herein shall in no way be construed as limiting the scope of the indemnification obligations under this Contract.

- 7.4 WORKERS' COMPENSATION: N/A. Contractor and Subcontractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over their employees engaged in the performance of the Services.
- 7.5 AUTOMOBILE LIABILITY: N/A. Contractor and Subcontractor shall maintain Commercial and Business Automobile Liability insurance with a combined single limit for bodily injury and property damages of not less than \$1,000,000 each occurrence regarding any owned, hired, and non-owned vehicles assigned to or used in performance of services herein. Coverage will be at least as broad as coverage Code 1 "any auto" under Insurance Service Office policy form CA 00 01 10 01 or any replacement thereof.
- 7.6 COMMERCIAL GENERAL LIABILITY: Contractor and Subcontractor shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000, for each occurrence and \$2,000,000 in the aggregate. The policy shall include coverage for bodily injury, property damage, personal injury, products and contractual covering, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office policy form CG 00 01 07 98 or any replacement thereof. The certificate of insurance for the Commercial General Liability insurance policy shall expressly cover the indemnification obligations of indemnification required by this agreement. A general liability insurance policy may not be written on a "claims made" basis.
- 7.8 PROFESSIONAL LIABILITY: N/A. Contractor and Subcontractor will maintain Professional Liability insurance covering negligent errors and omissions arising out of the services performed by the Contractor or any person employed by him, with a limit of not less than \$1,000,000 each claim and \$2,000,000 all claims. All Professional Liability Insurance shall be maintained for a period of three years after completion of this Contract.
- 7.9 UMBRELLA/EXCESS LIABILITY: N/A. Contractor and Subcontractor shall maintain Umbrella and Excess Liability insurance with an limit of not less than \$2,000,000 per occurrence combined limit Bodily Injury and Property Damage, that "follows form" and applies in excess of the Commercial General Liability, Automobile Liability, and Employer's Liability, as required above. Primary per occurrence coverage may be used to fulfill this requirement.
- 7.10 CLAIM REPORTING: Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage afforded under the policy to protect the City.
- 7.11 VALUABLE PAPERS: N/A. Valuable Papers insurance sufficient to assure the restoration of any documents, memoranda, reports, or other similar data relating to the services of the Contractor used in the completion of this contract.
- 7.12 NOTICE OF CANCELLATION: Each certificate for each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, reduced in coverage by endorsement to limits lower than those required by this Contract except after prior written consent from the City. Such notice shall be sent as provided in Section 7.3.

## SECTION 8. CONTRACT INTERPRETATION

8.1 DISPUTES, GOVERNING LAW, ATTORNEY FEES: Should any dispute, misunderstanding or conflict arise as to the terms or provisions contained in this Contract, the matter shall first be referred to the City, and the City shall determine the term or provision's true intent and meaning.

This Contract shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the laws of the State of Arizona, without regard to choice of law or conflicts of laws principles thereof. Any action arising out of this Contract shall be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Maricopa. The prevailing Party shall be reimbursed by the other Party for all attorney fees and all costs and expenses, including but not limited to all service of process, filing fees, court and court report costs, investigative costs, and expert witness fees which are incurred in any legal proceeding whatsoever arising out of this Contract, including, bankruptcy, arbitration, declaratory relief or other litigation, including appeals or rehearing.

8.1.1 PROVISIONS REQUIRED BY LAW: Each and every provision of law and any clause required by federal, state or local law to be in this Contract shall be read and enforced as though it were included herein and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of ether Party the Contract shall forthwith be physically amended to make such insertion or correction.

8.2 PAROLE EVIDENCE: This Contract is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of this agreement. No course of prior dealings between the parties and no usage in trade shall be relevant to contradict, supplement or explain any term used in this Contract.

8.3 SEVERABILITY: If any provision in this Contract or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Contract and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

8.4 CONTRACT ORDER OF PRECEDENCE: In the event of a conflict in the provisions of the Contract, as accepted by the City and as they may be amended, the following shall prevail in the order set forth below:

1. Special Terms and Conditions
2. Standard Terms and Conditions
3. Statement or Scope of Work and Fee Schedule
4. Specifications
5. Attachments
6. Exhibits
7. Invitation to Bid, Instructions to Bidders and other documents referenced or included.

8.5 INTEGRATION: This Contract contains the full agreement of the parties hereto. Any prior or contemporaneous written or oral agreement between the parties regarding the subject matter hereof is merged and superseded hereby.

8.6 INDEPENDENT CONTRACTOR: Each Party will act in its individual capacity and not as an agent, employee, partner, joint venture, or associate of the other. An employee or agent of one Party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be

withheld from any City payments issued hereunder and that the Contractor should make arrangements to directly pay such expenses, if any.

- 8.6.1 NON-WAIVER MONIES DUE: The City of Goodyear as a public entity supported by tax monies, in execution of its public trust, cannot agree to waive any lawful or legitimate right to recover monies lawfully due it. Therefore, Contractor agrees that it will not insist upon or demand any statement whereby the City agrees to limit in advance or waive any right the City might have to recover actual lawful damages in any court of law under applicable Arizona law.
- 8.7 AMBIGUITIES NOT HELD AGAINST DRAFTER: This Contract having been freely and voluntarily negotiated by all parties and the rule of contract construction that ambiguities, if any, in any term or condition of an agreement are held against the drafter of the agreement is not applicable to this Contract.
- 8.8 NON-WAIVER CONTRACT PROVISION: The failure of either Party to enforce any of the provisions of this Contract or to require performance of the other Party of any of the provisions hereof shall not be construed to be a waiver of such provisions, nor shall it affect the validity of this Contract or any part thereof, or the right of either Party to thereafter enforce each and every provision.
- 8.8.1 COOPERATION AND FURTHER DOCUMENTATION: The Contractor agrees to provide the City all duly executed documents as shall be reasonably requested by the City to implement the intent of this Contract.

## SECTION 9. CONTRACT ADMINISTRATION AND OPERATION

- 9.1 WORK PRODUCT, EQUIPMENT AND MATERIALS: All work product, equipment, or materials created or purchased under this Contract are considered the sole property of the City and must be delivered to the City upon termination, abandonment of the Contract or final payment to the Contractor and shall not be used or released by the Contractor without prior authorization from the City. Work product includes, but is not limited to, plans, specifications, cost estimates, tracings, studies, design analyses, original Mylar drawings, computer aided drafting and design (CADD) file, computer disks and/or other electronic records and media. Contractor agrees that all materials prepared under this Contract are “works for hire” within the meaning of the copyright laws of the United States and assigns to City all rights and interest Contractor may have in the materials it prepares under this Contract, including any right to derivative use of the materials. Contractor shall place the professional seal of Contractor on all plans and documents prepared in the performance of this Contract.
- 9.2 CONFIDENTIALITY AND ENCRYPTION: All data, regardless of form, including originals, images and reproductions, prepared by, obtained by, or transmitted to Contractor in connection with this Contract are confidential, proprietary information owned by the City. Except as specifically provided in this Contract, the Contractor shall not disclose data generated in the performance of the Service to any third person without the prior written consent of the City Manager.

Personal identifying information, financial account information or restricted City information, whether electronic format or hard copy, are considered confidential information and must be secured and protected at all times to avoid unauthorized access. At a minimum Contractor shall

ensure that all electronic transmissions of confidential data are encrypted and any cryptographic algorithm implementations used must have been validated by the National Institute of Standards and Technology (NIST). The use of proprietary encryption algorithms will not be allowed for any purpose. The export of encryption technologies is restricted by the U.S. Government.

In the event that data collected or obtained by Contractor in connection with this Contract is believed to have been compromised, Contractor shall notify the City Attorney immediately. Contractor agrees to reimburse the City for any costs incurred by the City to investigate potential breaches of this data and, where applicable, the cost of notifying individuals who may be impacted by the breach.

Contractor agrees that the requirements of this section shall be incorporated into all subcontractor agreements entered into by the Contractor. It is further agreed that a violation of this section shall be deemed to cause irreparable harm and justifies injunctive relief in court. A violation of this section may result in immediate termination of this Contract without further notice. The obligations of Contractor under this section shall survive the termination of this Contract.

- 9.3 CONFLICT OF INTEREST/THIRD PARTIES: Contractor shall provide written notice to the City as set forth in this section, of any work or Services performed by the Contractor for third parties that, to the extent that the Contractor is aware, involves or is associated with any real property or personal property owned or leased by the City or which may be adverse to the City. Notice shall be given seven (7) days prior to commencement of the Services by the Contractor for a third party. Written notice and disclosure shall be sent to:

Roric Massey, City Attorney  
City of Goodyear  
190 N. Litchfield Rd  
Goodyear, Arizona 85338

Actions that are considered to be adverse to the City include but are not limited to:

1. Using data acquired in connection with this Contract to assist a third party in pursuing administrative or judicial action against the City;
2. Testifying or providing evidence on behalf of any third party in connection with an administrative or judicial action against the City; and
3. Using data to produce income for the Contractor, its subcontractors or employees independently of performing the services under this Contract, without the prior written consent of the City.

The Contractor represents that except for those persons, entities and projects identified to the City, the Services to be performed by the Contractor under this Contract are not expected to create an interest with any person, entity, or third party project that is or may be adverse to the interests of the City. The Contractor's failure to provide a written notice and disclosure of the information as set forth in this section shall constitute a material breach of Contract.

- 9.4 CONFLICT AUDIT: Within thirty (30) days of being requested to do so, Contractor agrees to provide the City an itemized summary of any and all gifts a Contractor, its directors, officers, managers, employees, agents and/or representatives have made to any City employee during the year prior to the date of the Contract through the date of the request. The summary shall include the date the gift was made, a description of the gift, the City employee(s) that received the gift,

and the value of the gift. The summary shall be signed and its truthfulness certified by Contractor. For purposes of this section the terms "Gift" means anything of value that is provided to the employee and includes, by way of example, but not limitation, meals, free use of vacation homes, low interest or no interest loans, tickets to sporting events, tickets to charitable events, entertainment expenses, travel expenses, drinks, and the like. The failure to comply with any request made pursuant to this section and/or the submission of a summary that contains material misrepresentations constitutes grounds for debarment and the refusal to allow Contractor to participate in any future contracts with the City.

9.5 AUDIT OF RECORDS: Contractor shall retain, and shall contractually require each and every subcontractor that performs any Work under this Contract to retain all books, accounts, reports, files and any and all other records relating to the contract (hereinafter referred to as "Contract Documents") for six (6) years after completion of the Contract. City, upon written request and at reasonable times, shall have the right to review, inspect, audit and copy all Contract Documents of the Contractor and any subcontractors. Contractor shall produce the original Contract Documents at City Hall, currently located at 190 N. Litchfield Road, Goodyear, Arizona, or at such other City facility within the City as designated by the City in writing. If approved by City Attorney in writing, photographs, microphotographs, or other authentic reproductions may be maintained instead of original Contract Documents.

9.6 AUDIT/BILLING AND EXPENSES: The City reserves the right to request supporting documentation for all hourly amounts, cost of goods and reimbursable expenses charged to the City. Such records will be subject to audit at any time during the term of this Contract and for a period not to exceed two (2) years after any amount is billed. Within thirty (30) days of receiving a request, the Contractor will furnish to the City original invoices to support all charges and complete payroll records to support such hourly labor charges. The City reserves the right to audit any other supporting evidence necessary to substantiate charges related to this Contract, both direct and indirect costs, including overhead allocations if they apply to hourly costs associated with this Contract. If requested by the City, the Contractor will provide supporting records electronically in addition to a hard copy.

If the audit reveals overcharge, the Contractor will reimburse the City upon demand for the amount of such overcharges plus interest thereon from the date paid by the City through the date of reimbursement. If the overcharges exceed 5% of Contractor's compensation, then Contractor shall also reimburse the City for the cost of the audit.

The Contractor shall include a similar provision in all of its agreements with subcontractor providing goods and/or services under this Contract to ensure the City, its authorized representative, and/or the appropriate federal agency, has access to the subcontractor records to verify the accuracy of any similar amounts charged to the City.

9.7 ADVERTISING: Contractor and all subcontractors shall not advertise or publish new releases concerning this Contract, goods or services provided to the City without prior written consent of the City Attorney.

9.8 CITY MARKS: The Contractor and all subcontractors shall not use any trade name, trademark, service mark, or logo of the City (or any name, mark or logo confusingly similar thereto) in any advertising, promotions, or otherwise, without the City's express prior written consent.

- 9.9 LICENSES AND PERMITS: Contractor and all subcontractors shall keep current federal, state, and local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this contract.
- 9.10 E-VERIFY. Contractor and all subcontractors warrant compliance with the e-verify statute, A.R.S. § 23-214(A). A breach of this warranty shall be deemed a material breach of this contract, and shall subject this contract to penalties up to and including termination of the contract. The City retains the right to inspect the papers and records of any of Contractor's employees or any subcontractor employees working on the contract to ensure compliance with this requirement. For this section, Contractor shall have the meaning of Contractor as found in A.R.S. § 41-4401, and subcontractor has the same meaning as found in A.R.S. § 41-4401.
- 9.11 NON-DISCRIMINATION: Contractor and all subcontractors will not discriminate against any person on the basis of race, color, religion, age, gender, or national origin in the performance of this Contract, and shall comply with the terms and intent of Title VI of the Civil Rights Act of 1964, P.L. 88-354.
- 9.12 COMPLIANCE: The Contractor and all subcontractors understand and agree to comply with the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989 as amended. The Contractor agrees to comply with these laws and Arizona Executive Order 2009-09 in performing this Contract and to permit the City to verify such compliance.
- 9.13 SUDAN/IRAN: Contractor, on behalf of itself and any subcontractor retained to perform work under this Contract certifies, to the extent applicable under A.R.S. §§ 35-391 and 35-393 *et seq.* that neither has "scrutinized" business operations, as defined in the proceeding statutes in the countries of Sudan or Iran.
- 9.14 CONTINUATION DURING DISPUTES: Contractor agrees that notwithstanding the existence of any dispute between the parties, insofar as is possible, under the terms of the contract, the Contractor shall continue to perform the obligations required of the Contractor during the continuation of any such dispute unless enjoined or prohibited by the City or an Arizona Court of competent jurisdiction.
- 9.15 COOPERATIVE STATEMENT: This contract shall be for the use of the City of Goodyear. In addition, specific eligible specific political subdivisions and nonprofit educational or public health institutions may also participate at their discretion. Any eligible agency may elect to participate (piggyback) on this contract if the Contractor agrees to do so.
- 9.16 CAPTIONS: The captions used herein are for convenience only and are not a part of this Contract and do not in any way limit or amplify the terms and provisions hereof.
- 9.17 BANKRUPTCY: This Agreement, at the option of the City, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of the Contractor.

## SECTION 10. CONTRACT CHANGES

- 10.1 MODIFICATION: No supplement, modification, or amendment of any term of this Contract will be deemed binding or effective unless in writing and signed by the Parties with authority to do so. This section does not prohibit the City from unilaterally extending the contract term.

- 10.2 SUCCESSORS AND ASSIGNS: This Contract is binding on the parties' respective partners, successors, assigns, and legal representatives. Contractor will not assign, sublet, or transfer its right or interest in this Contract nor monies due, in whole or in part, or delegation any duty of Contractor without the prior written consent of the City. Any assignment or delegation made in violation of this section shall be void. In no event does this Contract create any contractual relationship between the City and any third party.
- 10.3 THIRD PARTY BENEFICIARY: Nothing under this Contract shall be construed to give any rights or benefits in the Contract to anyone other than the City and the Contractor, and all duties and responsibilities undertaken pursuant to this Contract will be for the sole and exclusive benefit of City and the Contractor, and not for the benefit of any other Party.
- 10.4 AUTHORIZED CHANGES: The City reserves the right at any time to make changes in any one or more of the following: (i) specifications; (ii) methods of shipment or packing; (iii) place of delivery; (iv) time of delivery; and/or (v) quantities. If the change causes an increase or decrease in the cost of or the time required for performance, an equitable adjustment may be made in the price or deliver schedule, or both. Any claim for adjustment shall be deemed waived unless asserted in writing within thirty (30) days from the receipt of the change. Prior increases or extensions of delivery time shall not be binding on the City unless evidenced in writing and approved by the City.
- 10.5 SUBCONTRACTS: No subcontract shall be entered into by the Contractor with any other party to furnish any of the goods, Service or Work specified herein without the advance written approval of the City.
- 10.6 CONTINGENT FEES: Contractor warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, and that no member of the City Council, or any employee of the City of Goodyear has any interest, financially, or otherwise, in the Contractor's business/firm. For breach or violation of this warranty, the City of Goodyear shall have the right to annul this Contract without liability, or at its discretion to deduct from the Contract price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.
- 10.7 LIENS: Contractor shall hold the City harmless from claimants supplying labor or materials to the contractor or subcontractors in the performance of the work required under this Contract.

## SECTION 11. WARRANTY

- 11.1 GUARANTEE: Unless otherwise specified, all items shall be guaranteed for a minimum period of one (1) year from the date of acceptance by the City against defects in material and workmanship. At any time during that period, if a defect should occur in any item that item shall be replaced or repaired by the Contractor at no obligation to the City except where it is shown that the defect was caused solely by misuse of the City.
- 11.2 QUALITY: Contractor expressly warrants that all goods and services furnished under this Contract shall conform to the specifications, appropriate standards, and will be new and free from defects in material or workmanship. Contractor warrants that all such goods or services will

conform to any statements made on the containers or labels or advertisements for such goods or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods and services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which City intends to use the goods or services, Contractor warrants that goods and services furnished will conform in all respect to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to City, its successors and assigns.

- 11.3 RESPONSIBILITY FOR CORRECTION: Any defects of design, workmanship, or materials that would result in non-compliance with the contract specification shall be fully corrected by the Contractor (including parts, labor, shipping or freight) without cost to the City. This includes any necessary labor to remove, repair, install, or to ship or transport any item to a point of repair and return. It is agreed that the Contractor shall be fully responsible for making any correction, replacement, or modification necessary for specification or legal compliance. Contractor agrees that if the product or service offered does not comply with the foregoing, the City has the right to cancel the purchase at any time with full refund within 30 calendar days after notice of non-compliance and Contractor further agrees to be fully responsible for any consequential damages suffered by the City.
- 11.4 INVESTIGATION OF CONDITIONS: The Contractor warrants and agrees familiarity of the work that is required, is satisfied as to the conditions under which it is to perform and enters into this Contract based upon the Contractor's own investigation.
- 11.5 WORKMANSHIP: Where not more specifically described in any of the various sections of the specifications, workmanship shall conform to all of the methods and operations of best standards and accepted practices of the trade or trades involved and shall include all items of fabrication, construction or installation regularly furnished or required for completion of the services or goods. All goods and services shall be provided and executed by personnel skilled in their respective lines of work. Contractor warrants that all goods and services delivered under this contract shall conform to the specifications of this contract. Additional warranty requirements may be set forth in the Solicitation.
- 11.6 RIGHT TO INSPECT PLANT: The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or subcontractor which is related to the performance of any contract as awarded or to be awarded.
- 11.7 PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL:
- All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.
- 11.8 SURVIVAL: Sections 6, 7, 8, 9, 10 and 11 will survive the completion, termination and/or abandonment of this Contract.

- 11.9 COMPLIANCE WITH APPLICABLE LAW: Contractor shall comply with all applicable federal, state and local laws, codes and regulations; including all applicable building regulations, license and permits requirements.

## SECTION 12. CITY CONTRACTUAL RIGHTS

- 12.1 RIGHT OF ASSURANCE: Whenever the City in good faith has a reason to question the Contractor's intent or ability to perform, the City may demand that the Contractor give written assurance of the intent and ability to perform. In the event that a demand is made and no written assurance is given within five (5) work days, the City may treat this failure as an anticipatory repudiation of this contract.
- 12.2 NON-EXCLUSIVE REMEDIES: The rights and remedies of the City under this Contract are non-exclusive.
- 12.3 DEFAULT IN ONE INSTALLMENT TO CONSTITUTE BREACH: Each installment or lot of this Contract is dependent on every other installment or lot and a delivery of non-conforming goods or services or a default of any nature under one installment or lot will impair the value of the whole Contract and constitutes a breach of the Contract as a whole.
- 12.4 TIME IS OF THE ESSENCE: Time of each of the terms, covenants, and conditions of this Contract is hereby expressly made of the essence. The City is providing services which involve health, safety and welfare of the general public, delivery time is of the essence. Delivery must be made in accordance with the delivery schedule promised by the Contractor.
- 12.5 NON-EXCLUSIVE CONTRACT: The City reserves the right to purchase goods or services from another source only when necessary and determined appropriate by the City's Procurement Manager.
- 12.6 STRICT PERFORMANCE: Failure of either Party to insist upon the strict performance of any item or condition of the Contract or to exercise or delay the exercise of any right or remedy provided in the Contract, or by law, or the acceptance of materials or services, obligations imposed by this Contract or by law shall not be deemed a waiver of any right of either Party to insist upon the strict performance of the Contract.
- 12.7 CONFLICT OF INTEREST: This Contract is subject to the provisions of A.R.S. § 38-511 and may be canceled by the City, without penalty or further obligation, if any person significantly involved initiating, negotiating, securing, drafting, or creating the Contract on behalf of the City is, or becomes, an employee, consultant, or agent of Contractor in any capacity with respect to the subject matter of the Contract while the Contract or any extension or amendment thereof, is in effect.
- 12.8 DEFAULT: In the case of default by the Contractor, the City may, by written notice, cancel this contract and repurchase from another source and may recover the excess costs by (i) deduction from an unpaid balance due; (ii) collection against the bid and/or performance bond, or (iii) a combination of the aforementioned remedies or other remedies as provided by law.
- 12.9 NOTICES: Unless otherwise provided herein, demands under this Contract will be in writing and will be deemed to have been duly given and received either (a) on the date of service if personally

delivered to the Party to whom notice is to be given, or (b) on the third day after the date of the postmark of deposit by first class United States mail, registered or certified postage prepaid and properly addressed as follows:

To City:

190 N. Litchfield Road  
Goodyear, AZ 85338

To Contractor:

Copy to:  
Roric Massey  
City of Goodyear, City Attorney

190 N. Litchfield Road  
Goodyear, AZ 85338

12.10 This Contract shall be in full force and effect only when it has executed by duly authorized City officials and the duly authorized agent of the Contractor.

#### SECTION 13. CERTIFICATION

13.1 By signing on the offer and acceptance page, the individual certifies that they are authorized to sign on behalf of Contractor and further certifies that (a) No collusion or other anti-competitive practices were engaged in to arrive at the terms of this Contract, and that this Contract is subject to the provisions of A.R.S. Section 38-511; (b) The Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to a public servant in connection with this Contract. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resultant contract, and the Contractor may be debarred.

**END OF STANDARD TERMS AND CONDITIONS**

## Scope of Work

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OP12-2155

### SCOPE of WORK

#### Utility Billing Mailing Requirements

The City of Goodyear currently processes approximately 25,000 utility bills and 2000 disconnect notices monthly. The City of Goodyear also has over 3500 accounts set up to receive their utility bills electronically via email. Utility bills and disconnect notices are sent out weekly. The largest numbers of bills that could be sent out in one week is approximately 10,000. In addition the City of Goodyear may also send out special mailings along with the customer's regular bill throughout the year. Vendors will be required to have an Identity Theft Prevention Program in place. The vendors Identity Theft Prevention Program must comply with the Federal Trade Commission's Red Flag Rule, which implements Section 114 of the Fair and Accurate Credit Transaction Act of 2003, for utility accounts. Vendor is also required to have a USPS CASS and Pave certification.

This scope and needed production volume is easily met. InfoSend provides very similar services to many municipal utilities including those using SunGard's Public Sector billing software. InfoSend maintains ample capacity to manage the billing volume and any spikes or special mailings required.

Regarding compliances, InfoSend meets compliance for Red Flag Rules. We have included information on our compliance as well as further information on our data security and business recovery. Please review **Attachment 2 – Data Security and Disaster Recovery**.

#### 1. Requirements for Utility Billing-Traditional Paper Bills

Once the data has been obtained for weekly billing cycle (i.e. meter reads), it is entered by the City into the utility billing software (SunGard Public Sector NaviLine). The utility billing software generates a bill print file that is sent via the Internet to a third party print vendor on a secure website. The website is maintained by the vendor. The customer data is then printed by the vendor on a one page per bill format and is fed into an inserter where it is folded, a #9 window return envelope added, and inserted into a custom #10 window envelope. Utility bills are printed in duplex (2 sided page) grey and black ink (front), and black only on the back. Additional inserts, if notified by the City, are also sent with the billing. Customers who are on the City's Surepay program do not receive the #9 return envelopes. The bill print file distinguishes those by a "Bank Draft" message in each bill. Prior to the actual mailing of the bills the vendor will send a proof for review and approval from the City. The envelopes are mailed utilizing first class presorting to reduce postage costs. The bills are transported by the vendor to the Post Office for distribution. The vendor is responsible for ordering and maintaining all paper and envelope stock required to ensure all bills are sent out in the allotted time frame. Bills are required to be mailed out 24hours after the proof has been approved.

Fully Met. Specific methodology for the implementation and daily operations are detailed in **Attachment 1 – Methodology and Specific Plan**. The general scope is as follows:

#### Data Transfer and Processing

- Client to transmit data to InfoSend in an agreed upon format. Should Client make changes to data file format after initial setup is complete it agrees to pay for the professional services required to accommodate the new file format. See Exhibit C – Professional Services for information on initial setup and ongoing programming changes.
- A File Transfer Report will be emailed to the Client representatives who have opted-in to this email. A copy of this report is also available to download from the InfoSend website.
- Client will have access to an online Job Tracking application that shows the progress of each file as it is processed and becomes a batch of documents to be printed and mailed. Client can see both the original input file name and the InfoSend-assigned “Job Code”.
- InfoSend will process the mailing addresses and perform the following functions:
  - Apply CASS-certified address validation
  - Comply with USPS requirements to obtain pre-sort automation rates
  - InfoSend will stay current with all USPS regulations required to mail presorted first class mail
- InfoSend will provide proofs of the final print-ready PDF files to Client to be reviewed and approved before printing begins (if requested).

#### **Document Printing and Mailing**

- Batches are printed by InfoSend using a high-speed production process onto the agreed upon forms.
- Printed documents are put through a quality control process and then released to the mailing department to be inserted into outgoing envelope. The return envelope and any applicable inserts are included as well.

After a batch of mail is completed in InfoSend’s system it will be marked as such in the online Job Tracker and a Process Confirmation Report will be emailed to the Client representatives who have opted-in to this email. A copy of this report is also available to download from the InfoSend website.

## **2. Requirements for E-Billing**

As previously stated, the City will transfer a data file that is transmitted to the vendor via the internet on a secure website that is maintained by the vendor. The vendor will send an email notification stating that the customer’s bill is available for viewing. The email notification sent out by the vendor to the customer must provide a link to view their bill on the vendor’s website, and update user information if necessary. The vendor must also provide a link to the City website to make online payments. All E-bills will be accessed through the vendor’s website. Bills will be viewable for two months on the vendor’s website. Registration and maintenance of E-billing will be the responsibility of the vendor. Vendor will need to provide the City with an updated list of E-bill users on a weekly basis.

Fully Met. InfoSend offers Goodyear a robust Online Presentment and eBilling service. Feature descriptions can be reviewed in **Attachment 3 – eBusiness Services**.

InfoSend feels two options may be appropriate to review. Online BillPay portal with all email/ebilling functionality included with the exception of payment initiation or Premium EBilling portal with email summaries, email with attached PDF’s of bills along with the associated links to the City’s payment page. Please review the following scope of services for each:

## Option 1: Scope of Work – Premium Email Billing

**Premium Email Billing Overview:** At the highest level, InfoSend shall provide the City with the ability to securely and electronically bill customers who chose to receive bills via email, utilizing InfoSend's Premium Email Billing application. City customers can sign up for this service on their own using the InfoSend hosted enrollment portal, or they can contact City Customer Service Representatives who will have the ability to enroll them in the eBilling program. In the scope of these services, InfoSend shall provide the following:

**Security:** eBilling services using an advanced platform (three-tier) architecture that maximizes security, encrypting all data transmission using SSL technology, and protecting customer data securely behind a robust firewall.

**Customer Self Enrollment Portal:** The service shall include a portal to allow customers to enroll in eBilling services and to manage email preferences. The portal must be customized using the City's logo, banner and other requested branding materials. This shall include the ability to add insert communications to be hosted on the InfoSend administered site and made available for customer view. Customers shall have the ability to receive eBills only, or to receive both eBills and paper bills. Customers shall have the ability to associate multiple accounts with their email address. The City shall have the ability to force "paperless" to enrolled customers if this is the preference.

**PDF Bill Delivery:** The system will email PDF replicas of the printed bill to the customers email address. Bills shall contain identical information and have identical appearance to the paper statements customers would otherwise receive.

**Email Notices:** Additionally, InfoSend shall provide system generated emails for certain events, including new bill notifications, customer service replies and email address or preference modifications.

**Link to Payments:** The eBilling service must recognize that the City contracts with Click 2 Gov for payment processing services. InfoSend shall provide a direct link to the City's Click 2 Gov payment interface allowing customers to make online payments on their accounts through the Click 2 Gov system.

**Customer Service Admin Portal:** InfoSend shall provide City's customer service representatives with a portal for managing the application. This portal includes the ability to enroll customers in eBilling services, resend bills, update email addresses and otherwise manage eBilling settings at a customer's request. City's customer service representatives shall also be provided access to securely view 18 months of archived eBills.

**Customer Service Tracking:** InfoSend shall provide a two way secure communication tool as part of the application, whereby residents can submit requests securely via the user portal to the City's customer service representative portal. Customer service representative's shall have the ability to respond and "close" the request when resolved. Communications are to be permanently archived.

**Reporting:** Provide a listing of all currently active email addresses and all associated demographic data, at least monthly, or upon request of the City.

**InfoSend Hosted:** provide all Hardware associated with the provision of the services noted in these specifications. The platform shall be PCI DSS certified with a Level I rating.

Any information obtained by InfoSend through the use of the eBilling system shall be used only for the purpose of the City's eBilling. InfoSend shall not use the information for any other purpose, including, but not limited to, solicitation. InfoSend shall not sell, or otherwise release, any information obtained or used by the eBilling system to any party without the express written consent of City's authorized personnel. All information obtained by InfoSend or used by the eBilling service shall be maintained under strict security to prevent any unauthorized release of the information. Furthermore, InfoSend shall develop and maintain the eBilling system, and implement all security measures necessary, to prevent any party from accessing the City's and customer's information.

## **Option 2: Scope of Work – Online BillPay to Click2Gov**

**Online BillPay Overview:** At the highest level, InfoSend shall provide the City with the ability to securely and electronically bill customers who chose to receive bills via email, utilizing InfoSend's Online BillPay application. City customers can sign up for this service on their own using the InfoSend hosted enrollment portal, or they can contact City Customer Service Representatives who will have the ability to enroll them in the eBilling program. In the scope of these services, InfoSend shall provide the following:

**Security:** eBilling services using an advanced platform (three-tier) architecture that maximizes security by separating the presentation, application and database layers. All web communication utilizes 256-bit SSL technology, and all customer data is stored securely behind a robust firewall. InfoSend is a PCI-Level 1 certified vendor.

**Customer Self Enrollment:** The service shall include a portal to allow customers to enroll in eBilling services, setup a username & password, and manage eBill preferences. The portal must be customized using the City's logo, banner and other requested branding materials. The portal shall require customers verify their email address is valid by clicking an authenticating "activation link" prior to beginning service. The portal will allow a customer to enroll multiple accounts under a single login and password. The City shall have the ability to force "paperless" to enrolled customers if this is the preference.

**Portal Features:** The portal will provide the customer a consolidated overview of the most recent bill, as well as the ability to view up to 18 months of bill history. The portal shall include the ability to add insert communications to be hosted on the InfoSend administered site and made available for customer view. Customers shall have the ability to receive eBills only, or to receive both eBills and paper bills.

**Email Notices and PDF Bill Delivery:** InfoSend shall provide system generated emails for certain events, including new bill notifications, customer service replies and email address or preference modifications. The system will email PDF replicas of the printed bill to the customers email address. Bills shall contain identical information and have identical appearance to the paper statements customers would otherwise receive.

**Link to Payments:** The eBilling service must recognize that the City contracts with Click 2 Gov for payment processing services. InfoSend shall provide a direct link to the City's Click 2 Gov payment interface allowing customers to make online payments on their accounts through the Click 2 Gov system.

**Customer Service Admin Portal:** InfoSend shall provide City's customer service representatives with a portal for managing the application. This portal includes the ability to enroll customers in eBilling services, resend bills, update email addresses and otherwise manage eBilling settings at a

customer's request. City's customer service representatives shall also be provided access to securely view 18 months of archived eBills.

**Customer Service Tracking:** InfoSend shall provide a two way secure communication tool as part of the application, whereby residents can submit requests securely via the user portal to the City's customer service representative portal. Customer service representative's shall have the ability to respond and "close" the request when resolved. Communications are to be permanently archived.

**Reporting:** Provide a listing of all currently active email addresses and all associated demographic data, at least monthly, or upon request of the City.

**InfoSend Hosted:** provide all Hardware associated with the provision of the services noted in these specifications. The platform shall be PCI DSS certified with a Level I rating.

Any information obtained by InfoSend through the use of the eBilling system shall be used only for the purpose of the City's eBilling. InfoSend shall not use the information for any other purpose, including, but not limited to, solicitation. InfoSend shall not sell, or otherwise release, any information obtained or used by the eBilling system to any party without the express written consent of City's authorized personnel. All information obtained by InfoSend or used by the eBilling service shall be maintained under strict security to prevent any unauthorized release of the information. Furthermore, InfoSend shall develop and maintain the eBilling system, and implement all security measures necessary, to prevent any party from accessing the City's and customer's information.

### 3. Requirements for Disconnect Notices

The City's utility billing software generates a Disconnect Notice weekly for all Utility accounts that are delinquent on payments and scheduled to be shut off for nonpayment for a selected billing cycle. The utility billing software generates a data file that is sent by the City to the vendor via the Internet to a third party print vendor on a secure website. The website is maintained by the vendor. The notice is then printed by the vendor on a one page format and is fed into an inserter where it is folded, and inserted into a #10 window envelope that has the return address printed on the front. Prior to the actual mailing of the notices the vendor will send a proof for review and approval from the City. Disconnect notices are printed in black ink only, simplex (on single-side of page). The vendor is responsible for ordering and maintaining all paper and envelope stock required to ensure all disconnect notices are sent out in the time frame allotted. Disconnect notices are required to be mailed out 24 hours after the proof has been approved.

Fully Met. Specific methodology for the implementation and daily operations are detailed in **Attachment 1 – Methodology and Specific Plan**. The general scope is as follows:

#### **Data Transfer and Processing**

- Client to transmit data to InfoSend in an agreed upon format. Should Client make changes to data file format after initial setup is complete it agrees to pay for the professional services required to accommodate the new file format. See Exhibit C – Professional Services for information on initial setup and ongoing programming changes.
  
- A File Transfer Report will be emailed to the Client representatives who have opted-in to this email. A copy of this report is also available to download from the InfoSend website.

- Client will have access to an online Job Tracking application that shows the progress of each file as it is processed and becomes a batch of documents to be printed and mailed. Client can see both the original input file name and the InfoSend-assigned “Job Code”.
- InfoSend will process the mailing addresses and perform the following functions:
  - Apply CASS-certified address validation
  - Comply with USPS requirements to obtain pre-sort automation rates
  - InfoSend will stay current with all USPS regulations required to mail presorted first class mail
- InfoSend will provide proofs of the final print-ready PDF files to Client to be reviewed and approved before printing begins (if requested).

**Document Printing and Mailing**

- Batches are printed by InfoSend using a high-speed production process onto the agreed upon forms.
- Printed documents are put through a quality control process and then released to the mailing department to be inserted into outgoing envelope. The return envelope and any applicable inserts are included as well.
- After a batch of mail is completed in InfoSend’s system it will be marked as such in the online Job Tracker and a Process Confirmation Report will be emailed to the Client representatives who have opted-in to this email. A copy of this report is also available to download from the InfoSend website.

**4. Contractor Requirements**

Contractor shall have a minimum of ten (10) year experience working with public sector entities and three (3) years experience providing E-Billing services to public entities.

Fully Met. InfoSend has provided bill print outsourcing services for over 16 years and ebilling/ebpp services for 10 years.

Contractor shall provide three references from public entities with name and telephone number of entity contact.

InfoSend is a market leader for utilities and municipal utilities. We have never lost a utility client because of service issues or delays in mail delivery. We currently have approximately 180 utility clients who either use the Data Processing, BillPrint & Mail service, eBusiness services, or a combination thereof. InfoSend provides services and interfaces from clients using over 50 different billing platforms including home grown and legacy systems.

**InfoSend has never lost a utility client in our existence to any sort of service issue or mail delay.**

InfoSend does its absolute best to ensure that each client is completely satisfied with our customer service, mail turnaround, and quality of work. We are currently servicing over 250 clients total and will be happy to provide you with additional references upon your request.

<b>City of Glendale, AZ</b>	(623) 930-2232
5850 W. Glendale Ave Ste 302	Lisa Hord, Billing Manager

Glendale, AZ 85301	lhord@glendaleaz.com
<p>Glendale, AZ selected InfoSend as its Data Processing, BillPrint &amp; Mail vendor after an exhaustive RFP evaluation process. Glendale processes 85,000 utility bills per month plus a variety of other customer correspondence, including sales tax and license statements, totaling over 120,000 mail pieces per month. Glendale uploads raw data for processing for its utility statements, and sends PDF statements for Express PDF processing for Tax files. The implementation required the design of several custom data processing applications to handle the various inputs received from the City. InfoSend also designed and sourced a several custom preprinted forms and envelopes, to be used for various client projects, including machine-readable forms. InfoSend continues to support the client in designing additional applications to meet their changing requirements. The City of Glendale uses Harris' NorthStar system.</p> <p><b>Billing System:</b> Harris NorthStar, Tax Mantra  <b>Volume:</b> 120,000 statements, monthly  <b>InfoSend Products Used:</b> BillPrint &amp; Mail</p>	

<b>City of Anaheim, CA</b>	714.765.4531
201 S Anaheim Blvd., #107	Russell Whitcup, Utility Services Supervisor
Anaheim, CA 92805	rwhitcup@anaheim.net
<p>InfoSend processes over 100,000 bills/notices per month for the City of Anaheim. Anaheim utilizes InfoSend's custom programming to manage the production of bills out of the SunGard H.T.E system.</p> <p><b>Billing System:</b> SunGard H.T.E.  <b>Volume:</b> 100,000+ per month  <b>InfoSend Products Used:</b> BillPrint &amp; Mail, Print Image Archive, Exception Processing</p>	

<b>City of Rio Rancho, NM</b>	505.891.5029
3200 Civic Center Circle NE	Henrietta Hughes, Division Manager, Utilities Services
Rio Rancho, NM 87124	hhughes@ci.rio-rancho.nm.us
<p>The City of Rio Rancho New Mexico is a recent InfoSend client, implementing its Data Processing, BillPrint &amp; Mail projects in 2010. City of Rio Rancho selected InfoSend as its outsourced vendor after an extensive RFP process. The City transmits statements to InfoSend on a daily basis, for processing, printing, and mailing.</p> <p><b>Billing System:</b> SunGard HTE/Naviline  <b>Volume:</b> 42,000 statements, Monthly  <b>InfoSend Products Used:</b> BillPrint &amp; Mail</p>	

<b>Provo City Utilities</b>	(801) 852-6805
351 West Center Street	Karen Larsen, Utilities Division Director
Provo, UT 84601	klarsen@provo.utah.gov
<p>Provo City Utilities process about 50,000 statements per month as well as utilizes InfoSend's Electronic Bill Presentment features.</p> <p><b>Billing System:</b> Ventyx  <b>Volume:</b> 50,000 statements, monthly  <b>InfoSend Products Used:</b> BillPrint &amp; Mail, Electronic Bill Presentment, Exception Processing</p>	

## Additional InfoSend Data

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### About InfoSend

InfoSend is a privately held California corporation with annual sales of approximately 28 million dollars per year. InfoSend's core competencies are information technology, document formatting, and document production. Your unique data is transferred into our database where it can then be output to multiple destination channels – print, web, or telephone. The Software as a Service (SaaS) approach allows InfoSend to continually refine its services and equipment without requiring software installation and maintenance at client sites.

Clients use the BillPrint & Mail and eBusiness services as a stand-alone offering or together as integrated customer communications solutions. When multiple services are outsourced to InfoSend our clients receive the benefit of having one data processing platform generate all of the outbound communications.

InfoSend processes, presents and mails bills/statements and other critical correspondence for approximately 270 clients across the country in different vertical industries. The majority of our clients (over 190) are just like the City of Goodyear being in the municipal utility, private utility or water district space.

Incorporated: January 17, 1997- CA  
FEIN #: 33-0748516  
Approximate Sales: 28 million  
Employees: 74  
Production Facilities: 2

InfoSend operates with a national footprint with two production facilities totaling nearly 100,000 square feet for mail distribution and business continuity. Locations are:

InfoSend's current headquarters and production facility (**Goodyear's Primary Production Site**):

4240 La Palma Ave  
Anaheim, CA 92807  
(800) 955-9330

InfoSend's Midwest production facility (**Goodyear's Recovery Site**):

1406 Centre Circle  
Downers Grove, Illinois 60515  
(630) 932-7300

### Overview of InfoSend Services

#### Data Processing, BillPrint & Mail Service

- Cloud-based data processing of raw data and print files.
- Print statements, invoices, letters, postcards, notices, or other various documents.
- Laser printing of data in grayscale, spot color, or full color.
- Inserts and special flyers can be used to target specific customers. Submit your printed materials or artwork to be printed by InfoSend in grayscale or color.

- Quick turn-around of document folding, inserting, presorting, and delivery to the USPS.
- Free yourself from the responsibility of adapting to new USPS rules and technologies.

### **eBusiness Services**

- Electronic billing and payment related services hosted in the cloud.
- All Payment-Related eBusiness Services are Level 1 PCI Compliant
- Online BillPay (EBPP)
- QuickPay (No Enrollment)
- Email eBilling
- CSRPay

### **Shared Platform Benefits**

- One data processing platform manages the import and handling of your data files. This core system can then output the information to all delivery channels.
- Upload data via our secure website, FTP with optional PGP encryption, or SFTP.
- Web-based system to track and view samples of print or eBills before they are sent.
- A variety of standard reports can be accessed via web portal or emailed to you.
- Create and schedule document messages by customer type or account number.
- Bill design, mailing options, and EBPP business rules are tailored to suit your organization's needs.
- Simplify your process by partnering with a provider to consult and manage your entire bill formatting and delivery needs.

### **Partnered Solutions**

- InfoSend has partnered with PayNearMe to build a unique cash payment solution. Your bills can be redesigned to contain a barcode that is scanned by the POS system at participating retailers.
- Integrated Voice Response (IVR) – utilize the telephone channel for incoming payments.

### **InfoSend Solutions**

We recognize our clients' unique needs by personalizing the way we build solutions for each account. InfoSend configures each service to work together to build custom solutions for your organization. Every time a client asks for a new configuration option it is added to our standard portfolio of implementation options.

InfoSend does not simply mail out bills and present them online to enable payments. We tailor both services to suit client needs in a way that makes us an extension of both your finance and customer service departments. Our clients often rely on us to build solutions that their own systems may not support. By using our platform you can create a unified look and feel for both your print and electronic bills. By using InfoSend's platform you can manage all data using online account management tools and use our bill design expertise to accomplish a unified look and feel for all your billing documents.

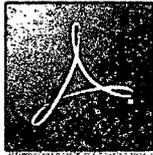
### **Data Processing Service**

#### **Overview:**

- InfoSend can process both data-only text files (e.g. flat files, XML) and print-output PDF files.
- Data processing produces final output that is printed and mailed and/or used in one or more of the eBusiness offerings (depending on which services you have contracted for).
- You transmit data electronically to InfoSend and can receive free PDF samples of the final output (if needed) before it is printed or delivered online.

## Data Processing Input File Options:

### Option 1 - Express PDF Implementation



This innovative solution gives billers the ability to use InfoSend's BillPrint & Mail platform at the lowest possible price point. It's also useful if you are mostly satisfied with your existing bill format or it is not cost effective for InfoSend to create a hosted software application to process your data and format the documents for you (e.g. if you already have hundreds or thousands of unique document templates setup in your system). InfoSend has a unique solution that can modify the addresses in your PDF print files to use CASS certified address validation and presorting. Postal barcodes are added to your documents and the files are printed in presort order. With this option you control the formatting of your documents and do not pay maintenance fees.

InfoSend's Express PDF Implementation is unique in that it's a hybrid solution that combines client-provided print files with InfoSend's data import and processing capabilities. We will not simply print image files, we will merge processed data from our system with your output to create a great finished product.

### Option 2 - Data-Only Files (e.g. flat files, XML)



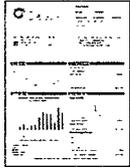
InfoSend creates a custom program that reads the raw billing data from your CIS/billing system and inputs it to InfoSend's database for processing. Common export formats are XML, CSV, tab or pipe delimited, or SDF. Our programmers will adapt to your export file format instead of asking you to conform to a predefined template (a true export file format must be used, your data file will be analyzed before programming begins and you will be informed if it is unusable). InfoSend has successfully accepted data originating from more than 50 different billing systems – including licensed and homegrown platforms. If you change platforms we can adapt to the new file structure while keeping your bill design the same.

When this option is selected InfoSend hosts and maintains an application to generate your bills. We will assist you in redesigning the bills if needed and be responsible for later changing the format if needed. Please note that data manipulations are not part of the standard offering. If there are issues with your data export format that you would like InfoSend to create hard-coded workarounds for your requirements can be analyzed; additional fees apply in this scenario.

## Data Processing Service: Standard Features

These free data processing tools are useful for both the BillPrint & Mail and eBusiness services. They are especially helpful if you use both services as you can set document messages, review proofs, and track job progress using one web portal.

### Message Manager



This free account management tool is a custom built web-based application that allows you to control the messages that print on your documents. You can schedule the messages months or even years in advance! You can assign unique messages to different types of customers, or even to individual account. A PDF preview displays the message in the actual font that will be used.

A sample screenshot of the Message Manager main list is provided below:

File Type	Message Name	Message Type	Message Area	Start Date	End Date	Status	Test?	Message
STATEMENT	Budge: True Up	Message	Board	2010-06-24	2015-12-31	Active	No	Your Budge...
STATEMENT	Past Due 2010	Message	Board	2010-06-13	2015-06-14	Active	No	***PAST DU...
STATEMENT	Regular Bills	Message	Board	2010-06-13	2015-07-14	Active	No	The City o...
STATEMENT	Final Past Due 2010	Message	Board	2010-01-01	2015-06-30	Active	No	***THIS IS...
STATEMENT	Corrected Bill 2010	Message	Board	2010-01-01	2015-06-30	Active	No	***Correct...
STATEMENT	Final Bill 2010	Message	Board	2010-01-01	2015-06-30	Active	No	***THIS IS...

### Job Tracking

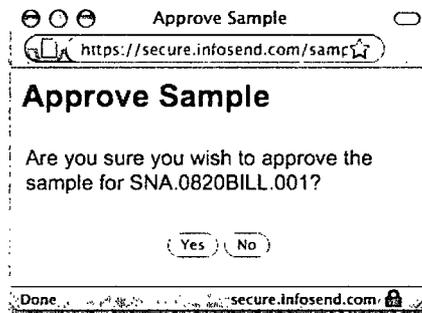
Allows your staff to log onto [www.infosend.com](http://www.infosend.com) to view the progress and completion of your print or electronic bill files. Confirmation reports are accessible from the job tracker for easy access. Check off the "Viewed" checkbox after auditing the completion time of a finished batch.

A sample screenshot of the Job Tracking tool is provided below:

Job Type	Job Code	Received	Processing	Sample File	Sample Status	Printing	QC	Mail Prep.	Confirmation	Viewed
BILLS	RO81113B	2008-11-13 10:58:01	Done	2008-11-13 11:09:35	Approve Reject	Pending	Pending	Pending	Pending	<input type="checkbox"/>
BILLS	RO81113A	2008-11-13 10:53:02	Done	2008-11-13 11:04:43	Approve Reject	Pending	Pending	Pending	Pending	<input type="checkbox"/>
BILLS	RO81112A	2008-11-12 15:03:03	Done	2008-11-12 15:33:31	2008-11-12 15:38:57	Done	Done	Done	2008-11-13 15:51:18	<input type="checkbox"/>

### Sample Approval

InfoSend can provide PDF samples of your documents before they are printed or loaded to the eBusiness system. A screenshot of the sample approval window is shown below:



## Print & Mail Service

### Overview:

- Your data is processed, address validated, presorted, printed, put through Quality Control prior to being released to the mailing department.
- Documents are folded, inserted, and mailed per the turnaround time listed in the pricing section.
- Print & Mail – printing and mailing of statements, invoices, and other bills and notices.
- AdPrint & Mail – printing and mailing of marketing letters, postcards, and Inline Inserts.
- Direct Communications – one-time print only or print and mail projects.
- Online job tracking and detailed reports make it easy to monitor and audit the process.

### Standard Features:

#### Paper Stock Options



A variety of cut-sheet paper stock options are available. Any bill that requires a tear-off remittance stub will include a micro perforation for a clean and smooth edge (lockbox compatible). Bill stock options include plain white, in-stock color preprinted with a standard change of address form on the back, or custom color preprinted with custom logos and backers (minimum order quantities apply). Recycled 30% post-consumer paper stock is available.



#### Envelopes

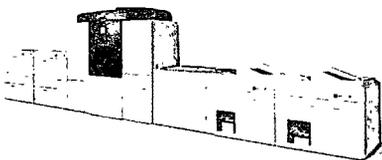


You will receive the lowest possible envelope price by using InfoSend's standard double window #10 and single window #9 envelopes. We order millions of these each month and pass the savings on to you. Envelopes contain security film and tint. They are compatible with the bulk letter opening machines used by your remittance processing department or

lockbox vendor. Your name and logo will appear through the #10 outgoing envelope. Sustainably sourced and recycled 30% post-consumer paper stocks are available.

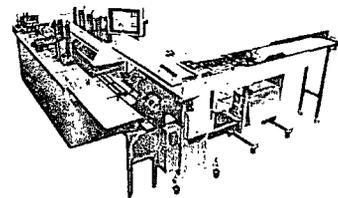


#### Laser Printing



Documents are printed using high-speed production laser printers. Bills are either printed in grayscale onto color preprinted forms or using a 2-color laser process that supports black plus a standard shade of **blue**, **red**, or **green**. Postcards and inserts can be printed using grayscale, 2-color, or 4-color CMYK laser printing technology.

#### High Speed Mail Inserting



Printed documents are inserted using high-speed production inserters. Mailing equipment is extremely expensive and challenging for most organizations to operate. Leverage InfoSend's economies of scale by outsourcing your mailing. You will no longer have to pay for equipment financing and service.

Many organizations do not have dedicated staff to operate mailing equipment, or rely on just one or two dedicated staff members and struggle when one is out sick or on vacation. By outsourcing your mailing you can reallocate your staff to work on your core business.

## Print & Mail Service: Standard Features Continued

### Quality Control



InfoSend's Quality Control (QC) is one of the company's most unique internal programs. Printed documents are always put through a QC process before being released to the mailing department. Each QC operator checks for print quality and follows on-screen prompts that are specific to the client. Each individual mailing application can have its own set of items to check for.

### Address Validation and Presorting



All addresses are put through CASS certified address validation. This adds the 4-digit extension to the Zip Code, creates the USPS OneCode Intelligent Mail Barcode, and digitally presorts the addresses. Batches containing at least 500 bar-coded mail pieces are digitally presorted and delivered to the USPS at the lowest possible rate.



During processing 2D barcode is added to your documents and used with intelligent mail inserting equipment. This equipment folds and inserts documents using "mail piece integrity" software to prevent inserting errors such as double stuffing. The barcodes are read before and after the documents are inserted into the envelopes to ensure proper sequencing and handling.

## Print & Mail Service: Optional Services

### Exception Processing

Exception Processing, or EP, is an optional service that allows you to approve, cancel, or hold individual bills based on predetermined criteria. You may choose to flag exception bills within the data, or InfoSend can build the custom exception rules on your behalf. Example: All bills with dollar amounts over \$500,000, or less than \$5.00, could be posted to the InfoSend website for individual approval.

*Please inform us if you would like a price for this service. Service is not available with Express PDF Implementation.*

### Move Updates



InfoSend will ensure that you comply with the USPS Move Update requirements. Customers often fill out a change of address form without informing billers of the change. The USPS does not forward first class mail to the new address at no cost as it once did. You can elect to have it returned to you at no cost or use an USPS approved method to keep your customer address database up to date.

If clients wish to have their Mailpieces forwarded, InfoSend offers two electronic reporting options that are compliant with the USPS. There is no setup or monthly fee, just a per-item reporting fee that is available in the pricing section of this proposal.

## Print & Mail Service: Optional Services Continued

The first Move Update option is the Address Change Service (ACS). When this option is selected the USPS forwards your mail to the new address and records the action in their database. InfoSend retrieves this information weekly and sends you an electronic report of the forwards.

The second Move Update option is the NCOALink service. With this option InfoSend uses the NCOALink database to find the new addresses during data processing. The new addresses can be printed on your bills before they are mailed, or printed as-is and forwarded to the new address by the USPS. In either scenario you receive electronic reports of the new addresses after each batch is mailed. If you elect to have the USPS forward the mail you must use the report to update your database within 90 days.

## Print Image Archive

The Print Image Archive is an optional service. This is a document archiving tool used by your customer service representatives to download electronic copies of any document that InfoSend mails. This web application allows authorized users to query the database by customer name, account number, or up to **three other custom fields**. Documents are archived as individual PDF files, which lends to a quick download time. Your support representatives can use this service to research customer inquiries by viewing an exact copy of the printed bill. Pricing is based on how long the documents are retained.

This service can be used to reproduce exact copies of your printed bills. If you can produce accurate copies from your own billing system then this service is not needed. This service is unrelated to the Email eBilling and Online BillPay services.

A screenshot of the application's search form is included below. You can pick up to 5 custom fields to index. For example the "Bill Date", "Due Date", and "Service Address" fields in the image below were added to the search form and mapped to the custom data file format for a utility client of ours.

415493 Total Record(s)  
PLEASE ENTER SEARCH CRITERIA BELOW TO DISPLAY RECORDS

Name:

Account Number:

Job Code:

Bill Date:

Due Date:

Service Address:

Received Date (MM-DD-YY):  -  To  -

SPCL Status:

## **Print & Mail Service: Optional Services Continued**

### **AdPrint & Mail: Inserts**

Selective Inserting is available, which allows you to selectively target insert, flyers, or newsletters to specific mail pieces. Selective Inserting will also allow you to exclude a #9 return envelope for all customers participating in an automatic payment program (ACH). Individual documents can be grouped together (“householding”), if desired.

InfoSend gives you multiple insert handling and production options, along with fully featured tools to manage the process:

Insert Requests & Management - InfoSend’s online Insert Request Form is an innovative account management tool that streamlines insert management. Request a quote for printing and schedule all of your inserts online. Submit the form through our website and a summary of the request will be returned to the user via email.

Insert Handling – Client Provided - Any special inserts/flyers/stuffers prepared by the client can be inserted with the bills. You can drop your inserts off or have them shipped to InfoSend where they will be kept in inventory until the end of the run date.

Insert Printing - InfoSend offers a complete range of insert printing services, from black to full color printing.

- **Inline Inserts** - if your organization often includes static inserts with its bills, InfoSend can convert them to Inline Inserts. An automated process is set up to selectively print the inserts immediately after each bill is printed. This increases your ability to target specific customer types and provide one-to-one messaging. Inline Insert printing is usually grayscale or 2-color.
- **Offline Inserts** – traditional inserts are printed offline and then inserted with designated billing statements. Up to 5 offline inserts can be included with a bill run. Offline inserts can be digitally printed in grayscale or full color, or offset printed in full color.

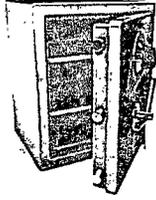
### **Direct Communications**

Direct Communications are non-recurring document types that directly communicate information to your customers.

- One-time print runs such as offline inserts, newsletters or flyers. Documents are printed black or full color.
  - Offline Inserts – traditional inserts are printed offline and then inserted with your bills. Up to 5 offline inserts can be included with your bills. Offline inserts can be digitally printed in grayscale or full color, or offset printed in full color.
- One-time print and mail projects. Document tabbing available.
  - Examples are customer rate change notices or any other important notices that must be sent separately from your bills or other regular mailings.
  - Expedited projects are possible if you have an emergency and must send out a notification on short notice.

## eBusiness Services

### Advanced Security Features Common to all Services



All of the following services use an advanced platform architecture that maximizes security. InfoSend's electronic services use a three-tier architecture and all data passed to and from the system is encrypted using SSL. All credit card, debit card, and ACH account numbers are encrypted, and most importantly these services are all PCI compliant. **Minimize or eliminate your PCI liability by outsourcing your electronic payment applications to InfoSend.** If your organization stores, transmits, or processes credit card numbers you must follow PCI rules. If you have not already reviewed these rules please see <http://www.pcisecuritystandards.org> for the latest rules and regulations.

#### Online BillPay (EBPP)

- Full featured biller-direct EBPP service (Electronic Bill Presentment and Payment).
- InfoSend's flagship eBusiness service that gives your customers the ultimate flexibility over how to view and pay their bills.
- Customers self-enroll for the service and create a username and password to securely access their eBills and make payments.
- Multiple payment options include checking/savings account (ACH), and credit/debit cards.
- Payment accounts are stored as a Payment Profile for easy repetitive use (tokenization available).
- Go Green! Eliminate paper bills and reduce the fuel used to deliver them with paperless billing.
- Customers can view their eBills and view the account balance before making a payment.
- Customer-activated AutoPay and other features. *Request a demo of Online BillPay today!*

#### QuickPay (No Enrollment)

- This service can be used in addition to Online BillPay or as a stand-alone offering.
- Online payment portal that customers can use to make credit/debit card or ACH payments, depending on preferences.
- It is not necessary for customers to enroll to use this service. Customers validate their account number by entering it in addition to another identifier that is present on their bill.
- All payments are initiated immediately. There are no saved Payment Profiles or scheduled payments. Customers view their account balance before making a payment.

#### CSRPay

- This service can be purchased as an optional addition to each of the above services.
- This service gives your CSRs the ability to take live payments over the phone or in person.

#### Email eBilling

- Email only service that sends eBills to customers via email (no portal to view prior eBills).
- This is a partial solution that is normally utilized by clients who already have an online payment system but do not have the ability to email bills to customers.
- Emails can be sent to addresses that you provide. Additionally, a portal can be provided for the management of enrollment and email preferences.
- Service includes a styled HTML email template featuring your chosen banner image. Bill particulars such as Account Number, Due Date, and Amount due are contained in the email body.
- Includes a replica of your printed bill design attached as an eBill PDF. If InfoSend is your BillPrint & Mail provider then paperless billing can be provided to your customers.

## **Attachment 1 – Methodology and Specific Plan**

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### **Approach**

Although a number of InfoSend staff will be assigned to carry out the details and implementation of this project, Goodyear will be assigned a senior account manager as a main point of contact. The account manager will be overseen by the Director of Client Services and will coordinate efforts with development staff and Goodyear. Goodyear's account manager will be available Monday through Friday and from the hours of 8am to 5pm. Customer service is vitally important to InfoSend; Goodyear will always have any calls returned to them promptly.

Should InfoSend be selected to partner with Goodyear for this project, an account manager will be assigned based on expertise in similar implementations and current workload. InfoSend maintains ample resources to meet a timely and professionally performed implementation.

By assigning a dedicated Account Manager to Goodyear, InfoSend provides a single point of contact to coordinate all aspects of the implementation and production between Goodyear and InfoSend. Your Account Manager will begin the initial implementation by reviewing the requirements and specifications set forth in this response, and will be familiar with Goodyear's account prior to the start of the implementation project. Your account manager will coordinate a conference call to establish the requirements and expectations of Goodyear, and to determine any special needs in printing and mailing which will need to be addressed. Any requirements outside of this response will be gathered from your staff at this time. Your Account Manager will then communicate these requirements to the responsible departments within InfoSend, and will verify with your staff that any special conditions are met prior to Go-Live. Should any additional clarification on requirements be necessary, your Account Manager will address these items over the course of the implementation project. After Go-Live, your Account Manager will continue to monitor your account and will be your primary point of contact should your requirements change. InfoSend's Account Managers have received training in all areas of production, from printing to mailing, and will be able to communicate and coordinate your unique requirements to our various departments.

To ensure uninterrupted service for Goodyear, InfoSend will also assign a secondary Account Manager during implementation to review progress and provide assistance to your Account Manager when necessary. This procedure is also followed in our programming department, where you will have both a primary and secondary programmer working on your applications. This allows for InfoSend to have multiple internal resources familiar with the details of Goodyear's requirements. Additionally, all project documentation and communication will be archived by your Account Manager in our CRM system. This includes test files, form and envelope artwork, data files, and any other documentation specific to the duties and requirements for InfoSend's staff. This ensures that Goodyear's requirements are communicated to the entire Client Services at InfoSend and are completely transparent. It also ensures that the service to Goodyear's account can continue should its primary programmer or your Account Manager become unavailable due to sickness, family emergency, or any other non-scheduled leave.

The following description and timeline details the steps to be taken to transition Goodyear from the current print and mail process to an InfoSend solution. InfoSend understands the need to provide a seamless transition to an outsource solution, and will work closely with Goodyear to set accurate and achievable targets for completion of key milestones. This section illustrates the milestones and completion schedule for a typical print and mail implementation, and can be modified to meet the unique needs of Goodyear where necessary.

This timeline assumes an implementation start date of upon the receipt of a signed contract and notice to proceed by Goodyear. InfoSend see nothing in your requirements that would cause a delayed start date for this print and mail project. Upon notice to proceed, Goodyear will be assigned a dedicated Account Manager trained in implementations with a similar scope of work to your project. Your Account Manager serves as the main point of contact during the implementation project.

- Your Account Manager will work closely with your transition team to gather test files, sample bill layouts, and any service options not specified in the RFP.
- Your Account Manager will create electronic copies of your current documents, incorporating any changes, as required. All InfoSend Account Managers are trained in the creation electronic documents, and will work with you to ensure that the billing output will meet your expectations.
- The project is started and your Account Manager completes steps in our implementation plan while working with InfoSend programming and your staff. All communications sent to you or received from you during the implementation are centrally archived in our CRM system. This ensures that the project is completely transparent on our end and can be reviewed by InfoSend's upper management as it progresses. It also ensures that the project can continue should its primary programmer or your Account Manager become unavailable due to sickness, family emergency, or any other non-scheduled leave.
- Key milestones are tracked and reviewed by the primary programmer and your Account Manager during the implementation process. Once the project nears completion the finalized implementation plan is reviewed by a secondary Account Manager or member of the IT management group to ensure that no task was left undone or done incorrectly.
- Sample documents are printed and checked by InfoSend quality control and by Goodyear before parallel testing begins.
- During the last phase of the implementation your account is put into Parallel Testing mode. During this time Goodyear may transfer copies of live data to InfoSend that are automatically processed and printed to PDF for review. Your staff checks the PDF output to ensure that it is satisfactory. Requested revisions will be completed before go-live. Your staff will also be trained on how to use the InfoSend website at this time.
- Go-live is completed and your Account Manager performs a post go-live follow up to ensure that you are satisfied with the service and to see if you have any questions on your reports.

A detailed timeline listing key transition milestones will be delivered after a requirements gathering session with Goodyear staff. General steps are as follows:

**Stage 1:** (Begins once notice to proceed has been received)

- InfoSend will assign a dedicated Account Manager who will manage your project.
- Your Account Manager will organize a conference call to introduce the project teams and discuss the scope of work for the transition project.
- InfoSend will provide documentation to Goodyear that will allow you to define your printing and mailing requirements and business rules for data processing.
- Your Account Manager will collect sample documents, test files, and data definitions, which will allow InfoSend to begin technical development.
- Your Account Manager will begin creation of electronic versions of Goodyear documents, and provide first drafts to Goodyear for review.

**Stage 2:**

- You must sign-off on a document that validates that the test files and data definition documents submitted are finalized. InfoSend cannot proceed without this sign-off.
- Both parties will review and finalize proofs for documents.

- Your Account Manager will review and present any potential questions from InfoSend's programming team regarding the test files provided by Goodyear.
- InfoSend provides first draft of the billing output using test data for review.
- Your Account Manager will coordinate a conference call to discuss the billing output, and provide documentation to log and track any changes to the outputs or programming which are necessary.
- Review application development progress.
- Account Manager to begin coordinating testing of OCR and/or barcode samples (if applicable).

**Stage 3:**

- InfoSend will provide the second draft of the billing output for review.
- Your Account Manager will coordinate a conference call to discuss the new outputs, and will work with Goodyear to ensure that bills meet requirements for appearance and accuracy.
- Should additional changes be requested, your Account Manager will coordinate with our programming team to address any required revisions
- InfoSend will provide additional drafts of the billing outputs for approval (if necessary).
- OCR and/or barcode samples are approved for production use.
- Your Account Manager will coordinate a one-hour conference call to provide training on InfoSend's online account management tools including file transfer, message management, inserts management, job tracking, and general reporting features.

**Stage 4:**

- Begin parallel testing.
- Goodyear will begin sending an export of each billing cycle to InfoSend.
- InfoSend will provide PDF samples via its Job Tracker application on the InfoSend website's secure portal.
- Goodyear will be asked to review PDF files and compare the new output to the output of its legacy system.
- Both parties will review & finalize application development.
- You have the option of extending parallel testing for additional weeks if your requested project go-live date is more than 12 weeks from contract signing.

**Stage 5:**

- Complete parallel testing and go-live
  - Post go-live review (can continue for additional weeks)

**Processing and Quality Assurance**

Once Goodyear uploads a production file via the infosend.com site or transmits via SFTP/SFTP, a File Transfer Acknowledgment report will be emailed determining a successful transfer.

If a Goodyear data file has a structural problem and automatic processing fails then InfoSend production team will immediately ask programming to inspect the job. When programming determines that the file has an issue you will be contacted and asked to submit a new file. There are procedures in place to ensure that Goodyear does not accidentally submit old files and a Quality Control process is in place to ensure files are error free. InfoSend's systems will reject partial file uploads to ensure that incomplete files are not processed. In addition, Goodyear can embed text in the end of each file that InfoSend will parse to ensure that the files are complete. If the text is not encountered then InfoSend will contact the City.

InfoSend is particularly proud of its Quality Control (QC) personnel and methodology. Every print job is thoroughly inspected before going to the mail prep area for final envelope stuffing and mailing. InfoSend has committed to investing in a high level of personnel training in its QC area to ensure that our customer jobs are processed correctly the first time. We believe that it is one of the key reasons we can say that we have never lost a Municipal Utility client in our entire history as a company for any production, quality, or performance issue.

InfoSend's Quality Control is one of the company's most unique internal programs. Printed documents are always put through a QC process before being released to the mailing department. Each QC operator checks for print quality and follows **on-screen prompts that are specific to the client**. Each individual mailing application can have its own set of items to check for. Additionally, a 2D barcode is added to your documents and used with intelligent mail inserting equipment. This equipment folds and inserts documents using "mail piece integrity" software to prevent inserting errors such as double stuffing. The barcodes are read before and after the documents are inserted into the envelopes to ensure proper sequencing and handling.

Customer satisfaction is the highest priority at InfoSend. To support this, we have an extensive process for addressing quality issues when discovered. We offer our clients the opportunity to review PDF copies of all mail pieces before the job is released for printing. Our Quality Control department also reviews every printed statement for data integrity and print quality before jobs are sent to our mailing department.

#### **General Flow of Operations:**

The bill print and distribution process has been described below. It is possible for Goodyear not to have certain bills printed. Our system will automatically check new files against previously uploaded files to ensure that a duplicate file was not uploaded in error. InfoSend can also setup a duplicate checking system that checks each new record against previous records at no additional cost.

Once Goodyear uploads a file:

- The file(s) is received and the system automatically checks to see if the client accidentally uploaded a file that had already been received in the past 6 months. (If a duplicate has been received then InfoSend will put the file on hold and contact the client.) If the client knows which bills should not be printed before the file is uploaded to InfoSend then it can upload a suppression file with the main data file. If a suppression file is received InfoSend will automatically exclude these bills from processing.
- The file has passed the automatic duplicate check and an emailed report is automatically sent to the client. The report contains the file name(s), time received, file size(s), and record counts.
- Automatic processing of the file begins. During processing the system checks the statement date in the file against the current date. If the date is more than 30 days old an internal warning is created and InfoSend will contact the client. Files are CASS certified for address hygiene, pre-sorted for lowest automated postal rates and barcoded with the Intelligent Mail Barcode for efficient delivery
- Automatic processing of the job has completed. If the client has requested to see samples of the bills before they are printed then an email will be sent out at this time with a link to the InfoSend website. The sample file can then be securely downloaded and approved or rejected. Clients will often catch errors in their own data files and reject the file so that it can be

resubmitted. During processing a set of program-specific questions are created for the QC department to answer during the QC process outlined below.

- The client can approve the sample PDF file at any time during this time window.
- InfoSend prints the Job Ticket, which is a job description document that specifies which form, envelopes, and inserts to use. The presort paperwork is also printed and the statement file is sent a production laser printer.
- Printing is completed and the job is submitted to the Quality Control department. Printed statements are checked for print quality, form quality, form used, and data quality. Special attention is paid to barcodes and OCR lines to ensure that there has been no fading of the toner. The QC staff will check the statement date and also follow prompts from a system to check for specific items. The QC program can be modified on an application-specific level. For example – InfoSend can instruct its QC department to ensure that a client's closing bills include a specific message.
- The job is received and processed by the Mail Operations department. The statements are inserted along with any client inserts. Any selective inserting will have been programmed at this point and noted on the job ticket. The mailing operator checks the meter count to ensure that the mailing count matches the job ticket count.
- The Mail Operations department completes the job. Once the job has been put on a palette and prepared for delivery to the USPS the operator who completed the job scans a bar code on the Job Ticket. This triggers an automatic email to the client that lists the file(s) completed, the counts, the suppressed records (if a suppression list was provided), and the addresses that did not pass the USPS CASS address verification.
- The palettes of mail can be certified onsite and are picked up/delivered to the USPS mailing hub.

## Reporting

The File Transfer Acknowledgment - This is first of two reports that you will receive after uploading a data file to InfoSend. The File Transfer Acknowledgement Report provides information on the file name, byte size, page/record count, and file receipt date. A sample File Transfer Acknowledgement Report is shown below:

```
TO : JOHN SMITH
    ABC COMPANY
    FAX : 1 714 446-1462

FROM : INFOSEND, INC.
DATE : 07/31/2003
RE : FILE TRANSFER ACKNOWLEDGEMENT
```

=====

THIS REPORT CONFIRMS THAT THE FILE(S) LISTED BELOW HAVE BEEN RECEIVED. IF YOU FIND ANY DISCREPANCY OR IF YOU HAVE ANY QUESTIONS OR SPECIAL INSTRUCTIONS REGARDING THIS LIST, KINDLY GIVE US A CALL AT (714) 525-8600. THANK YOU.

-----

NO.	NAME OF FILE(S)	FILE SIZE (BYTES)	PAGE/RECORD COUNT	DATE RECEIVED
1.	ABC2731S.001	55131205	215,091	07/31/2003
2.	ABC2731F.001	801514	1,505	07/31/2003

-----

TOTAL PAGES/RECORDS: 216,596

The Process Summary Report follows the File Transfer Acknowledgement. InfoSend will send the City a Process Summary Report with each set of samples. The Process Summary Report details important information such as job code, file name, page counts and total amount.



November 03, 2009

**PROCESS SUMMARY REPORT**

Job Code	File Name Company Name	Page	# of	Total Non Bar-		Dupl.	Total Amount
		No	Accounts	Pages	Coded		
LYN11G3A	PCB 3776	1	73	73	2	0	\$11,876.84
Totals:			73	73	2	0	\$11,876.84

The Processing Confirmation Report is transmitted to you after your documents have been completed for mailing. This report provides the name of the file(s) that was mailed along with a detailed mail count. For statements, invoices, and other financial documents, the total dollar amount is also provided.

```

TO : JOHN SMITH
    ABC COMPANY
FAX : 1 714 446-1482

FROM : INFOSEND, INC.
DATE : 07/31/2009
RE : PROCESSING CONFIRMATION REPORT
=====
IF YOU HAVE ANY QUESTIONS ABOUT THIS DOCUMENT, PLEASE CONTACT US AT
(714) 525-8600. THANK YOU.
=====
NO. REFERENCE AMOUNT ($) ORIGINAL SINGLES MULTIPLES UAR/SPECIAL TOTAL
FILE(S)/SPECIAL NOTE
-----
1. ABC0731A 8549861.42 215001 214121 990 33 215001
STATEMENT ABC0731S.001 7/31/03
2. ABC0731B 60201.08 1505 1505 0 2 1505
FINAL NOTICE ABC0731F.001 7/31/03
-----
TOTALS = 8610062.50 216506 215626 990 35 216506
=====

```

The Process Confirmation Report can be created in one of three different formats. You decide which one works best for you. Most clients use the standard text based report.

- Format 1 – Plain Text (shown above) – Easy to view and print
- Format 2 – XML – Machine-readable report, can be uploaded into your system
- Format 3 – HTML – Rich-text report that looks nice when viewed on a monitor

**Capacity**

InfoSend is a full data capture and processing outsource provider. From receipt of data, InfoSend processes the data minding all business rules and logic specified for this project, CASS certifies, pre-sorts, images and finishes all required work. InfoSend will procure, store, and manage all required stock for Goodyear in a climate controlled environment. Also, store and manage drop-shipped insert items as well as provide printing services for requested inserts as needed by Goodyear.

Goodyear, as a client, will be provided a customer interface at [www.infosend.com](http://www.infosend.com) which houses a suite of tools for Goodyear to manage, track job status, download reports, view and approve samples, view and manage archived data, schedule inserts and more.

InfoSend maintains ample processing/imaging and finishing capacity and does not anticipate a need to purchase additional equipment to meet the volume requirements outlined in this RFP. InfoSend is vigilant in its review of available operating equipment; maintaining, servicing, and replacing equipment as necessary in order to meet the demand of our clients. Should Goodyear award a contract to InfoSend, the volumes from Goodyear will not add undue stress to our current production operations.

InfoSend cross trains its production employees to operate all printing and inserting/sorting equipment. If any one team member or even several team members within a specific production area are out during a given time period, the redundancy from our cross training allows us as an organization to continue to meet our commitments without interruption.

Likewise, the same process occurs for equipment such as trucks and production pieces. We maintain redundancy in all areas so that equipment downtime will not impact our ability to meet production commitments.

INFOSEND'S EQUIPMENT LISTING

<b>Printer Type</b>	<b>Quantity</b>	<b>Efficiency</b>	<b>Age</b>
	<i>Printers</i>	<i>Pages per Minute</i>	<i>Years in Service</i>
<b>Full Color</b>			
Konica Minolta 650	1	50	4
Konica Minolta 665	1	65	1
Xerox DocuColor 5000 AP	1	50	1
Xerox iGen 4 EXP	1	110	< 1
<b>Black &amp; White and Highlight Color</b>			
Canon IR 125 VP	1	125	1
Canon IR 110	4	110	5
Canon IR 150 VP	1	150	5
Xerox HLC 155	2	155	<1
Xerox HLC 128	2	128	2
Xerox HLC 180	1	180	< 1
<b>Inserters</b>			
<b>Inserters Type</b>	<b>Quantity</b>	<b>Efficiency</b>	<b>Age</b>
	<i>Inserters</i>	<i>Insertions per Hour</i>	<i>Years in Service</i>
Sensible Technologies/Bell & Howell Intelligent Inserter with Mail Piece Integrity	12	7500	Range of <1 - 5
Sensible Technologies/Bell & Howell Standard Inserter	2	7500	Range of <1 - 5

Printing equipment has:

- Mix of black, highlight color and full color capabilities
- Black print capacity is over 36 Million images per month
- Highlight color capacity is over 7 Million images per month

- Full color capacity is over 12 Million images per month
- InfoSend prints images well under capacity for business continuity, new installs and spikes in volume.

Inserting equipment has:

- 4 to 6 stack insert feeders and can be expanded if necessary.
- Supports various folds including "C", "V", "Z" and Double "V", etc.
- Capacity to finish over 2 Million pieces per day (3 shifts)
- Mail Piece Integrity and Document Verification systems read OMR and industry standard barcodes such as 3 of 9, 2 of 5 Interleaved, 2D – Datamatrix
- InfoSend finishes mail pieces well under capacity for business continuity, new installs and spikes in volume.

## Secure Processing

InfoSend facilities employ physical site security measures such as zoned access, cameras, alarms and other theft deterrents. In addition, InfoSend ensures that only approved personnel handle client information and materials. Buildings are locked at all times with approved personnel access controlled by key cards. All visitors are required to sign a visitor log, wear a visitor badge and will be escorted while in the building. Additionally, InfoSend maintains a West Coast Headquarters and an additional Midwest facility for business continuity, as well as to support the growing needs of our customers. These production facilities are located in Anaheim, CA, and Downers Grove, IL. These facilities have mirrored processes and equipment. InfoSend also has a tested disaster recovery plan and a secure off-site data center.

Strict policy in our facilities is that critical data is never sent over clear-text email. In addition any report that is available via email can instead be downloaded from the secure website over SSL or PGP encrypted and downloaded from an FTP server.

InfoSend limits traffic to and from each facility to business essentials, and employs numerous technologies to detect and thwart intrusion attempts. InfoSend regularly undergoes penetration tests with outside vendors.

InfoSend's internal network requires domain wide usernames and passwords to access network resources. Resources are only permitted if the users on the domain have the correct permission to access them. All computers are actively monitored with anti-virus and anti-spyware software, and user accounts aren't permitted to install software with network administrator permission. Audit trails and system logging are setup where appropriate. Backup facilities and media are physically restricted to authorized network personnel.

InfoSend has a Data Security, Facility Info and Disaster Avoidance/Recovery document that describes our processes for managing data integrity and business continuity in greater detail. The document is fairly lengthy so we have included this information as an Attachment for Goodyear to review.

## Attachment 2 – Data Security and Disaster Recovery

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### Information Security and Disaster Recovery Policy

#### Part One: Security

##### Security Compliance Information

InfoSend serves clients by providing the distribution of customer correspondence via mail, Web and other channels. Physical infrastructure, data and computing environment security and safety are of great importance. InfoSend's systems, security processes and practices are currently subject to the rules and regulations of multiple laws and or audit types:

	Payment Card Industry Data Security Standard (PCI DSS) - InfoSend holds a PCI DSS Certificate of Compliance and undergoes an annual on-site audit by SecurityMetrics, a third party auditor. InfoSend's PCI Certificate of Compliance has been included at the end of this section.
	Health Insurance Portability and Accountability Act (HIPAA) - InfoSend is defined as a Business Associate and is compliant with the associated rules and regulations
	Gramm-Leach-Bliley Act (GLBA) - InfoSend is compliant with the associated rules and regulations that apply to providing services to clients covered by GLBA
	Fair and Accurate Credit Transactions Act of 2003 (FACTA) - InfoSend's systems and applications are compliant with the "Red Flags Rules" that clients covered by FACTA must follow

##### Security Best Practices

InfoSend approaches the risk of data breach via the following methodologies:

1. **Background Checks and Drug Tests for All New Employees:** all InfoSend employees are given and must clear a background check upon hiring.
2. **Secure Physical Premises:** all InfoSend employees are issued I.D. cards that must be worn at all times. Additionally, all points of entry to each facility requires an access key to enter.
3. **Secure Data Practices:** all data files can be PGP encrypted during transfer, and all web traffic utilizes a minimum of 128-bit SSL, ensuring secure communications both ways.
4. **Segmentation of Data:** data is segmented between each InfoSend customer to ensure no comingling or erroneous joining can occur. All programs and workflows are custom tailored to the client, ensuring program failure and employee notification in the event data is somehow manually entered into a workflow.
5. **Firewalls and Web Application Security:** InfoSend limits traffic to and from each facility to business essentials, and employs numerous technologies to detect and thwart intrusion attempts. InfoSend regularly undergoes penetration tests with outside vendors.
6. **Compliances:** InfoSend is subject to multiple security compliance programs.
7. **Suspected Breach Escalation, Review and Notification:** all employees are trained to report and escalate suspected breaches or breach attempts to their manager immediately. If client data was at risk, and the breach is not ruled out after a second internal review, then the client is notified and InfoSend pledges full cooperation in continuing to investigate.

## Physical Security

InfoSend facilities employ physical site security measures such as zoned and controlled access, cameras, alarms and other theft deterrents. In addition, InfoSend ensures that only approved personnel handle client information and materials. Buildings are locked at all times with approved personnel access controlled by key cards. All visitors are required to sign a visitor log, wear a visitor badge and will be escorted while in the building. Additionally, InfoSend maintains a West Coast Headquarters and a Midwest facility for business continuity, as well as to support the growing needs of our customers. These production facilities are located in Anaheim, CA, and Downers Grove, IL. Each facility operates with mirrored processes and equipment. InfoSend has a tested disaster recovery plan and a secure off-site data center.

## Systems Hardening

InfoSend performs the following systems hardening functions:

- System-wide security policies protect data from internal and external threats
- New users must change system-generated passwords upon first login
- Real time HTTP and HTTPS application layer security inspection
- Require special characters and minimum length security passwords
- Require password changes every 3 months
- Vendor supplied default or guest accounts are protected or deleted
- Start-up passwords must be created in a manner that is not predictable
- Anti-virus definitions are updated automatically as they become available to protect client data from viruses, Trojan horses, worms, etc.
- Anti-virus software is installed on each Windows PC, and on the corporate mail server
- Process hardening through use of SELinux
- Live log analysis and file integrity scanning
- Install and maintain the most recent service packs
- Monitor security rollout packages, install patches as needed
- Remove unnecessary applications
- Remove unnecessary services and default settings
- Monitor security rollout packages, install patches as needed

## Continuous Improvement

In an effort to continue core operations and provide the excellent support our clients rely on, InfoSend understands the importance of continued improvement of our security practices. Security is at the forefront of this improvement process. Through our extensive research and proactive measures, InfoSend clients can be assured that their data is protected and handled with the highest industry-standard measures of care.

# Certificate of Compliance

## Payment Card Industry Data Security Standard

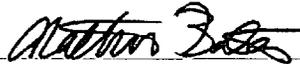
This is to certify that Infosend, Inc. has been assessed by SecurityMetrics, Inc. and were found to be compliant against the PCI Data Security Standards version 1.2, endorsed by Visa, MasterCard, American Express, and other leading card brands.

Infosend, Inc.

Assessing Date: July 25, 2011

Conditions of issuing:

1. SecurityMetrics, Inc. has issued this certificate to indicate that the aforementioned company has been assessed against the requirements of the Payment Card Industry Data Security Standards' (PCI DSS) validation methods and were found to be compliant to PCI DSS version 1.2 on the date of issue only, no other guarantees are given
2. This certificate is subject to compliance conditions as laid out within the PCI DSS standards, any queries, please contact SecurityMetrics 801-724-9600 or audits@securitymetrics.com. The certificate is valid for a one year period from date of issue for the application version listed above
3. The certificate offers no guarantee or warranty to any third party that the company is invulnerable to attack or breaches in its security, and SecurityMetrics accordingly accepts no liability to any third party in the event of loss or damage of any description caused by any failure in or breach of customer's security.



Nathan Bates – Security Analyst, CISSP, QSA, PA-QSA

7/25/2011

Date

SECURITYMETRICS™

## Part Two: Disaster Avoidance

InfoSend approaches the risk of technology failure or operational interruption via the following methodologies:

1. **Facilities Operate Under Capacity:** this ensures that each local facility can endure well above normal interruptions in labor force availability. Employees are cross-trained to provide coverage throughout the process of receivable transformation and delivery.
2. **Backup Generator:** InfoSend's corporate H.Q. leverages a backup generator in the event of extended power outages.
3. **Multiple Communication Lines:** InfoSend's headquarters utilize both wired and wireless lines, with seamless failover should an Internet provider have an outage.
4. **Server Virtualization:** InfoSend fully leverages server virtualization technology, ensuring any critical processes can be hardware agnostic and quickly cut over to other available hardware resources in the event of a failure.
5. **RAID, SAN, VPN Data Sync and Tape Backup:** InfoSend utilizes a combination of these methods to ensure real-time accuracy, redundancy and disaster-proof availability of data.
6. **Automated System Alerts and Employee Coverage:** InfoSend ensures that all systems are automatically monitored and reported on, with failures triggering emails and text messages to employee phones. Multiple employees are cross-trained in systems engineering and administration for around the clock coverage across all facilities.
7. **Documentation:** all systems and practices are documented both for internal training and reference, as well as to meet outside audit requirements in order to maintain compliances such as PCI DSS.
8. **Disaster Preparedness:** in the event of severe labor interruptions or physical premises becoming incapable of production due to external causes, InfoSend will utilize its Disaster Recovery site to continue operations.

### Data Center Technical Specifications

- Redundant data centers
- Multiple methods of secure data transmission are available to ensure that client data reaches InfoSend securely, quickly, and in whole
- Backup copies of all data files are made before processing
- Load balancing for high availability
- Highly scalable
- Terabytes of storage, all network storage uses RAID
- System monitoring with alerts sent to IT staff when potential issues arise
- UPS systems for battery backup
- Redundancy for all critical servers, switches, etc. Virtualization used to provide automatic backup and restoration of live operating systems.
- Firewall fail-over
- System scales horizontally so that additional processing power can be added quickly.
- 24/7/365 support for critical issues. After-hours answering service provided.
- System and facility capacity is constantly monitored and scaled to prepare for upcoming volume increases
- Each InfoSend facility has fiber optic Internet connections with a minimum of 10mb of bandwidth. The primary facility and corporate H.Q. uses a fiber optic Internet connection from AT&T and has a backup Covad wireless Internet connection.
- System architecture uses industry-standard security practices and a multi-layered security approach
- Data is backed up to tape, stored in a fireproof safe, and picked up by an enterprise tape vaulting service provider

- InfoSend is constantly evolving its best practices

### **Network Specifications**

- Secure Socket Layer (SSL) encryption on all web server connections, server authentication
- Client authentication for TCP/IP connections
- Firewalls blocking all traffic unless expressly permitted, no direct connections to the LAN
- Only authenticated users of InfoSend's intranet can access the LAN locally or remotely (via the VPN), two-factor authentication required for VPN access
- System attack attempts are monitored and directly reported to system administrators
- Limited access points due to tiered permission levels for InfoSend's CRM system, client data access points, storage drives, and networks. Each access point is guarded by separate firewalls
- Separation of firewalls and networks in order to isolate production network. Enterprise class firewalls are used to safeguard data, using a combination of the layer-3, layer-4, and layer-7 security technologies.
- Perimeter network security data/protection. HTTP, FTP, and SFTP networks located within networks behind secured servers.
- HTTP, FTP, and SFTP set application protocols and application filtering
- Continuous monitoring of web applications by InfoSend's system administrators, with automated notifications enable in the case of threat detection or web vulnerability
- Static and dynamic packet filtering
- Scheduled testing of InfoSend's systems
- Meets rigorous audit requirements
- Notifications from MacAfee, CERN, etc.
- Data transmission through SSL web uploads or FTP/SFTP with PGP encryption
- VPN system hardening
- External third-party security monitoring alerts InfoSend if there is a potential security risk.

## **Part Three: Disaster Recovery**

### **Introduction**

InfoSend understands the importance of business continuity. As client needs and expectations have evolved, so has InfoSend in the area of disaster recovery. InfoSend's Disaster Recovery Plan is designed to avoid problems that can potentially threaten InfoSend's service. InfoSend uses a multiple-facility approach to disaster recovery. Each of InfoSend's facilities operates under capacity to ensure that equipment failures or spikes in volume will be handled locally without issue.

The primary methods used in InfoSend's disaster recovery and contingency program are (1) Disaster Avoidance Measures, (2) Backup - to other systems and to tape (3) Fail-over and Restoration, and (4) Testing and Documentation.

The BillPrint and Mail and eServices platforms are hosted at both the primary and the disaster recovery locations. If a disaster takes the primary computer systems platform offline it can be run from the backup platform. InfoSend's custom Customer Relationship Management program, which contains detailed records of each client's implementation and support history, is also synced and stored in multiple locations.

Hundreds of clients depend on our platforms and staff to provide business-critical services. Our excellent client retention track record speaks to our system reliability and high-quality processing. While InfoSend has never had to implement a disaster recovery plan in a live environment, we place

great importance on maintaining and testing a successful disaster recovery strategy. Our knowledge of a strong disaster recovery strategy comes from testing, consultation with IT experts, and from years of research.

We are confident that we have the necessary measures in place to recover from a range of large-scale operational disruptions. We have two geographically positioned facilities providing full coverage across the United States.

## **Facilities**

### Corporate Headquarters

InfoSend's main production, programming, and executive offices are housed in its Anaheim, CA corporate headquarters facility. In April 2011 InfoSend moved its headquarters facility from Fullerton CA to its newly constructed Anaheim location. This enterprise-class H.Q. facility is a 60,000 sq. ft. building surrounded by roughly four acres of property, entirely secured by access-controlled gates. The property has enough space to create an InfoSend campus with almost unlimited room for production growth and additional office space. The significant investment in InfoSend's H.Q. move highlights the company's commitment to continuous improvement of capacity, security, disaster recovery, and growth.

InfoSend's Anaheim corporate H.Q. is located at the following address:

4240 E. La Palma Ave  
Anaheim, CA 92807

Mail pieces that are produced at 4240 E. La Palma Avenue in Anaheim are delivered to the main Post Office Hub of Anaheim, California, which is approximately two (2) miles from the facility.

### Midwest Facility

InfoSend's Midwest disaster recovery and production facility is located in Downers Grove, IL, situated just outside of Chicago. The Downers Grove production facility is fully staffed and equipped. This facility serves InfoSend's Midwest and Eastern clients, as well as provides disaster recovery support for our California clients. This InfoSend 25,000 sq. ft facility is located at:

1406 Centre Circle  
Downers Grove, Illinois 60515

## **Labor**

InfoSend's employees are cross-trained and can manage tasks that span the entire production process. At InfoSend's current size and capacity, operations can run normally with the absence of key personnel with no effect on production.

## Materials, Laser Printing, Mail Inserting

- InfoSend's standard envelopes are stored at each facility.
- Should you elect to use custom envelopes, an emergency supply of them can be kept in inventory at the appointed disaster recovery facility.
- InfoSend's standard forms (including the blank white form with a perforation) are stored at each facility.
- Should you elect to use custom forms, an emergency supply of them can be kept in inventory at the disaster recovery facility. The custom pre-printed form elements (e.g. logo, statement backer) can also be laser printed in grayscale onto white paper if the custom forms are not available.
- Cut-sheet production laser printers are actively in use at all facilities. The corporate H.Q. and Midwest Facility both have 2-color laser printing capabilities.
- Intelligent mail inserters (with mail piece integrity) are actively in use at all facilities.
- Each facility uses multiple printing and inserting production lines, each that operate independently of the others in the case of equipment maintenance or downtime.
- InfoSend's Job Tracking application logs where each batch is produced and can redirect individual jobs to other facilities on the fly if needed.

## Data Synchronization

InfoSend utilizes a secure VPN to ensure the primary data center is continually syncing backup data to the disaster recovery site. Server virtualization technology is also leveraged to ensure applications are hardware agnostic and can be configured and run at any of the InfoSend sites with little to no cutover time. All data is committed to tape backup and routinely taken offsite to a secure location.

Four separate backup methods are in place to protect data and assure systems are fully restored after a disaster of any type:

1. All servers are duplicated at the Disaster Recovery Facility. Data is automatically synched between the main facility and the Disaster Recovery Facility over a secure VPN.
2. Server data is backed up to tapes that are both stored in fireproof safes and taken off-site routinely.
3. The RAID system is used on all servers to ensure that data remains available in the event of a hard disk failure.
4. Network SAN systems are used that expand upon RAID by duplicating the entire network storage system to a redundant node with its own RAID.

## Facility Fail-Over and Restoration

Should one of InfoSend's facilities become inoperable due to a fire, natural disaster, etc. then facility fail-over measures will be used to produce the mail at the other facility. InfoSend's Anaheim headquarters will feature a diesel backup generator, ensuring continuous uptime in the event of a power outage. Data processing and system hosting will be moved to the disaster recovery facility from the primary facility. Documents can be printed and mailed from any of InfoSend's facilities. If facility fail-over is enacted, available labor resources will travel to the other facilities to help with the disaster recovery efforts. Should there ever be a case where one of InfoSend's facilities is impacted by a major disaster, the company has a travel and lodging contingency plan for necessary employees to travel to facility providing disaster recovery support.

If facility fail-over is enacted, then restoration of the affected facility will begin as soon as possible. All facilities have fire and theft insurance. Remote sales and technical staff working from home offices

can continue to work, should a facility go offline and will be available to help assist with the restoration efforts.

### **Testing and Documentation**

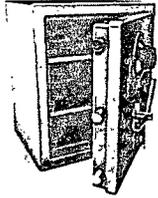
InfoSend's disaster recovery procedures are continuously improved. Documentation is regularly updated as necessitated by new requirements or changes to internal procedure or systems engineering.

## Attachment 3 – eBusiness Services

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### eBusiness Services

#### Advanced Security Features Common to all Services



All of the following services use an advanced platform architecture that maximizes security. InfoSend's electronic services use a three-tier architecture and all data passed to and from the system is encrypted using SSL. All credit card, debit card, and ACH account numbers are encrypted, and most importantly these services are all PCI compliant. **Minimize or eliminate your PCI liability by outsourcing your electronic payment applications to InfoSend.** If your organization stores, transmits, or processes credit card numbers you must follow PCI rules. If you have not already reviewed these rules please see <http://www.pcisecuritystandards.org> for the latest rules and regulations.

#### Online BillPay (EBPP)

- Full featured biller-direct EBPP service (Electronic Bill Presentment and Payment).
- InfoSend's flagship eBusiness service that gives your customers the ultimate flexibility over how to view and pay their bills.
- Customers self-enroll for the service and create a username and password to securely access their eBills and make payments.
- Multiple payment options include checking/savings account (ACH), and credit/debit cards.
- Payment accounts are stored as a Payment Profile for easy repetitive use.
- Go Green! Eliminate paper bills and reduce the fuel used to deliver them with paperless billing.
- Customers can view their eBills and view the account balance before making a payment.
- Customer-activated AutoPay and other features. *Request a demo of Online BillPay today!*

#### QuickPay (No Enrollment)

- This service can be used in addition to Online BillPay or as a stand-alone offering.
- Online payment portal that customers can use to make credit/debit card or ACH payments, depending on preferences.
- It is not necessary for customers to enroll to use this service. Customers validate their account number by entering it in addition to another identifier that is present on their bill.
- All payments are initiated immediately. There are no saved Payment Profiles or scheduled payments. Customers view their account balance before making a payment.

#### CSRPay

- This service can be purchased as an optional addition to each of the above services.
- This service gives your CSRs the ability to take live payments over the phone or in person.

#### Email eBilling

- Email only service that sends eBills to customers via email (no portal to view prior eBills).
- This is a partial solution that is normally utilized by clients who already have an online payment system but do not have the ability to email bills to customers.
- Emails can be sent to addresses that you provide. Additionally, a portal can be provided for the management of enrollment and email preferences.
- Service includes a styled HTML email template featuring your chosen banner image. Bill particulars such as Account Number, Due Date, and Amount due are contained in the email body.

- Includes a replica of your printed bill design attached as an eBill PDF. If InfoSend is your BillPrint & Mail provider then paperless billing can be provided to your customers.

## Online BillPay: Standard Features

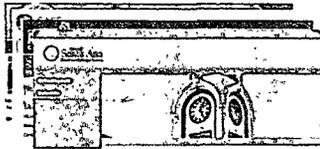
Online BillPay is InfoSend's flagship eBusiness service. The following features are all available as part of the base offering. Online BillPay is a biller-direct application that gives your customers access to view and pay their bills online without going through an online banking portal.

### Customer Self Enrollment



No need to collect or maintain customer email addresses. Customers start the enrollment process using their account number and one other validation field. They enter a current email address and confirm it by receiving an email and clicking on a link inside the message.

### Branding of Web Portal



InfoSend's clean, basic and modern Online BillPay Portal will be customized with your logo and banner at the top of the page. In addition to the logo and banner, any insert communications will be hosted on the site and available for the customer to view. In some scenarios the portal can be fully customized to match the exact look and feel of your website

(a higher setup fee and minimum volume requirements apply).

### Bill Presentment – Web Browser

InfoSend will use the PDF format to present eBills unless noted otherwise. Any browser that supports 128-bit or higher encryption and JavaScript can be used. This includes full-featured smart phone browsers like Safari on the iPhone.

### Bill Delivery Options



Increase paperless billing adoption by giving customers the option to have their full eBill "pushed" to them via email (not available for health care clients). Or the customer can elect to receive just a brief bill summary via email and download the entire bill from the secure web portal.

Offering customers the flexibility select push eBill delivery is one of InfoSend's core EBPP strengths and makes it convenient for customers to turn off paper billing. Automatic payment customers will not have to login to the web portal just to see their bills. Paperless billing can be required to enroll for EBPP, for AutoPay only, or not at all.

### Add Additional Accounts



Customers can associate multiple accounts with their user name to efficiently view and pay their bills. This feature is sometimes referred to as "house-holding". Customers can create multiple payment profiles and pay each account using a different payment method, all without having to log out and log back in as another user.

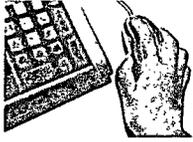
## Online BillPay: Standard Features Continued

### Automated Username/Password Retrieval



If a customer forgets their username or password they can have a temporary password sent to the email address on file in the eBusiness system. Your customer service department will not have to answer calls for this common request.

### One-Time Payments



Customers can pay immediately or schedule future payments. Real-time credit/debit card authorizations are performed. Customers can initiate payments as soon as they enroll – there is no need to wait for the next billing cycle. Convenience fee options exist if you do not wish to absorb the payment processing fees.

### Automatic Payments



Customers can self-enroll for automatic payments by activating the AutoPay feature located within the Online BillPay portal. Automatic payments are triggered by the due dates on your eBills. Once scheduled the automatic payments are reduced or cancelled, if necessary, by automatically processing a daily account balance file from your system.

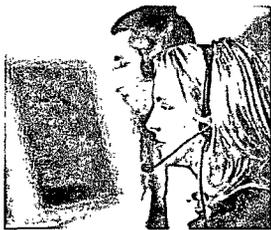
### Payment Types



You designate the payment types available to the customer. Accept checks electronically via ACH for a low-cost payment method that any customer can use.

All popular credit cards can be offered as well – Visa, MasterCard, Discover, and American Express. Utility clients can benefit from the special interchange fees that Visa and MasterCard offer for qualified Utility Discount transactions.

### Customer Service Portal



The CSR Portal gives your management and customer service representatives control over the EBPP service. It includes a tool to securely view and track open customer service requests. Your CSRs can view archived eBills and customer payment history.

Additionally you can elect to give CSRs access to initiate one-time or recurring payments on the customer's behalf.

## **QuickPay**

This is a cost effective service that provides customers with the ability to make an electronic one-time payment. It is not necessary to enroll to make a payment. All payments are taken immediately; they cannot be scheduled for the future as they can in Online BillPay.

This service can be configured to provide credit/debit card, ACH, or both types of payments. With QuickPay, customers enter their payment account each time they make a payment. Most clients only allow the credit/debit card option since the payment account must be typed in each time a payment is made in QuickPay and these payment types provide real-time validation of the payment account number and funds available. If you elect to offer ACH payments in the QuickPay portal then the routing number will be validated at the time of payment but the bank account number and available funds cannot be validated. Any ACH returns will be reported to you by InfoSend and include the billing account number associated with the payment (unless you utilize an online payment processor that does not support providing the ACH return information back to InfoSend electronically). These returns will also trigger an email to the customer indicating the payment failure.

By default QuickPay will require that customers enter an email address when making a payment. A payment confirmation email containing a confirmation ID will be sent to the customer. Your agents can use this ID number to look up the payment history for the transaction using the CSR Portal.

QuickPay is usually not sold as a stand-alone service; it is most often sold to existing InfoSend BillPrint & Mail clients or bundled with another eBusiness offering. QuickPay is especially helpful to clients who do not yet have a payment-enabled IVR channel for their customers to make telephone payments with, especially for after-hours payments. Convenience fee options exist if you do not wish to absorb the payment processing fees.

## **Email eBilling**

InfoSend's Email eBilling Service is comprised of two offerings, each of which enables customers to receive an email notification any time a new bill is available (this is not a portal to view prior eBills, see the Online BillPay service if you require a portal for viewing prior bills). Premium Email eBilling includes a web portal that your customers can use to sign up for Email eBilling and later change their preferences. Both versions include:

- Service includes a styled HTML email template featuring your chosen banner image. Bill particulars such as Account Number, Due Date, and Amount Due are contained in the email body.
- Includes a replica of the printed bill design attached as an eBill PDF. If InfoSend is your Print & Mail provider then paperless billing can be provided to your customers.
- Optionally include a link back to an online billing and/or payment portal.

**Email eBilling** - When using the standard Email eBilling service you or your billing software provider will need to provide the following information in your billing file or a separate file:

- Email address (required), paperless flag (optional), attachment flag (to indicate if a PDF replica of the bill should be attached, not required if you want the PDF attached for all or for none)

**Premium Email eBilling** – when the premium version of the service is utilized the Email eBilling instructions will not be needed. Instead of transmitting the above data to InfoSend your customers will self-manage their preferences. InfoSend will host a web portal that facilitates enrollment and changes to preferences.

**eBusiness Standard Offering: Detailed List of Features**

<u>Feature</u>	<u>Feature Description</u>	<u>Online BillPay</u>	<u>QuickPay</u>	<u>Premium Email eBilling</u>	<u>Email eBilling</u>
No Hardware or IT Costs	Use the Software as a service (SaaS) model, and let InfoSend host your billing portal. Realize cost savings on Day 1.	☑	☑	☑	☑
Secure Communications and Infrastructure	Utilizing industry best 3-tier architecture and SSL encryption for all web traffic, you and your customers are in safe hands.	☑	☑	☑	☑
PCI-DSS Certified	Level 1 PCI Certified (the strongest designation possible) platform and environment, taking your systems and personnel out of PCI scope.	☑	☑	☑	☑
Billing Cycle File Data Processing	InfoSend will process your billing cycle output to parse accounts and amounts due for customer access online.	☑		☑	☑
Paperless Billing	Customer ability to choose paperless billing, helping you realize major savings. If InfoSend is your print and mail vendor, the bills are excluded automatically from your print file. Otherwise, paperless status reports are shared on a daily basis.	☑		☑	☑
"Push" eBill	Ability to "push" bill via email to customer.	☑		☑	☑
Customer Service Portal (CSR Portal)	A portal design to assist with administering your application and providing your customers with support.	☑	☑	☑	
Branded Portal	InfoSend will add your logo, colors and information for a "branded" look and feel.	☑	☑	☑	
Customer Self-Enrollment	Customer ability to "enroll" for the online service	☑		☑	
Daily New Account and Account Balance Processing	InfoSend will process a daily export of your account list and balances (if biller system capable), allowing customers to see their most recent account balance prior to payment as soon as they enroll.	☑	☑		
One-Time Payments	Ability for customer to make a one-time payment on their account with payment methods of your choice (ACH, CC).	☑	☑		
Payment Reporting and Transfer	InfoSend standard delimited file for import into your billing system and transferred securely by desired method: secure FTP or secure portal download. <b>Custom file format incurs additional charges.</b>	☑	☑		
Archived Payment History	Archived payment history stored for your reference up to 18 months.	☑	☑		

**eBusiness Standard Offering: Detailed List of Features (cont.)**

<u>Feature</u>	<u>Feature Description</u>	<u>Online BillPay</u>	<u>QuickPay</u>	<u>Premium Email eBilling</u>	<u>Email eBilling</u>
ACH Return Report	Receive notification as soon as an ACH return is reported, allowing you to monitor potential delinquencies.	☑	☑		
Customer Service Payments	Ability for CSR reps to initiate payments from the Customer Service Portal.	☑	☑		
Username & Password	Customers pick a username and password to login and pay one or many accounts. Complete self-administration with "forgot username or password" functionality.	☑			
Email Notifications	Ability for customer to receive system generated emails for certain events: payment confirmation, payment failure (ACH return), and more.	☑			
Presentment of Bills	InfoSend will process your monthly output and present bills in a secure portal for enrolled customers.	☑			
Bill History	Customers will have access to 18 calendar months of bill history (assuming InfoSend has already processed this data), starting from enrollment date forward.	☑			
Customer Stored Payment Profiles	Ability for customer to store payment account on file for automatic or quick, 3-click one-time payments.	☑			
Recurring Payments (AutoPay)	Ability for customer to self enroll, and InfoSend to schedule automatic payments from chosen payment account each billing cycle for the amount due.	☑			
User "Subscription" Report	A daily, weekly or monthly report that provides full demographic data on your customers: email address, paperless preference and AutoPay setting.	☑			
Two-way, Secure Customer Service Communication Tool	Ability for customers to submit requests securely via the user portal to the CSR Portal. Ability for the CSR to reply securely, and "close" the request when resolved. Communications are archived forever as reference.	☑			

## Partnered Solutions: Current Technology Partner Services

InfoSend works with key partners to provide unique solutions that utilize the strengths of each partner. Our cooperative partnerships serve to provide InfoSend clients with benefits that complement existing InfoSend Data Processing, Print & Mail, and eBusiness services. Each partner has been thoroughly evaluated and tested in conjunction with InfoSend's service packages.

### PayNearMe Customer Cash Payment Solution



InfoSend, in conjunction with PayNearMe as its partner is offering an alternative cash payment channel to benefit billers with a high percentage of cash-based based customers. The InfoSend/PayNearMe partnership enables billers an efficient method of collecting cash payments from the approximate 60 million Americans not owning a bank account, credit or debit card – **at no additional cost to the biller.**

PayNearMe provides your customers with an easy way to pay for their bills using cash at any of over 8,300 retail locations including 7-Eleven and ACE Cash Express stores nationwide. Customers make cash payments by agreeing to pay a small convenience fee assessed at the time of the cash payment. Billers are not required to manage or collect the cash convenience fee, and InfoSend supports full reporting functions.

- Enrolled billers must utilize InfoSend's Data Processing, Print & Mail service to qualify for the bundled solution. Bills can be redesigned to accommodate PayNearMe's barcode specifications used by the POS system at participating retailers.
- PayNearMe can be used in addition to Online BillPay and/or QuickPay to give customers a cash payment channel as an alternative to electronic payment channels.
- Utilizing PayNearMe service is available for InfoSend clients at no additional service cost. Customers making cash payments through PayNearMe do so by paying a small convenience fee along with their cash payments.
- No risk – Funds are guaranteed by PayNearMe upon receipt of cash payment at a participating retailer.

### Integrated Voice Response Partners

Integrated Voice Response (IVR) is a service that utilizes telephone channels for incoming payments. The IVR service can be purchased as an optional addition to the Online BillPay or QuickPay services. This service provides billers with a way to automate inbound balance inquiries and telephone payment calls.

**Tele-Works IVR:** InfoSend has teamed with Tele-Works to provide clients with leading edge IVR solutions that fully integrate into our bill payment solutions. With over 120 utility IVR solutions deployed today, Tele-Works is the leading provider of interactive voice response (IVR) systems for utilities in North America. Tele-Works delivers leading-edge IVR technology that can be affordably deployed in either a hosted or on-premise solution, and Tele-Works ePayment Module is fully PCI compliant (PA-DSS certified). Tele-Works' strong experience with utilities, PCI compliance status, leading-edge technology, and affordable pricing, make them the ideal teaming partner that can deliver a quality, reliable, and full-featured IVR solution for InfoSend clients. Teleworks IVR integrates for payment processing of transaction initiated through the IVR to many of the top payment processors in the country today, as well as to EPX who is a premier payment processing partner as explained below.

## **Payment Processing Partners**

**EPX:** Electronic Payment Exchange (EPX) is our integrated direct payment processor. In other words, EPX processes payments for a majority of our eBusiness clients directly from credit card companies and the Fed without going through other backend systems. They are a direct processor, thereby allowing some of the lowest processing rates in the marketplace for InfoSend clients, including ensuring credit card processing under the Utility Discount Rate if this is advantageous and available to you. EPX is a Level 1 PCI DSS certified processor with two secure data centers: one in Phoenix and one in Delaware. EPX also offers and utilizes in conjunction with InfoSend's service their patented "BRIC" secure encrypted tokenization technology, which completely hides and firewalls the financial vehicle information of your customer. EPX currently serves over 30 of InfoSend's eBusiness clients under this model.

**PaymentVision:** PaymentVision is InfoSend's integrated direct payment Gateway partner. They act as a gateway and integrate to many of the top and second tier banks and processor around the country, thereby allowing billers to continue to keep merchant accounts with their current processors at the current negotiated price. PaymentVision is a Level 1 PCI DSS certified processor with two secure data centers. They also utilize secure encrypted tokenization technology that completely hides and firewalls the financial vehicle information of your customer.

## **Acknowledgement of Addenda**

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InfoSend has received and reviewed the solicitation amendment #1, dated July 19, 2012. Also, we have received the question and answer document provided from the pre-bid meeting on July 18, 2012.

**SPECIAL TERMS AND CONDITIONS**

**CON-12-2155**

**N/A**

**END OF SPECIAL TERMS AND CONDITIONS**

**SCOPE OF WORK**

**CON-12-2155**

**END OF SCOPE OF WORK**

**PRICE/FEE SCHEDULE**

**CON-12-2155**

**END OF PRICE/FEE SCHEDULE**

**REVISED FEE SCHEDULE (7-18-12)**

**OP 12-2155**

**Offeror shall provide pricing for the following:**

**SERVICE      Per Image**

Converted from:

Laser Impression Black.....	<u>\$0.047</u>
Data Processing.....	<u>\$included</u>
Folding .....	<u>\$included</u>
Inserting .....	<u>\$included</u>
Additional Inserts (1, return envelope).....	<u>\$included</u>
Zip +4 lookup.....	<u>\$included</u>
Metering.....	<u>\$included</u>
<b>Sub-Total .....</b>	<b><u>\$0.047</u></b>

**ADDITIONAL POTENTIAL SERVICES      Per Piece**

Additional Marketing pieces inserted into all accounts.....	<u>\$0.005</u>
Additional Marketing pieces inserted selectively .....	<u>\$0.005</u>
Manual Insert-7 plus page accounts.....	<u>\$0.40</u>

Includes bill packages containing 8 or more pages. These are taken offline and manually inserted into flat envelopes. This surcharge includes batching/collating bills, manual labor and the 9 x 12 envelope.

**POSTAGE Per Mailing**

CASS and PAVE Certification/Presort-First Class Presort .....\$0.35<sup>00</sup> *AB*  
**Sub-Total** .....\$ 0.35

**PROGRAMMING (One time fee)**

Initial Development .....\$ Waived  
**Sub Total**.....\$ 0

**CUSTOM STOCK**

**Paper Stock**

Laser 8½ x 11, 20# laser bond white,  
remittance perforated, per printed black single side per 1000 .....\$ 13.00  
Laser 8½ x 11, 20# laser bond white per 1000 .....\$ 13.00

**Envelope Stock**

#10 Window, 1 color printing per1000.....\$ 16.00  
#9 return envelope, 1 color printing per 1000.....\$ 13.00  
9x12 double window envelope (excess accounts) ea.....\$ 0.16  
Included in oversize bill surcharge.

**Sub Total (Paper and Envelope Stock)**.....\$ 42.00/M or \$0.042  
per bill package.

**Utility Bill PDF Archiving and E Mail Notification to Customers**

**ARCHIVING**

Initial ingestion and PDF conversion of bills (Per Image) .....\$ included with ebilling  
Online storage of image (Per Image).....\$ included with ebilling  
**Sub Total**.....\$ 0

**E-PRESENTATION TO CUSTOMERS**

Email Notification sent (Per Customer).....\$0.035

**Sub Total**.....\$ 0.035

**INITIAL DEVELOPMENT**

Onetime fee once all processes/requirements are known .....\$ see options below

**Sub Total**.....\$ see options below

**State Tax** .....\$ 0

**Local Tax (if applicable)**.....\$ N/A

Summary of E-presentation options:

Option 1 - Premium Email Billing

\$700 one-time development fee

\$50 per month for portal maintenance

\$0.035 per emailed notification

description of service in Scope of Services

*City elects to award Option 2 AB*

Option 2 - Online Bill Presentment/Click2Gov

\$1,750 - one time set up fee

\$150 - monthly maintenance

\$0.035 - per emailed notification

Description of service in Scope of Work section

Bill Print/production Summary:

price for data processing, CASS, pre-sort, laser imaging, fold/insert, form, envelopes, mail prep and delivery to the USPS for single bill package is \$0.089.

**END OF FEE SCHEDULE**



**BUSINESS LIABILITY COVERAGE FORM**

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization**

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- (1) In the performance of your ongoing operations for the additional insured(s); or
- (2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury", "property damage" or "personal an advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (1) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (2) Supervisory, inspection, architectural or engineering activities.

**10. Additional Insured – Co-Owner Of Insured Premises**

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

**G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS**

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
- b. An interactive conversation between or among persons through a computer network.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

**BUSINESS LIABILITY COVERAGE FORM**

This Paragraph f. applies separately to you and any additional insured.

**3. Financial Responsibility Laws**

- a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

**4. Legal Action Against Us**

No person or organization has a right under this Coverage Form:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

**5. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom a claim is made or "suit" is brought.

**6. Representations****a. When You Accept This Policy**

By accepting this policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and

- (3) We have issued this policy in reliance upon your representations.

**b. Unintentional Failure To Disclose Hazards**

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

**7. Other Insurance**

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

**b. Excess Insurance**

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

**(1) Your Work**

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

**(2) Premises Rented To You**

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

**(3) Tenant Liability**

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

**(4) Aircraft, Auto Or Watercraft**

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **A.** – Coverages.

**(5) Property Damage To Borrowed Equipment Or Use Of Elevators**

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **A.** – Coverages.

**(6) When You Are Added As An Additional Insured To Other Insurance**

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

**(7) When You Add Others As An Additional Insured To This Insurance**

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

**(a) Primary Insurance When Required By Contract**

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

**(b) Primary And Non-Contributory To Other Insurance When Required By Contract**

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

**BUSINESS LIABILITY COVERAGE FORM**

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**8. Transfer Of Rights Of Recovery Against Others To Us****a. Transfer Of Rights Of Recovery**

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

**b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)**

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

## **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
8/30/2012

PRODUCER (562) 493-3521 FAX: (562) 430-5300  
 Alandale Insurance Agency  
 11022 Winners Circle, Ste. 100  
 Los Alamitos CA 90720

INSURED  
 INFO SEND, INC.  
 4240 E LA PALMA AVE  
 ANAHEIM CA 92807

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Sentinel Insurance Company	11000
INSURER B: Hartford Underwriters Ins Co	30104
INSURER C: Twin City Fire Ins Co	002235
INSURER D: Landmark American Ins. Co	33138
INSURER E:	

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	72SBAZB7916	2/24/2012	2/24/2013	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B X	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	72UECP3966	2/18/2012	2/18/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
A	EXCESS / UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	72SBAZB7916	2/24/2012	2/24/2013	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$ \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under SPECIAL PROVISIONS below	72WECLU6992	2/1/2012	2/1/2013	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A D	OTHER Employee Dishonesty Errors & Omissions	72SBAZB7916 LCY819845	2/24/2012 12/1/2012	2/24/2013 12/1/2013	Limit \$25,000 Limit \$1,000,000 Deductible \$5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 Certificate holder is named as additional insured as their interest may appear and coverage is primary/non contributory when required by contract per attached endorsement #SS0008. \*10 days notice of cancellation for nonpayment of premium  
 CON-12-2155

## CERTIFICATE HOLDER

Goodyear  
 Finance Department Procurer  
 190 North Litchfield Road  
 P.O. Box 5100  
 Goodyear, AZ 85338

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE  
 Stacy Marshall/STACYM



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
2/15/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> <b>Alandale Insurance Agency</b> <b>11022 Winners Circle, Ste. 100</b>  <b>Los Alamitos CA 90720</b>		<b>CONTACT NAME:</b> Stacy Marshall <b>PHONE (A/C, No. Ext):</b> (562) 493-3521 <b>FAX (A/C, No):</b> (562) 430-5300 <b>E-MAIL ADDRESS:</b> stacy@alandale.com	
<b>INSURED</b> <b>INFO SEND, INC.</b> <b>4240 E LA PALMA AVE</b>  <b>ANAHEIM CA 92807</b>		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Sentinel Insurance Company LTD <b>NAIC #</b> 11000 <b>INSURER B:</b> Hartford Insurance Co. <b>00914</b> <b>INSURER C:</b> Landmark American Insurance Co <b>33138</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

**COVERAGES**

CERTIFICATE NUMBER: Master 13-14

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	X		72SBAZB7916	2/24/2013	2/24/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	X		72UECPE3966	2/18/2013	2/18/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Medical payments \$ 5,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED RETENTION \$			72SBAZB7916	2/24/2013	2/24/2014	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	72WECLU6992	2/1/2013	2/1/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Employee Dishonesty			72SBAZB7916	2/24/2013	2/24/2014	Limit \$25,000
C	Errors & Omissions			LCY819845	12/1/2012	12/1/2013	Limit/Ded \$5,000 \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 Certificate holder is named as additional insured as their interest may appear and coverage is primary/non contributory when required by contract per attached endorsement #SS0008. \*10 days notice of cancellation for nonpayment of premium

**CERTIFICATE HOLDER****CANCELLATION**

<b>Goodyear</b> <b>Finance Department Procurer</b> <b>190 North Litchfield Road</b> <b>P.O. Box 5100</b> <b>Goodyear, AZ 85338</b>	<b>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</b>  <b>AUTHORIZED REPRESENTATIVE</b>  Stacy Marshall/STACYM
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**BUSINESS LIABILITY COVERAGE FORM**

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization**

a. WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- (1) In the performance of your ongoing operations for the additional insured(s); or
- (2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury", "property damage" or "personal an advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (1) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (2) Supervisory, inspection, architectural or engineering activities.

**10. Additional Insured – Co-Owner Of Insured Premises**

WHO IS AN INSURED under Section **C.** is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section **D.** – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E.** – Liability And Medical Expenses General Conditions.

**G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS**

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

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- (3) Billboard;
- (4) Magazine;
- (5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or

b. An interactive conversation between or among persons through a computer network.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

**BUSINESS LIABILITY COVERAGE FORM**

This Paragraph **f.** applies separately to you and any additional insured.

**3. Financial Responsibility Laws**

- a.** When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b.** With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

**4. Legal Action Against Us**

No person or organization has a right under this Coverage Form:

- a.** To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b.** To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

**5. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- a.** As if each Named Insured were the only Named Insured; and
- b.** Separately to each insured against whom a claim is made or "suit" is brought.

**6. Representations****a. When You Accept This Policy**

By accepting this policy, you agree:

- (1)** The statements in the Declarations are accurate and complete;
- (2)** Those statements are based upon representations you made to us; and

- (3)** We have issued this policy in reliance upon your representations.

**b. Unintentional Failure To Disclose Hazards**

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

**7. Other Insurance**

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

**b. Excess Insurance**

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

**(1) Your Work**

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

**(2) Premises Rented To You**

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

**(3) Tenant Liability**

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

**(4) Aircraft, Auto Or Watercraft**

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **A.** – Coverages.

**(5) Property Damage To Borrowed Equipment Or Use Of Elevators**

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **A.** – Coverages.

**(6) When You Are Added As An Additional Insured To Other Insurance**

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

**(7) When You Add Others As An Additional Insured To This Insurance**

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

**(a) Primary Insurance When Required By Contract**

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

**(b) Primary And Non-Contributory To Other Insurance When Required By Contract**

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1)** The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2)** The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**8. Transfer Of Rights Of Recovery Against Others To Us****a. Transfer Of Rights Of Recovery**

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

**b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)**

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

## **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Tiffany Antol, Planning Development Manager  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014



---

**TITLE:**

**Consideration and Adoption of Ordinance No. 2014-06:** An ordinance amending the official Zoning Map for a parcel of approximately 0.16 acres of land located at 515 North San Francisco Street, aka the Yeager House, by adding a Landmarks Overlay district designation ("LO") to the existing Single-Family Residential Neighborhood ("R1N") zoning classification. ***(For the purpose of strengthening cultural and historical features)***

**RECOMMENDED ACTION:**

- 1) Read Ordinance No. 2014-06 by title only for the final time
- 2) City Clerk reads Ordinance No. 2014-06 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2014-06

**Policy Decision or Reason for Action:**

The Flagstaff Planning and Zoning Commission conducted a Public Hearing to consider this Zoning Map Amendment request at its regular meeting on January 8, 2014. The Planning Commission voted (5-0) to forward the request to the City Council with a recommendation of approval. Zoning Map amendments are required to be adopted by ordinance.

**Financial Impact:**

None

**Connection to Council Goal:**

Effective governance

**Has There Been Previous Council Decision on This:**

A Public Hearing was held by the City Council at their February 4, 2014, Council Meeting, and the ordinance was read by title only for the first time.

**Options and Alternatives:**

The City Council may approve the ordinance as proposed, approve the ordinance with conditions, or deny the ordinance.

**Background/History:**

The justification for the Landmark Overlay is rooted in adherence to national standards that define when a property or structure is of cultural significance. This structure meets specific criteria such as being listed on the National Register of Historic Places, is associated with an important individual in the agricultural (sheep herding) and political annals of our State, exhibits distinctive characteristics of type in the region, and one that is likely to yield important archaeological research. For an extended background and interesting, detailed history of the structure and how it eventually became the Yaeger House, see the Introduction/Background section of the Planning and Zoning Commission Zoning Map Amendment Staff Report, dated December 20, 2013 (meeting date January 8, 2014), a copy of which is attached, for the Background/History discussion.

**Key Considerations:**

Zoning Map amendments are adopted by the City Council via ordinance. Ordinance No. 2014-06 changes the Zoning Map designation of 0.16 acres to add the Landmarks Overlay (LO) zone to the existing Single-Family Residential Neighborhood (R1N) zone.

**Expanded Financial Considerations:**

None

**Community Benefits and Considerations:**

Community benefits and considerations related to this Zoning Map Amendment request are addressed in the attached Planning and Zoning Commission Zoning Map Amendment Staff Report, dated December 20, 2013.

**Community Involvement:**

Inform/Consult

All property owners within 300-feet of the subject property were notified via mail of the Zoning Map Amendment and asked to attend the November 20, 2013 Heritage Preservation Commission (HPC) meeting. Additionally, a notice which discussed the Zoning map Amendment and identified the HPC meeting as a venue for discussion, was run in the Daily Sun. No one from the public attended the HPC meeting other than the applicant to make comment on the Zoning Map Amendment. Those meeting minutes are attached.

The Planning and Zoning Commission conducted a Public Hearing on January 8, 2014. Notice of that Public Hearing was provided in accordance with State statute and the Zoning Code. Prior to the hearing, staff received one phone call and one in-office visit from adjacent property owners asking for additional information about the Zoning Map Amendment. At the Planning and Zoning Commission meeting, no one from the public spoke on this case. This meeting may be viewed on the Internet utilizing the following link: <http://flagstaff.az.gov/index.aspx?NID=1461>.

**Expanded Options and Alternatives:**

- (Recommended Action): The City Council may approve the Zoning Map Amendment as recommended by the Planning and Zoning commission and staff by reading and adopting Ordinance No. 2014-06.
  - The City Council may approve the Zoning Map Amendment with conditions of approval.
  - The City Council may deny the Zoning Map Amendment.
-

**Attachments:**

Ord. 2014-06

P&Z Commission Staff Report with attachments

Draft Planning & Zoning Commission Minutes 1/8/2014

**ORDINANCE NO. 2014-06**

**AN ORDINANCE OF THE FLAGSTAFF CITY COUNCIL AMENDING THE FLAGSTAFF ZONING MAP DESIGNATION OF APPROXIMATELY 0.16 ACRES OF LAND LOCATED AT 515 NORTH SAN FRANCISCO STREET BY ADDING A LANDMARKS OVERLAY DISTRICT DESIGNATION (“LO”) TO THE EXISTING SINGLE-FAMILY RESIDENTIAL NEIGHBORHOOD (“R1N”) ZONING CLASSIFICATION**

**RECITALS:**

WHEREAS, Jacqita Bailey (“Owner”) is the owner of approximately 0.16 acres of land in the City of Flagstaff, Coconino County, Arizona, currently zoned R1N, located at 515 North San Francisco Street and specifically described and depicted in attached Exhibit “A,” incorporated herein by this reference (“Property”); and

WHEREAS, pursuant to Flagstaff Zoning Code Division 10-30.30, et seq., an application (“Application”) has been submitted by the Heritage Preservation Commission (“Applicant”), acting on behalf of the Owner, to amend the Zoning Map classification of the Property by adding an LO designation to the existing R1N classification; and

WHEREAS, the use of the Property as a garage with residential quarters, beginning in 1908, was a significant moment in Flagstaff history, as it was one of the first automobile garages within the community and, even more rare, had attached living quarters. The Property is associated with significant figures in Flagstaff history, including members of the Yeager family. In addition, the Federal Government has acknowledged the historic significance of this building by including it on the National Register of Historic Places; and

WHEREAS, pursuant to Flagstaff Zoning Code Section 10-30.30.050.B, the Property meets the established criteria for amending the Zoning Map classification of a property to the LO designation; and

WHEREAS, on November 20, 2013, the Historic Preservation Commission, having considered the Application, the recommendation of the City’s Historic Preservation Officer, and the testimony of the public, unanimously passed a motion recommending that the City Council add the LO designation to the Property; and

WHEREAS, on January 8, 2014, the Planning and Zoning Commission, having considered the recommendation of the Historic Preservation Commission and the testimony of the public, passed a motion recommending that the City Council amend the Zoning Map classification of the Property by adding an LO designation to the existing R1N zoning classification; and

WHEREAS, the City Council has considered the recommendation of the Historic Preservation Commission and the Planning and Zoning Commission, and the public testimony presented to those bodies; and

WHEREAS, the City Council has considered the Application and the staff summary prepared by the Community Development Division, and finds that the proposed amendment will not be detrimental to the uses of adjoining parcels or to other uses within the vicinity of the Property; and

WHEREAS, the City Council finds that, in accordance with A.R.S. Section 9-462.01(F), the proposed amendment is consistent with and conforms to the Flagstaff Area Regional Land Use and Transportation Plan.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. That the Flagstaff Zoning Map designation of approximately 0.16 acres of real property located at 515 North San Francisco Street, and specifically described and depicted in Exhibit "A," be amended by adding an LO designation to the existing R1N classification.

SECTION 2. Pursuant to Flagstaff Zoning Code Section 10-30.30.040.B, it is ordered that the Property be shown on the Official City of Flagstaff Zoning Map with the zoning designation of Landmarks Overlay (LO).

SECTION 3. That, prior to the City Council's final adoption of this Ordinance, the Owner shall execute an Agreement for the Waiver of Claims for Diminution of Value of Property with the City of Flagstaff, as authorized by Arizona Revised Statutes Section 12-1134(I).

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

**PLANNING AND DEVELOPMENT SERVICES REPORT**  
**ZONING MAP AMENDMENT**

**PUBLIC HEARING**  
**PREZ 2013-0003**

**DATE:** December 20, 2013  
**MEETING DATE:** January 8, 2014  
**REPORT BY:** Tiffany Antol

**REQUEST:**

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner Jacqita Bailey, for approximately 0.16 acre located at 515 N. San Francisco Street to add Landmarks Overlay (LO) Zone to the existing zoning classification of Single-Family Residential Neighborhood (R1N) Zone.

**STAFF RECOMMENDATION:**

Staff recommends the Planning and Zoning Commission forward the Zoning Map amendment to the City Council with a recommendation for approval.

**PRESENT LAND USE:**

Single-family residence.

**PROPOSED LAND USE:**

No modifications are proposed.

**NEIGHBORHOOD DEVELOPMENT:**

North: Single-family residences; High Density Residential (HR) Zone  
East: Single-family residence; Single-Family Residential Neighborhood (R1N) Zone  
South: Single-family residence; Single-Family Residential Neighborhood (R1N) Zone  
West: Single-family residence; Single-Family Residential Neighborhood (R1N) Zone

**REQUIRED FINDINGS:**

**STAFF REVIEW.** An application for a Zoning Map amendment shall be submitted to the Planning Director and shall be reviewed and a recommendation prepared. The Planning Director's recommendation shall be transmitted to the Planning Commission in the form of a staff report prior to a scheduled public hearing. The recommendation shall set forth whether the Zoning Map amendment should be granted, granted with conditions to mitigate anticipated impacts caused by the proposed development, or denied; and shall include an evaluation of the consistency and conformance of the proposed amendment with the goals of the General Plan and any applicable specific plans; and a recommendation on the amendment based on the standards of the zones set forth in Section 10-40.20 "Establishment of Zones" of the Zoning Code (Page 40.20-1).

**FINDINGS FOR REVIEWING PROPOSED AMENDMENTS.** All proposed amendments shall be evaluated as to whether the application is consistent with and conforms to the goals of the General Plan and any applicable specific plans; and the proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City of Flagstaff (the "City") and will add to the public good as described in the General Plan; and the affected site is physically suitable in terms of design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle access, public services, and utilities to ensure that the requested zone designation and the proposed or anticipated uses and/or

development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located. If the application is not consistent with the General Plan and any other applicable specific plan, the applicable plan must be amended in compliance with the procedures established in Chapter 11-10 of the City Code (Title 11: General Plans and Subdivisions) prior to considering the proposed amendment.

**STAFF REVIEW:**

**Introduction/Background**

The Applicant, the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner Jacqita Bailey, is requesting a Zoning Map amendment for approximately 0.16 acres located at 515 N. San Francisco Street to the Landmarks Overlay (LO). An overlay zone is a special zoning district placed over an existing zoning district, part of a district, or a combination of districts. Overlay zones build on the underlying zoning, by establishing additional requirements. In this case the overlay zone would be in addition to the existing Residential Single Family Neighborhood (R1N) Zone.

The site is known as the “Yeager Residence - Outbuilding”. The structure was constructed in 1908 at its current location as an accessory building for Harlow Yeager who had a residence at 15 E. Fine Avenue. The structure was later converted to quarters for the chauffeur, and then later served as Harlow’s home. This site is listed on the National Register of Historic Places as a contributing structure in the North End Residential National Register Historic District.

At its meeting of November 20, 2013 the City’s Heritage Preservation Commission reviewed this proposal and unanimously recommended that the City Council approve this rezoning request. Attached to this report are copies of the HPC report and minutes.

**Proposed Development Concept Plans**

No new development is proposed as part of this application.

**General Plan – Flagstaff Area Regional Land Use and Transportation Plan**

The proposed Zoning Map amendment meets several policies of the Flagstaff Regional Land Use and Transportation Plan. Specifically, the plan calls for greater efforts at heritage preservation and for the preservation of Flagstaff’s existing traditional neighborhoods. The following RLUTP policies are relevant to this application:

***Policy CD2.4 - Preserve Cultural and Historic Resources***

“The quality of life in the Flagstaff area shall be enhanced by the preservation of historic resources and inclusion of heritage in the development of the city and region. Historic buildings shall be considered for preservation and reused to provide a sense of connection with the past.” (Regional Plan, Page 5-5)

***Policy CD2.7 – Protect the Character, Quality, Historic and Architectural Patterns of the Historic Districts and Other Neighborhoods.***

“The planning and design of changes to neighborhoods should respect traditions, identifiable styles, proportions, shapes, streetscapes, relationships between buildings and yards and roadways; use historically appropriate and compatible building and structure materials for the historic district.” (Regional Plan, Page 5-8)

***Policy CD2.8 – Promote Restoration of Historic Buildings, Sites and Districts.***

“Preserve and improve the quality of housing and other buildings, structures and neighborhoods through their restoration and rehabilitation.” (Regional Plan, Page 5-8)

***Policy CD2.9 – Collaborate with Residents to Stabilize, Protect and Improve Historic Districts and Other Neighborhoods While Maintaining Affordability and Viability.***

“Involve residents in the process of planning and obtaining financial and technical assistance for the protection, stabilization, affordability and viability of their neighborhoods.” (Regional Plan, Page 5-8)

***Policy NCRI.10 – Protect Archeological and Cultural Resources.***

“Historical, archeological, and cultural resources shall be identified and preserved through restoration or adaptive reuse, as links between past, present and future generations.” (Regional Plan, Page 6-6)

The Landmarks Overlay (LO) Zone implements all of the above noted policies within the current General Plan. The primary intention of this overlay is to preserve cultural and historic resources. Applying the Landmarks Overlay (LO) Zone to the subject property will provide specific guidelines for preservation of the site and will require an additional level of oversight through the Heritage Preservation Commission. This Zoning Map amendment application is a collaboration between the Heritage Preservation Commission and the property owner to achieve the preservation goals of this community.

**Zoning – City of Flagstaff Zoning Code**

The requirements of the Landmarks Overlay (LO) Zone are intended to promote the preservation and unique character of all structures within the zone. Properties within the Landmarks Overlay (LO) Zone are subject to the Landmark Design Review Overlay District Design Standards and Guidelines and design review by the Heritage Preservation Commission. The subject property currently has Single Family Residential Neighborhood (R1N) Zoning. The Landmarks Overlay (LO) Zone does not change the requirements of the underlying zoning but does change the architectural design standards for which any development on site would need to meet. If there is any conflict between the requirements of the Landmarks Overlay and the requirements of the underlying zoning district, the requirements of the Landmarks Overlay (LO) Zone shall control.

**PUBLIC SYSTEMS IMPACT ANALYSIS:**

**Traffic and Access**

No analysis is required.

**Water and Wastewater**

A water and sewer impact analysis has not been required by staff. This site currently is served by both City utility systems. No modifications to the current services are proposed.

**Stormwater**

No stormwater improvements have been required.

**Parks and Recreation**

This Zoning Map amendment is not anticipated to have any impact to the City’s parks or recreation systems.

**OTHER REQUIREMENTS:**

**Resources**

The subject property is not located within the Resource Protection Overlay (RPO) Zone as defined by Section 10-50.90.020.A of the Zoning Code (Page 50.90-2). Further, this application does not anticipate any physical modifications to the existing structure or site. No impact to resources is anticipated.

**Citizen Participation**

All property owners within 300-feet of this site were notified via mail of the zoning map amendment and asked to attend the November 20, 2013 HPC meeting. Additionally, a notice was run in the Daily Sun, which discussed the zoning map amendment and identified the HPC meeting as a venue for discussion. No one from the public attended the meeting other than the applicant to make comment on the zoning map amendment. Those meeting minutes are attached.

**DISCUSSION:**

The application of the Landmarks Overlay (LO) Zone to the subject property adds an additional layer of preservation requirements and review for all development. The intention of the zone is to recognize, preserve and enhance attributes having historic, architectural, archeological, cultural or aesthetic significance. Section 10-30.30.040.B.2.a of the Zoning Code states that "an individual property...may be designated as a Landmark if it is significant... and the Development Standards and Guidelines of the Landmarks Overlay Zone are applicable." Section 10-30.30.050.B.1 of the Zoning Code defines a cultural resource significant if it is eligible for the National Register of Historic Places. The Yeager Residence-Outbuilding was listed on the National Register as a contributing property to the North End Residential National Register Historic District. A full detail of how this site meets the standards of significance can be found in the attached Heritage Preservation Commission report dated July 22, 2013.

**RECOMMENDATION:**

Staff believes that the proposed Zoning Map amendment has been justified and would recommend in favor of amending the Zoning Map for 0.16 acre to the Landmarks Overlay (LO) Zone in addition to the existing Single-Family Residential Neighborhood (R1N) Zone.

**ATTACHMENTS**

- Zoning Map Amendment Application
- Current City of Flagstaff Zoning Map
- HPC Staff Report
- HPC minutes, of November 20, 2013
- Public Hearing Legal Advertisements
- Citizen Participation Plan Waiver



# City of Flagstaff

# Community Development Division

211 W. Aspen Ave  
 Flagstaff, AZ 86001  
 www.flagstaff.az.gov

P: (928) 213-2618  
 F: (928) 213-2609

**PREZ/PGM**

<b>Date Received</b> <span style="color: red; font-size: 1.2em;">DEC 09 2013</span>	<b>Application for Zoning Map Amendment and/or Regional Plan Amendment</b>	<b>File Number</b> <span style="font-size: 1.2em; color: blue;">DEV13-053</span>
<b>Property Owner(s)</b> Jacqita Bailey	<b>Title</b>	<b>Phone</b> 779-3180
<b>Mailing Address</b> 515 N. San Francisco Street		<b>City, State, Zip</b> Flagstaff, AZ 86001
<b>Applicant(s)</b> CoF - Heritage Preservation Commission	<b>Title</b>	<b>Phone</b> 213-2969
<b>Mailing Address</b> 211 W. Aspen Avenue		<b>City, State, Zip</b> Flagstaff, AZ 86001
<b>Project Representative)</b> Karl Eberhard	<b>Title</b> HPO	<b>Phone</b> 213-2969
<b>Mailing Address</b> 211 W. Aspen Avenue		<b>City, State, Zip</b> Flagstaff, AZ 86001
<b>Requested Review</b> <input checked="" type="checkbox"/> Zoning Map Amendment <input type="checkbox"/> Regional Plan Amendment <input type="checkbox"/> Continued		

<b>Site Address</b> 515 N. San Francisco Street	<b>Parcel Number(s)</b> 101-09-006B	<b>Subdivision, Tract &amp; Lot Number</b> North End Addition
<b>Existing Zoning District</b> <del>R1N</del> R1H	<b>Proposed Zoning District:</b> R1N w/ LO	<b>Existing Regional Plan Land Use Category</b>
<b>Existing Use</b>		<b>Proposed Use</b>
<b>Property Information:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Located in an existing Local/National Historic District? (Name: North End Addition) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Existing structures are over 50 years old at the time of application? <input type="checkbox"/> Yes <input type="checkbox"/> No Subject property is undeveloped land?	
<b>Requested Urban Growth Boundary Change (If Applicable)</b>	<b>State Reason for Request</b> Preservation of the property.	

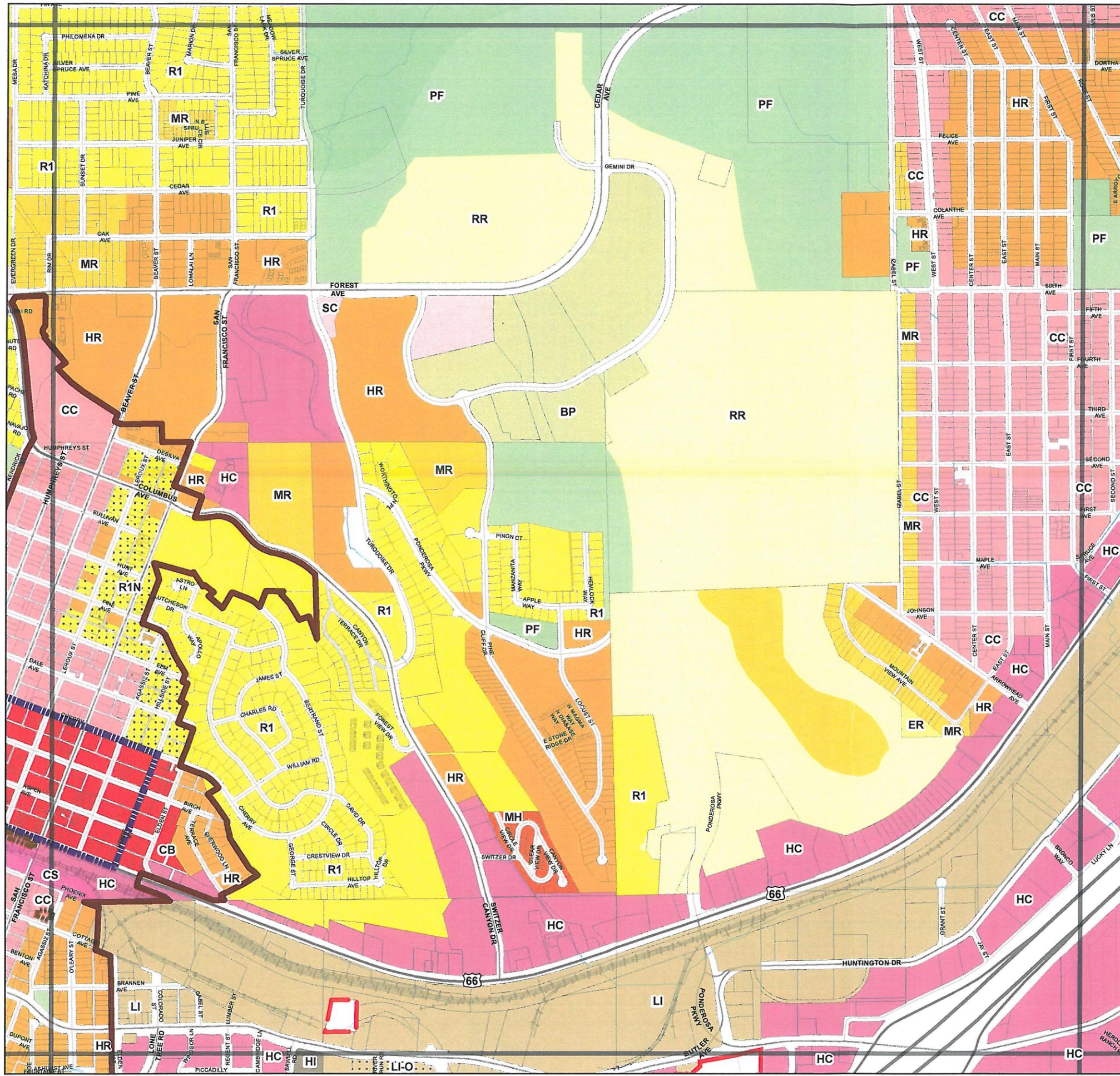
**Note:** Indicate how the change of zone will not be detrimental to the majority of persons or properties in the surrounding area, or to the community in general. If modification to the Regional Plan is requested, clearly state reason(s) for modification. (Attach separate sheets as necessary). **Incomplete submittals will not be scheduled.**

<b>Property Owner Signature(required)</b> <i>Jacqita Bailey</i>	<b>Date:</b> 12-6-13	<b>Applicant Signature</b> <i>[Signature]</i>	<b>Date:</b> 12/6/13
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For City Use			
<b>Date Filed:</b>	<b>File Number(s):</b> <span style="color: blue;">PREZ2013 003</span>	<b>Type of Zoning Map Amendment:</b>	
<b>P &amp; Z Hearing Date:</b>	<b>Publication and Posting Date:</b>	<input type="checkbox"/> Small-scale	
<b>Council Hearing Date:</b>	<b>Publication and Posting Date:</b>	<input type="checkbox"/> Medium-scale	
<b>Fee Receipt Number:</b>	<b>Amount:</b>	<b>Date:</b>	<input type="checkbox"/> Large-scale

<b>Action by Planning and Zoning Commission:</b>		<b>Action by City Council:</b>			
<input type="checkbox"/> Approved	<input type="checkbox"/> Denied	<input type="checkbox"/> Approved			
<input type="checkbox"/> Denied	<input type="checkbox"/> Continued	<input type="checkbox"/> Denied			
<input type="checkbox"/> Continued		<input type="checkbox"/> Continued			
<b>Staff Assignments</b>	Planning <i>Tiffany</i>	Engineering	Fire	Public Works/Utilities	Stormwater

# City of Flagstaff Zoning Map 9



**Residential Zones:**

- Rural Residential (RR)
- Estate Residential (ER)
- Single-family Residential (R1)
- Single-family Residential Neighborhood (R1N)
- Medium Density Residential (MR)
- High Density Residential (HR)
- Manufactured Housing (MH)

**Commercial Zones:**

- Central Business (CB)
- Highway Commercial (HC)
- Commercial Service (CS)
- Community Commercial (CC)
- Suburban Commercial (SC)

**Industrial Zones:**

- Business Park (BP)
- Light Industrial (LI)
- Light Industrial Open (LI-O)
- Heavy Industrial (HI)
- Heavy Industrial Open (HI-O)

**Resource and Open Space:**

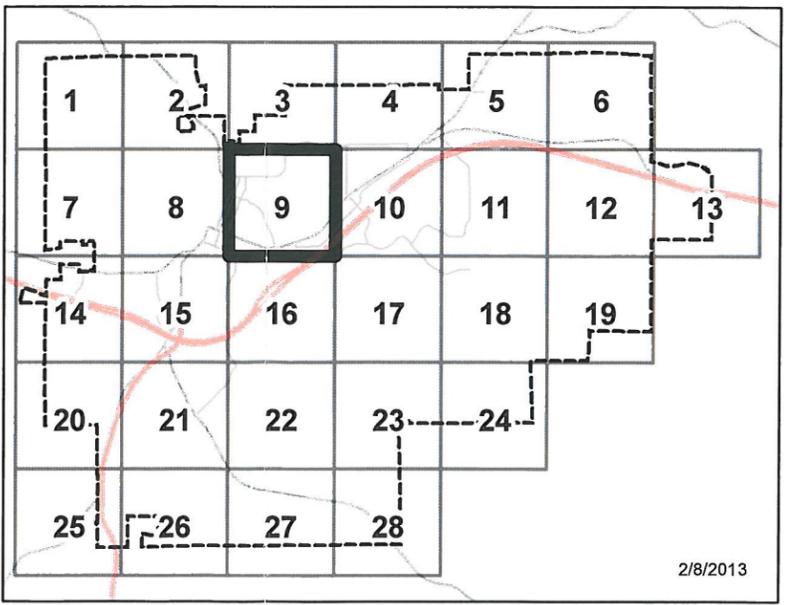
- Public Facility (PF)
- Public Lands Forest (PLF)
- Open Space (OS)

**Other Symbols:**

- Airport Overlay Zone
- Downtown Overlay Zone
- Townsite Overlay Zone
- Landmark Overlay Zone
- Regulating Plan Boundary
- City Limits
- Parcels

0 500 1,000 1,500 2,000 Feet

This map is known as the "City of Flagstaff Official Zoning Map" or the "City of Flagstaff Official Regulating Plan," and is intended to implement the City of Flagstaff Zoning Code per Ordinance 2011-20 adopted on 11/01/2011 and all subsequent amendments. These maps are based on the most accurate graphic information available at the time they were produced. The City of Flagstaff furnishes these maps "as is" and assumes no responsibility for their accuracy. All zoning information should be verified by legal description whenever possible.





# City of Flagstaff

# Community Development Division

211 W. Aspen Ave  
Flagstaff, AZ 86001  
www.flagstaff.az.gov

P: (928) 213-2969  
F: (928) 779-7684

HPC

Date Received 9/24/13	<b>Application to Heritage Preservation Commission</b>	File Number
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Property Owner(s) Jacqita Bailey	Title	Phone (928) 779-3180	Email jacqita_bailey@yahoo.com
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Mailing Address 515 N. San Francisco Street	City, State, Zip Flagstaff, AZ 86001
--	---

Applicant Heritage Preservation Commission	Title	Phone (928) 213-2969	Email keberhard@flagstaffaz.gov
---	-------	-------------------------	------------------------------------

Mailing Address 211 W. Aspen Avenue	City, State, Zip Flagstaff, AZ 86001
--	---

Property Interest of Applicant(s) (Owner, contractual interest, or agent)  
Agent

Site Address 515 N. San Francisco Street	City, State, Zip Flagstaff, AZ 86001
---	---

Parcel Number(s) 101-09-006B	Zoning District(s) HR (High Density Residential)
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Type of HPC Application Requested:

- Historic Overlay District Designation (If new, Name: \_\_\_\_\_)
- Landmark Overlay District Designation
- Certificate of Appropriateness
- Certificate of No Effect
- Certificate of Economic Hardship
- Cultural Resource Study Review
- Historic Facades and Signs Grant

Property Information:

- Yes  No Listed on the National Register of Historic Places? (Name: North End NRHD)
- Yes  No Listed on the Arizona Register of Historic Places? (Name: \_\_\_\_\_)
- Yes  No Located in an existing City of Flagstaff Historic District? (Name: \_\_\_\_\_)
- Yes  No Non-residential development; structure is over 50 years old at the time of application?
- Yes  No Residential development; structure is pre-World War II housing?
- Yes  No Subject property is undeveloped land?

Note: Applications which are incomplete or not accompanied by the required information will not be accepted.

Property Owner Signature: <i>Jacqita J. Bailey</i>	Date: 10-28-13	Applicant Signature: <i>[Signature]</i>	Date: 10/10/13
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### For City Use

Date Filed: _____	HPC Hearing Date: _____
Fee Receipt #: _____	Amount: _____ Date: _____

Action by HPC:

- Consent Approval by HPO
- Approved
- Approved with Conditions
- Denied
- Continued

Staff Initial: \_\_\_\_\_ Date: \_\_\_\_\_



**Summary Statement of Significance:**

National Register of Historic Places documentation or a Cultural Resource Study can be submitted in lieu of completing this page to demonstrate significance (Attach additional pages as necessary).

The significance of a resource is generally based on its potential to contribute to our understanding of the past. An object, structure, site, place, or area is significant if:

- a. It is associated with events or persons in the architectural, engineering, archeological, scientific, technological, economic, agricultural, educational, social, political, military, or cultural annals of the City of Flagstaff, the State of Arizona, or the United States of America.
- b. It embodies distinctive characteristics of type, period, region, artistic values, or methods of construction, including being the oldest of its type or the best example of its type, or, if it represents the work of, or for, an important individual.
- c. A resource is generally not significant if it is less than fifty (50) years old, or, if the features, materials, patterns, and relationships that establish its significance are no longer present or no longer have integrity. The integrity of a resource is judged by how evident the general character of the significant period is, the degree to which the characteristics that define its significance are present, and the degree to which incompatible elements are reversible.

Original Construction Date:

*See attached Staff Report* \_\_\_\_\_

Describe Major Alterations (Include dates and changes of use):

*See attached Staff Report* \_\_\_\_\_

Describe the Significance of the Resource (In terms of a. or b., and c., above):

*See attached Staff Report* \_\_\_\_\_

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Source(s) of Information Used:

*See attached Staff Report* \_\_\_\_\_

Describe the Level of Integrity of the Resource (Existing and proposed):

*See attached Staff Report* \_\_\_\_\_



B-1 10/1 100%

**CITY OF FLAGSTAFF  
HERITAGE PRESERVATION COMMISSION  
STAFF REPORT**



**To:** Heritage Preservation Commission  
**From:** Karl Eberhard, Historic Preservation Officer  
**Date:** July 22, 2013  
**Meeting Date:** TBD

**TITLE:** Consideration of Landmarks Designation for:  
Yaeger Residence - Outbuilding  
(Formerly a part of 23 E. Fine Avenue)  
515 N. San Francisco Street  
Parcel 101-09-006B

**REQUEST:**

This is a request to rezone a .16 acre parcel, Assessor's Parcel Number 101-09-006B, located at 515 N. San Francisco Street, to the Landmarks Overlay (LO) Zone. The LO zone is an overlay, meaning that the current HR (High Density Residential) zoning applicable to the site will remain in place and requirements of the LO zone are added to the underlying requirements.

**STAFF RECOMMENDATION:**

Staff recommends that the Heritage Preservation Commission review the application, conduct and receive testimony at a Public Hearing, and forward to the City Council a recommendation to approve rezoning the parcel.

**INTENT:**

The application of the Landmarks Overlay (LO) Zone is intended to promote the preservation of individual properties of cultural significance. The LO Zone district designation applies the Landmark Design Review Overlay District Design Standards and Guidelines, and design review by the Heritage Preservation Commission, to development on properties located within the boundaries of the Zone.

**REQUIRED FINDINGS:**

**DESIGNATION (Zoning Code 10-30.30.040.B.2.a):** An individual property, object, structure, site, sign or landscape feature may be designated as a Landmark if it is significant in accordance with the provisions of this Division and the Development Standards and Guidelines of the Landmarks Zone are applicable.

**SIGNIFICANCE (Zoning Code 10-30.30.050.B.1):** A cultural resource is significant if:

- a. It is eligible as a National Historic Landmark, or for the National Register of Historic Places, or the Arizona Register of Historic Places; or,
- b. It is associated with events or persons in the architectural, engineering, archeological, scientific, technological, economic, agricultural, educational, social, political, military, or cultural annals of the City, the State of Arizona, or the United States of America; or,
- c. It represents the work of, or for, an important individual; or,
- d. It embodies distinctive characteristics of type, period, region, artistic values or methods of construction, including being the oldest of its type or the best example of its type; or,
- e. It has yielded, or may be likely to yield, information needed for scientific research, such as important archaeological resources.

**INTEGRITY (Zoning Code 10-30.30.050.B.2.b):** A resource is generally not significant if the features, materials, patterns and relationships that contributed to its significance are no longer present or no longer have integrity.

To be significant, the resource must also have integrity, meaning that the general character of the significant period must be evident, the characteristics that define its significance are present, and any incompatible alterations are reversible. In addition, the integrity of the setting is a contributing factor in assessing integrity of a resource.

**APPLICABILITY OF THE LANDMARKS ZONE DEVELOPMENT STANDARDS AND GUIDELINES:** The applicable Development Standards and Guidelines of the Landmarks Zone are summarized as having two general parts. The first is "The Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings". The second is a series of "Design Compatibility" requirements that have since been incorporated into the Zoning Code (10-30.60.080).

**STAFF REVIEW:**

**Background:**

The subject property, 515 N. San Francisco Street, was once an outbuilding of 23 E. Fine Avenue. That property also includes 15 E. Fine Avenue. The subject property has been separated from 23 E. Fine Avenue by means of a lot split. See Site Layout (Attachment 1) for arrangement of buildings referenced in this report.

**Significance:**

The property is listed on the National Register of Historic Places as a contributing structure in the North End Residential National Register Historic District. Significance Criterion "a" has been met. While this is sufficient for designation, decision-makers may also be interested in the following:

Significance Criterion "b" and "c" are also applicable; the historical background being briefly summarized as follows: The home was constructed for Harlow Yaeger as an accessory structure and then served as quarters for the chauffeur, and then later still, served as Harlow's home.

Harlow Yaeger was one of four brothers, who along with their father, Henry Yaeger, were significant sheep ranchers as H. C. Yaeger & Sons beginning in 1896. Through the years, Harlow Yaeger also partnered with Fletcher Bly in the Yaeger & Bly Sheep Company (with offices in the Arizona Central Bank building at the corner of Sante Fe Avenue and Leroux Street). Their sheep herding enterprises encompassed most of Northern Arizona, including around Jerome, Prescott, Williams, Winslow, and the Grand Canyon, and they had ranches on Anderson Mesa, in Bellemont, Canyon Diablo, and the ghost town of Anita<sup>1</sup>. The Yaegers were one of a handful of successful sheep herders in Northern Arizona, known as and considered one of the wealthiest families in town.

Henry Yaeger came to Phoenix in 1894 from St. Louis, having operated the successful Yaeger Milling Company there. Following a brief enterprise at milling in Arizona, he turned to sheep herding. He declined a nomination for Mayor of Phoenix (April 1906) at a time when "nomination" meant "election"<sup>2</sup> and later served as Alderman of the First Ward.

The move of the Yaeger family to Arizona was precipitated by Louis Dozie Yeager (Brother) in 1893. His parents and siblings followed and the younger generation moved to Flagstaff. On May 25, 1908, Louis was elected to the Eighth Common Council of the Town of Flagstaff and in November of that year he was elected to the Coconino County Board of Supervisors. On May 9, 1911, he was murdered near Humboldt, Arizona by a drunken ranch hand, Alejandro Gallegos<sup>3</sup>, in a dispute over a mixed herd of sheep. Flagstaff citizens were outraged by the murder (and another that also occurred that spring). In spite

<sup>1</sup> Nagiller Dam - along Grand Canyon Railroad.

<sup>2</sup> Some resources refer to him as having been the Mayor.

<sup>3</sup> A man with whom Yaeger had had prior disagreements and in the employ of C.C. Hutchison at the time.

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of Louis' father and wife pleading for the sentence to be commuted, in the summer, Gallegos was hung at the territorial prison in Florence, Arizona.

In December of 1910 Harlow Yaeger was appointed to Executive Committee of the then new, Flagstaff Chamber of Commerce. Following his brother's murder, he was appointed to the Coconino County Board of Supervisors. Initially the citizens of Williams objected, but he was elected to another term in 1914. In 1912, Harlow was elected to the Tenth Common Council of the Town of Flagstaff. He was a Mason, served on the Advisory Board of the Arizona Wool Growers Association, and belonged to many civic groups.

On May 29, 1921, his wife Rose gave birth to a son, whom they named Harlow. The house at 23 E. Fine Avenue was his childhood home until his mother was moved to a sanatorium where she died in 1924. As was common at the time, the children were sent to live with relatives and the son graduated from high school in Litchfield, Illinois in 1939. For three years, starting in 1942, he was a prisoner of war in Manchuria, China, providing slave labor for Mitsubishi Heavy Industries in the former Ford plant. Harlow (son) ends up working for the Forest Service, and in 1950 rescues a bear cub from the aftermath of a wildfire in the Gila National Forest, New Mexico. He names the bear cub Smokey, and that bear serves as the mascot of the Forest Service's Smokey the Bear wildfire prevention campaign<sup>4</sup> until the bear died in 1976.

By 1927, Harlow (father) had moved into the subject house. In January 1935, he is found by his attorney at the base of the stairs, lying on top of his rifle, dead of a gunshot wound. Based on the garage interior door being unlocked, contrary to his known habit, and that act believed to have been done to accommodate discovery, the death was deemed a suicide by a coroner's jury.

Yaeger was a contemporary of Ashurst, the Babbitt brothers, Doney, Greenlaw, Lockett, Riordan, Switzer, and many other well known Flagstaff names. He worked with the Babbitts on the formation of the Chamber of Commerce. Switzer was the Clerk of the Board of Supervisors during Yaeger's term. Some years after his brother's death, his sister-in-law was teaching school at the Greenlaw Mill.

Significance Criterion "d" is also applicable; the distinctive characteristics being briefly summarized as follows – starting with a more detailed account of the development:

In 1907, Harlow Yaeger purchased the northeastern quarter of Block 63 of the 1894 Atlantic and Pacific Railroad Addition to the Flagstaff Townsite, a portion of the plat later known as the "Northeast Addition"<sup>5</sup>. By 1908<sup>6</sup>, he either built, or more likely caused to be built, a small home known as 15 E. Fine Avenue as well as two other buildings on what is now 515 N. San Francisco Street. One outbuilding was a small outhouse and the other a single story accessory structure that may have served his sheep herding needs. His

<sup>4</sup> The Smokey the Bear advertising campaign was already ten years old at the time.

<sup>5</sup> The A&P RR Addition encompassed various areas around the original Townsite and naming the various portions differently was probably a convenience.

<sup>6</sup> No permit or other records were found but the taxes increased that year from \$90 to \$300.

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neighbor's oral history (recorded in 1976) and his tax records indicate that he kept certain animals on the property. The 1910 Sanborn Fire Insurance Map of Flagstaff shows the original buildings (Attachment 2). Until 1917 when the Northeast Addition was annexed, Fine Avenue<sup>7</sup> was beyond the northern boundary of the City of Flagstaff.

The residence at 23 E. Fine Avenue was built on the same property by contractor Gum & Solberg<sup>8</sup> for Harlow and Rose Yaeger, probably starting in late 1915. At that time, the neighborhood was referred to by Flagstaff residents as "Nob Hill" – a direct reference to Knob Hill in San Francisco, California. By January of 1916, all four buildings appear on the Sanborn Fire Insurance Map which shows the two principle buildings of the 1910 map, and the outhouse, as having been expanded (Attachment 3). 15 E. Fine Avenue, the original home, probably then served as servants quarters for the new home. The subject house having had a garage added was likely converted to serve as chauffeur's quarters. It had another floor added as well as the garage addition on the north side. Sadly, it is noted on the 1916 Sanborn Map as just an accessory structure and not a dwelling, and more disappointingly, the map does not specifically indicate the "garage" function of the ground floor addition.

However, the residential use and the garage use appear to have been established by the modifications that appear on the 1916 map, and are probably associated with the construction of 23 E. Fine Avenue. The small ground floor contains only a living room, a dining room, and a kitchen, while the second floor contains all of the bedrooms. In the field, one notes that the fireplace and chimney were clearly added; the garage has a concrete floor at grade; the garage windows are at the standard height relative to the floor; and there are no alterations in the masonry at the garage windows or overhead door location. We know that Harlow Yaeger individually, and the Yaeger & Bly Sheep Company, each owned cars at that approximate time since the tax assessment for each automobile was increased by the Town Council in June of 1917. It is also notable that the construction of 23 E. Fine Avenue being "underway" and providing construction work for the season was celebrated in a June 1916 Coconino Sun Newspaper, while the Sanborn Map is dated January<sup>9</sup>.

1915 was still very much the early days of automobiles, more so in Arizona, and more so in Flagstaff. Note that the first automobile road to the Grand Canyon (from Ash Fork) was constructed in 1900. In 1909, Flagstaff businesses were pushing for a Flagstaff to Grand Canyon road<sup>10</sup>. A found photo of a car in tow on Aspen Avenue, dated 1910, indicates that it is the second automobile in Flagstaff. The first service garage was established in that year. Automobile registration in Arizona started in 1912. Flagstaff was advocating for the proposed National Highway, future Route 66, to be routed along the Old

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<sup>7</sup> Originally Fir Avenue.

<sup>8</sup> Gum & Solberg was the contractor for the Flagstaff Armory, the Armory Livery, and other notable buildings in Flagstaff and other places around Arizona.

<sup>9</sup> Clearly, it was under construction when the map was made and thus the new uses may not have been apparent yet.

<sup>10</sup> San Francisco Street ends up being the second road to the Grand Canyon.

Santa Fe Trail in 1913, and it doesn't come to pass until 1919. Henry Ford's Model T, the car that made cars common, started production in 1914. Debate and allocations for paving some main streets in Flagstaff were just getting started in 1915.

The 1916 Sanborn Fire insurance Map indicates only seven garages in Flagstaff. As this garage is not noted as such on the map, and as the map excludes outlying areas, there may have been more than seven garages in Flagstaff in 1916. None-the-less, it is still one of the earliest.

In the early days of automobiles, garages were mostly converted stables or cheap sheds - 12' x 18' rectangular boxes architecturally unrelated to the house. Purpose built garages, such as this one, aren't common until the 1920s. This garage is also unique in that it is small, like garages of the 1920s and 1930s when improvements in automobile design and construction made large garages with repair areas and special machinery unnecessary. Finally, garages with apartments<sup>11</sup> were very unusual until the 1920s as automobile storage was generally separated from living quarters due to the fire hazards associated with early automobiles. This garage was purpose built, smaller in size, attached to living quarters, and in place by January of 1916.

In an era when fire was a constant fear of auto owners, and promoted by the National Board of Fire Underwriters, many garages were built with fireproof materials. As such, the masonry used for the subject garage is not unusual. However, the second floor framed walls were clad with asbestos, which was unusual. Notably, asbestos cement first came into use as an exterior cladding after 1907 when Austrian engineer Ludwid Hatschek came up with a way to shape the material into sheets, allowing it to be manufactured as siding and shingles. At the time this garage was built, asbestos cladding was a relatively new and high-tech building materials choice.

The circumstance of the asbestos siding presents something of a mystery. The current owner states that when the asbestos siding was removed at her direction, there were wood shingles, in good condition, underneath<sup>12</sup>. The asbestos siding is noted on the 1916 Sanborn Map and the second floor is believed to have been added at that time. So, why both layers of siding? The best suggestion came out of an interview about the house with Paul Babbitt who suggested it may have been for insulating purposes. This makes a lot of sense given the thermal properties of cement, and it is a reasonable explanation for the condition of the wood shingles when they were removed.

Finally, the use of malpais basalt as veneer is noteworthy. Malpais is one of five building stones native to Flagstaff<sup>13</sup>. In many communities, stone used for veneer is

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<sup>11</sup> One early "garage attached to Chauffer's quarters" arrangement was designed by New York architects Whitfield & King for Andrew Carnegie In 1906. Notably, when this came to be more common in the 1920s, this arrangement reflected the driver's relatively high social standing among domestic servants.

<sup>12</sup> The condition of the wood shingles being so good that they could have remained except for the need of access to install insulation.

<sup>13</sup> Moenkopi sandstone, Malpais basalt, Kaibab limestone, pumiceous dacite and olivine basalt lava.

imported, whereas these came from within the immediate area. In the context of the general development of garage design, this is consistent with goals to make garages more like "garden structures" and to use features bold enough to have impact from the street, yet simple enough to let the house dominate<sup>14</sup>. Locally, the use of malpais stone reflects early settlement building practices. These buildings are among the most architecturally revered buildings in the community and are now also recognized as having used sustainable building materials. In addition, the front yard property line fence<sup>15</sup> is made of malpais stone, a rare feature, even in Flagstaff.

The malpais veneer at the first floor creates a unique architectural detail that is disconcerting at first glance. As the second floor walls are set back, the first floor veneer was capped with sloped flagstone transitioning back to the upper walls. Usually the exterior faces of walls are made to align, and more often when there is a change of cladding, the second floor cladding is set out from the face of the masonry as a waterproofing measure. Initially one might guess that the veneer was added, but we know that actually the second floor was added. Secondarily, one might wonder why the second floor wasn't made to overhang the veneer<sup>16</sup>, but the pattern of simplicity of construction in 1916 readily explains this unusual detail being used for the second floor addition.

#### **Integrity:**

The upper floor is currently clad with corrugated tin. The current owner removed the asbestos shingles, and a layer of wood shingles, replacing them with insulation and the corrugated steel siding. In a small way, this siding choice takes away from the integrity, but it is a reversible alteration. Notably, the 1910 Sanborn Map indicates that the original roofing was tin, probably corrugated.

The frame and sash of the living room window facing San Francisco Street are made of steel. The window may be original and if so it is an early example of the use of steel windows. However, there are indications that the stone veneer has been patched around the window suggesting that it may have replaced an older window. It is again a minor detail relative to the overall integrity and one that could be reversed.

While this parcel has been split off from the original quarter block parcel, three of the four original buildings are still present and only a light wood fence separates this building from the others. The main house appears to have experienced little or no exterior alterations<sup>17</sup>. The other outbuilding, 15 E. Fine Avenue, has seen the porches enclosed and other less careful alterations. The fourth building, now gone, was a large framed

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<sup>14</sup> However, recall that this trend generally comes into being in the 1920s and 1930s.

<sup>15</sup> The side yard fence, also malpais, was recently built to match the older front property line fence.

<sup>16</sup> Requiring a cantilever in two directions and a shift in the roof load lines.

<sup>17</sup> Newspaper articles indicate that there were (unspecified) alterations when Yaeger rented it out, and there were probably more when it was converted to an office. However, except for the veneer at the entry, the exterior appears correct to the period.

Heritage Preservation Commission  
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outhouse that replaced the original small outhouse, located in the present backyard of the subject house. The setting generally retains its integrity.

**Applicability of the Landmarks Zone Development Standards and Guidelines:**

The Secretary of the Interior's Standards that are the basis of the district standards and guidelines were developed specifically to address the preservation needs of unique resources such as this. The Design Compatibility requirements were developed to ensure compatibility within individual designs and within neighborhood designs, and as such, are inherently appropriate for the protection of this resource. Furthermore, the inclusion of Design Compatibility requirements within the Zoning Code overall will help prevent adjacent development from jeopardizing the setting of this resource.

**Basis of Report:**

The information in this summary report was derived from interviews with and information from the current property owner, an exhaustive review of Flagstaff and Arizona newspapers from the 1880s to 1928, and a short interview with Paul Babbitt. At the Northern Arizona University Cline Library, historic photographs, Coconino County Plat Maps, 1895, 1901, 1910, and 1916 Sanborn Maps, Harlow Yaeger's papers, and various oral histories were reviewed. City of Flagstaff records included 1901 and 1916 Sanborn Maps, with addendum thru 1948, as well as ordinance records. Additional information was found on the internet, primarily related to Harlow Yaeger's son and advance review of materials available at the Cline Library. Finally, on-site observations were made by an Arizona licensed architect with professional experience with historic structures (author).

**STAFF CONCLUSION:**

Staff believes that multiple criteria for Landmarks designation have been met.

**CITIZEN PARTICIPATION:**

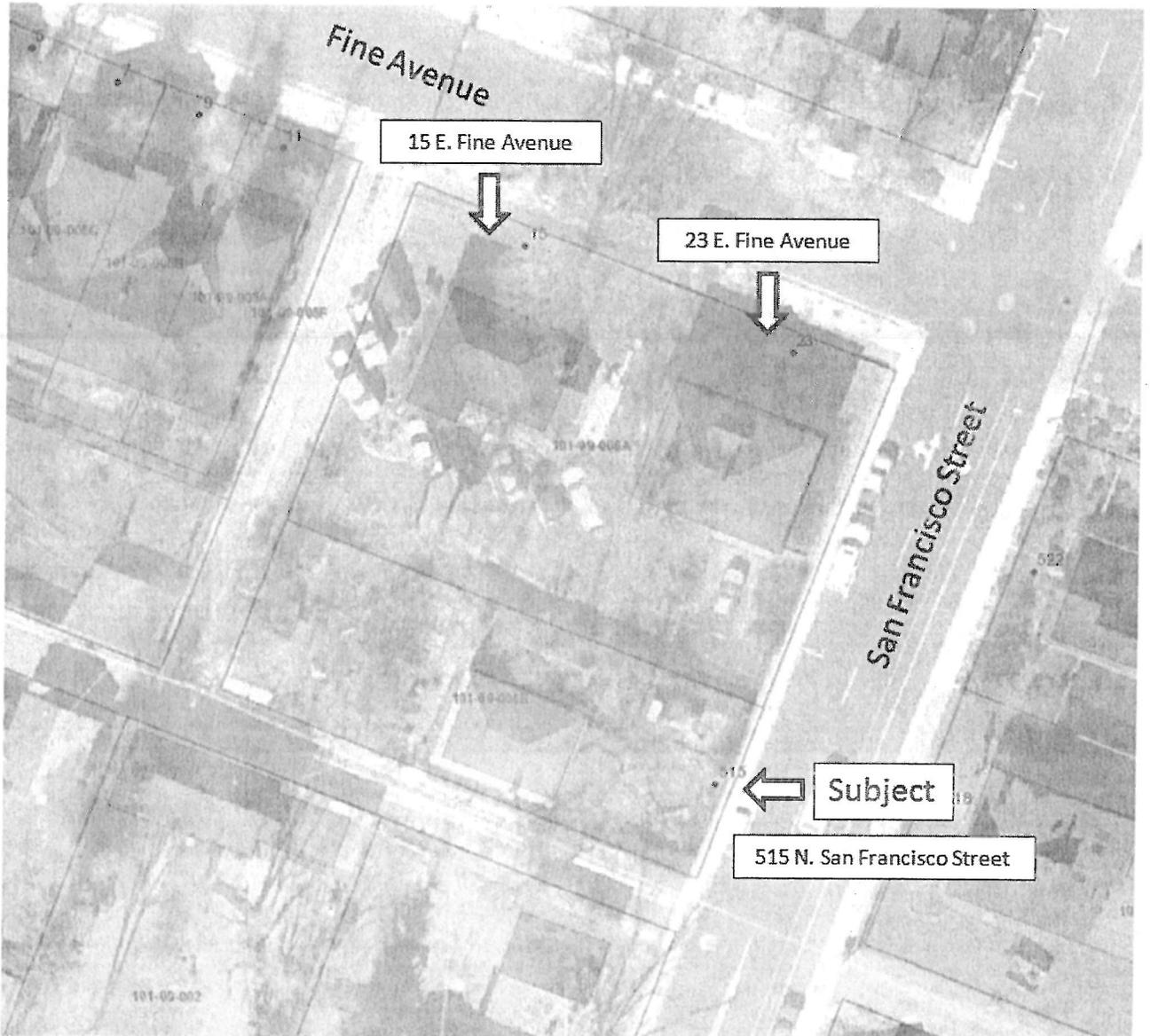
The Heritage Preservation Commission (HPC) meeting serves as the Citizen Participation event associated with the pending Re-zone Application. The meeting was advertised in the Daily Sun and notices were mailed to all properties within 300 feet of the property.

**ATTACHMENTS:**

1. Site Layout
2. Portion of January 1910 Sanborn Fire Insurance Map - Flagstaff
3. Portion of January 1916 Sanborn Fire Insurance Map - Flagstaff

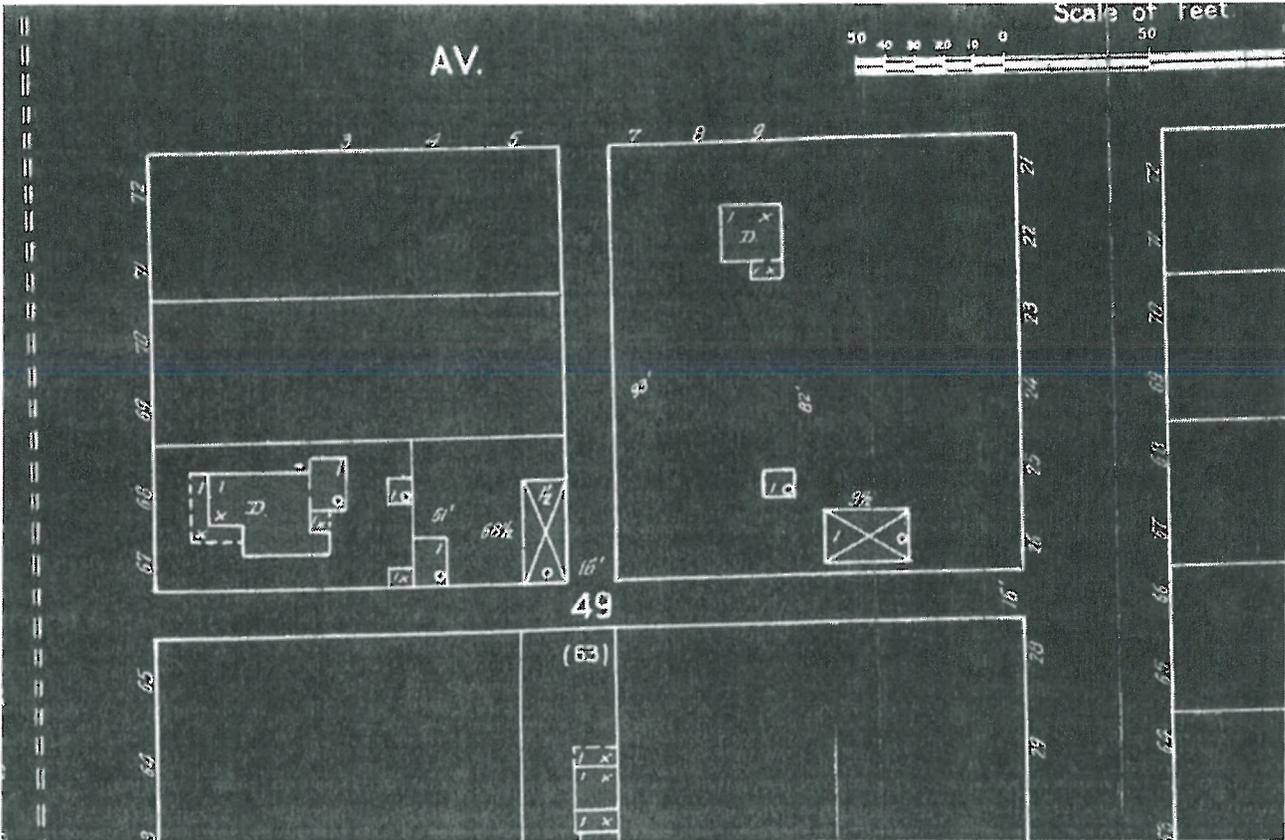
## Attachment 1

### Site Layout



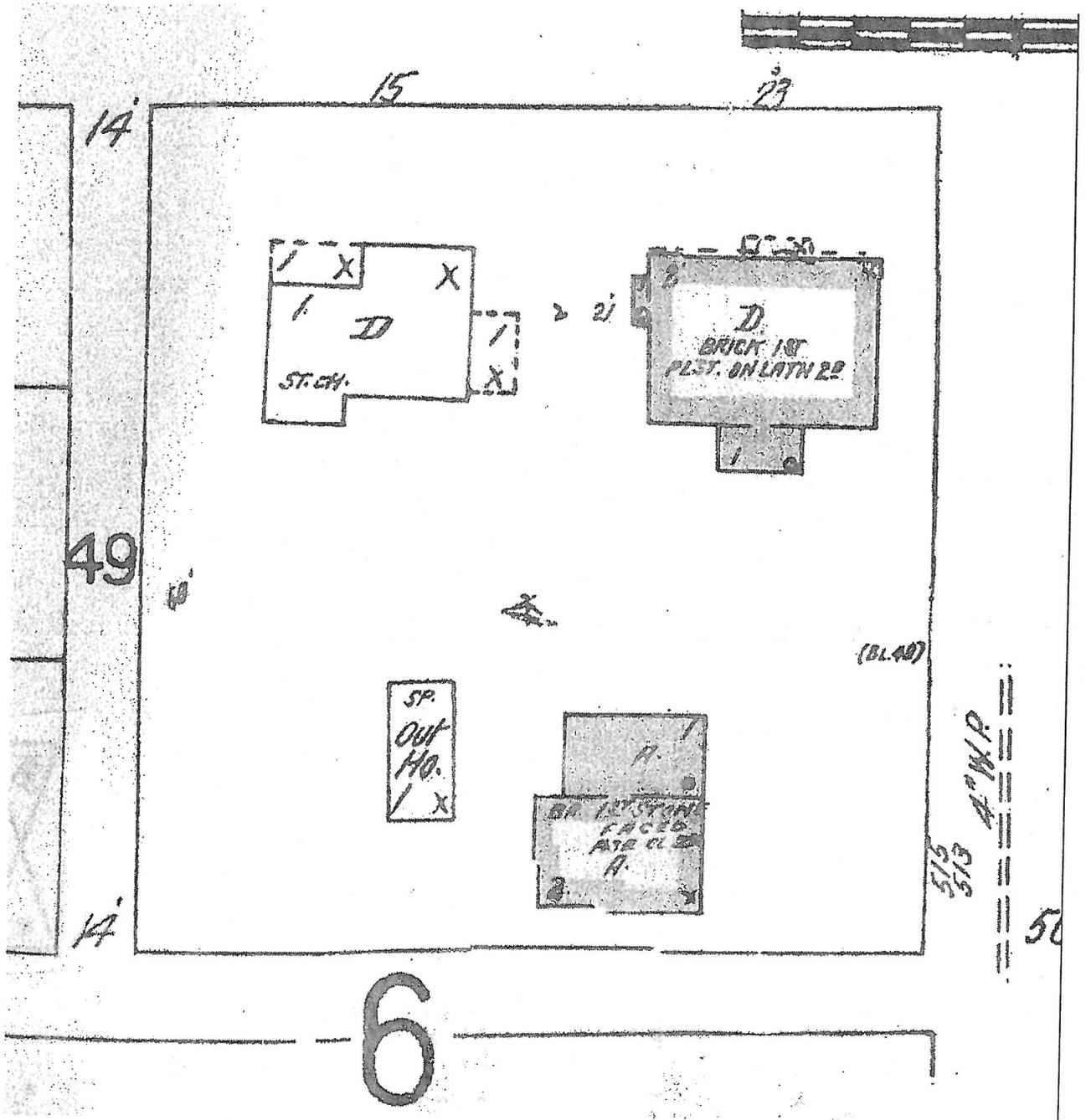
## Attachment 2

Portion of January 1910 Sanborn Fire Insurance Map – Flagstaff



### Attachment 3

Portion of January 1916 Sanborn Fire Insurance Map – Flagstaff



This is a request to rezone parcel 100-41-014 (DeBeau Motel and Sign) to the Landmarks Overlay Zone. This would make future development on the property subject to the Design Standards and Guidelines of the Landmarks Overlay Zone and subject to approval by the Heritage Preservation Commission. The property is a contributing structure of the Flagstaff Southside National Register Historic District. The recommendation of the Heritage Preservation Commission, along with a recommendation from the Planning and Zoning Commission, will be presented to the City Council for use in their review and consideration of the rezoning request. A Staff Report has been prepared for this item; was distributed to the Commission under separate cover; and is available for public review at the Historic Preservation Office (City Hall). This Public Hearing was noticed by mail and newspaper advertisements and serves as the Public Participation Meeting of the re-zoning process.

RECOMMENDED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 100-41-014.

*See item 3 for motion.*

**3. Landmark Designation – Yaeger Residence Outbuilding**

Address:	515 N. San Francisco Street
Assessor's Parcel Number:	101-09-006B
Property Owner:	Jacquita Bailey
Applicant:	Heritage Preservation Commission
City Staff:	Karl Eberhard, HPO

REQUESTED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 101-09-006B.

This is a request to rezone parcel 101-09-006B (Yaeger Residence Outbuilding) to the Landmarks Overlay Zone. This would make future development on the property subject to the Design Standards and Guidelines of the Landmarks Overlay Zone and subject to approval by the Heritage Preservation Commission. The property is a contributing structure of the North End Residential National Register Historic District. The recommendation of the Heritage Preservation Commission, along with a recommendation from the Planning and Zoning Commission, will be presented to the City Council for use in their review and consideration of the rezoning request. A Staff Report has been prepared for this item; was distributed to the Commission under separate cover; and is available for public review at the Historic Preservation Office (City Hall). This Public Hearing was noticed by mail and newspaper advertisements and serves as the Public Participation Meeting of the re-zoning process.

RECOMMENDED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 101-09-006B.

**MOTION:**

Commissioner Corbin made a motion to recommend that the City Council apply the Landmarks Overlay Zone to the following parcels:

# NOTICE OF PUBLIC HEARINGS

**NOTICE IS HEREBY GIVEN** that the Flagstaff Planning and Zoning Commission will hold a Public Hearing on January 8, 2014, at 4:00 p.m. and the Flagstaff City Council will hold a Public Hearing on February 4, 2014, at 6:00 p.m. to consider a Zoning Map amendment request.

## A. Explanation of Matters to be Considered:

A proposed Zoning Map amendment to apply the Landmarks Overlay Zone (LO) to the site. The LO is an overlay, meaning that the current R1N, Single-Family Residential Neighborhood zoning applicable to the site will remain in place. The site location is described in Part B below and is highlighted on the map.

The site currently consists of one, single-family residential unit on a 0.16 acre parcel.

## B. General Description of the Affected Area:

Approximately 0.16 acre located at 515 N. San Francisco Street, Coconino County Assessor's Parcel Numbers 101-09-006B, within the Southwest Quarter of Section 15, Township 21 North, Range 7 East, of the Gila and Salt River Base and Meridian, City of Flagstaff, Coconino County, Arizona.

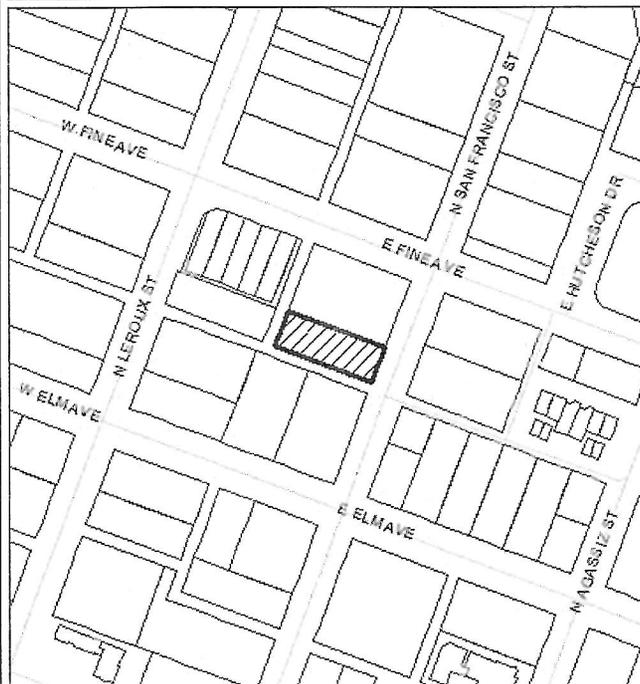
The Council hearing for these items may be continued if the Planning and Zoning Commission has not given a recommendation.

Interested parties may file comments in writing regarding the proposed amendments or may appear and be heard at the hearing dates set forth above. Maps and information regarding the proposed amendments are available at the City of Flagstaff, Planning and Development Services Section, 211 West Aspen Avenue.

Unless otherwise posted, all Planning and Zoning Commission and City Council meetings are held in the Council Chambers of City Hall, 211 West Aspen Avenue, Flagstaff, Arizona.

## PROPOSED ZONING MAP AMENDMENT

Applying the City of Flagstaff's Landmark Overlay Zone over the site at 515 N. San Francisco Street which is currently zoned Single-Family Residential Neighborhood (R1N)



APN: 101-09-006B  
ADDRESS: 515 N. San Francisco Street  
ACRES: ~0.16



## FOR FURTHER INFORMATION CONTACT

Tiffany Antol  
Planning Development Manager  
Planning & Development Services  
211 West Aspen Avenue  
Flagstaff, Arizona 86001  
(928) 213-2608  
tantol@flagstaffaz.gov



Publish: December 20, 2013

# NOTICE OF PUBLIC HEARINGS

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**PROPOSED ZONING MAP AMENDMENT**  
Applying the City of Flagstaff's Landmark Overlay Zone over the site at 515 N. San Francisco Street which is currently zoned Single-Family Residential Neighborhood (R1N)

**APN:** 101-09-006B  
**ADDRESS:** 515 N. San Francisco Street  
**ACRES:** ~0.16

**FOR FURTHER INFORMATION CONTACT**

Tiffany Antol  
Planning Development Manager  
Planning & Development Services  
211 West Aspen Avenue  
Flagstaff, Arizona 86001  
(928) 213-2608  
tantol@flagstaffaz.gov



**Mail: December 20, 2013**



October 8, 2013

Jim Cronk, Planning Director  
City of Flagstaff  
211 W. Aspen Avenue  
Flagstaff, AZ, 86001

Re: Waiver of Neighborhood Meeting Requirement  
Landmarks Designations – Du Beau Motel, Picture Canyon, and Yaeger Residence

Dear Mr. Cronk,

At the request of the property owners, the Heritage Preservation Commission is proposing Landmarks designation of these historic properties per Zoning Code 10-30.30.040.B. This request is a re-zoning of the properties, adding the LO overlay zone to the existing zoning.

The re-zoning process requires a Neighborhood Meeting which can be waived by the Director "if it can be demonstrated that there are a limited number of property owners adjacent to the subject property and that other techniques of informing them of the application would be more effective, such as direct mailing with information on the application or one-on-one meetings with affected property owners."

The Du Beau Motel has three adjacent properties, one of which is vacant; Picture Canyon has roughly 30 adjacent parcels; and the Yaeger Residence has one adjacent parcel.

In addition to standard processes, notices, and public meetings for re-zoning, prior to the Heritage Preservation Commission, we will prepare a Public Meeting Notice with information on the application that will be direct mailed to more property owners than are adjacent and to nearby HOAs. That notice will be published in the newspaper. And, the Heritage Preservation Commission will conduct a Public Hearing for the purpose of receiving input from adjacent or affected property owners, and other interested parties.

Pursuant to Zoning Code 10-20.30.060.A, the Heritage Preservation Commission respectfully requests a waiver of the Neighborhood Meeting Requirement.

Sincerely,

Karl Eberhard  
Heritage Preservation Commission Staff Liaison

Attached: Public Hearing Notice for HPC Public Hearing

*Approved*  
*10-5-13*  
*James Eberhard*

# NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that at the request of the property owners, the City of Flagstaff Heritage Preservation Commission will hold a Public Meeting to consider the designation of the following properties to the Landmarks Overlay District:

- **The Du Beau Motel**  
19 W. Phoenix Avenue (APN 100-41-014)
- **Picture Canyon**  
A portion of Section 4, Township 21 North, Range 8 East (APN 113-06-003)
- **The Yaeger Residence**  
515 N. San Francisco Street (APN 101-09-006B)

Per the Flagstaff Zoning Code, Section 10-30.30.040.B, designation would impose preservation standards and require Heritage Preservation Commission approval for any future development on the designated properties. Interested persons are invited to participate by filing comments in writing or by attending and being heard at the Public Hearing. Heritage Preservation Commission Staff Reports are available with additional information.

## Public Hearing

Regular Meeting of the

### **HISTORIC PRESERVATION COMMISSION**

**NOVEMBER 20, 2013 at 4:00 pm** in the Staff Conference Room at City Hall;

211 West Aspen Avenue, Flagstaff, Arizona

## Further Actions

This application will also be considered by the Planning and Zoning Commission and the City Council, with Public Hearings and noticed separately.

## For further information contact:

Karl Eberhard  
Historic Preservation Officer  
211 West Aspen Avenue, Flagstaff, Arizona  
(928) 213-2969

**Publish Date: Sunday, November 3, 2010**



## MINUTES - Draft

City of Flagstaff  
PLANNING & ZONING COMMISSION  
4:00 PM– Wednesday, January 8, 2014  
City of Flagstaff, Council Chambers

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### CALL TO ORDER

Vice Chairman Dorsett called the meeting to order at 4:09 p.m.

### COMMISSION MEMBERS:

PRESENT: Paul Turner; Stephen Dorsett, Vice Chairman; Steve Jackson; Paul Moore; Justin Ramsey

Absent: David Carpenter, Chairman; Tina Pfeiffer

### CITY STAFF:

Mark Sawyers, Staff Liaison

Tiffany Antol, Planning Development Manager

Becky Cardiff, Recording Secretary

### GENERAL BUSINESS

#### A. PUBLIC COMMENT

None.

#### B. APPROVAL OF MINUTES

- 1) Regular meeting of November 13, 2013.

This item was tabled due to commissioners not in attendance at tonight's meeting.

### PUBLIC HEARING

#### 1. Zoning Map Amendment for Jacqita Bailey

Address:	515 North San Francisco
Assessor's Parcel Number:	101-09-006b
Property Owner:	Jacqita Bailey
Applicant:	City of Flagstaff Heritage Preservation Commission
Application Number:	PREZ 2013-0003
City Staff:	Tiffany Antol
Action Sought:	Zoning Map Amendment

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, Jacqita Bailey, for approximately 0.16 acres located at 515 N. San Francisco St to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Single-Family Residential Neighborhood (RIN) Zone.

Ms. Antol gave a brief PowerPoint presentation of the project and then introduced Karl Eberhard, Heritage Preservation Officer; he then gave the background information on the property and a brief description of the Landmark Overlay designation.

Ms. Antol, Mr. Eberhard and Mr. Sawyers all answered questions from Commissioners.

**Public Comment:**

John McCullough, Owner of Motel DuBeau, complimented staff on their help with the Landmark Overlay requirements and process and discussed the reason he would like his property (Motel DuBeau) in this overlay district.

Motion: Motion to close the public hearing Moved by: Commissioner Moore Seconded by: Commissioner Ramsey Motion carried unanimously.

Motion: Motion to approve PREZ 2013-0003 Moved by: Commissioner Turner Seconded by: Commissioner Jackson Motion carried unanimously.

## 2. Zoning Map Amendment for Motel DuBeau

Address:	19 West Phoenix Ave
Assessor's Parcel Number:	100-41-014
Property Owner:	Hillside Enterprises, LLC
Applicant:	City of Flagstaff Heritage Preservation Commission
Application Number:	PREZ 2013-0004
City Staff:	Tiffany Antol
Action Sought:	Zoning Map Amendment

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, Hillside Enterprises, LLC, for approximately 0.26 acres located at 19 W. Phoenix Avenue to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Community Commercial (CC) and T5 Main Street Transect Zone.

Ms. Antol gave a brief PowerPoint presentation of the project and then introduced Karl Eberhard, Heritage Preservation Officer; he then gave the background information on the property.

John McCullough, owner of Motel DuBeau, answered questions from Commissioners

Ms. Antol, Mr. Eberhard and Mr. Sawyers all answered questions from Commissioners.

Motion: Motion to open the public hearing Moved by: Commissioner Ramsey Seconded by: Commissioner Moore Motion carried unanimously.

Public Comment: None

Motion: Motion to close the public hearing Moved by: Commissioner Moore Seconded by: Commissioner Turner Motion carried unanimously.

Motion: Motion to approve PREZ 2013-0004 Moved by: Commissioner Moore Seconded by: Commissioner Turner Motion carried unanimously

### 3. Zoning Map Amendment for City of Flagstaff

Address:	211 W Aspen Ave
Assessor's Parcel Number:	113-06-003
Property Owner:	City of Flagstaff
Applicant:	City of Flagstaff Heritage Preservation Commission
Application Number:	PREZ 2013-0005
City Staff:	Tiffany Antol
Action Sought:	Zoning Map Amendment

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, City of Flagstaff, for approximately 400.16 acres located in Section 4, Township 21 North, Range 8 East to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Rural Residential (RR) Zone.

Ms. Antol gave a brief PowerPoint presentation of the project and then introduced Karl Eberhard, Heritage Preservation Officer; he then gave the background information on the property.

Motion: Motion to open the public hearing Moved by: Commissioner Jackson Seconded by: Commissioner Turner Motion carried unanimously.

#### Public Comment:

Bill Bishop, resident, stated he would like to see the RR zoning district changed to open space on this property.

Motion: Motion to close the public hearing Moved by: Commissioner Turner Seconded by: Commissioner Jackson Motion carried unanimously.

Motion: Motion to approve PREZ 2013-0005 Moved by: Commissioner Jackson Seconded by: Commissioner Turner Motion carried unanimously

### OTHER BUSINESS

A. ELECTION OF OFFICERS

B. APPOINTMENTS

These items were tabled due to commissioners not in attendance at tonight's meeting

### MISCELLANEOUS ITEMS TO/FROM COMMISSION MEMBERS

Mr. Sawyers gave an update on future projects that the Commission will be seeing in the near future

### ADJOURNMENT

The meeting was adjourned at 5:04 p.m.



**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Tiffany Antol, Planning Development Manager  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014



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**TITLE:**

**Consideration and Adoption of Ordinance No. 2014-04:** An ordinance amending the official Zoning Map for a parcel of approximately 0.26 acres of land located at 19 West Phoenix Avenue, aka Motel DuBeau Travelers Inn and Hostel, by adding a Landmarks Overlay district designation ("LO") to the existing Community Commercial ("CC") and T5 Main Street Transect Zone ("T5") zoning classifications. *(To protect the historical significance of the structure)*

**RECOMMENDED ACTION:**

- 1) Read Ordinance No. 2014-04 by title only for the final time
- 2) City Clerk reads Ordinance No. 2014-04 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2014-04

**Policy Decision or Reason for Action:**

The Flagstaff Planning and Zoning Commission conducted a Public Hearing to consider this Zoning Map Amendment request at its regular meeting on January 8, 2014. The Planning Commission voted (5-0) to forward the request to the City Council with a recommendation of approval. Zoning Map amendments are required to be adopted by ordinance.

**Financial Impact:**

None

**Connection to Council Goal:**

Effective governance

**Has There Been Previous Council Decision on This:**

A Public Hearing was held by the City Council at their February 4, 2014, Council Meeting, and the ordinance was read by title only for the first time.

**Options and Alternatives:**

The City Council may approve the ordinance as proposed, approve the ordinance with conditions, or deny the ordinance.

**Background/History:**

The addition of a Landmarks Overlay adds an additional layer of preservation to property which has been determined to have historic, archaeological or cultural significance. This property is already listed on the Register of Historic Places, meeting national standards for preservation, and it is important in the history of early 20th century Flagstaff as one of our first three motels and high signs built for attention from Route 66. See the Introduction/Background section of the Planning and Zoning Commission Zoning Map Amendment Staff Report, dated December 20, 2013 presented at the January 8, 2014 meeting, a copy of which is attached, for a more extensive Background/History discussion.

**Key Considerations:**

Zoning Map amendments are adopted by the City Council via ordinance. Ordinance No. 2014-04 changes the Zoning Map designation of 0.26 acres to add the Landmarks Overlay (LO) zone to the existing Community Commercial (CC) and T5 Main Street Transect (T5) zones.

**Expanded Financial Considerations:**

None

**Community Benefits and Considerations:**

Community benefits and considerations related to this Zoning Map amendment request are addressed in the attached Planning and Zoning Commission Zoning Map Amendment Staff Report, dated December 20, 2013.

**Community Involvement:**

Inform/Consult

All property owners within 300-feet of the subject property were notified via mail of the Zoning Map Amendment and asked to attend the November 20, 2013 Heritage Preservation Commission (HPC) meeting. Additionally, a notice was run in the Daily Sun, which discussed the Zoning map Amendment and identified the HPC meeting as a venue for discussion. No one from the public attended the HPC meeting other than the applicant to make comment on the Zoning Map Amendment. Those meeting minutes are attached.

The Planning and Zoning Commission conducted a Public Hearing on January 8, 2014. Notice of that Public Hearing was provided in accordance with State statute and the Zoning Code. At the Planning and Zoning Commission meeting, no one from the public spoke on this case other than the applicant. This meeting can be viewed on the Internet utilizing the following link:

<http://flagstaff.az.gov/index.aspx?NID=1461>

**Expanded Options and Alternatives:**

- (Recommended Action): The City Council may approve the Zoning Map Amendment as recommended by the Planning and Zoning Commission and staff by reading and adopting Ordinance No. 2014-04.
- The City Council may approve the Zoning Map Amendment with conditions of approval.
- The City Council may deny the Zoning Map Amendment.

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**Attachments:**

[Ord. 2014-04](#)

[P&Z Commission Staff Report with attachments](#)

[Draft Planning & Zoning Commission Minutes 1/8/2014](#)

**ORDINANCE NO. 2014-04**

**AN ORDINANCE OF THE FLAGSTAFF CITY COUNCIL AMENDING THE FLAGSTAFF ZONING MAP DESIGNATION OF APPROXIMATELY 0.26 ACRES OF LAND LOCATED AT 19 WEST PHOENIX AVENUE BY ADDING A LANDMARKS OVERLAY DISTRICT DESIGNATION (“LO”) TO THE EXISTING COMMUNITY COMMERCIAL (“CC”) AND T5 MAIN STREET TRANSECT ZONE (“T5”) ZONING CLASSIFICATIONS**

**RECITALS:**

WHEREAS, Hillside Enterprises, LLC (“Owner”) is the owner of approximately 0.26 acres of land in the City of Flagstaff, Coconino County, Arizona, currently zoned CC and T5, located at 19 West Phoenix Avenue, generally known as the DuBeau Route 66 International Hostel, and specifically described and depicted in attached Exhibit “A,” incorporated herein by this reference (“Property”); and

WHEREAS, pursuant to Flagstaff Zoning Code Division 10-30.30, et seq., an application (“Application”) has been submitted by the Heritage Preservation Commission (“Applicant”), acting on behalf of the Owner, to amend the Zoning Map designation of the Property by adding an LO designation to the existing CC and T5 classifications; and

WHEREAS, the use of the Property as a motel affiliated with Route 66, beginning in 1929, was a significant moment in Flagstaff history. The Property is associated with significant figures in Flagstaff history, including members of the Dubeau family. In addition, the Federal Government has acknowledged the historic significance of this building by including it on the National Register of Historic Places; and

WHEREAS, pursuant to Flagstaff Zoning Code Section 10-30.30.050.B, the Property meets the established criteria for amending the Zoning Map classification of a property to the LO designation; and

WHEREAS, on November 20, 2013, the Historic Preservation Commission, having considered the Application, the recommendation of the City’s Historic Preservation Officer, and the testimony of the public, unanimously passed a motion recommending that the City Council add the LO designation to the Property; and

WHEREAS, on January 8, 2014, the Planning and Zoning Commission, having considered the recommendation of the Historic Preservation Commission and the testimony of the public, passed a motion recommending that the City Council amend the Zoning Map classification of the Property by adding an LO designation to the existing CC and T5 zoning classifications; and

WHEREAS, the City Council has considered the recommendation of the Historic Preservation Commission and the Planning and Zoning Commission, and the public testimony presented to those bodies; and

WHEREAS, the City Council has considered the Application and the staff summary prepared by the Community Development Division, and finds that the proposed amendment will not be detrimental to the uses of adjoining parcels or to other uses within the vicinity of the Property; and

WHEREAS, the City Council finds that, in accordance with A.R.S. Section 9-462.01(F), the proposed amendment is consistent with and conforms to the Flagstaff Area Regional Land Use and Transportation Plan.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. That the Flagstaff Zoning Map designation of approximately 0.26 acres of real property located at 19 West Phoenix Avenue, and specifically described and depicted in Exhibit "A," be amended by adding an LO designation to the existing CC and T5 classifications.

SECTION 2. Pursuant to Flagstaff Zoning Code Section 10-30.30.040.B, it is ordered that the Property be shown on the Official City of Flagstaff Zoning Map with the zoning designation of Landmarks Overlay (LO).

SECTION 3. That, prior to the City Council's final adoption of this Ordinance, the Owner shall execute an Agreement for the Waiver of Claims for Diminution of Value of Property with the City of Flagstaff, as authorized by Arizona Revised Statutes Section 12-1134(I).

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

**PLANNING AND DEVELOPMENT SERVICES REPORT**  
**ZONING MAP AMENDMENT**

**PUBLIC HEARING**  
**PREZ 2013-0004**

**DATE:** December 20, 2013  
**MEETING DATE:** January 8, 2014  
**REPORT BY:** Tiffany Antol

**REQUEST:**

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner Hillside Enterprises, LLC, for approximately 0.26 acres located at 19 W Phoenix Avenue to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Community Commercial (CC) and T5 Main Street Transect Zone.

**STAFF RECOMMENDATION:**

Staff recommends the Planning and Zoning Commission forward the Zoning Map amendment to the City Council with a recommendation for approval.

**PRESENT LAND USE:**

The Motel Dubeau Travelers Inn & Hostel in the Community Commercial (CC) Zone and T5 Main Street Transect Zone.

**PROPOSED LAND USE:**

The property owner proposes to add a beer/wine bar to the existing hostel use on site utilizing the T5 Main Street Transect Zone as an alternative to the Community Commercial (CC) zone.

**NEIGHBORHOOD DEVELOPMENT:**

North: Altitude's Bar & Grill and a retail thrift shop; Community Service (CS) Zone  
East: Saint Anne Apartments; Community Commercial (CC) Zone  
South: Macy's European Coffeehouse; Community Commercial (CC) Zone  
West: Biff's Bagels and Beaver Street Brews and Cues; Community Commercial (CC) Zone

**REQUIRED FINDINGS:**

**STAFF REVIEW.** An application for a Zoning Map amendment shall be submitted to the Planning Director and shall be reviewed and a recommendation prepared. The Planning Director's recommendation shall be transmitted to the Planning Commission in the form of a staff report prior to a scheduled public hearing. The recommendation shall set forth whether the Zoning Map amendment should be granted, granted with conditions to mitigate anticipated impacts caused by the proposed development, or denied; and shall include an evaluation of the consistency and conformance of the proposed amendment with the goals of the General Plan and any applicable specific plans; and a recommendation on the amendment based on the standards of the zones set forth in Section 10-40.20 "Establishment of Zones" of the Zoning Code (Page 40.20-1).

**FINDINGS FOR REVIEWING PROPOSED AMENDMENTS.** All proposed amendments shall be evaluated as to whether the application is consistent with and conforms to the goals of the General Plan and any applicable specific plans; and the proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City of Flagstaff (the "City") and will add to the public good as described in the General Plan; and the affected site is physically suitable in terms of design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle

access, public services, and utilities to ensure that the requested zone designation and the proposed or anticipated uses and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located. If the application is not consistent with the General Plan and any other applicable specific plan, the applicable plan must be amended in compliance with the procedures established in Chapter 11-10 of the City Code (Title 11: General Plans and Subdivisions) prior to considering the proposed amendment.

**STAFF REVIEW:**

**Introduction/Background**

The Applicant, the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner Hillside Enterprises LLC, is requesting a Zoning Map amendment to add approximately 0.26 acres located at 19 W. Phoenix Avenue to the Landmarks Overlay (LO) Zone. An overlay zone is a special zoning district placed over an existing zoning district, part of a district, or a combination of districts. Overlay zones build on the underlying zoning, by establishing additional requirements. In this case the Landmarks Overlay zone would be in addition to the existing Community Commercial (CC) Zone and the T5 Main Street Transect Zone.

The site is known as the “Motel Dubeau Travelers Inn & Hostel.” The motel was constructed at its current location in 1929 by Albert Neil Dubeau and originally consisted of 22 individual motel units, a large rooftop sign, and an office/manager’s residence. This site is listed on the National Register of Historic Places as a contributing property to the Railroad Addition Historic District due to its historic association with Route 66, and its importance in the transportation and commercial history of Flagstaff. The Dubeau’s 1929 construction date makes it the oldest remaining Route 66 associated motel in Flagstaff.

At its meeting of November 20, 2013 the City’s Heritage Preservation Commission reviewed this proposal and unanimously recommended that the City Council approve this Zoning Map amendment request. Attached to this report are copies of the Heritage Preservation Commission report and minutes.

**Proposed Development Concept Plans**

No new development is proposed as part of this application but the owner is proposing to convert part of the existing hostel into a beer/wine bar and possible future retail uses utilizing the T5 Main Street transect zone standards.

**General Plan – Flagstaff Area Regional Land Use and Transportation Plan**

The proposed Zoning Map amendment meets several policies of the Flagstaff Regional Land Use and Transportation Plan. Specifically, the plan calls for greater efforts at heritage preservation and for the preservation of Flagstaff’s existing traditional neighborhoods. The following RLUTP policies are relevant to this application:

***Policy CD2.4 - Preserve Cultural and Historic Resources***

“The quality of life in the Flagstaff area shall be enhanced by the preservation of historic resources and inclusion of heritage in the development of the city and region. Historic buildings shall be considered for preservation and reused to provide a sense of connection with the past.” (Regional Plan, Page 5-5)

***Policy CD2.7 – Protect the Character, Quality, Historic and Architectural Patterns of the Historic Districts and Other Neighborhoods.***

“The planning and design of changes to neighborhoods should respect traditions, identifiable styles, proportions, shapes, streetscapes, relationships between buildings and yards and roadways; use historically appropriate and compatible building and structure materials for the historic district.” (Regional Plan, Page 5-8)

***Policy CD2.8 – Promote Restoration of Historic Buildings, Sites and Districts.***

“Preserve and improve the quality of housing and other buildings, structures and neighborhoods through their restoration and rehabilitation.” (Regional Plan, Page 5-8)

***Policy CD2.9 – Collaborate with Residents to Stabilize, Protect and Improve Historic Districts and Other Neighborhoods While Maintaining Affordability and Viability.***

“Involve residents in the process of planning and obtaining financial and technical assistance for the protection, stabilization, affordability and viability of their neighborhoods.” (Regional Plan, Page 5-8)

***Policy NCR1.10 – Protect Archeological and Cultural Resources.***

“Historical, archeological, and cultural resources shall be identified and preserved through restoration or adaptive reuse, as links between past, present and future generations.” (Regional Plan, Page 6-6)

The Landmarks Overlay (LO) Zone implements all of the above noted policies within the current General Plan. The primary intention of this overlay is to preserve cultural and historic resources. Applying the Landmarks Overlay (LO) Zone to the subject property will provide specific guidelines for preservation of the site and will require an additional level of oversight through the Heritage Preservation Commission. This Zoning Map amendment application is a collaboration between the Heritage Preservation Commission and the property owner to achieve the preservation goals of this community.

**Zoning – City of Flagstaff Zoning Code**

The requirements of the Landmarks Overlay (LO) Zone are intended to promote the preservation and unique character of all structures within the zone. Properties within the Landmarks Overlay (LO) Zone are subject to the Landmark Design Review Overlay District Design Standards and Guidelines and design review by the Heritage Preservation Commission. The subject property currently has Community Commercial (CC) and T5 Main Street Transect Zoning. The Landmarks Overlay (LO) Zone does not change the requirements of the underlying Community Commercial (CC) or T5 Main Street Transect Zoning districts but adds an additional level of design standards for which any development on site would be required to meet. If there were any conflicts between the requirements of the Landmarks Overlay (LO) zone and the requirements of either of the underlying zoning districts, the requirements of the Landmarks Overlay (LO) zone would control.

The property owner is intending to develop utilizing the underlying T5 Main Street Transect Zone in lieu of the existing Community Commercial (CC) Zone. Lodging and Bars are both permitted uses in the T5 Main Street Transect Zone while neither is a permitted use in the existing Community Commercial (CC) Zone. The T5 Main Street Transect Zone requires development to comply with minimum design standards including a minimum building height of two stories. With the application of the Landmarks Overlay (LO) Zone the property would not be required to meet any T5 Main Street development standard that would alter the historic character of the existing building.

**PUBLIC SYSTEMS IMPACT ANALYSIS:**

**Traffic and Access**

No analysis is required.

**Water and Wastewater**

A water and sewer impact analysis is not required by staff. This site currently is served by both City utility systems. No modifications to the current service are proposed.

**Stormwater**

No stormwater improvements are required.

**Parks and Recreation**

This Zoning Map amendment is not anticipated to have any impact to the City's parks or recreation systems.

**OTHER REQUIREMENTS:**

**Resources**

The subject property is not located within the Resource Protection Overlay (RPO) Zone as defined by Section 10-50.90.020.A of the Zoning Code (Page 50.90-2). Further, this application does not anticipate any physical modifications to the existing structure or site. No impact to resources is anticipated.

**Citizen Participation**

All property owners within 300-feet of the subject property were notified via mail of the Zoning Map amendment and asked to attend the November 20, 2013 Heritage Preservation Commission (HPC) meeting. Additionally, a notice was run in the Daily Sun, which discussed the Zoning Map amendment and identified the HPC meeting as a venue for discussion. No one from the public attended the HPC meeting other than the applicant to make comment on the Zoning Map amendment. Those meeting minutes are attached.

**DISCUSSION:**

The application of the Landmarks Overlay (LO) zone to the subject property adds an additional layer of preservation requirements and review for all development. The intention of the zone is to recognize, preserve and enhance attributes having historic, architectural, archeological, cultural or aesthetic significance. Section 10-30.30.040.B.2.a of the Zoning Code states that "an individual property...may be designated as a Landmark if it is significant...and the Development Standards and Guidelines of the Landmark Zone are applicable." Section 10-30.30.050.B.1.a of the Zoning Code defines a cultural resource as significant if it is eligible for the National Register of Historic Places. The Motel Dubeau was listed on the National Register of Historic Places as a contributing property to the Railroad Addition Historic District in 1984. A full detail of how this site meets the standards of significance can be found in the attached Heritage Preservation Commission report dated October 16, 2013.

**RECOMMENDATION:**

Staff believes that the proposed Zoning Map amendment has been justified and would recommend in favor of amending the Zoning Map for 0.26 acres to add the Landmarks Overlay (LO) zone to the existing Community Commercial (CC) and T5Main Street transect zones.

**ATTACHMENTS**

- Zoning Map Amendment Application
- Current City of Flagstaff Zoning Map
- HPC Staff Report
- HPC minutes, of November 20, 2013
- Public Hearing Legal Advertisements
- Citizen Participation Plan Waiver



# City of Flagstaff

# Community Development Division

211 W. Aspen Ave  
 Flagstaff, AZ 86001  
 www.flagstaff.az.gov

P: (928) 213-2618  
 F: (928) 213-2609

**PREZ/PGM**

<b>Date Received</b> DEC 09 2013	<b>Application for Zoning Map Amendment and/or Regional Plan Amendment</b>	<b>File Number</b> DEV13-054
<b>Property Owner(s)</b> Hillside Enterprises, LLC	<b>Title</b>	<b>Phone</b> 779-8639
<b>Mailing Address</b> 2 N. Hillside Drive		<b>City, State, Zip</b> Flagstaff, AZ 86001
<b>Applicant(s)</b> CoF - Heritage Preservation Commission	<b>Title</b>	<b>Phone</b> 213-2969
<b>Mailing Address</b> 211 W. Aspen Avenue		<b>City, State, Zip</b> Flagstaff, AZ 86001
<b>Project Representative)</b> Karl Eberhard	<b>Title</b> HPO	<b>Phone</b> 213-2969
<b>Mailing Address</b> 211 W. Aspen Avenue		<b>City, State, Zip</b> Flagstaff, AZ 86001
<b>Requested Review</b>	<input checked="" type="checkbox"/> Zoning Map Amendment	<input type="checkbox"/> Regional Plan Amendment <input type="checkbox"/> Continued

<b>Site Address</b> 19 W. Phoenix Avenue	<b>Parcel Number(s)</b> 100-41-014	<b>Subdivision, Tract &amp; Lot Number</b> Railroad Addition
<b>Existing Zoning District</b> CC	<b>Proposed Zoning District:</b> CC w/ LO	<b>Existing Regional Plan Land Use Category</b>
<b>Existing Use</b>		<b>Proposed Use</b>
<b>Property Information:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Located in an existing Local/National Historic District? (Name: <u>Southside</u> ) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Existing structures are over 50 years old at the time of application? <input type="checkbox"/> Yes <input type="checkbox"/> No Subject property is undeveloped land?	
<b>Requested Urban Growth Boundary Change (If Applicable)</b>	<b>State Reason for Request</b> Preservation of the property.	

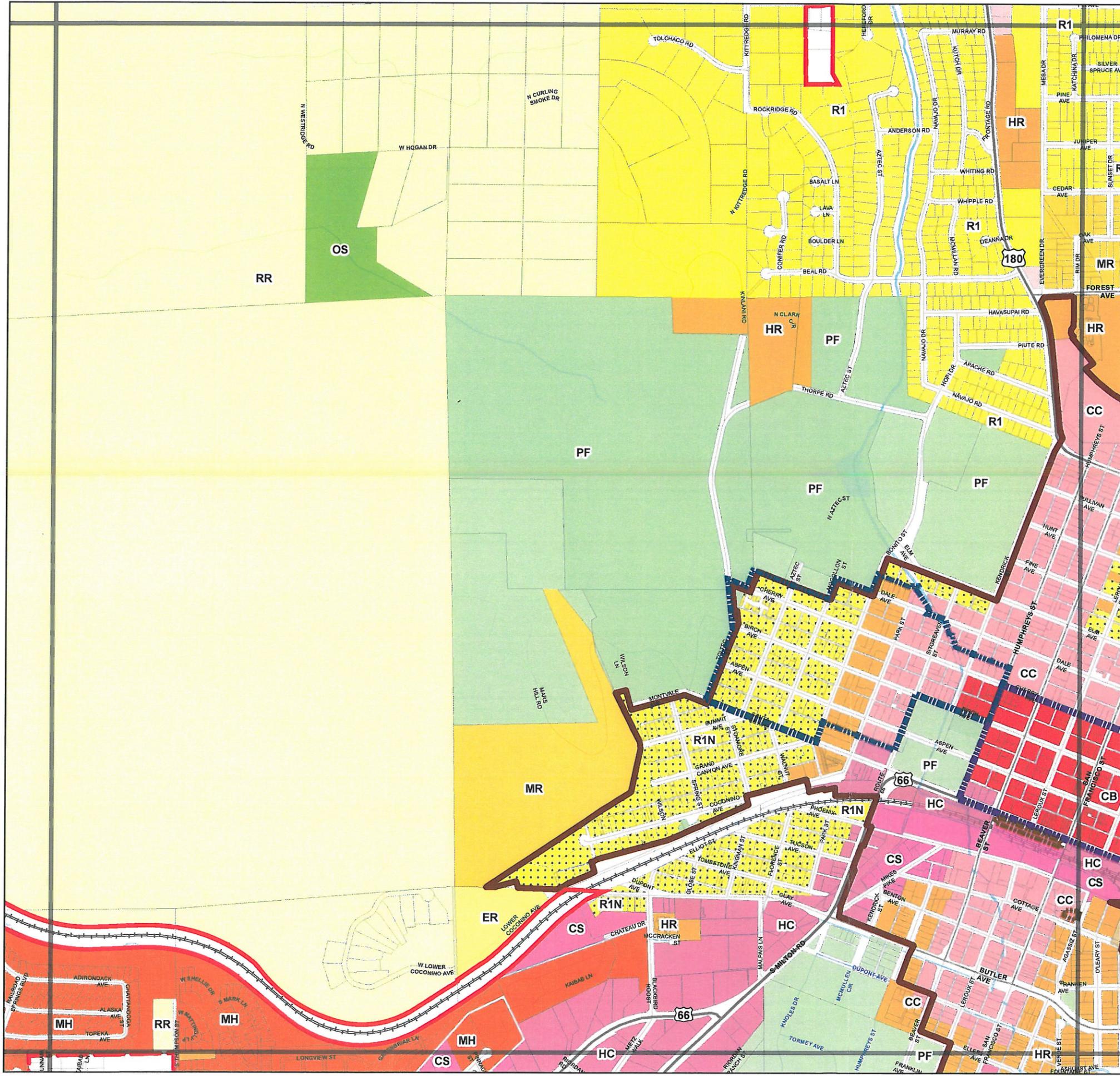
**Note:** Indicate how the change of zone will not be detrimental to the majority of persons or properties in the surrounding area, or to the community in general. If modification to the Regional Plan is requested, clearly state reason(s) for modification. (Attach separate sheets as necessary). **Incomplete submittals will not be scheduled.**

<b>Property Owner Signature (required)</b> <i>[Signature]</i>	<b>Date:</b> 12-4-13	<b>Applicant Signature</b> <i>[Signature]</i>	<b>Date:</b> 12/4/13
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For City Use			
<b>Date Filed:</b>	<b>File Number(s):</b> PREZ 20130004	<b>Type of Zoning Map Amendment:</b>	
<b>P &amp; Z Hearing Date:</b>	<b>Publication and Posting Date:</b>	<input type="checkbox"/> Small-scale	
<b>Council Hearing Date:</b>	<b>Publication and Posting Date:</b>	<input type="checkbox"/> Medium-scale	
<b>Fee Receipt Number:</b>	<b>Amount:</b>	<b>Date:</b>	<input type="checkbox"/> Large-scale

<b>Action by Planning and Zoning Commission:</b>			<b>Action by City Council:</b>		
<input type="checkbox"/> Approved			<input type="checkbox"/> Approved		
<input type="checkbox"/> Denied			<input type="checkbox"/> Denied		
<input type="checkbox"/> Continued			<input type="checkbox"/> Continued		
<b>Staff Assignments</b>	Planning	Engineering	Fire	Public Works/Utilities	Stormwater

# City of Flagstaff Zoning Map 8



**Residential Zones:**

- Rural Residential (RR)
- Estate Residential (ER)
- Single-family Residential (R1)
- Single-family Residential Neighborhood (R1N)
- Medium Density Residential (MR)
- High Density Residential (HR)
- Manufactured Housing (MH)

**Commercial Zones:**

- Central Business (CB)
- Highway Commercial (HC)
- Commercial Service (CS)
- Community Commercial (CC)
- Suburban Commercial (SC)

**Industrial Zones:**

- Business Park (BP)
- Light Industrial (LI)
- Light Industrial Open (LI-O)
- Heavy Industrial (HI)
- Heavy Industrial Open (HI-O)

**Resource and Open Space:**

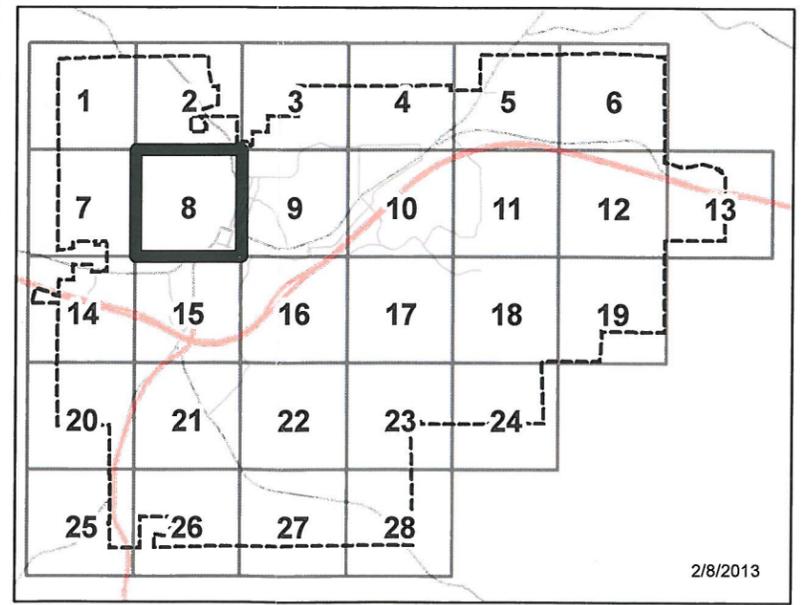
- Public Facility (PF)
- Public Lands Forest (PLF)
- Open Space (OS)

**Other Symbols:**

- Airport Overlay Zone
- Downtown Overlay Zone
- Townsite Overlay Zone
- Landmark Overlay Zone
- Regulating Plan Boundary
- City Limits
- Parcels

Scale: 0 500 1,000 1,500 2,000 Feet

This map is known as the "City of Flagstaff Official Zoning Map" or the "City of Flagstaff Official Regulating Plan," and is intended to implement the City of Flagstaff Zoning Code per Ordinance 2011-20 adopted on 11/01/2011 and all subsequent amendments. These maps are based on the most accurate graphic information available at the time they were produced. The City of Flagstaff furnishes these maps "as is" and assumes no responsibility for their accuracy. All zoning information should be verified by legal description whenever possible.





# City of Flagstaff

# Community Development Division

211 W. Aspen Ave P: (928) 213-2969  
 Flagstaff, AZ 86001 F: (928) 779-7684  
 www.flagstaff.az.gov



Date Received 9/24/13	<b>Application to Heritage Preservation Commission</b>	File Number
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Property Owner(s) Hillside Enterprises, LLC	Title	Phone (928) 779-3180	Email itmedianow@yahoo.com
--	-------	-------------------------	-------------------------------

Mailing Address 2 N. Hillside Dr	City, State, Zip Flagstaff, AZ 86004
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Applicant Heritage Preservation Commission	Title	Phone (928) 213-2969	Email keberhard@flagstaffaz.gov
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Mailing Address 211 W. Aspen Avenue	City, State, Zip Flagstaff, AZ 86001
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Property Interest of Applicant(s) (Owner, contractual interest, or agent)  
Agent

Site Address 19 W. Phoenix Avenue	City, State, Zip Flagstaff, AZ 86001
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Parcel Number(s) 100-41-014	Zoning District(s) CC (Community Commercial)
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Type of HPC Application Requested:

- Historic Overlay District Designation (If new, Name: \_\_\_\_\_)
- Landmark Overlay District Designation
- Certificate of Appropriateness
- Certificate of No Effect
- Certificate of Economic Hardship
- Cultural Resource Study Review
- Historic Facades and Signs Grant

Property Information:

- Yes  No Listed on the National Register of Historic Places? (Name: Southside NRHD)
- Yes  No Listed on the Arizona Register of Historic Places? (Name: \_\_\_\_\_)
- Yes  No Located in an existing City of Flagstaff Historic District? (Name: \_\_\_\_\_)
- Yes  No Non-residential development; structure is over 50 years old at the time of application?
- Yes  No Residential development; structure is pre-World War II housing?
- Yes  No Subject property is undeveloped land?

**Note: Applications which are incomplete or not accompanied by the required information will not be accepted.**

Property Owner Signature: 	Date: 10-11-13	Applicant Signature: 	Date: 10/11/13
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**For City Use**

Date Filed: _____	HPC Hearing Date: _____
Fee Receipt #: _____	Amount: _____ Date: _____
Action by HPC: <input type="checkbox"/> Consent Approval by HPO	<input type="checkbox"/> Denied
<input type="checkbox"/> Approved	<input type="checkbox"/> Continued
<input type="checkbox"/> Approved with Conditions	Staff Initial: _____ Date: _____

**Project Description** (Insert additional pages if necessary)

*No work is proposed. This is a request for designation as a Landmark.*

**Submittal Requirements**

An application to the Heritage Preservation Commission and Historic Preservation Officer shall contain at least the following information:

1. Completed Application including all signatures and payment of fees.
2. Eight copies of drawings as needed to describe the proposal, which may include a Site Plan, Floor Plans, Exterior Elevations, Building Sections, Exterior Details, Lighting Plan, and a Landscape Plan. All drawings shall be drawn to scale and dimensioned, and shall clearly and accurately represent the natural and built conditions of the context area and the project, including both existing conditions and proposed work.
3. Photographs of the context, including the property, surrounding properties, and the neighborhood.
4. A Color Board depicting all exterior materials and finishes associated with the work.
5. Proof of ownership, or letter of authorization from the current property owner, if the applicant and owner are not the same.
6. Statement of approval from a subdivision or property owners association, if applicable.
7. Filing fee.
8. Any other information which the applicant feels would be helpful and/or pertinent to the request.
9. Any other information as may be required by the Historic Preservation Officer or Heritage Preservation Commission to assist in the review of the requested application.

**Summary Statement of Significance:**

National Register of Historic Places documentation or a Cultural Resource Study can be submitted in lieu of completing this page to demonstrate significance (Attach additional pages as necessary).

The significance of a resource is generally based on its potential to contribute to our understanding of the past. An object, structure, site, place, or area is significant if:

- a. It is associated with events or persons in the architectural, engineering, archeological, scientific, technological, economic, agricultural, educational, social, political, military, or cultural annals of the City of Flagstaff, the State of Arizona, or the United States of America.
- b. It embodies distinctive characteristics of type, period, region, artistic values, or methods of construction, including being the oldest of its type or the best example of its type, or, if it represents the work of, or for, an important individual.
- c. A resource is generally not significant if it is less than fifty (50) years old, or, if the features, materials, patterns, and relationships that establish its significance are no longer present or no longer have integrity. The integrity of a resource is judged by how evident the general character of the significant period is, the degree to which the characteristics that define its significance are present, and the degree to which incompatible elements are reversible.

Original Construction Date:

*See attached Staff Report* \_\_\_\_\_

Describe Major Alterations (Include dates and changes of use):

*See attached Staff Report* \_\_\_\_\_

Describe the Significance of the Resource (In terms of a. or b., and c., above):

*See attached Staff Report* \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Source(s) of Information Used:

*See attached Staff Report* \_\_\_\_\_

Describe the Level of Integrity of the Resource (Existing and proposed):

*See attached Staff Report* \_\_\_\_\_



**CITY OF FLAGSTAFF  
HERITAGE PRESERVATION COMMISSION  
STAFF REPORT**



**To:** Heritage Preservation Commission  
**From:** Mark Di Lucido, CD & R Staff  
**Date:** October 16, 2013  
**Meeting Date:** TBD

---

**TITLE:** Consideration of Landmarks Designation for:  
Motel Du Beau and Sign Tower  
19 W. Phoenix Avenue  
Parcel 100-41-014

**REQUEST:**

This is a request to rezone a 0.26 acre parcel, Assessor's Parcel Number 100-41-014, located at 19 W. Phoenix Avenue, including sign tower, to the Landmarks Overlay (LO) Zone. The LO zone is an overlay, meaning that the current CC (Community Commercial) zoning applicable to the site will remain in place and requirements of the LO zone are added to the underlying requirements.

**STAFF RECOMMENDATION:**

Staff recommends that the Heritage Preservation Commission review the application, conduct and receive testimony at a Public Hearing, and forward to the City Council a recommendation to approve rezoning the parcel.

**INTENT:**

The application of the Landmarks Overlay (LO) Zone is intended to promote the preservation of individual properties of cultural significance. The LO Zone district designation applies the Landmark Design Review Overlay District Design Standards and Guidelines, and design review by the Heritage Preservation Commission, to development on properties located within the boundaries of the Zone.

**REQUIRED FINDINGS:**

**DESIGNATION (Zoning Code 10-30.30.040.B.2.a):** An individual property, object, structure, site, sign or landscape feature may be designated as a Landmark if it is significant in accordance with the provisions of this Division and the Development Standards and Guidelines of the Landmarks Zone are applicable.

**SIGNIFICANCE (Zoning Code 10-30.30.050.B.1):** A cultural resource is significant if:

- a. It is eligible as a National Historic Landmark, or for the National Register of Historic Places, or the Arizona Register of Historic Places; or,
- b. It is associated with events or persons in the architectural, engineering, archeological, scientific, technological, economic, agricultural, educational, social, political, military, or cultural annals of the City, the State of Arizona, or the United States of America; or,
- c. It represents the work of, or for, an important individual; or,
- d. It embodies distinctive characteristics of type, period, region, artistic values or methods of construction, including being the oldest of its type or the best example of its type; or,
- e. It has yielded, or may be likely to yield, information needed for scientific research, such as important archaeological resources.

**INTEGRITY (Zoning Code 10-30.30.050.B.2.b):** A resource is generally not significant if the features, materials, patterns and relationships that contributed to its significance are no longer present or no longer have integrity.

To be significant, the resource must also have integrity, meaning that the general character of the significant period must be evident, the characteristics that define its significance are present, and any incompatible alterations are reversible. In addition, the integrity of the setting is a contributing factor in assessing integrity of a resource.

**APPLICABILITY OF THE LANDMARKS ZONE DEVELOPMENT STANDARDS AND GUIDELINES:** The applicable Development Standards and Guidelines of the Landmarks Zone are summarized as having two general parts. The first is "The Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings". The second is a series of "Design Compatibility" requirements that have since been incorporated into the Zoning Code (10-30.60.080).

## STAFF REVIEW

### Background:

The first three motels in downtown Flagstaff to take advantage of the increased motor traffic along Route 66 (Phoenix Avenue) were opened between 1927 and 1937. Nackard's Auto Inn opened in 1927; the Motel Du Beau (current name is Du Beau Hostel) opened in 1929; and the Sierra Vista opened in 1937. Development of these businesses was in response to the increased number of well-to-do tourists driving through Flagstaff.

Albert Neil Du Beau<sup>1</sup> of Los Angeles became convinced that he could be successful by constructing what he called a "motor inn" in the downtown area of the city. His one-story brick Motel Du Beau was described as "a hotel with garages designed for the better class of motorists".<sup>2</sup> The motel originally had 22<sup>3</sup> individual motel units, a large rooftop sign, and an office/manager's residence. The office has a hipped-roof covered in asphalt shingles, a concrete foundation and exterior walls of wire cut brick. On the main (north) façade is a gable roof entry porch supported by square brick columns. The main entrance has an original single-light glass and wood door. Windows are original three-over-one vertical light sash. On the west side of the original office building is a one-story wing added between 1929 and 1934 which is constructed of Malpais stone veneer, wire brick, and three-over-one vertical light sash.<sup>4</sup> An additional one-story wing was added to the rear of the original building ca. 1970, with a wire brick skirt wall, stucco exterior and aluminum windows added ca. 1990.

The east wing was built with 13 units. The building has a gable roof covered in asphalt shingles, an exterior of five-course wire brick and a concrete foundation. Unit entrances have original and replacement paneled wood doors. Most windows facing the courtyard are original two-over-one paired casement design; and most of those facing Beaver Street and the adjoining property to the east are original three-over-three vertical light sash. Shed roof canopies over the unit entrances were original to the east and west wings but were extended out several inches ca. 1980.<sup>5</sup> The west wing was built with nine units and has similar detailing in its doors and windows. The interiors of the units have remodeled baths, plaster walls and ceilings and original wood floors.<sup>6</sup>

Following the 1934 relocation of Route 66's alignment to Santa Fe Avenue, Nackard's Auto Inn and the Motel Du Beau built 60' steel frame towers for their motel signs so that motorists could see them from Route 66's new alignment.

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<sup>1</sup> Thomason and Associates cite Albert Neil's father, Albert Eugene Du Beau as the builder.

<sup>2</sup> Cline, Mountain Town, 241.

<sup>3</sup> Thomason and Associates also states there originally were 24 units.

<sup>4</sup> Photograph documentation provided by John McCulloch.

<sup>5</sup> Ibid.

<sup>6</sup> Excerpted from National Register of Historic Places Multiple Property Documentation Form as prepared by Thomason & Associates, December 2005.

See Site Layout (Attachment 1) for arrangement of buildings referenced in this report.

**Significance:**

The Motel Du Beau was listed on the National Register as a contributing property to the Railroad Addition Historic District in 1984.

Significance Criterion "a" has been met. While this is sufficient for designation, decision-makers may also be interested in the following:

Significance Criteria "b" and "d" are also applicable; the historical background being briefly summarized as follows:

The Motel Du Beau is significant under criterion "b" for its historic association with Route 66, and its importance in the transportation and commercial history of Flagstaff. Within the period of significance (1929 through 1968) for Route 66 motel development and activity in Flagstaff, the Du Beau's 1929 construction date makes it the oldest remaining Route 66 associated motel in Flagstaff (portions of Nackard's Auto Inn were constructed in 1921 but its motel court and multi-unit building were built in 1935 and 1937 respectively).<sup>7</sup>

Developments along Route 66 reflected trends in the national economy. Route 66 motels represent the rise and fall of small privately-owned lodging facilities which paralleled the life span of Route 66. The motels along Route 66 represent a unique type of business and building type—many were designed to reflect local sensibilities and use local materials for economic construction. Their individuality conveyed a distinctive charm, and those with remaining integrity represent a notable type of roadside architecture.

The Du Beau is also significant under criterion "d" for its embodiment of distinctive characteristics of type and period, and for its methods of construction. The most common type of motel along Route 66 was the tourist or motor court which is considered to have come into vogue in the late 1920s. These motor courts commonly featured arranged lines of identical small cabins or cottages positioned back off the road.<sup>8</sup> A larger building, generally housing an office and /or the owner's living quarters would be situated near the roadway in front of the cabins.<sup>9</sup>

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<sup>7</sup> Ibid. Thomason

<sup>8</sup> Ibid

<sup>9</sup> Ibid

**Integrity:**

On the office structure, the addition of the south wing is the most significant feature potentially affecting integrity. Added ca. 1970, this one-story wing has a wire brick skirt wall, and stucco exterior. Aluminum windows were added ca. 1990. The addition of the west wing to the office structure was ca. 1934, and continued the original office structure's architectural proportions, combinations of form, and materials (except for the use of Malpais stone veneer). The west wing's design elements also include three-over-one sash, wire brick trim around the Malpais stone, and continuation of the roof shingles used on the original office. These materials and motifs seamlessly integrate the addition to the original office. Other, more recent changes include the addition of gutters and downspouts; new copper gutters and rain chains added in 2013; an attic vent; a roof sign on the entry porch; and security lighting.

On the motel units, add-ons that affect integrity in a minor way are the extensions to the rain canopies of the original roof. Located over each unit's entry, these very small canopy extensions negligibly take away from the integrity and are a reversible alteration. Other, minor changes include metal heater vents through the exterior brick wall of each unit; the replacement of original bathroom windows with sliding aluminum windows; and the replacement of some three-over-one vertical light sash with one-over-one vinyl windows.

Several changes to the paving and hard-scape portions of the property were made in 2013 and consist of a concrete parking lot between the office and the units; exposed aggregate concrete walkways and steps adjacent to the unit entries; concrete pavers in the courtyard in front of the office; and tubular steel decorative fence and gate around the front and west side of the office. Most of these courtyard improvements are generally not visible from the street thus the setting generally retains its integrity, albeit degraded slightly.

**Sign Towers:**

The Motel Du Beau's free-standing, 60 foot tall structure/sign is also considered for landmarks' designation by this request. According to Flagstaff's Zoning Code:

1. Signs which may be unusual, significant or meaningful to the City streetscape and the City's history may be worthy of special recognition and may be designated as a landmark in accordance with the provisions of this Division if they meet the following criteria:
  - a. The sign has been in continuous existence at its present location for not less than 50 years;
  - b. The sign is of exemplary technology, craftsmanship or design for the period in which it was constructed; uses historic sign materials or means of illumination; and/or is unique in that it demonstrates extraordinary aesthetic quality, creativity or innovation;

- c. The sign is structurally safe or is capable of being made so without substantially altering its historical character or significance;
- d. If the sign has been altered, it must be restorable to its historic function and appearance; and,
- e. The sign complies with movement, bracing and illumination requirements contained in Section 10-50.90.050.D, Structure and Installation.

Constructed between 1929 and 1934, the Du Beau and the Downtowner (formerly Nackard's Auto Inn) motels' sign towers are the two earliest examples of free-standing sign towers in Flagstaff. The Du Beau tower sign is significant under criteria "a": it's been in continuous use as a sign advertising lodging for over 79 years; "b", it demonstrates innovation in the form of downtown, street-side advertising for motorists traveling on roads at some distance from the Du Beau's location; "c", the sign is structurally safe; "d", the sign still performs its original function and has few, if any alterations; and "e", it complies with current movement, bracing, and illumination requirements.

#### **Applicability of the Landmarks Zone Development Standards and Guidelines:**

The Secretary of the Interior's Standards that are the basis of the district standards and guidelines were developed specifically to address the preservation needs of unique resources such as this. The Design Compatibility requirements were developed to ensure compatibility within individual designs and within neighborhood designs, and as such, are inherently appropriate for the protection of this resource. Furthermore, the inclusion of Design Compatibility requirements within the Zoning Code overall will help prevent adjacent development from jeopardizing the setting of this resource.

#### **Basis of Report:**

The information in this summary report was derived from notes written by John McCulloch (current owner) from an oral history by Neil Du Beau; photographs taken by the Du Beau family between 1931 and 1939 (donated by John McCulloch); a National Register of Historic Places Multiple Property Documentation Form as prepared by Philip Thomason; and 1901 and 1916 Sanborn Maps, with addenda thru 1948. Finally, on-site observations were made by an Arizona licensed architect (the city's Historic Preservation Officer) with professional experience concerning historic structures.

Heritage Preservation Commission  
Consideration of Landmarks Designation  
Motel Du Beau and Sign Tower  
October 16, 2013

**STAFF CONCLUSION:**

Staff believes that multiple criteria for Landmarks designation have been met.

**CITIZEN PARTICIPATION:**

The Heritage Preservation Commission (HPC) meeting serves as the Citizen Participation event associated with the pending Re-zone Application. The meeting was advertised in the Daily Sun and notices were mailed to all properties within 300 feet of the property.

**ATTACHMENTS:**

1. Site Layout
2. Portion of 1901 Sanborn Fire Insurance Map - Flagstaff
3. Portion of 1916 Sanborn Fire Insurance Map - Flagstaff
4. Portion of 1916 Sanborn Fire Insurance Map - Flagstaff, adapted to include added wings
5. Pages 12 through 16: Du Beau family photographs provided by John McCulloch
6. Page 17: State of Arizona Historic Property Inventory Form
7. Pages 18 through 20: National Register of Historic Places Continuation Sheets

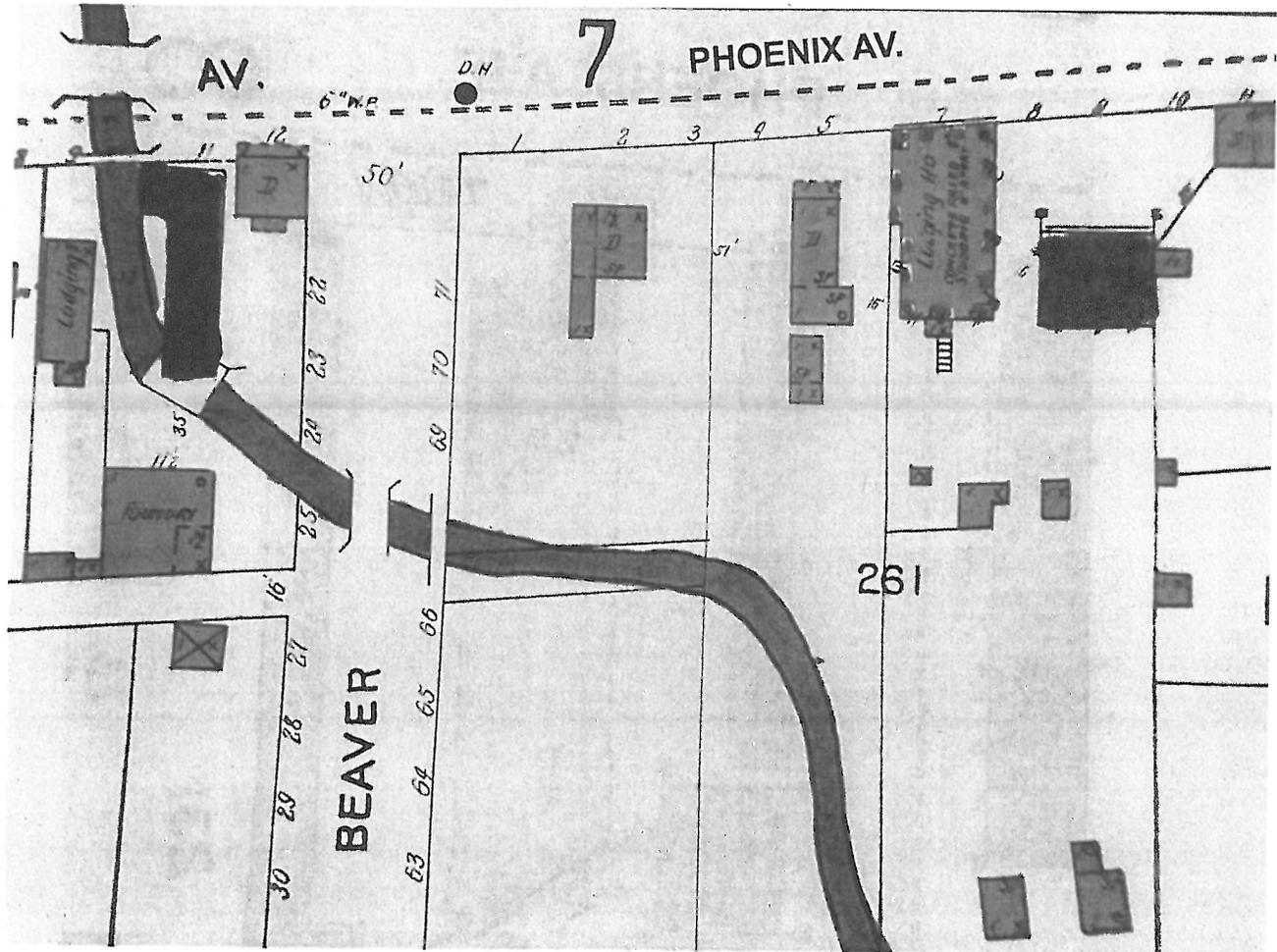
## Attachment 1

### Site Layout



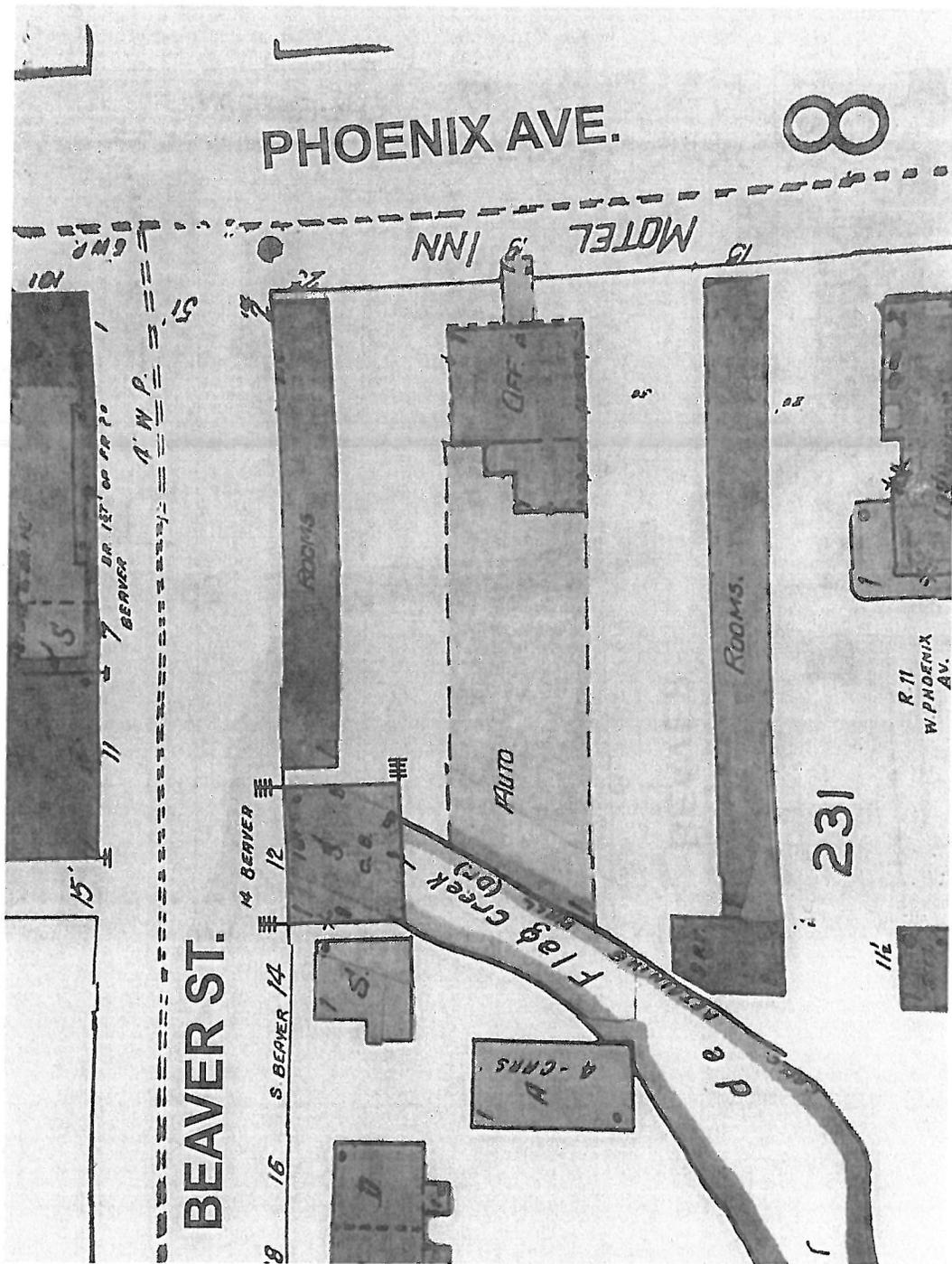
## Attachment 2

Portion of 1901 Sanborn Fire Insurance Map – Flagstaff



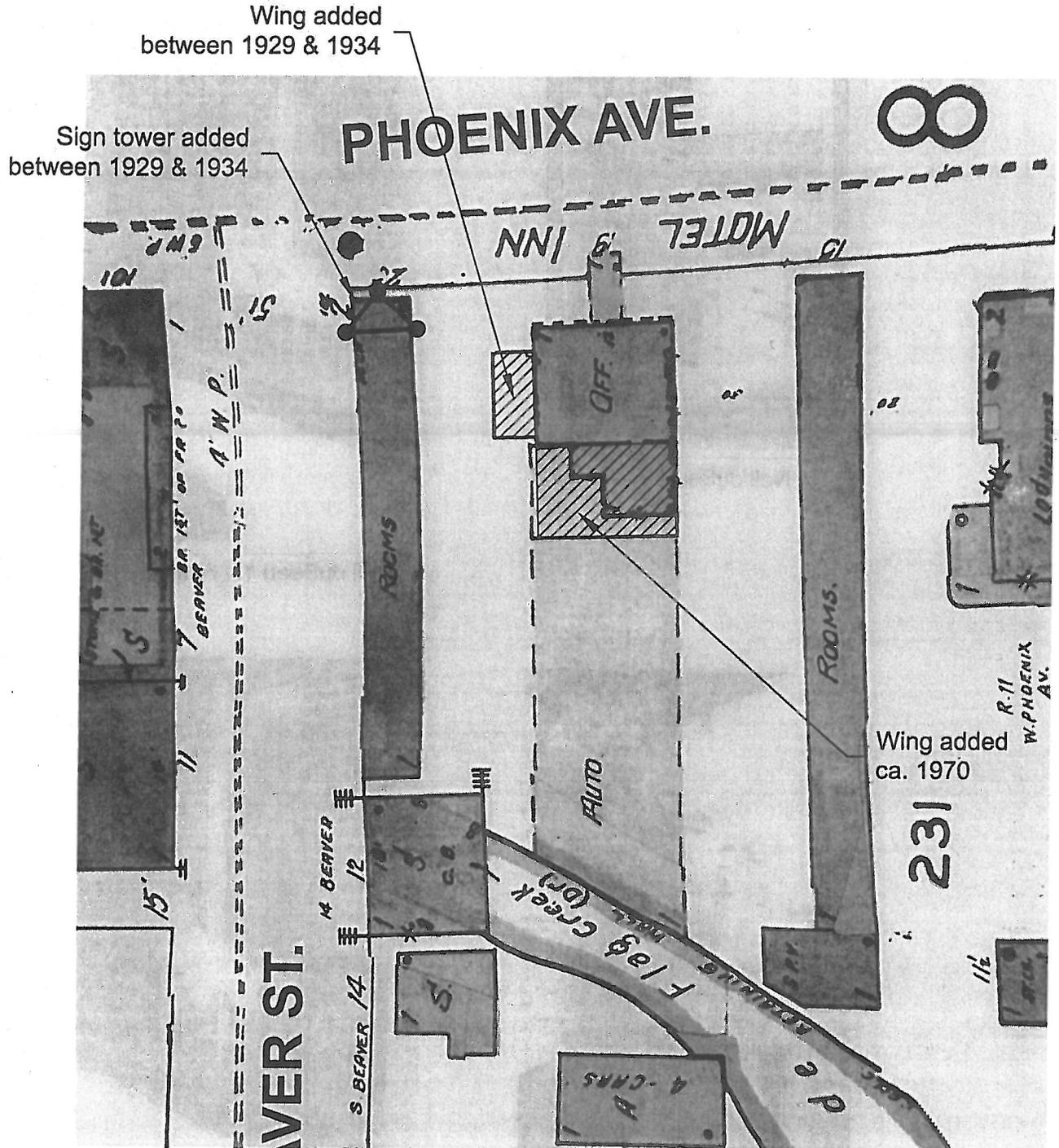
### Attachment 3

Portion of 1916 Sanborn Fire Insurance Map – Flagstaff



### Attachment 4

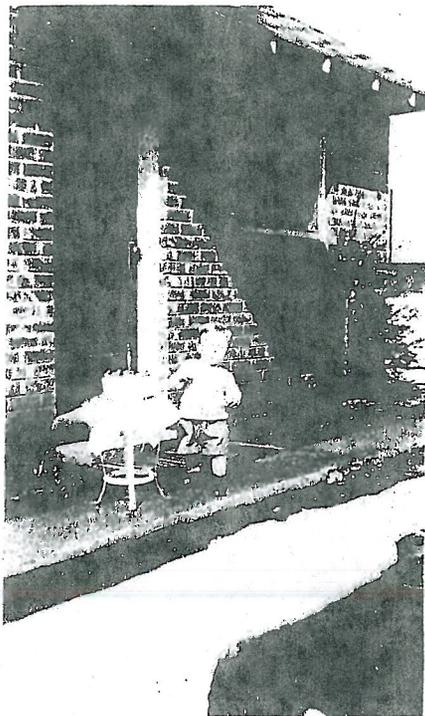
Portion of 1916 Sanborn Fire Insurance Map, Adapted to include wing and sign additions



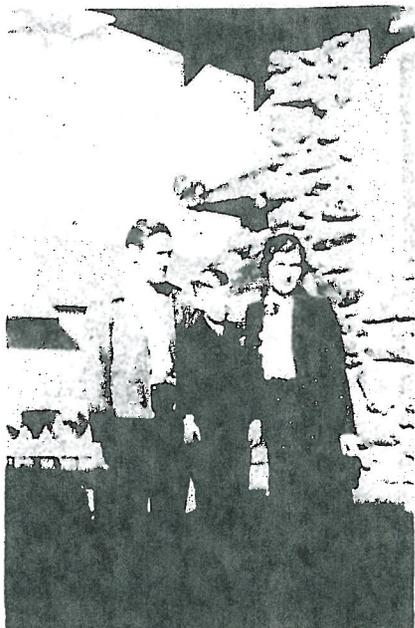
Heritage Preservation Commission  
Consideration of Landmarks Designation  
Motel Du Beau and Sign Tower  
October 16, 2013



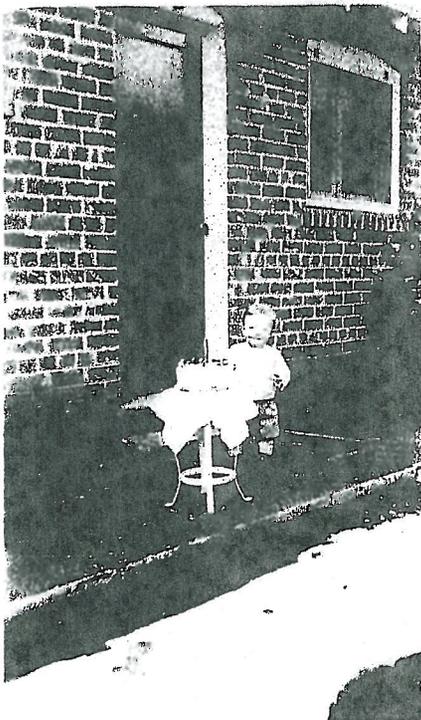
Neil duBeau 1935



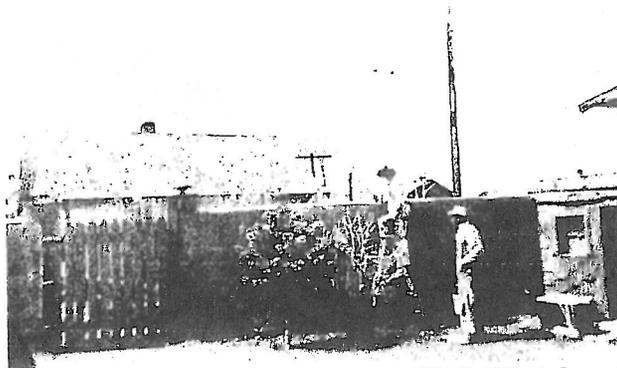
Neil duBeau 1st Birthday 1932



Albert, Neil and Frances 1939



Heritage Preservation Commission  
Consideration of Landmarks Designation  
Motel Du Beau and Sign Tower  
October 16, 2013



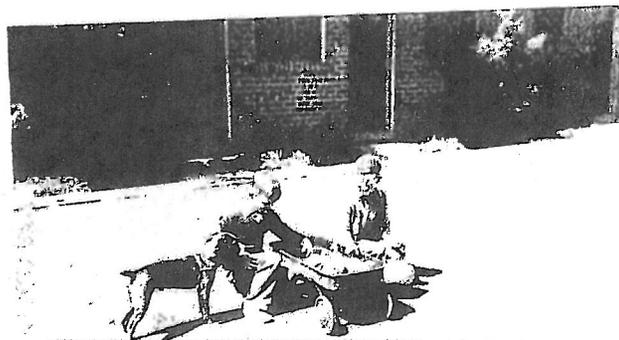
Back of Motel facing Rio de Flag



Cold Winter of 1932

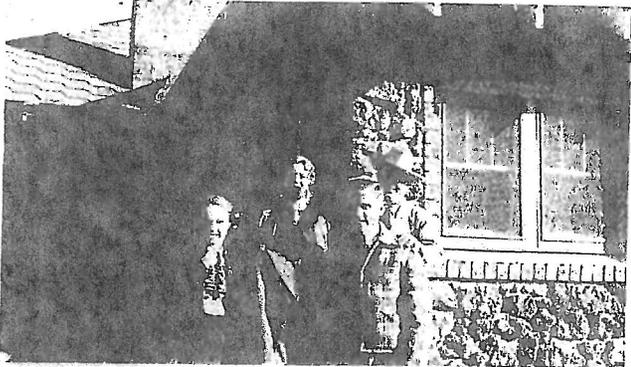


Family Picture 1938



Neil du Beau with Ducklings 1939

Heritage Preservation Commission  
Consideration of Landmarks Designation  
Motel Du Beau and Sign Tower  
October 16, 2013



Family Picture 1934

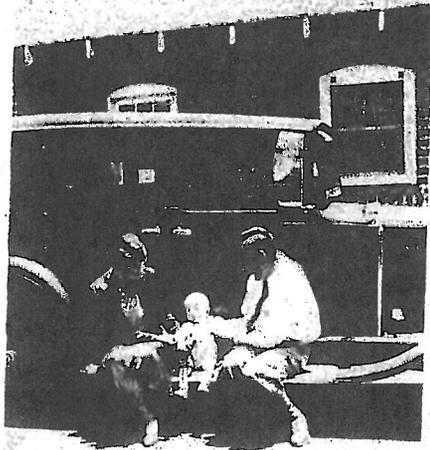


Neil du Beau with Ducklings 1939

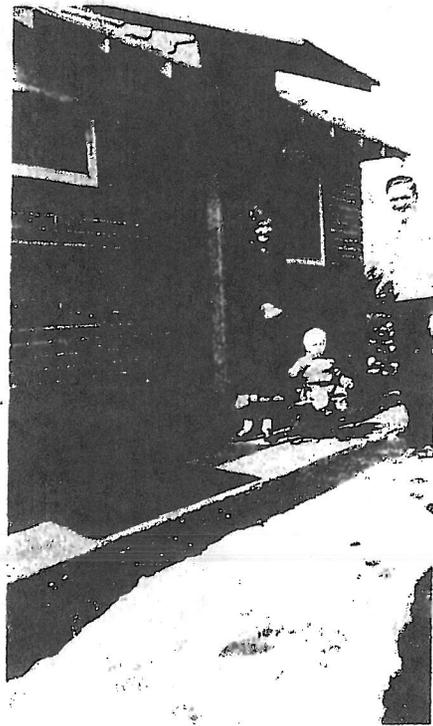


From left - Albert and Frances duBeau  
Clara and Albert duBeau

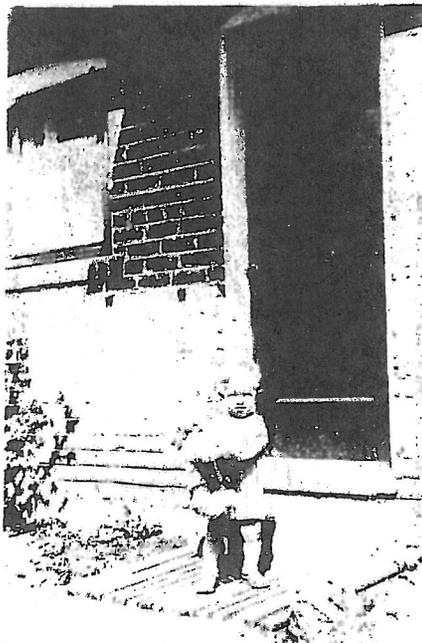
Heritage Preservation Commission  
Consideration of Landmarks Designation  
Motel Du Beau and Sign Tower  
October 16, 2013



Frances, Albert and Neil 1931



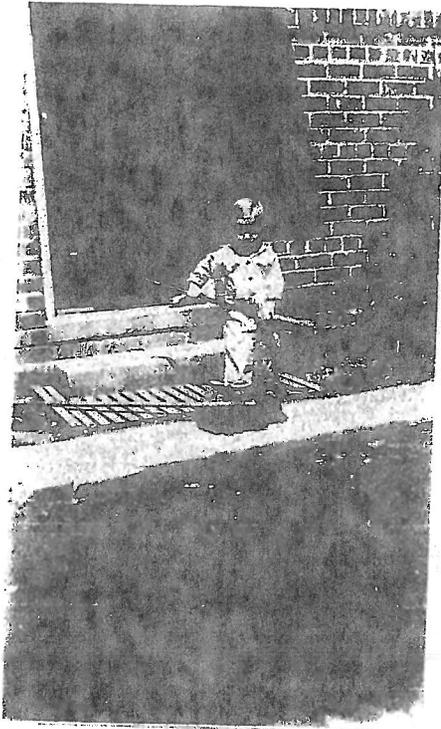
Albert, Frances and Neil 1931



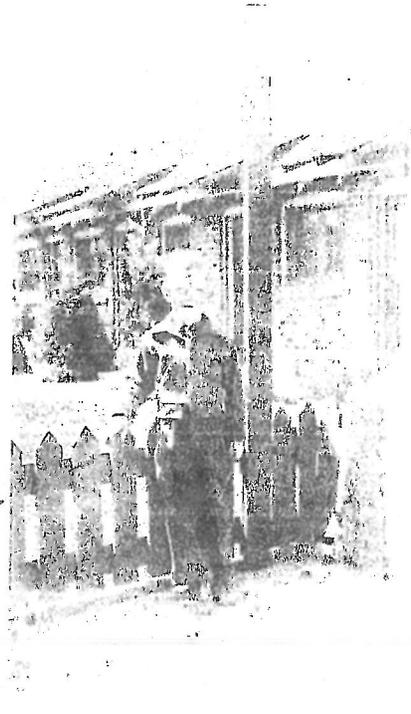
Neil duBeau 1932



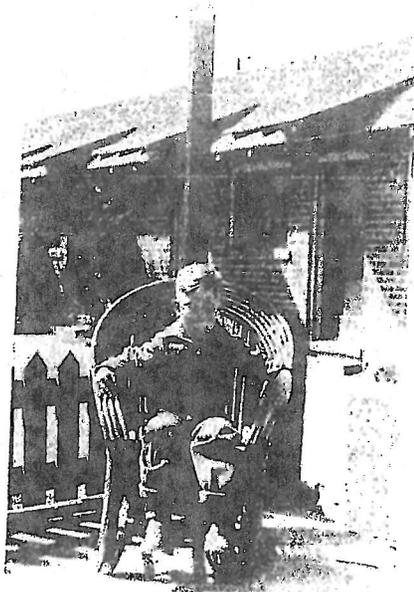
Heritage Preservation Commission  
Consideration of Landmarks Designation  
Motel Du Beau and Sign Tower  
October 16, 2013



Neil duBeau 1932



Neil duBeau 1937



Neil duBeau 1937



Neil duBeau 1935

STATE OF ARIZONA

HISTORIC PROPERTY INVENTORY UPDATE FORM

This form is used only to provide additional information about a property previously documented with a State of Arizona Historic Property Inventory Form and on file at the State Historic Preservation Office. A property within a proposed historic district being nominated to the National Register of Historic Places must have information no less than three years old at the time of submission.

Inventory No: FSS-260 Historic District (if applicable): City of Flagstaff Southside/Old Town  
Address: 19 West Phoenix City or Town: Flagstaff, AZ

HISTORIC SIGNIFICANCE Note any additional information concerning the property's significance since initial recordation.  
Comments: \_\_\_\_\_

CONDITION

Describe the current structural condition of the property

Good (well maintained)  Fair (some problems apparent)  Poor (major problems; imminent threat)  Ruin/Uninhabitable

Comments: \_\_\_\_\_

INTEGRITY

Describe any modifications/alterations to the property not previously noted on the original Historic Property Inventory Form.

Altered minor. Despite alterations structure retains high degree of integrity of original design, materials and workmanship.

PRIOR PROPERTY STATUS

Listed individually  Contributor  Noncontributor Date Listed: 1984  
 Determined eligible by Keeper of National Register (date: \_\_\_\_\_)  
 Previously recommended eligible  Previously recommended ineligible Date: \_\_\_\_\_

If property was previously determined ineligible, briefly state reason (age/integrity) \_\_\_\_\_

RECOMMENDATIONS OF ELIGIBILITY (opinion of SHPO staff or survey consultant)

Property  is  is not eligible individually.  
Property  is  is not eligible as a contributor to a potential historic district.  
 More information needed to evaluate.

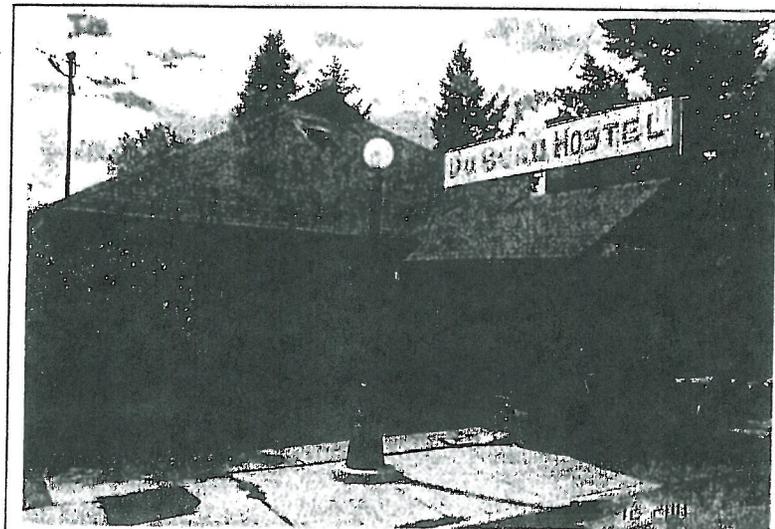
If status has changed, state reason: \_\_\_\_\_

PHOTOGRAPH

Direction of view: Southwest

Update Form Completed By:  
M. McNulty

Date: September 13, 2007



Heritage Preservation Commission  
Consideration of Landmarks Designation  
Motel Du Beau and Sign Tower  
October 16, 2013

NPS FORM 10-800-A  
(6-85)

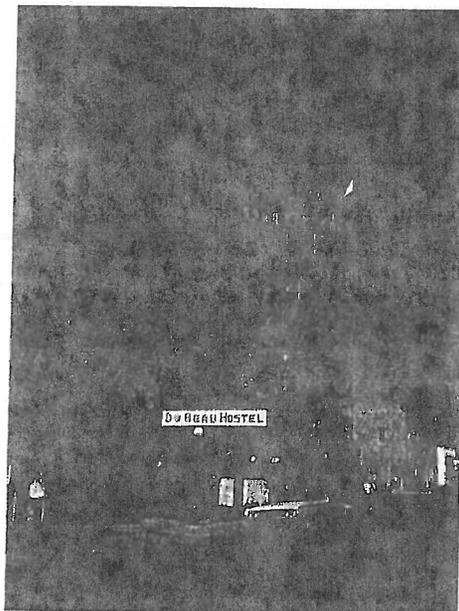
OMB Approval No. 1024-0016

United States Department of the Interior  
National Park Service

**National Register of Historic Places  
Continuation Sheet**

Section number     F     Page     19    

Historic and Historic Archaeological Resources of Route 66  
Route 66 Motels of Flagstaff, Arizona



Sign and office of the Motel Du Beau.

Historic Name: Motel Du Beau (Preferred), Du Beau's Motel Inn  
Current Name: Du Beau Hostel  
Address: 19 W. Phoenix Ave.

The Motel Du Beau was built in 1929 by A.E. Dubeau and originally had 22 individual motel units, a large sign, and an office/manager's residence. The office has a hipped roof of asphalt shingles, a concrete foundation and exterior of wire brick. On the main (N) façade is a gable roof entry porch with square brick columns. The main entrance has an original single-light glass and wood door. Windows are original three-over-one vertical light sash. At the rear of the original building is a one-story wing added ca. 1970 with a wire brick skirt wall, stucco exterior and aluminum windows added ca. 1990.

The east wing was built with thirteen units. The building has a gable roof of asphalt shingles, an exterior of five-course wire brick and a concrete foundation. Entrances have original and replacement paneled wood doors. Windows are original two-over-one paired casement design. Over the entrances are ca. 1980 shed roof canopies. The west wing was built with nine units and has similar detailing in its doors and windows. The interiors of the units have remodeled baths, plaster walls and ceilings and original wood floors.

Heritage Preservation Commission  
Consideration of Landmarks Designation  
Motel Du Beau and Sign Tower  
October 16, 2013

NPS FORM 16-900-A  
(6-86)

OMB Approval No. 1024-0016

United States Department of the Interior  
National Park Service

## National Register of Historic Places Continuation Sheet

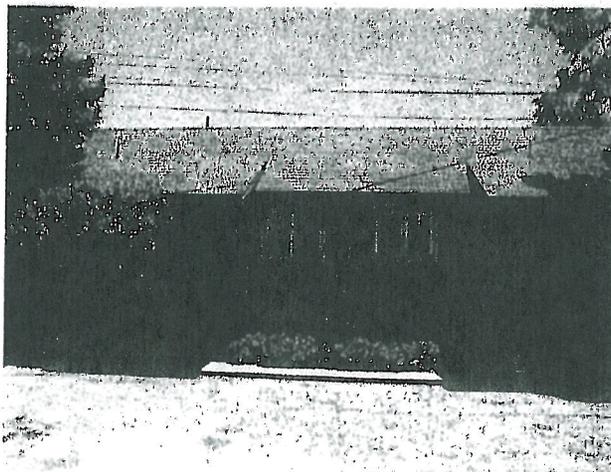
Section number   F   Page   20  

Historic and Historic Archaeological Resources of Route 66  
Route 66 Motels of Flagstaff, Arizona

The Motel DuBeau was listed on the National Register as a contributing property to the Railroad Addition Historic District in 1986.



Motel DuBeau, east wing.



Motel DuBeau, detail of east wing units.

Heritage Preservation Commission  
Consideration of Landmarks Designation  
Motel Du Beau and Sign Tower  
October 16, 2013

NPS FORM 10-900-A  
(8-88)

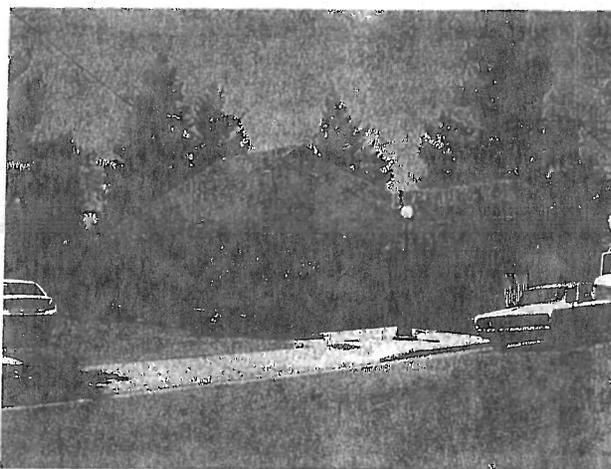
OMB Approval No. 1024-0018

United States Department of the Interior  
National Park Service

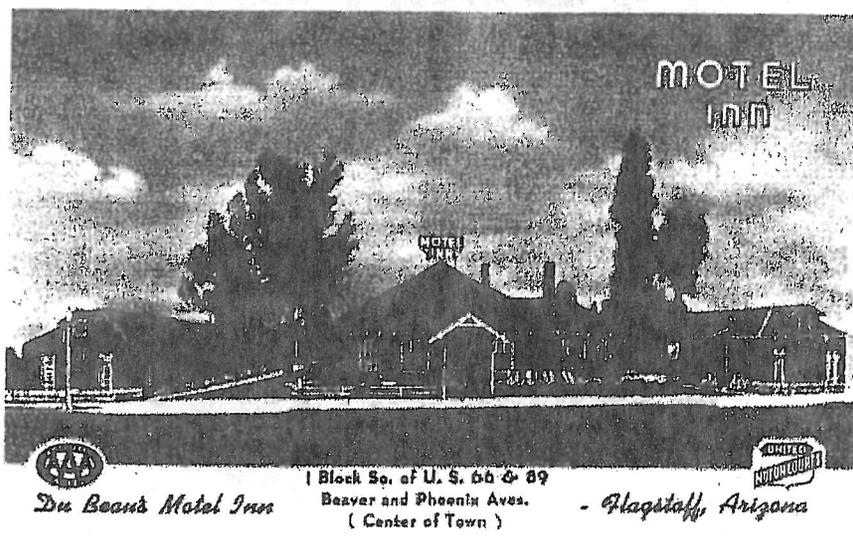
## National Register of Historic Places Continuation Sheet

Section number   F   Page   21  

Historic and Historic Archaeological Resources of Route 66  
Route 66 Motels of Flagstaff, Arizona



Motel DuBeau, office/manager's residence.



Du Beau Motel, ca. 1955 (Courtesy of Joe Sonderman Collection).

**3. APPROVAL of MINUTES.**

Regular Meeting of October 16, 2013

**MOTION:**

Commissioner Rummel made a motion to accept the October 16, 2013 regular meeting minutes. Commissioner Corbin seconded the motion; the motion passed unanimously.

**II. OLD BUSINESS**

*(Continued, postponed, and tabled items.)*

**1. Landmark Designation – Picture Canyon**

Address:	None
Assessor's Parcel Number:	113-06-003
Property Owner:	City of Flagstaff
Applicant:	Heritage Preservation Commission
City Staff:	Karl Eberhard, HPO

REQUESTED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 113-06-003.

This is a request to rezone parcel 113-06-003 (Picture Canyon) to the Landmarks Overlay Zone. This would make future development on the property subject to the Design Standards and Guidelines of the Landmarks Overlay Zone and subject to approval by the Heritage Preservation Commission. The recommendation of the Heritage Preservation Commission, along with a recommendation from the Planning and Zoning Commission, will be presented to the City Council for use in their review and consideration of the rezoning request. A Staff Report has been prepared for this item; was distributed to the Commission under separate cover; and is available for public review at the Historic Preservation Office (City Hall). This Public Hearing was noticed by mail and newspaper advertisements and serves as the Public Participation Meeting of the re-zoning process.

RECOMMENDED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 113-06-003.

*See item 3 for motion.*

**2. Landmark Designation – DeBeau Motel and Sign**

Address:	19 W. Phoenix Avenue
Assessor's Parcel Number:	100-41-014
Property Owner:	Hillside Enterprises, LLC
Applicant:	Heritage Preservation Commission
City Staff:	Karl Eberhard, HPO

REQUESTED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 100-41-014.



This is a request to rezone parcel 100-41-014 (DeBeau Motel and Sign) to the Landmarks Overlay Zone. This would make future development on the property subject to the Design Standards and Guidelines of the Landmarks Overlay Zone and subject to approval by the Heritage Preservation Commission. The property is a contributing structure of the Flagstaff Southside National Register Historic District. The recommendation of the Heritage Preservation Commission, along with a recommendation from the Planning and Zoning Commission, will be presented to the City Council for use in their review and consideration of the rezoning request. A Staff Report has been prepared for this item; was distributed to the Commission under separate cover; and is available for public review at the Historic Preservation Office (City Hall). This Public Hearing was noticed by mail and newspaper advertisements and serves as the Public Participation Meeting of the re-zoning process.

RECOMMENDED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 100-41-014.

*See item 3 for motion.*

### **3. Landmark Designation – Yaeger Residence Outbuilding**

Address:	515 N. San Francisco Street
Assessor's Parcel Number:	101-09-006B
Property Owner:	Jacquita Bailey
Applicant:	Heritage Preservation Commission
City Staff:	Karl Eberhard, HPO

REQUESTED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 101-09-006B.

This is a request to rezone parcel 101-09-006B (Yaeger Residence Outbuilding) to the Landmarks Overlay Zone. This would make future development on the property subject to the Design Standards and Guidelines of the Landmarks Overlay Zone and subject to approval by the Heritage Preservation Commission. The property is a contributing structure of the North End Residential National Register Historic District. The recommendation of the Heritage Preservation Commission, along with a recommendation from the Planning and Zoning Commission, will be presented to the City Council for use in their review and consideration of the rezoning request. A Staff Report has been prepared for this item; was distributed to the Commission under separate cover; and is available for public review at the Historic Preservation Office (City Hall). This Public Hearing was noticed by mail and newspaper advertisements and serves as the Public Participation Meeting of the re-zoning process.

RECOMMENDED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 101-09-006B.

#### **MOTION:**

Commissioner Corbin made a motion to recommend that the City Council apply the Landmarks Overlay Zone to the following parcels:





# MINUTES - Draft

City of Flagstaff  
PLANNING & ZONING COMMISSION  
4:00 PM– Wednesday, January 8, 2014  
City of Flagstaff, Council Chambers

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## CALL TO ORDER

Vice Chairman Dorsett called the meeting to order at 4:09 p.m.

### COMMISSION MEMBERS:

PRESENT: Paul Turner; Stephen Dorsett, Vice Chairman; Steve Jackson; Paul Moore; Justin Ramsey

Absent: David Carpenter, Chairman; Tina Pfeiffer

### CITY STAFF:

Mark Sawyers, Staff Liaison

Tiffany Antol, Planning Development Manager

Becky Cardiff, Recording Secretary

## GENERAL BUSINESS

### A. PUBLIC COMMENT

None.

### B. APPROVAL OF MINUTES

- 1) Regular meeting of November 13, 2013.

This item was tabled due to commissioners not in attendance at tonight's meeting.

## PUBLIC HEARING

### 1. Zoning Map Amendment for Jacqita Bailey

Address:	515 North San Francisco
Assessor's Parcel Number:	101-09-006b
Property Owner:	Jacqita Bailey
Applicant:	City of Flagstaff Heritage Preservation Commission
Application Number:	PREZ 2013-0003
City Staff:	Tiffany Antol
Action Sought:	Zoning Map Amendment

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, Jacqita Bailey, for approximately 0.16 acres located at 515 N. San Francisco St to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Single-Family Residential Neighborhood (RIN) Zone.

Ms. Antol gave a brief PowerPoint presentation of the project and then introduced Karl Eberhard, Heritage Preservation Officer; he then gave the background information on the property and a brief description of the Landmark Overlay designation.

Ms. Antol, Mr. Eberhard and Mr. Sawyers all answered questions from Commissioners.

**Public Comment:**

John McCullough, Owner of Motel DuBeau, complimented staff on their help with the Landmark Overlay requirements and process and discussed the reason he would like his property (Motel DuBeau) in this overlay district.

Motion: Motion to close the public hearing Moved by: Commissioner Moore Seconded by: Commissioner Ramsey Motion carried unanimously.

Motion: Motion to approve PREZ 2013-0003 Moved by: Commissioner Turner Seconded by: Commissioner Jackson Motion carried unanimously.

## 2. Zoning Map Amendment for Motel DuBeau

Address:	19 West Phoenix Ave
Assessor's Parcel Number:	100-41-014
Property Owner:	Hillside Enterprises, LLC
Applicant:	City of Flagstaff Heritage Preservation Commission
Application Number:	PREZ 2013-0004
City Staff:	Tiffany Antol
Action Sought:	Zoning Map Amendment

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, Hillside Enterprises, LLC, for approximately 0.26 acres located at 19 W. Phoenix Avenue to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Community Commercial (CC) and T5 Main Street Transect Zone.

Ms. Antol gave a brief PowerPoint presentation of the project and then introduced Karl Eberhard, Heritage Preservation Officer; he then gave the background information on the property.

John McCullough, owner of Motel DuBeau, answered questions from Commissioners

Ms. Antol, Mr. Eberhard and Mr. Sawyers all answered questions from Commissioners.

Motion: Motion to open the public hearing Moved by: Commissioner Ramsey Seconded by: Commissioner Moore Motion carried unanimously.

Public Comment: None

Motion: Motion to close the public hearing Moved by: Commissioner Moore Seconded by: Commissioner Turner Motion carried unanimously.

Motion: Motion to approve PREZ 2013-0004 Moved by: Commissioner Moore Seconded by: Commissioner Turner Motion carried unanimously

### 3. Zoning Map Amendment for City of Flagstaff

Address:	211 W Aspen Ave
Assessor's Parcel Number:	113-06-003
Property Owner:	City of Flagstaff
Applicant:	City of Flagstaff Heritage Preservation Commission
Application Number:	PREZ 2013-0005
City Staff:	Tiffany Antol
Action Sought:	Zoning Map Amendment

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, City of Flagstaff, for approximately 400.16 acres located in Section 4, Township 21 North, Range 8 East to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Rural Residential (RR) Zone.

Ms. Antol gave a brief PowerPoint presentation of the project and then introduced Karl Eberhard, Heritage Preservation Officer; he then gave the background information on the property.

Motion: Motion to open the public hearing Moved by: Commissioner Jackson Seconded by: Commissioner Turner Motion carried unanimously.

#### Public Comment:

Bill Bishop, resident, stated he would like to see the RR zoning district changed to open space on this property.

Motion: Motion to close the public hearing Moved by: Commissioner Turner Seconded by: Commissioner Jackson Motion carried unanimously.

Motion: Motion to approve PREZ 2013-0005 Moved by: Commissioner Jackson Seconded by: Commissioner Turner Motion carried unanimously

### OTHER BUSINESS

A. ELECTION OF OFFICERS

B. APPOINTMENTS

These items were tabled due to commissioners not in attendance at tonight's meeting

### MISCELLANEOUS ITEMS TO/FROM COMMISSION MEMBERS

Mr. Sawyers gave an update on future projects that the Commission will be seeing in the near future

### ADJOURNMENT

The meeting was adjourned at 5:04 p.m.



**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Tiffany Antol, Planning Development Manager  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014



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**TITLE:**

**Consideration and Adoption of Ordinance No. 2014-05:** An ordinance amending the official Zoning Map for a site of approximately 400.16 acres of open space land known as Picture Canyon by adding a Landmarks Overlay district designation ("LO") to the existing rural residential ("RR") zoning classification. *(For the purpose of preserving archaeological elements and Flagstaff history)*

**RECOMMENDED ACTION:**

- 1) Read Ordinance No. 2014-05 by title only for the final time
- 2) City Clerk reads Ordinance No. 2014-05 by title only for the final time (if approved above)
- 3) Adopt Ordinance No. 2014-05

**Policy Decision or Reason for Action:**

The Flagstaff Planning and Zoning Commission conducted a Public Hearing to consider this Zoning Map Amendment request at its regular meeting on January 8, 2014. The Planning Commission voted (5-0) to forward the request to the City Council with a recommendation of approval. Zoning Map amendments are required to be adopted by ordinance.

**Financial Impact:**

None

**Connection to Council Goal:**

Effective governance

**Has There Been Previous Council Decision on This:**

A Public Hearing was held by the City Council at their February 4, 2014, Council Meeting, and the ordinance was read by title only for the first time.

**Options and Alternatives:**

The City Council may approve the ordinance as proposed, approve the ordinance with conditions, or deny the ordinance.

**Background/History:**

With 2004 voter-approved bond funds and a 2012 Growing Smarter grant, the City purchased Picture Canyon as open space to protect the archaeological ecologically diverse riparian resources found within this property. Existing railroad logging features found appear to make it a candidate for the National Register of Historic Places which leads to the Landmarks Overlay designation. See the Introduction/Background section of the Planning and Zoning Commission Zoning Map Amendment Staff Report, dated December 20, 2013, a copy of which is attached, for the Background/History discussion.

**Key Considerations:**

Zoning Map amendments are adopted by the City Council via ordinance. Ordinance No. 2014-05 changes the Zoning Map designation of 400.16 acres to add the Landmarks Overlay (LO) zone to the existing Rural Residential (RR) zone.

**Expanded Financial Considerations:**

None

**Community Benefits and Considerations:**

Community benefits and considerations related to this Zoning Map Amendment request are addressed in the attached Planning and Zoning Commission Zoning map Amendment Staff Report, dated December 20, 2013.

**Community Involvement:**

Inform/Consult

All property owners within 300-feet of the subject property were notified via mail of the Zoning Map Amendment and asked to attend the November 20, 2013 Heritage Preservation Commission (HPC) meeting. Additionally, a notice was run in the Daily Sun, which discussed the Zoning map Amendment and identified the HPC meeting as a venue for discussion. No one from the public attended the HPC meeting to make comment on the Zoning Map Amendment. Those meeting minutes are attached.

The Planning and Zoning Commission conducted a Public Hearing on January 8, 2014. Notice of that Public Hearing was provided in accordance with State statute and the Zoning Code. Prior to the hearing, staff received three phone calls from adjacent property owners asking for additional information about the Zoning Map Amendment. At the Planning and Zoning Commission meeting, one individual from the public spoke on this case asking why the property wasn't being rezoned to Open Space. The Planning & Zoning Commission meeting can be viewed online using the following link:

<http://flagstaff.az.gov/index.aspx?NID=1461>

**Expanded Options and Alternatives:**

- (Recommended Action): The City Council may approve the Zoning Map Amendment as recommended by the Planning and Zoning commission and staff by reading and adopting Ordinance No. 2014-05.
- The City Council may approve the Zoning Map Amendment with conditions.
- The City Council may deny the Zoning Map Amendment.

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**Attachments:**

[Ord. 2014-05](#)

[P&Z Commission report with attachments](#)

[Draft Planning & Zoning Commission Minutes 1/8/14](#)

**ORDINANCE NO. 2014-05**

**AN ORDINANCE OF THE FLAGSTAFF CITY COUNCIL AMENDING THE FLAGSTAFF ZONING MAP DESIGNATION OF APPROXIMATELY 400.16 ACRES OF LAND KNOWN AS PICTURE CANYON BY ADDING A LANDMARKS OVERLAY DISTRICT DESIGNATION (“LO”) TO THE EXISTING RURAL RESIDENTIAL (“RR”) ZONING CLASSIFICATION**

**RECITALS:**

WHEREAS, the City of Flagstaff is the owner of approximately 400.16 acres of land in the City of Flagstaff, Coconino County, Arizona, currently zoned RR, located in Section 4, Township 21 North, Range 8 East, and specifically described and depicted in attached Exhibit “A,” incorporated herein by this reference (“Property”); and

WHEREAS, pursuant to Flagstaff Zoning Code Division 10-30.30, et seq., an application (“Application”) has been submitted by the Heritage Preservation Commission, acting on behalf of the City of Flagstaff, to amend the Zoning Map classification of the Property by adding an LO designation to the existing RR classification; and

WHEREAS, in 2012 the City of Flagstaff purchased the Property for the express purpose of preserving its unique historical, cultural, archeological, recreation and education resources; and

WHEREAS, pursuant to Flagstaff Zoning Code Section 10-30.30.050.B, the Property meets the established criteria for amending the Zoning Map designation of a property to the LO designation; and

WHEREAS, on November 20, 2013, the Historic Preservation Commission, having considered the Application, the recommendation of the City’s Historic Preservation Officer, and the testimony of the public, unanimously passed a motion recommending that the City Council add the LO designation to the Property; and

WHEREAS, on January 8, 2014, the Planning and Zoning Commission, having considered the recommendation of the Historic Preservation Commission and the testimony of the public, passed a motion recommending that the City Council amend the Zoning Code classification of the Property by adding an LO designation to the existing RR zoning classification; and

WHEREAS, the City Council has considered the recommendation of the Historic Preservation Commission and the Planning and Zoning Commission, and the public testimony presented to those bodies; and

WHEREAS, the City Council has considered the Application and the staff summary prepared by the Community Development Division, and finds that the proposed amendment will not be detrimental to the uses of adjoining parcels or to other uses within the vicinity of the Property; and

WHEREAS, the City Council finds that, in accordance with A.R.S. Section 9-462.01(F), the proposed amendment is consistent with and conforms to the Flagstaff Area Regional Land Use and Transportation Plan.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. That the Flagstaff Zoning Map designation of approximately 400.16 acres of real property known as Picture Canyon, specifically described and depicted in attached Exhibit "A," be amended by adding an LO designation to the existing RR classification.

SECTION 2. Pursuant to Flagstaff Zoning Code Section 10-30.30.040.B, it is ordered that the Property be shown on the Official City of Flagstaff Zoning Map with the zoning designation of Landmarks Overlay (LO).

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

**PLANNING AND DEVELOPMENT SERVICES REPORT**  
**ZONING MAP AMENDMENT**

**PUBLIC HEARING**  
**PREZ 2013-0005**

**DATE:** **December 20, 2013**  
**MEETING DATE:** **January 8, 2014**  
**REPORT BY:** **Tiffany Antol**

**REQUEST:**

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, City of Flagstaff, for approximately 400.16 acres located in Section 4, Township 21 North, Range 8 East to add Landmarks Overlay (LO) Zone to the existing zoning classification of Rural Residential (RR) Zone.

**STAFF RECOMMENDATION:**

Staff recommends the Planning and Zoning Commission forward the Zoning Map amendment to the City Council with a recommendation for approval.

**PRESENT LAND USE:**

The site is currently undeveloped.

**PROPOSED LAND USE:**

Future development is expected to consist of low-impact trails, interpretive facilities, and the most basic visitor amenities such as a parking area and restrooms.

**NEIGHBORHOOD DEVELOPMENT:**

North: Single-family residences; Agricultural Residential, 5 acre minimum (AR-5) Zone (County)  
East: Single-family residences; Rural Residential (RR) Zone  
South: El Paso Gas Pump Station; General (G) Zone (County)  
West: Coconino County Public Works Yard and Cinder Mine; Public Facility (PF) and Heavy Industrial (HI) Zones

**REQUIRED FINDINGS:**

**STAFF REVIEW.** An application for a Zoning Map amendment shall be submitted to the Planning Director and shall be reviewed and a recommendation prepared. The Planning Director's recommendation shall be transmitted to the Planning Commission in the form of a staff report prior to a scheduled public hearing. The recommendation shall set forth whether the Zoning Map amendment should be granted, granted with conditions to mitigate anticipated impacts caused by the proposed development, or denied; and shall include an evaluation of the consistency and conformance of the proposed amendment with the goals of the General Plan and any applicable specific plans; and a recommendation on the amendment based on the standards of the zones set forth in Section 10-40.20 "Establishment of Zones" of the Zoning Code (Page 40.20-1).

**FINDINGS FOR REVIEWING PROPOSED AMENDMENTS.** All proposed amendments shall be evaluated as to whether the application is consistent with and conforms to the goals of the General Plan and any applicable specific plans; and the proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City of Flagstaff (the "City") and will add to the public good as described in the General Plan; and the affected site is physically

suitable in terms of design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle access, public services, and utilities to ensure that the requested zone designation and the proposed or anticipated uses and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located. If the application is not consistent with the General Plan and any other applicable specific plan, the applicable plan must be amended in compliance with the procedures established in Chapter 11-10 of the City Code (Title 11: General Plans and Subdivisions) prior to considering the proposed amendment.

**STAFF REVIEW:**

**Introduction/Background**

The Applicant, the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, the City of Flagstaff, is requesting a Zoning Map amendment for approximately 400.16 acres known as Picture Canyon to the Landmarks Overlay (LO) Zone. An overlay zone is a special zoning district placed over an existing zoning district, part of a district, or a combination of districts. Overlay zones build on the underlying zoning, by establishing additional requirements. In this case the overlay zone would be in addition to the existing Rural Residential (RR) Zone.

With funding from the 2004 voter approved Open Space bond and a 2012 Growing Smarter Grant, the City of Flagstaff acquired Picture Canyon in October 2012 for the express purpose of preserving its unique historical, cultural, archeological, recreational and educational resources. The canyon is an ecologically diverse riparian corridor and has a variety of native trees and plants. The area has many archeological resources which have been documented in a 2012 Archeological Survey by Northland Research, Inc. Existing logging railroad features on the property appear to be eligible for listing on the National Register of Historic Places which is sufficient for designation to the Landmarks Overlay (LO) Zone.

At its meeting of November 20, 2013 the City’s Heritage Preservation Commission reviewed this proposal and unanimously recommended that the City Council approve this Zoning Map amendment request. Attached to this report are copies of the HPC report and minutes.

**Proposed Development Concept Plans**

Future development is expected to consist of low-impact trails, interpretive facilities, and the most basic visitor amenities such as a parking area and restrooms.

**General Plan – Flagstaff Area Regional Land Use and Transportation Plan**

The proposed Zoning Map amendment meets several policies of the Flagstaff Regional Land Use and Transportation Plan. Specifically, the plan calls for greater efforts at heritage preservation and for the preservation of Flagstaff’s existing traditional neighborhoods. The following RLUTP policies are relevant to this application:

***Policy CD2.4 - Preserve Cultural and Historic Resources***

“The quality of life in the Flagstaff area shall be enhanced by the preservation of historic resources and inclusion of heritage in the development of the city and region. Historic buildings shall be considered for preservation and reused to provide a sense of connection with the past.” (Regional Plan, Page 5-5)

***Policy CD2.7 – Protect the Character, Quality, Historic and Architectural Patterns of the Historic Districts and Other Neighborhoods.***

“The planning and design of changes to neighborhoods should respect traditions, identifiable styles, proportions, shapes, streetscapes, relationships between buildings and yards and roadways; use historically appropriate and compatible building and structure materials for the historic district.” (Regional Plan, Page 5-8)

***Policy CD2.8 – Promote Restoration of Historic Buildings, Sites and Districts.***

“Preserve and improve the quality of housing and other buildings, structures and neighborhoods through their restoration and rehabilitation.” (Regional Plan, Page 5-8)

***Policy NCRI.10 – Protect Archeological and Cultural Resources.***

“Historical, archeological, and cultural resources shall be identified and preserved through restoration or adaptive reuse, as links between past, present and future generations.” (Regional Plan, Page 6-6)

The application of the Landmarks Overlay (LO) Zone implements all of the above noted policies within the current General Plan. The primary intention of this overlay is to preserve cultural and historic resources. Applying the Landmarks Overlay (LO) Zone to the subject property will provide specific guidelines for preservation of the site and will require an additional level of oversight for all development through the Heritage Preservation Commission.

**Zoning – City of Flagstaff Zoning Code**

The requirements of the Landmarks Overlay (LO) Zone are intended to promote the preservation and unique character of all properties within the zone. Properties within the Landmarks Overlay zone are subject to the Landmark Design Review Overlay District Design Standards and Guidelines and design review by the Heritage Preservation Commission. The subject property currently has Rural Residential (RR) Zoning. The Landmarks Overlay (LO) Zone does not change the requirements of the underlying zoning or affect other agreements on the property but does change the architectural design standards for which any development on site would need to meet. If there is any conflict between the requirements of the Landmarks Overlay and the requirements of the underlying zoning district, the requirements of the Landmarks Overlay shall control.

**PUBLIC SYSTEMS IMPACT ANALYSIS:**

**Traffic and Access**

No analysis is required.

**Water and Wastewater**

A water and sewer impact analysis is not required by staff. This site currently is served by both City utility systems. No modifications to the current services are proposed.

**Stormwater**

No stormwater improvements are required.

**Parks and Recreation**

This Zoning Map amendment is not anticipated to have any impact to the City’s parks or recreation systems.

**OTHER REQUIREMENTS:**

**Resources**

The subject property is also located within the Resource Protection Overlay (RPO) Zone as defined by Section 10-50.90.020.A of the Zoning Code (Page 50.90-2). Further, this application does not anticipate any physical modifications to the existing site. No negative impact to resources is anticipated.

**Citizen Participation**

All property owners within 300-feet of this site were notified via mail of the zoning map amendment and asked to attend the November 20, 2013 Heritage Preservation Commission (HPC) meeting. Additionally, a notice was run in the Daily Sun, which discussed the zoning map amendment and identified the HPC meeting as a venue for discussion. No one from the public attended the meeting other than the applicant to make comment on the zoning map amendment. Those meeting minutes are attached.

**DISCUSSION:**

The application of the Landmarks Overlay (LO) Zone to the subject property adds an additional layer of preservation requirements and review for all development. The intention of the zone is to recognize, preserve and enhance attributes having historic, architectural, archeological, cultural or aesthetic significance. Section 10-30.30.040.B.2.a of the Zoning Code states that an individual property may be designated as a Landmark if it is significant in accordance with the provisions of the development standards and guidelines of the Landmarks Overlay. Section 10-30.30.050.B.1 of the Zoning Code defines a cultural resource significant if it is eligible for the National Register of Historic Places. A full detail of how this site meets the standards of significance can be found in the attached Heritage Preservation Commission report dated July 22, 2013.

**RECOMMENDATION:**

Staff believes that the proposed Zoning Map amendment has been justified and would recommend in favor of amending the Zoning Map for 400.16 acres to the Landmarks Overlay (LO) Zone in addition to the existing Rural Residential (RR) Zone.

**ATTACHMENTS**

- Zoning Map Amendment Application
- Current City of Flagstaff Zoning Map
- HPC Staff Report
- HPC minutes, of November 20, 2013
- Public Hearing Legal Advertisements
- Citizen Participation Plan Waiver



# City of Flagstaff

# Community Development Division

211 W. Aspen Ave  
 Flagstaff, AZ 86001  
 www.flagstaff.az.gov

P: (928) 213-2618  
 F: (928) 213-2609

**PREZ/PGM**

RECEIVED  
 DEC 19 2013

<b>Date Received</b>	<b>Application for Zoning Map Amendment and/or Regional Plan Amendment</b>		<b>File Number</b>
			DEV13-055
<b>Property Owner(s)</b>	<b>Title</b>	<b>Phone</b>	<b>Email</b>
City of Flagstaff		213-2969	
<b>Mailing Address</b>			<b>City, State, Zip</b>
211 W. Aspen Avenue			Flagstaff, AZ 86001
<b>Applicant(s)</b>	<b>Title</b>	<b>Phone</b>	<b>Email</b>
CoF - Heritage Preservation Commission		213-2969	keberhard@flagstaffaz.gov
<b>Mailing Address</b>			<b>City, State, Zip</b>
211 W. Aspen Avenue			Flagstaff, AZ 86001
<b>Project Representative)</b>	<b>Title</b>	<b>Phone</b>	<b>Email</b>
Karl Eberhard	HPO	213-2969	keberhard@flagstaffaz.gov
<b>Mailing Address</b>			<b>City, State, Zip</b>
211 W. Aspen Avenue			Flagstaff, AZ 86001
<b>Requested Review</b>	<input checked="" type="checkbox"/> Zoning Map Amendment <input type="checkbox"/> Regional Plan Amendment <input type="checkbox"/> Continued		

<b>Site Address</b>	<b>Parcel Number(s)</b>	<b>Subdivision, Tract &amp; Lot Number</b>
None	113-06-003	None
<b>Existing Zoning District</b>	<b>Proposed Zoning District:</b>	<b>Existing Regional Plan Land Use Category</b>
RR	RR w/ LO	
<b>Existing Use</b>		<b>Proposed Use</b>
<b>Property Information:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No Located in an existing Local/National Historic District? (Name: <u>North End Addition</u> ) <input type="checkbox"/> Yes <input type="checkbox"/> No Existing structures are over 50 years old at the time of application? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Subject property is undeveloped land?	
<b>Requested Urban Growth Boundary Change (If Applicable)</b>	<b>State Reason for Request</b>	
	Preservation of the property.	

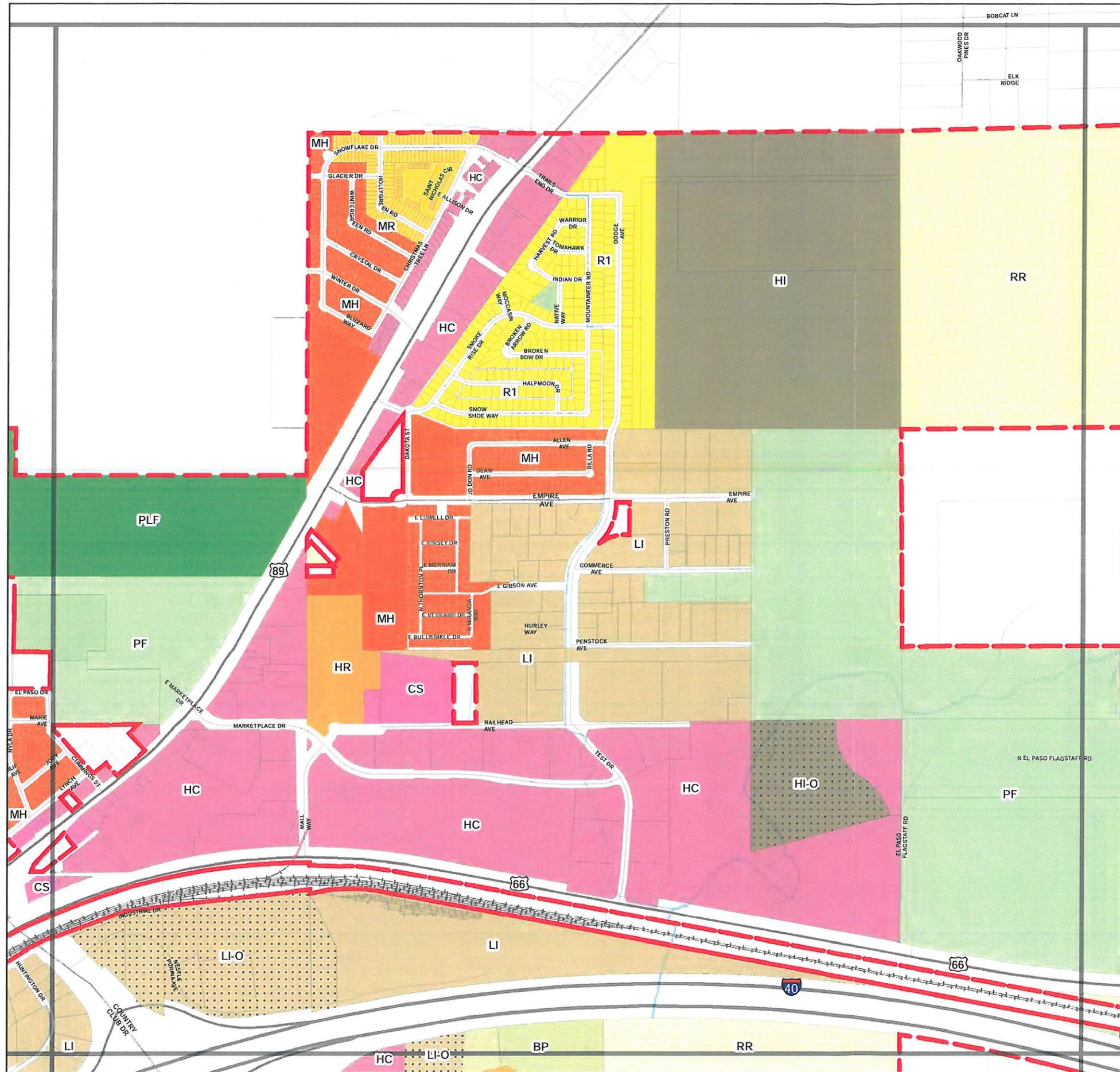
**Note:** Indicate how the change of zone will not be detrimental to the majority of persons or properties in the surrounding area, or to the community in general. If modification to the Regional Plan is requested, clearly state reason(s) for modification. (Attach separate sheets as necessary). **Incomplete submittals will not be scheduled.**

<b>Property Owner Signature (required)</b>	<b>Date:</b>	<b>Applicant Signature</b>	<b>Date:</b>
<i>Karin Burk</i>	12/15/13	<i>[Signature]</i>	12/15/13

For City Use			
<b>Date Filed:</b>	<b>File Number(s):</b>	<b>Type of Zoning Map Amendment:</b>	
	PREZ20130005	<input type="checkbox"/> Small-scale <input type="checkbox"/> Medium-scale <input type="checkbox"/> Large-scale	
<b>P &amp; Z Hearing Date:</b>	<b>Publication and Posting Date:</b>		
<b>Council Hearing Date:</b>	<b>Publication and Posting Date:</b>		
<b>Fee Receipt Number:</b>	<b>Amount:</b>	<b>Date:</b>	

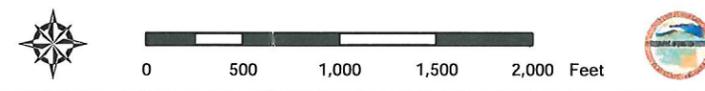
<b>Action by Planning and Zoning Commission:</b>			<b>Action by City Council:</b>		
<input type="checkbox"/> Approved			<input type="checkbox"/> Approved		
<input type="checkbox"/> Denied			<input type="checkbox"/> Denied		
<input type="checkbox"/> Continued			<input type="checkbox"/> Continued		
<b>Staff Assignments</b>	<b>Planning</b>	<b>Engineering</b>	<b>Fire</b>	<b>Public Works/Utilities</b>	<b>Stormwater</b>

# City of Flagstaff Zoning Map 5

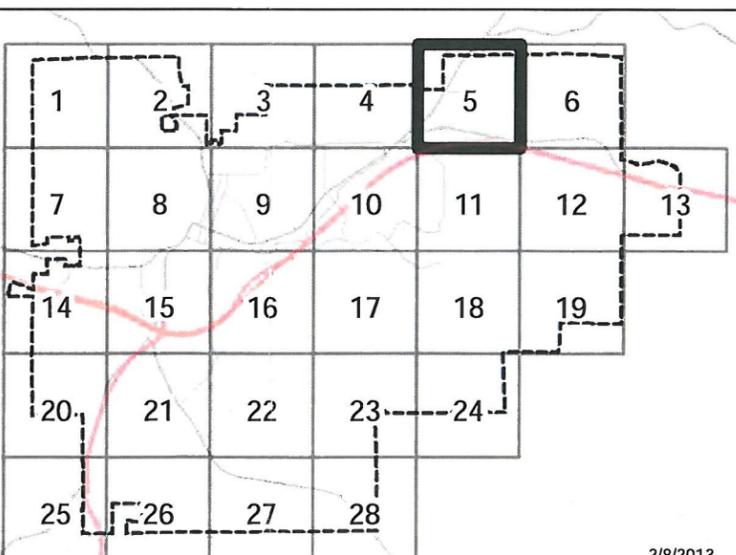


- Residential Zones:**
- Rural Residential (RR)
  - Estate Residential (ER)
  - Single-family Residential (R1)
  - Single-family Residential Neighborhood (R1N)
  - Medium Density Residential (MR)
  - High Density Residential (HR)
  - Manufactured Housing (MH)
- Commercial Zones:**
- Central Business (CB)
  - Highway Commercial (HC)
  - Commercial Service (CS)
  - Community Commercial (CC)
  - Suburban Commercial (SC)
- Industrial Zones:**
- Business Park (BP)
  - Light Industrial (LI)
  - Light Industrial Open (LI-O)
  - Heavy Industrial (HI)
  - Heavy Industrial Open (HI-O)
- Resource and Open Space:**
- Public Facility (PF)
  - Public Lands Forest (PLF)
  - Open Space (OS)

- Airport Overlay Zone
- Downtown Overlay Zone
- Townsite Overlay Zone
- Landmark Overlay Zone
- City Limits
- Parcels

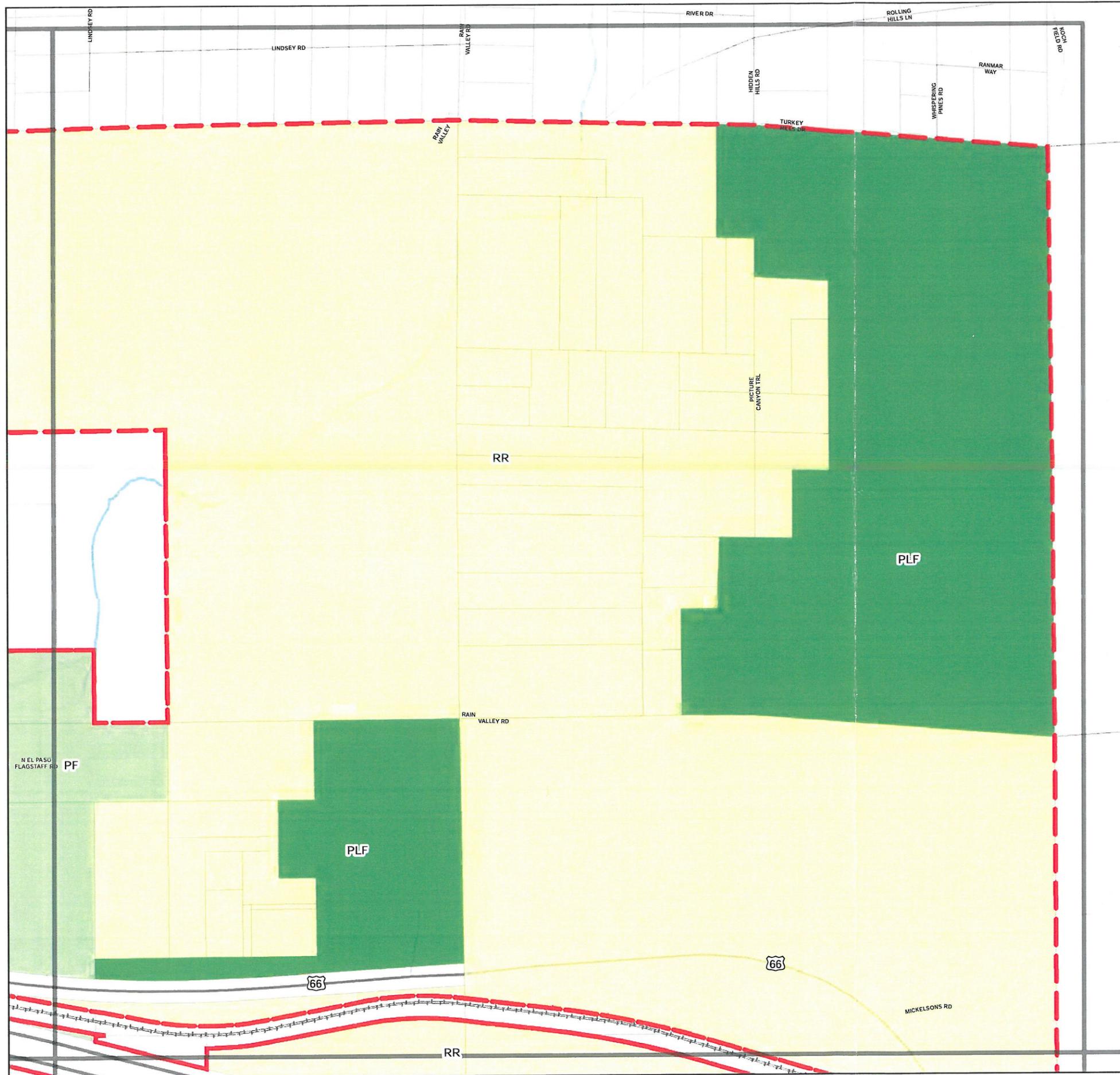


This map is known as the "City of Flagstaff Official Zoning Map" or the "City of Flagstaff Official Regulating Plan," and is intended to implement the City of Flagstaff Zoning Code per Ordinance 2011-20 adopted on 11/01/2011 and all subsequent amendments. These maps are based on the most accurate graphic information available at the time they were produced. The City of Flagstaff furnishes these maps "as is" and assumes no responsibility for their accuracy. All zoning information should be verified by legal description whenever possible.



2/8/2013

# City of Flagstaff Zoning Map 6



**Residential Zones:**

- Rural Residential (RR)
- Estate Residential (ER)
- Single-family Residential (R1)
- Single-family Residential Neighborhood (R1N)
- Medium Density Residential (MR)
- High Density Residential (HR)
- Manufactured Housing (MH)

**Commercial Zones:**

- Central Business (CB)
- Highway Commercial (HC)
- Commercial Service (CS)
- Community Commercial (CC)
- Suburban Commercial (SC)

**Industrial Zones:**

- Business Park (BP)
- Light Industrial (LI)
- Light Industrial Open (LI-O)
- Heavy Industrial (HI)
- Heavy Industrial Open (HI-O)

**Resource and Open Space:**

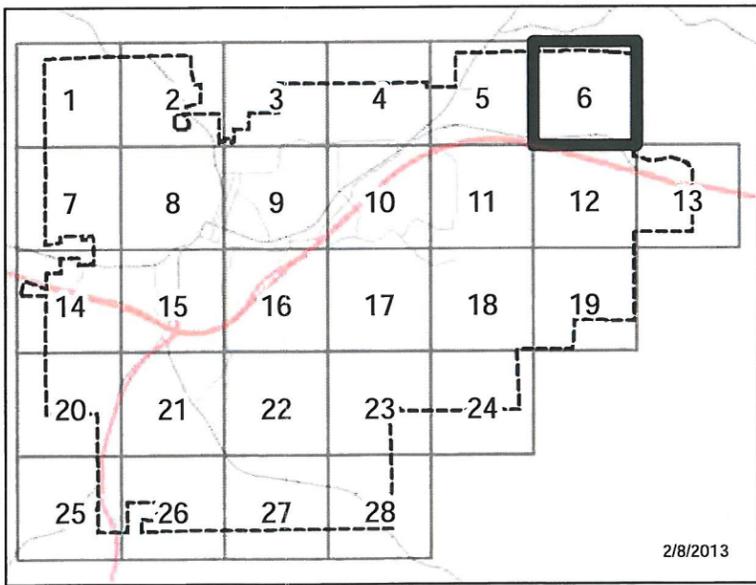
- Public Facility (PF)
- Public Lands Forest (PLF)
- Open Space (OS)

**Other Designations:**

- Airport Overlay Zone
- Downtown Overlay Zone
- Townsite Overlay Zone
- Landmark Overlay Zone
- City Limits
- Parcels

Scale: 0 500 1,000 1,500 2,000 Feet

This map is known as the "City of Flagstaff Official Zoning Map" or the "City of Flagstaff Official Regulating Plan," and is intended to implement the City of Flagstaff Zoning Code per Ordinance 2011-20 adopted on 11/01/2011 and all subsequent amendments. These maps are based on the most accurate graphic information available at the time they were produced. The City of Flagstaff furnishes these maps "as is" and assumes no responsibility for their accuracy. All zoning information should be verified by legal description whenever possible.



2/8/2013



# City of Flagstaff

# Community Development Division

211 W. Aspen Ave  
Flagstaff, AZ 86001  
www.flagstaff.az.gov

P: (928) 213-2969  
F: (928) 779-7684



Date Received 9/24/13	<b>Application to Heritage Preservation Commission</b>	File Number
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Property Owner(s) City of Flagstaff	Title	Phone (928) 213-3600	Email mjones@flagstaffaz.gov
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Mailing Address 211 W. Aspen Avenue	City, State, Zip Flagstaff, AZ 86001
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Applicant Heritage Preservation Commission	Title	Phone (928) 213-2969	Email keberhard@flagstaffaz.gov
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Mailing Address 211 W. Aspen Avenue	City, State, Zip Flagstaff, AZ 86001
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Property Interest of Applicant(s) (Owner, contractual interest, or agent)  
Agent

Site Address None: A portion of Section 4, Township 21 North, Range 8 East	City, State, Zip
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Parcel Number(s) 113-06-003	Zoning District(s) RR (Rural Residential)
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Type of HPC Application Requested:

- Historic Overlay District Designation (If new, Name: \_\_\_\_\_)
- Landmark Overlay District Designation
- Certificate of Appropriateness
- Certificate of No Effect
- Certificate of Economic Hardship
- Cultural Resource Study Review
- Historic Facades and Signs Grant

Property Information:

- Yes  No Listed on the National Register of Historic Places? (Name: \_\_\_\_\_)
- Yes  No Listed on the Arizona Register of Historic Places? (Name: \_\_\_\_\_)
- Yes  No Located in an existing City of Flagstaff Historic District? (Name: \_\_\_\_\_)
- Yes  No Non-residential development; structure is over 50 years old at the time of application?
- Yes  No Residential development; structure is pre-World War II housing?
- Yes  No Subject property is undeveloped land?

Note: Applications which are incomplete or not accompanied by the required information will not be accepted.

Property Owner Signature: <i>[Signature]</i>	Date: 9/10/13	Applicant Signature: <i>[Signature]</i>	Date: 9/10/13
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### For City Use

Date Filed: _____	HPC Hearing Date: _____
Fee Receipt #: _____	Amount: _____ Date: _____

Action by HPC:

- Consent Approval by HPO
- Approved
- Approved with Conditions
- Denied
- Continued

Staff Initial: \_\_\_\_\_ Date: \_\_\_\_\_

**Project Description** (Insert additional pages if necessary)

*No work is proposed. This is a request for designation as a Landmark.*

**Submittal Requirements**

An application to the Heritage Preservation Commission and Historic Preservation Officer shall contain at least the following information:

1. Completed Application including all signatures and payment of fees.
2. Eight copies of drawings as needed to describe the proposal, which may include a Site Plan, Floor Plans, Exterior Elevations, Building Sections, Exterior Details, Lighting Plan, and a Landscape Plan. All drawings shall be drawn to scale and dimensioned, and shall clearly and accurately represent the natural and built conditions of the context area and the project, including both existing conditions and proposed work.
3. Photographs of the context, including the property, surrounding properties, and the neighborhood.
4. A Color Board depicting all exterior materials and finishes associated with the work.
5. Proof of ownership, or letter of authorization from the current property owner, if the applicant and owner are not the same.
6. Statement of approval from a subdivision or property owners association, if applicable.
7. Filing fee.
8. Any other information which the applicant feels would be helpful and/or pertinent to the request.
9. Any other information as may be required by the Historic Preservation Officer or Heritage Preservation Commission to assist in the review of the requested application.

**Summary Statement of Significance:**

National Register of Historic Places documentation or a Cultural Resource Study can be submitted in lieu of completing this page to demonstrate significance (Attach additional pages as necessary).

The significance of a resource is generally based on its potential to contribute to our understanding of the past. An object, structure, site, place, or area is significant if:

- a. It is associated with events or persons in the architectural, engineering, archeological, scientific, technological, economic, agricultural, educational, social, political, military, or cultural annals of the City of Flagstaff, the State of Arizona, or the United States of America.
- b. It embodies distinctive characteristics of type, period, region, artistic values, or methods of construction, including being the oldest of its type or the best example of its type, or, if it represents the work of, or for, an important individual.
- c. A resource is generally not significant if it is less than fifty (50) years old, or, if the features, materials, patterns, and relationships that establish its significance are no longer present or no longer have integrity. The integrity of a resource is judged by how evident the general character of the significant period is, the degree to which the characteristics that define its significance are present, and the degree to which incompatible elements are reversible.

Original Construction Date:

*See attached Staff Report* \_\_\_\_\_

Describe Major Alterations (Include dates and changes of use):

*See attached Staff Report* \_\_\_\_\_

Describe the Significance of the Resource (In terms of a. or b., and c., above):

*See attached Staff Report* \_\_\_\_\_

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Source(s) of Information Used:

*See attached Staff Report* \_\_\_\_\_

Describe the Level of Integrity of the Resource (Existing and proposed):

*See attached Staff Report* \_\_\_\_\_



**CITY OF FLAGSTAFF  
HERITAGE PRESERVATION COMMISSION  
STAFF REPORT**



**To:** Heritage Preservation Commission  
**From:** Karl Eberhard, Historic Preservation Officer  
**Date:** July 22, 2013  
**Meeting Date:** TBD

---

**TITLE:** Consideration of Landmarks Designation for:  
Picture Canyon Area  
A portion of Section 4, Township 21 North, Range 8 East  
Parcel 113-06-003

**REQUEST:**

This is a request to rezone a 400.16 acre undeveloped parcel, Assessor's Parcel Number 113-06-003, located in Section 4, Township 21 North, Range 8 East, to the Landmarks Overlay (LO) Zone. The LO zone is an overlay, meaning that the current RR (Rural Residential) zoning applicable to the site will remain in place and requirements of the LO zone are added to the underlying requirements.

**STAFF RECOMMENDATION:**

Staff recommends that the Heritage Preservation Commission review the application, conduct and receive testimony at a Public Hearing, and forward to the City Council a recommendation to approve rezoning the parcel.

**INTENT:**

The application of the Landmarks Overlay (LO) Zone is intended to promote the preservation of individual properties of cultural significance. The LO Zone district designation applies the Landmark Design Review Overlay District Design Standards and Guidelines, and design review by the Heritage Preservation Commission, to development on properties located within the boundaries of the Zone.

**REQUIRED FINDINGS:**

**DESIGNATION (Zoning Code 10-30.30.040.B.2.a):** An individual property, object, structure, site, sign or landscape feature may be designated as a Landmark if it is significant in accordance with the provisions of this Division and the Development Standards and Guidelines of the Landmarks Zone are applicable.

**SIGNIFICANCE (Zoning Code 10-30.30.050.B.1):** A cultural resource is significant if:

- a. It is eligible as a National Historic Landmark, or for the National Register of Historic Places, or the Arizona Register of Historic Places; or,
- b. It is associated with events or persons in the architectural, engineering, archeological, scientific, technological, economic, agricultural, educational, social, political, military, or cultural annals of the City, the State of Arizona, or the United States of America; or,
- c. It represents the work of, or for, an important individual; or,
- d. It embodies distinctive characteristics of type, period, region, artistic values or methods of construction, including being the oldest of its type or the best example of its type; or,
- e. It has yielded, or may be likely to yield, information needed for scientific research, such as important archaeological resources.

**INTEGRITY (Zoning Code 10-30.30.050.B.2.b):** A resource is generally not significant if the features, materials, patterns and relationships that contributed to its significance are no longer present or no longer have integrity.

To be significant, the resource must also have integrity, meaning that the general character of the significant period must be evident, the characteristics that define its significance are present, and any incompatible alterations are reversible. In addition, the integrity of the setting is a contributing factor in assessing integrity of a resource.

**APPLICABILITY OF THE LANDMARKS ZONE DEVELOPMENT STANDARDS AND GUIDELINES:** The applicable Development Standards and Guidelines of the Landmarks Zone are "Archeology and Historic Preservation: The Secretary of the Interior's Standards and Guidelines" as currently amended and annotated by the National Park Service.

**STAFF REVIEW:**

**Background:**

With funding from the 2004 voter approved Open Space bond and a 2012 Growing Smarter Grant, the City of Flagstaff acquired Picture Canyon in October of 2012 for the express purpose of preserving its unique historical, cultural, archeological, recreational and educational resources.

Picture Canyon is a cleft formed by the boundary of two lava flows that erupted from nearby Sheep Hill and the Wildcat Hill cinder cones. The canyon itself is an ecologically diverse riparian corridor and the area has a variety of native trees and plants, and hosts a variety of fauna. Dedicated citizens have worked for many years to remove old cars, chunks of concrete, used tires, and other trash and debris dumped in the canyon over the years. While a meander restoration was completed in October, 2010, extensive weed removal, revegetation, and cleaning of the Rio de Flag (an ephemeral wetland and rare habitat in northern Arizona) remain to be accomplished. Picture Canyon hosts a section of the Arizona Trail and provides future Flagstaff Urban Trail segments to promote connectivity. In addition it contains important view sheds (Interstate 40 and Historic Route 66), serves as an outdoor classroom, and contributes to Flagstaff tourism.

The area is also abundant with archeological resources including pit houses, a pit house village, field houses, cave dwellings, artifact scatters, and over 125 petroglyph panels. Most archeological resources are associated with the Northern Sinaqua culture and range from 750 to a thousand years old. In addition to prehistoric resources, logging railroad features and historic trash (cans, ceramics, and glass) are found on the site. The remains of a train trestle made from huge virgin timbers can be found slumped on the rock above the Picture Canyon falls. The site was initially studied by Harold S. Colton (founder of the Museum of Northern Arizona) in 1919. A thorough Class III Archeological Survey<sup>1</sup> was prepared in April of 2012 by Eric S. Cox and John T Marshall of Northland Research, Inc., with contributions by Gina S. Gage.

The 2012 Archeological Survey by Northland Research, Inc. provides substantially greater detail on the resources, and their significance and integrity, and is on file with the City of Flagstaff Historic Preservation Officer. As an archeological report (including specific locations of sites), it is not a public document. For brevity, only brief summaries are included herein and additional summary information, if desired, can be obtained from the City of Flagstaff Historic Preservation Officer.

Future development is expected to consist of low-impact trails, interpretive facilities, and the most basic visitor amenities such as a parking area and restrooms.

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<sup>1</sup> Note that the survey area of this report includes an additional 79 acres (roughly) that are under Coconino County jurisdiction and not included in this proposed designation. As a result, the number of archeological sites on the subject property varies from what is stated in this report.

**Significance:**

Eighty-four archeological sites have been recorded within a half-mile radius of the subject property, including multi-room pueblos, pit house villages, field houses, single room structures, artifact scatters, and petroglyph panels. For the 2012 Archeological Survey of the subject property, nineteen previously recorded archeological sites were found, researched, and consolidated to eleven. These are all larger habitation sites with multiple features and large diverse artifact scatters. One site (Picture Canyon) was listed on the National Register of Historic Places in 2008 and another was previously determined to be eligible to be listed. The nine remaining sites have previously been recommended as eligible, with Northland Research, Inc. concurring on seven and recommending eligibility testing on the remaining two. Ten new sites, generally smaller artifact scatters, were identified and recorded. Northland Research, Inc. recommends one of these as being eligible for listing and recommends eligibility testing on the remaining nine new sites. However, the report states that "artifacts were nearly continuous throughout the project area." Because of the contemporaneousness and interconnectedness of the sites, and the proximity to both Elden Pueblo and Turkey Hill Pueblo, Northland Research, Inc. further recommends that the entire area be consolidated into the Picture Canyon Archeological District.

The logging railroad features within the Kaibab and the Coconino National Forests were listed on the National Register of Historic Places in 1995. On this basis, the logging railroad features on the subject property appear to be eligible for listing. The collapsed trestle is probably not eligible except as a part of the overall system.

While several other significance criteria are clearly met, the actual National Register of Historic Places listings and the eligibility of additional sites are sufficient for designation to the Landmarks Overlay (LO) Zone.

**Integrity:**

Although some of the sites have been impacted by looting, logging, and vehicle traffic, and in spite of the recent survey work, Northland Research, Inc. concludes that the sites are still intact and that the information potential has not been exhausted.

**Applicability of the Landmarks Zone Development Standards and Guidelines:**

The Secretary of the Interior's Standards that are the basis of the district standards and guidelines were developed specifically to address the preservation needs of unique resources such as this. The standards establish a comprehensive approach to the identification, evaluation, registration and treatment of historic properties. Note that the Standards do not require that every feature of a historic property be preserved, but do seek to preserve the most significant, character-defining features of a historic site. However, a conservation easement held by Arizona State Parks, specifies that no more than 10% of the acquired land, up to a limit of 20 acres total, may be eligible for alteration or

Heritage Preservation Commission  
Consideration of Landmarks Designation  
Picture Canyon  
July 22, 2013

development and no changes may be made to the parcel that would seriously or negatively affect its conservation and open space values.

**Basis of Report:**

The information in this summary report was derived primarily from the 2012 Archeological Survey by Northland Research, Inc. with some additional information derived from various City of Flagstaff documents associated with the property acquisition and prepared by City staff, citizens, and consultants.

**STAFF CONCLUSION:**

Staff believes that criteria for Landmarks designation have been met.

**CITIZEN PARTICIPATION:**

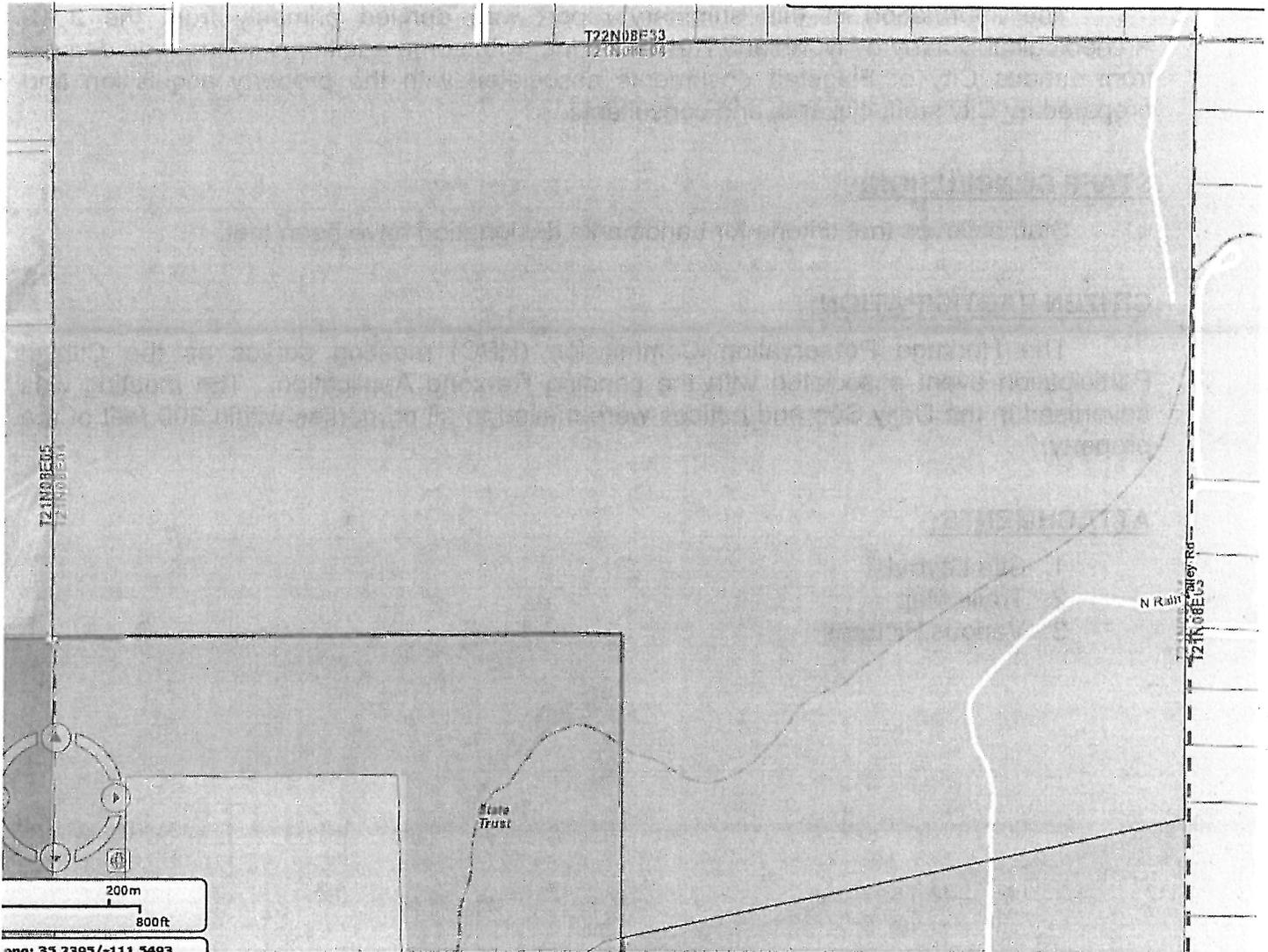
The Heritage Preservation Commission (HPC) meeting serves as the Citizen Participation event associated with the pending Re-zone Application. The meeting was advertised in the Daily Sun and notices were mailed to all properties within 300 feet of the property.

**ATTACHMENTS:**

1. Site Layout
2. Trails Map
3. Various Pictures

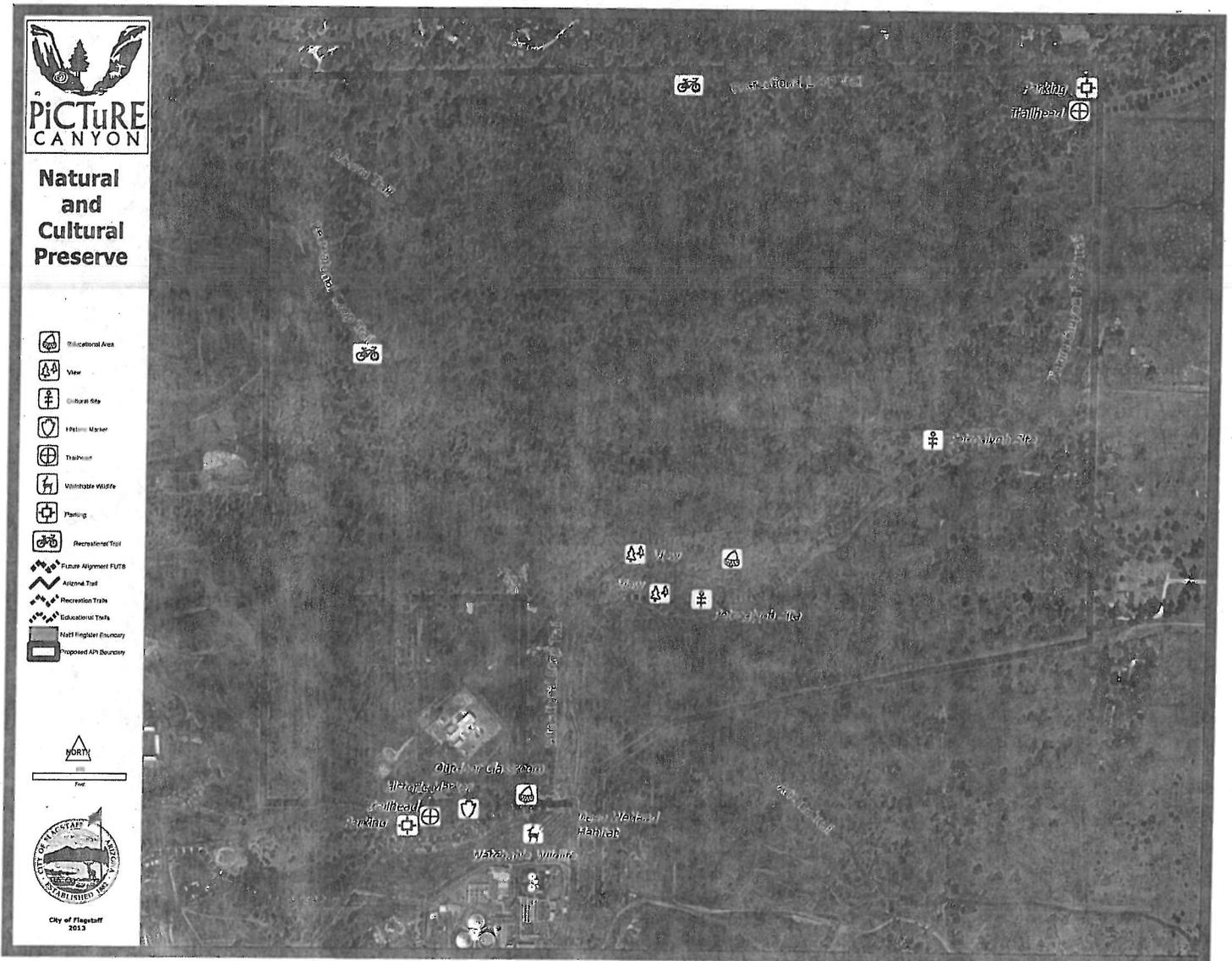
# Attachment 1

## Site Layout



## Attachment 2

### Trails Map



## Attachment 3

### Various Pictures



**3. APPROVAL of MINUTES.**

Regular Meeting of October 16, 2013

**MOTION:**

Commissioner Rummel made a motion to accept the October 16, 2013 regular meeting minutes. Commissioner Corbin seconded the motion; the motion passed unanimously.

**II. OLD BUSINESS**

*(Continued, postponed, and tabled items.)*

**1. Landmark Designation – Picture Canyon**

Address:	None
Assessor's Parcel Number:	113-06-003
Property Owner:	City of Flagstaff
Applicant:	Heritage Preservation Commission
City Staff:	Karl Eberhard, HPO

REQUESTED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 113-06-003.

This is a request to rezone parcel 113-06-003 (Picture Canyon) to the Landmarks Overlay Zone. This would make future development on the property subject to the Design Standards and Guidelines of the Landmarks Overlay Zone and subject to approval by the Heritage Preservation Commission. The recommendation of the Heritage Preservation Commission, along with a recommendation from the Planning and Zoning Commission, will be presented to the City Council for use in their review and consideration of the rezoning request. A Staff Report has been prepared for this item; was distributed to the Commission under separate cover; and is available for public review at the Historic Preservation Office (City Hall). This Public Hearing was noticed by mail and newspaper advertisements and serves as the Public Participation Meeting of the re-zoning process.

RECOMMENDED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 113-06-003.

*See item 3 for motion.*

**2. Landmark Designation – DeBeau Motel and Sign**

Address:	19 W. Phoenix Avenue
Assessor's Parcel Number:	100-41-014
Property Owner:	Hillside Enterprises, LLC
Applicant:	Heritage Preservation Commission
City Staff:	Karl Eberhard, HPO

REQUESTED ACTION: Recommend that the City Council apply the Landmarks Overlay Zone to parcel 100-41-014.



October 8, 2013

Jim Cronk, Planning Director  
City of Flagstaff  
211 W. Aspen Avenue  
Flagstaff, AZ, 86001

Re: Waiver of Neighborhood Meeting Requirement  
Landmarks Designations – Du Beau Motel, Picture Canyon, and Yaeger Residence

Dear Mr. Cronk,

At the request of the property owners, the Heritage Preservation Commission is proposing Landmarks designation of these historic properties per Zoning Code 10-30.30.040.B. This request is a re-zoning of the properties, adding the LO overlay zone to the existing zoning.

The re-zoning process requires a Neighborhood Meeting which can be waived by the Director "if it can be demonstrated that there are a limited number of property owners adjacent to the subject property and that other techniques of informing them of the application would be more effective, such as direct mailing with information on the application or one-on-one meetings with affected property owners."

The Du Beau Motel has three adjacent properties, one of which is vacant; Picture Canyon has roughly 30 adjacent parcels; and the Yaeger Residence has one adjacent parcel.

In addition to standard processes, notices, and public meetings for re-zoning, prior to the Heritage Preservation Commission, we will prepare a Public Meeting Notice with information on the application that will be direct mailed to more property owners than are adjacent and to nearby HOAs. That notice will be published in the newspaper. And, the Heritage Preservation Commission will conduct a Public Hearing for the purpose of receiving input from adjacent or affected property owners, and other interested parties.

Pursuant to Zoning Code 10-20.30.060.A, the Heritage Preservation Commission respectfully requests a waiver of the Neighborhood Meeting Requirement.

Sincerely,

Karl Eberhard  
Heritage Preservation Commission Staff Liaison

Attached: Public Hearing Notice for HPC Public Hearing

*Approved*  
*10-5-13*  
*James Eberhard*

# NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that at the request of the property owners, the City of Flagstaff Heritage Preservation Commission will hold a Public Meeting to consider the designation of the following properties to the Landmarks Overlay District:

- **The Du Beau Motel**  
19 W. Phoenix Avenue (APN 100-41-014)
- **Picture Canyon**  
A portion of Section 4, Township 21 North, Range 8 East (APN 113-06-003)
- **The Yaeger Residence**  
515 N. San Francisco Street (APN 101-09-006B)

Per the Flagstaff Zoning Code, Section 10-30.30.040.B, designation would impose preservation standards and require Heritage Preservation Commission approval for any future development on the designated properties. Interested persons are invited to participate by filing comments in writing or by attending and being heard at the Public Hearing. Heritage Preservation Commission Staff Reports are available with additional information.

## Public Hearing

Regular Meeting of the

### **HISTORIC PRESERVATION COMMISSION**

**NOVEMBER 20, 2013 at 4:00 pm** in the Staff Conference Room at City Hall;

211 West Aspen Avenue, Flagstaff, Arizona

## Further Actions

This application will also be considered by the Planning and Zoning Commission and the City Council, with Public Hearings and noticed separately.

## For further information contact:

Karl Eberhard  
Historic Preservation Officer  
211 West Aspen Avenue, Flagstaff, Arizona  
(928) 213-2969

**Publish Date: Sunday, November 3, 2010**



## MINUTES - Draft

City of Flagstaff  
PLANNING & ZONING COMMISSION  
4:00 PM– Wednesday, January 8, 2014  
City of Flagstaff, Council Chambers

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### CALL TO ORDER

Vice Chairman Dorsett called the meeting to order at 4:09 p.m.

### COMMISSION MEMBERS:

PRESENT: Paul Turner; Stephen Dorsett, Vice Chairman; Steve Jackson; Paul Moore; Justin Ramsey

Absent: David Carpenter, Chairman; Tina Pfeiffer

### CITY STAFF:

Mark Sawyers, Staff Liaison

Tiffany Antol, Planning Development Manager

Becky Cardiff, Recording Secretary

### GENERAL BUSINESS

#### A. PUBLIC COMMENT

None.

#### B. APPROVAL OF MINUTES

- 1) Regular meeting of November 13, 2013.

This item was tabled due to commissioners not in attendance at tonight's meeting.

### PUBLIC HEARING

#### 1. Zoning Map Amendment for Jacqita Bailey

Address:	515 North San Francisco
Assessor's Parcel Number:	101-09-006b
Property Owner:	Jacqita Bailey
Applicant:	City of Flagstaff Heritage Preservation Commission
Application Number:	PREZ 2013-0003
City Staff:	Tiffany Antol
Action Sought:	Zoning Map Amendment

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, Jacqita Bailey, for approximately 0.16 acres located at 515 N. San Francisco St to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Single-Family Residential Neighborhood (RIN) Zone.

Ms. Antol gave a brief PowerPoint presentation of the project and then introduced Karl Eberhard, Heritage Preservation Officer; he then gave the background information on the property and a brief description of the Landmark Overlay designation.

Ms. Antol, Mr. Eberhard and Mr. Sawyers all answered questions from Commissioners.

**Public Comment:**

John McCullough, Owner of Motel DuBeau, complimented staff on their help with the Landmark Overlay requirements and process and discussed the reason he would like his property (Motel DuBeau) in this overlay district.

Motion: Motion to close the public hearing Moved by: Commissioner Moore Seconded by: Commissioner Ramsey Motion carried unanimously.

Motion: Motion to approve PREZ 2013-0003 Moved by: Commissioner Turner Seconded by: Commissioner Jackson Motion carried unanimously.

## 2. Zoning Map Amendment for Motel DuBeau

Address:	19 West Phoenix Ave
Assessor's Parcel Number:	100-41-014
Property Owner:	Hillside Enterprises, LLC
Applicant:	City of Flagstaff Heritage Preservation Commission
Application Number:	PREZ 2013-0004
City Staff:	Tiffany Antol
Action Sought:	Zoning Map Amendment

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, Hillside Enterprises, LLC, for approximately 0.26 acres located at 19 W. Phoenix Avenue to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Community Commercial (CC) and T5 Main Street Transect Zone.

Ms. Antol gave a brief PowerPoint presentation of the project and then introduced Karl Eberhard, Heritage Preservation Officer; he then gave the background information on the property.

John McCullough, owner of Motel DuBeau, answered questions from Commissioners

Ms. Antol, Mr. Eberhard and Mr. Sawyers all answered questions from Commissioners.

Motion: Motion to open the public hearing Moved by: Commissioner Ramsey Seconded by: Commissioner Moore Motion carried unanimously.

Public Comment: None

Motion: Motion to close the public hearing Moved by: Commissioner Moore Seconded by: Commissioner Turner Motion carried unanimously.

Motion: Motion to approve PREZ 2013-0004 Moved by: Commissioner Moore Seconded by: Commissioner Turner Motion carried unanimously

### 3. Zoning Map Amendment for City of Flagstaff

Address:	211 W Aspen Ave
Assessor's Parcel Number:	113-06-003
Property Owner:	City of Flagstaff
Applicant:	City of Flagstaff Heritage Preservation Commission
Application Number:	PREZ 2013-0005
City Staff:	Tiffany Antol
Action Sought:	Zoning Map Amendment

A Zoning Map amendment request from the City of Flagstaff Heritage Preservation Commission, on behalf of the property owner, City of Flagstaff, for approximately 400.16 acres located in Section 4, Township 21 North, Range 8 East to add Landmarks Overlay (LO) Zone to the existing zoning classifications of Rural Residential (RR) Zone.

Ms. Antol gave a brief PowerPoint presentation of the project and then introduced Karl Eberhard, Heritage Preservation Officer; he then gave the background information on the property.

Motion: Motion to open the public hearing Moved by: Commissioner Jackson Seconded by: Commissioner Turner Motion carried unanimously.

#### Public Comment:

Bill Bishop, resident, stated he would like to see the RR zoning district changed to open space on this property.

Motion: Motion to close the public hearing Moved by: Commissioner Turner Seconded by: Commissioner Jackson Motion carried unanimously.

Motion: Motion to approve PREZ 2013-0005 Moved by: Commissioner Jackson Seconded by: Commissioner Turner Motion carried unanimously

### OTHER BUSINESS

A. ELECTION OF OFFICERS

B. APPOINTMENTS

These items were tabled due to commissioners not in attendance at tonight's meeting

### MISCELLANEOUS ITEMS TO/FROM COMMISSION MEMBERS

Mr. Sawyers gave an update on future projects that the Commission will be seeing in the near future

### ADJOURNMENT

The meeting was adjourned at 5:04 p.m.



## CITY OF FLAGSTAFF

### STAFF SUMMARY REPORT

**To:** The Honorable Mayor and Council  
**From:** Sarah Darr, Housing Manager  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014




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#### TITLE:

**Consideration and Adoption of Resolution No. 2014-08:** A resolution authorizing the City of Flagstaff to provide up to two-hundred forty-five thousand dollars (\$245,000) to Cedar Crest/Flagstaff LP, or its successor, as a Local Government Contribution for a Low Income Housing Tax Credit Acquisition/Rehabilitation Project of the apartment complex currently known as Mountainside Village under the Arizona Department of Housing ("ADOH") 2014 or 2015 Qualified Allocation Plan.  
***(Authorization to change the terms of a loan previously made for affordable housing.)***

#### RECOMMENDED ACTION:

Should the Council wish to move forward with this project:

- 1) Read Resolution No. 2014-08 by title only
- 2) City Clerk reads Resolution No. 2014-08 by title only (if approved above)
- 3) Adopt Resolution No.2014-08

#### Policy Decision or Reason for Action:

At the April 16, 2013 City Council meeting Resolution 2013-09 was approved authorizing the City of Flagstaff to provide up to two-hundred forty-five thousand dollars (\$245,000) to Mountainside Village/Flagstaff LP as a Local Government Contribution as detailed in the Arizona Department of Housing's 2013 Qualified Allocation Plan (QAP). The 2013 application for an award of Low Income Housing Tax Credit (LIHTC) funding by Mountainside Village/Flagstaff LP was unsuccessful. The 2014 QAP for the LIHTC program from the Arizona Department of Housing (ADOH) again awards points to any project in which a Local Government with a population of less than 550,000 provides new funding towards the development budget. A new development partnership, Cedar Crest/Flagstaff LP, has been formed to present an application for the same project as 2013, thus necessitating a new resolution. The proposed project is the acquisition and rehabilitation of the complex currently known as Mountainside Village Apartments, an existing LIHTC complex in the Sunnyside Neighborhood. Ultimately, if the application is successful, this will result in an extended required affordability period for the complex and a substantial rehabilitation of the eighteen-year-old units. While the QAP is published annually, it is relatively consistent from year to year; thus it is reasonable to expect the Local Government Contribution scoring category will also be contained in the 2015 QAP.

#### Financial Impact:

The current \$345,000 mortgage will be paid in full to the City and the City will reissue \$245,000 in debt to Cedar Crest/Flagstaff LP. The \$100,000 difference will be deposited into the housing fund for other affordable housing objectives. Interest on the \$245,000 loan will be paid annually, based on cash flow available as determined by an independent auditor at an annual rate of 3% for the 30-year life of the loan.

**Connection to Council Goal:**

- 5. Retain, expand, and diversify economic base
- 11. Effective governance

**Has There Been Previous Council Decision on This:**

- June 7, 1994 - City Council approved Ordinance No. 1837 authorizing the sale or lease by the City of the property where Mountainside Village is now located
- December 6, 1994 - City Council approved a development agreement and mortgage agreement between the City of Flagstaff and the Flagstaff Affordable Housing Limited Partnership for the sale of city land and the development of 80 units of affordable rental housing
- March 8 and May 8, 1995 - City Council approved an amendment to the development agreement and mortgage agreement between the City of Flagstaff and the Flagstaff Affordable Housing Limited Partnership
- April 27, 2009 - City Council approved amendments to the Promissory Note, amendments to the Subordination Agreement and a Waiver of a Right of First Refusal permitting a refinancing of the property at lower interest rates and additional funds for rehabilitation.
- April 16, 2013 - City Council approved Resolution 2013-09 authorizing the City of Flagstaff to provide up to two-hundred forty-five thousand dollars (\$245,000) to Mountainside Village/Flagstaff LP as a Local Government Contribution as detailed in the Arizona Department of Housing's 2013 QAP.

**Options and Alternatives:**

- Approve Resolution 2014-08 - Will have the effect of strengthening an application for an Acquisition / Rehabilitation LIHTC application
- Amend Resolution 2014-08 - Will have the effect of not providing support for and additional points in an application for Acquisition / Rehabilitation LIHTC
- Reject Resolution 2014-08 and not provide a Local Government Contribution

**Background/History:**

City Council approved Resolution 2013-09 in April of 2013, encompassing the major elements also contained in this proposed resolution. Resolution 2014-08 reflects a change in the name and membership of the development partnership, a change in the name of the complex, and, if approved, will allow the new development partnership, or its successor, to also apply for the 2015 LIHTC round if unsuccessful in 2014. No other elements have been changed.

In addition to the 2014 LIHTC application, the Owner/Applicant, Cedar Crest/Flagstaff LP, is applying to the Federal Home Loan Bank (FHLB) of San Francisco for *Affordable Housing Program (AHP)* funding. The FHLB requires a nonprofit corporation to have at least a 51% interest in the General Partner. A representative of Cedar Crest/Flagstaff LP states: "We have found that having the nonprofit with a 100% interest in the General Partner initially for the AHP application makes life simpler. The Board of Directors of National Affordable Housing Foundation require National Consulting Alliance, Inc. to be involved with it as a Co-developer – both are based in Des Moines." Additionally, both entities have a successful history with LIHTC funding and development, including local Flagstaff involvement in the development of High Country Estates, recently completed in December 2013 and fully occupied by the end of January 2014.

The LIHTC Program, which is based on Section 42 of the Internal Revenue Code, was enacted by Congress in 1986 to provide the private market with an incentive to invest in affordable rental housing. Federal housing tax credits are awarded to developers of qualified projects. Developers then sell these credits to investors to raise capital (or equity) for their projects, which reduces the debt that the developer would otherwise have to borrow. Because the debt is lower, a tax credit property can, in turn, offer lower, more affordable rents.

Provided the property maintains compliance with the program requirements, investors receive a dollar-for-dollar credit against their Federal tax liability each year over a period of 10 years. The amount of the annual credit is based on the amount invested in the affordable housing. According to the Arizona Department of Housing, it has been the most successful rental housing production program in Arizona to date, creating thousands of residences with very affordable rents.

Mountainside Village Apartments is an existing 80-unit apartment complex financed under the LIHTC program providing rental housing to households at or below 60% of the Area Median Income (currently \$37,300 for a household of four). The 5.5 acre site where Mountainside Village Apartments is located was purchased from the City in 1994 for the appraised value of \$345,000. At that time, the City provided a loan for the purchase price of \$345,000 for 30 years, at 3% interest, payable interest-only each month. Construction of the complex was completed in 1996 and consists of 50 two-bedroom units and 30 three-bedroom units. There are eight (8) apartment buildings, containing ten (10) units each and one office/laundry/maintenance shop.

There were several amendments to the development agreement and the mortgage documents in the first year after the initial execution. These were primarily administrative, as the agreements were executed prior to the tax credits being awarded, the main financing and construction of the project being completed. The subsequent actions required the base documents to be amended several times in order to accommodate the changing conditions of the site and financing.

The 2009 refinancing of the project provided for rehabilitation of the project including new, more durable cabinetry in all units, new energy efficient hot water heaters, and other interior upgrades.

While most of the projects Council has become previously familiar with under the LIHTC program have resulted in new construction, there is also a provision within the QAP for the acquisition/rehabilitation of multifamily developments. A new development partnership, Cedar Crest/Flagstaff LP, is proposing to purchase the development from the current owner. After acquiring the property, a substantial rehabilitation of the exteriors and interiors of the existing eight (8) apartment buildings and the office/laundry/maintenance shop will be undertaken. The existing office and laundry will be remodeled and expanded and the existing maintenance shop will be relocated into a newly constructed and expanded maintenance/storage facility. Additionally, a new community center, with a manager's unit on the second floor, will be constructed. Currently, there is not a community center located at Mountainside Village.

### **Key Considerations:**

The LIHTC process is highly competitive and the 2014 Qualified Allocation Plan (QAP) from the Arizona Department of Housing awards points to any project in which a Local Government with a population of less than 550,000 provides new funding towards the development budget. If credits are not awarded in this round, Cedar Crest/Flagstaff LP intends to submit the application again in the 2015 QAP round.

The request of the City of Flagstaff from Cedar Crest/Flagstaff LP is for a loan of \$245,000 in order to strengthen the application. While the City has not previously worked directly with this LP before, the City has successfully worked the co-developers on the High County Estates project and has worked with an additional party also involved with the LIHTC application, WESCAP Inc., on numerous occasions. The loan is contingent on tax credits being awarded in either 2014 or 2015.

Mountainside Village has already been in service as a tax credit property for eighteen (18) years and this acquisition / rehabilitation project will renew the affordability period of the project for another thirty (30) years.

### **Rent Structure and Population Served**

As a LIHTC projects rents are affordable to households earning at or below 60% AMI (currently \$37,300

for a household of 4). Currently, under the Development Agreement with the City of Flagstaff, all units within the project are affordable to households at 60% AMI or below with rent either \$11 or \$14 (depending on bedroom size) below the required rent structure for a LIHTC project. Completion of the acquisition/rehabilitation project will provide rents targeted to households with incomes even lower than the 60% households it now serves. The chart below is reflective to the unit count and rent breakdown the project will serve if the LIHTC are awarded:

Number of Units	% of AMI Served	Rent for 2 Bedroom	Rent for 3 Bedroom
24	40%	\$449	\$493
32	50%	\$588	\$654
24	60%	\$728	\$816
1	Manager's Unit		
81 Total Units			

### Scope of Project

After the project is acquired, a substantial rehabilitation will be undertaken. While the list below encompasses the major components of proposed improvements, it is, nevertheless, a partial list.

- Addition of a 2300 sq.ft. Community Center with meeting space, including a kitchen, exercise room and second laundry room on the first floor and a manager's unit on the second floor
- Addition of a playground
- Site improvements to address drainage issues
- Landscaping
- Re-paving of all parking surfaces
- Existing office and laundry will be remodeled and expanded
- Addition of maintenance/storage facility
- Exterior
  - 40-year shingles and underlay
  - Energy efficient windows
  - Re-insulate exterior and attics with higher rated insulation
  - Addition of concrete siding
- Interior
  - Air handlers
  - Energy efficient plumbing and electrical fixtures
  - Energy efficient appliances
  - Addition of garbage disposals
  - New floor coverings in the units that have not yet received them

### Expanded Financial Considerations:

Funding for this \$245,000 loan request will be made available through the satisfaction of the current \$345,000 mortgage held by the City of Flagstaff on the property, and interest will be paid annually, based on cash flow available as determined by an independent auditor, as generated at a rate of 3% per year for the 30-year life of the loan. The \$100,000 difference between the repayment of the current mortgage and the new loan, provides income to further other affordable housing objectives.

Funds will not be provided if the developer does not receive a LIHTC allocation from ADOH in either the 2014 or 2015 funding rounds, and if so, not until the property is acquired and the current mortgage is paid off. Quoted in a letter last year from the requesting party: "The total development cost of this acquisition / rehabilitation project is about \$14,467,000, or about \$178,600/unit for 81 units. The City's contribution of \$245,000 equates to 1.70% of the total development budget." The existing note holder is current on interest payments to the City. Identical to last year's request, multiple layers of financing are anticipated and the City's loan will be subordinate to the balance of the financing. Functionally, the execution of one or more subordination agreements may be required in order for this to be

accomplished.

**Community Benefits and Considerations:**

The need for additional low-income rental housing is well documented in Flagstaff and is evidenced by the lengthy waiting list maintained by the Flagstaff Housing Authority. This project will renew the affordability time period for thirty years and add a net increase of one affordable unit. Additionally, the rehabilitation work and construction of the community center and maintenance facility will provide tax revenue and jobs in the community.

**Community Involvement:**

Inform

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**Attachments:**    [Res. 2014-08](#)

**RESOLUTION NO. 2014-08**

**A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL AUTHORIZING THE CITY OF FLAGSTAFF TO PROVIDE UP TO TWO HUNDRED FORTY-FIVE THOUSAND (\$245,000.00) TO CEDAR CREST/FLAGSTAFF LP AS LOCAL GOVERNMENT CONTRIBUTION FOR A LOW INCOME HOUSING TAX CREDIT PROJECT UNDER THE ARIZONA DEPARTMENT OF HOUSING (“ADOH”) 2014 QUALIFIED ALLOCATION PLAN**

**RECITALS:**

WHEREAS the City of Flagstaff wishes to encourage development and maintenance of affordable housing in the City; and

WHEREAS, Section 42 of the Internal Revenue Code provides the private market with an incentive to invest in affordable rental housing called the LIHTC Program; and

WHEREAS, the City Council (“Council”) by Ordinance No. 1837 dated June 7, 1994 authorized the sale of approximately 5.5 acres of City property within the Sunnyside neighborhood (the “Property”) for the purpose of residential units affordable to families with income levels at or below 60 percent of the Area Median Income,

WHEREAS, the City issued a Deed of Trust (“Mortgage”) dated December 13, 1994 to loan the amount of \$345,000 with Flagstaff Affordable Housing LP, for the purchase of the property at an interest rate of 3% for 30 years, payable interest only each year when there is sufficient cash flow as determined by an independent auditor, with a balloon payment at the end.

WHEREAS, the City simultaneously entered into a Development Agreement with Flagstaff Affordable Housing LP regarding the development of the Property and further stipulating the project serve households with incomes at or below 60 percent area median income and establishing maximum rent amounts for the term of the Mortgage; and

WHEREAS, the Mountainside Village Apartments were financed under the LIHTC Program; and

WHEREAS, Cedar Crest/Flagstaff LP (“Developer”) is proposing to purchase the Property and Mountainside Village Apartments from Flagstaff Affordable Housing LP; and

WHEREAS, Cedar Crest/Flagstaff LP, is the applicant for a new, 2014, LIHTC allocation with the Arizona Department of Housing and intends to apply for the 2015 LIHTC allocation if it is not successful in 2014; and

WHEREAS, the 2014 Qualified Allocation Plan from the Arizona Department of Housing awards points to any project in which a local government with a population of less than 550,000 provides new funding towards the development budget; and

WHEREAS, Cedar Crest/Flagstaff LP wishes to obtain the points offered for local government contribution by obtaining a mortgage from the City similar to the one the City entered into with Flagstaff Affordable Housing LP; and

WHEREAS, if Cedar Crest/Flagstaff LP is awarded the LIHTC allocation it wishes to: 1) satisfy the Mortgage; 2) execute a deed of trust and promissory note for a cash-flow loan with the City in the amount of \$245,000, with interest at the rate of 3% annually for the 30 year term of the new loan; and 3) extend the requirement of providing affordable housing for the new term of the loan; and

WHEREAS, the result of such an agreement will result in a payment of \$100,000.00 to the City and the extension of the commitment to provide affordable housing until approximately 2044 or 2045.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. That the City will provide, upon acquisition of the Property, up to Two-Hundred Forty-Five Thousand (\$245,000) to the Developer or its qualified successor as local government contribution under the Arizona Department of Housing (“ADOH”) 2014 or 2015 Qualified Allocation Plan by means of a promissory note and deed of trust which provide for repayment of the local government contribution in 2044 or 2045 and require the Developer or its qualified successor to provide low-income housing at the Cedar Crest Apartments for the term of the loan. The interest rate on the thirty-year cash-flow loan shall be 3% annually, with other terms to be negotiated by City of Flagstaff Staff. City of Flagstaff Staff has authority to determine whether any successor to the Developer is qualified to replace the Developer under the terms of this Resolution.

SECTION 2. That the local government contribution will be contingent upon the award of tax credits by ADOH to the Developer for Acquisition/Rehabilitation of Low Income Housing Tax Credit multi-family project currently known as Mountainside Village Apartments.

SECTION 3. That the City Manager be and hereby is authorized to execute any documents necessary to implement the local government contribution option in connection with the Developer or its qualified successor’s application for Low Income Housing Tax Credits under the ADOH 2014 or 2015 Qualified Allocation Plan.

SECTION 4. That Resolution 2013-09 is hereby repealed.

SECTION 5. That this resolution shall take effect 30 days after its adoption.

PASSED AND ADOPTED by the City Council and approved by the Mayor of the City of Flagstaff this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
MAYOR

ATTEST:

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CITY CLERK

APPROVED AS TO FORM:

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CITY ATTORNEY

**CITY OF FLAGSTAFF**  
**STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Dan Folke, Planning Director  
**Co-Submitter:** Barbara Goodrich, Management Services Director  
**Date:** 02/13/2014  
**Meeting Date:** 02/18/2014



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**TITLE:**

**Consideration and Possible Adoption:** Development Fee Land Use Assumptions and Infrastructure Improvement Plan

**RECOMMENDED ACTION:**

- 1) Adopt Land Use Assumptions
- 2) Adopt Infrastructure Improvement Plan

**Policy Decision or Reason for Action:**

With the adoption of SB1525 the State of Arizona requires cities to adopt Land Use Assumptions (LU) and an Infrastructure Improvement Plan (IIP) prior to considering Development Fees. The LU and IIP provide the basis for establishing development fees. The City is considering continuing public safety fees for Police and Fire infrastructure only.

**Financial Impact:**

The adoption of the revised LU and IIP does not have a direct financial impact on the budget, however it is a necessary step prior to considering adoption of public safety development fees which will fund capital improvements and equipment needed to provide police and fire services to new residential and non-residential projects.

**Connection to Council Goal:**

- 1) Retain, expand, and diversify economic base
- 2) Effective governance

**Previous Council Decision on This:**

The City of Flagstaff adopted Police and Fire development fees in 2008. In anticipation of considering new public safety development fees the City Council received a report and held a public hearing on the proposed Land Use Assumptions (LU) and Infrastructure Improvement Plan (IIP) on January 7, 2014. The Council also provided direction to schedule the adoption of the LU and IIP for February 18, 2014.

### **Options and Alternatives:**

- 1) Accept the revised LU and IIP and direct staff to finalize the proposed development fees, provide notice of an April 1, 2014 public hearing on the proposed fees, publish the proposed fees on the City website and distribute to interested parties.
- 2) Reject the revised LU and IIP, and provide direction to modify the revised LU and IIP for reconsideration.
- 3) Direct staff to stop the renewal process and allow the current public safety development fee program to end.

### **Background/History:**

Arizona Revised Statute 9-463.05, adopted during the 2011 legislative session, significantly amended development fee enabling legislation. Commonly known as SB1525, this legislation called for:

- Amending existing development program changes by January 1, 2012. The City met this condition by adopting the amendment of the existing development program on December 6, 2011; and,
- Abandoning the existing development fee programs by August 1, 2014. To accomplish the abandonment and subsequent adoption by August 1, 2014, the City must follow a prescribed schedule allowing adequate time for public input and Council discussion.

On January 7, 2014 City Council received a presentation and held a public hearing on the Land Use Assumptions and Infrastructure Improvement Plan found in the November 1, 2013 TischlerBise report. After the January 7 meeting staff prepared a memo for public outreach which summarized the current process and directed the public to the report. Staff distributed the memo and offered to present the information to a number of business, economic development, and neighborhood organizations. As of the writing of this summary staff has received no comments or requests from the public.

However, TischlerBise has recommended a change to the proportionate share methodology used to allocate the demand for Fire and Police capital investments between residential and nonresidential development. ARS 9-463.05(B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to accommodate new development. The first draft report, consistent with past City Development Fees, only included calls for service (CFS) assigned to residential or nonresidential development at the time of the incident as the determining factor for establishing proportionate share. As almost half of all Fire CFS, and two-thirds of Police CFS, were not logged to a specific land use (i.e., open space fires, traffic accidents, etc.), using only calls assigned to residential or nonresidential land uses under represents demands placed on the departments. TischlerBise recommends the City change methodologies to use functional population to allocate the cost of Police and Fire facilities to residential and nonresidential development, as functional population has a long history in the professional literature.

This methodology has been incorporated into development fee methodology since the 1980's and has been used to equitably spread infrastructure costs by incorporating what the U.S. Census Bureau calls "daytime population." Using our jurisdiction-specific data on commuting patterns, TischlerBise was able to account for where people live and work (i.e. spend their daily hours). By using a functional population methodology there is a shift in allocating the proportionate share of costs between residential and non-residential from a 56/44% split for Fire demand, and a 46/54% split for Police demand, to a 70%/30% split (residential/non-residential). Total calls for service, in combination with functional population factors, are now better used to allocate the full cost of necessary public services needed to accommodate new development. As a result of this change in methodology the proposed fees have been revised and are reflected in the revised report dated February 7, 2014 and attached to this summary.

At this time staff is asking City Council to adopt the Land Use Assumptions and Infrastructure Improvement Plan, this should be done with two separate motions. Once these are adopted TischlerBise

will finalize the proposed development fees. Staff will publish and distribute the proposed fees and solicit questions and comments from interested parties.

The remaining schedule for adoption is:  
February 18, 2014 – City Council Agenda Item  
• Adopt LU and IIP

March 1, 2014  
• Provide notice of public hearing on development fees  
• Publish draft fee report on municipal website

\*\*\*30 days\*\*\*

April 1, 2014 – City Council Agenda Item  
• Public hearing on development fees

\*\*\*30 days\*\*\*

May 6 and May 13, 2014 – City Council Agenda Item  
• Council's final opportunity to approve or not approve Public Safety Development Impact Fees

\*\*\*75 days\*\*\*

August 1, 2014  
• Updated Development fees are effective

### **Key Considerations:**

Impact fees provide a base standard that all developers are aware of and can plan for as they look to propose development in our community. Should impact fees not be assessed, this same type of financial consideration will still need to be attained; however, negotiations with each developer will occur separately which may result in an unequal burden due to the timing of a development.

### **Expanded Financial Considerations:**

The study that is provided to calculate the Public Safety Impact fees covers a 10-year growth horizon. The impact fees themselves, however, are updated every five years to assure the planning and needed services are either confirmed or are updated to match current community needs.

### **Community Benefits and Considerations:**

Impact fees assess new development their fair share of cost for the expanded network of service that will need to be provided.

### **Community Involvement:**

Inform - The Development Fee report was published on the City website on November 7, 2013. Staff distributed the attached memo to Friends of Flagstaff's Future, Northern Arizona Building Association, Northern Arizona Association of Realtors, ECoNA, Chamber of Commerce, League of Neighborhoods, Sunnyside neighborhood association, Southside neighborhood association, La Plaza Vieja neighborhood association, Flagstaff architects, and Flagstaff engineers. Staff has offered to make individual presentations to any interested group.  
Consult - A public hearing on the LU and IIP was held on January 7, 2014. The next public hearing will be held on April 1, 2014 to discuss the proposed fees. The public will also have a change to comment on February 18, May 6 and May 13 as these are the tentative agenda dates to complete the review of

the proposed impact fees.

**Expanded Options and Alternatives:**

1. Accept the revised LU and IIP and direct staff to finalize the proposed development fees, provide notice of an April 1, 2014 public hearing on the proposed fees, publish the proposed fees on the City website and distribute to interested parties.
2. Reject the revised LU and IIP, and provide direction to modify the LU and IIP for reconsideration.
3. Direct staff to stop the renewal process and allow the current public safety development fee program to end.

---

**Attachments:**    LU and IIP Outreach  
                          IB Report Feb 2014



# COMMUNITY DEVELOPMENT

## MEMORANDUM

**Date:** January 24, 2014

**To:** All Interested Parties

**From:** Dan Folke, Planning Director

**Subject:** Development Fee Renewal

---

The City of Flagstaff began collecting development fees, also known as impact fees, in 2009. The City currently collects fees for public safety purposes, limited to capital projects for the Police and Fire Departments. Fees can only be used to fund service level demands that have increased directly as a result of community growth. The State of Arizona has enacted SB1525 which requires all current impact fee programs to be evaluated and subsequently updated every five years.

The process requires the City to develop and adopt Land Use Assumptions which model future growth and its impacts on Police and Fire services and an Infrastructure Improvement Plan which identifies what the fees will be used for. After accepting these, the City Council can consider adopting development fees in support of the projected growth and for the identified infrastructure.

A draft report, *City of Flagstaff Public Safety Development Fees, Infrastructure Improvement Plan, and Land Use Assumptions* has been prepared by consulting firm TischlerBise. The report was presented to City Council at meetings on December 10, 2013 and January 7, 2014. It was posted on the City website on November 7, 2013.

City Council will be asked to adopt the Land Use Assumptions and Infrastructure Improvement Plan on February 18, 2014. After these are adopted, the revised study will be posted on the City website no later than March 1, 2014 and the City will hold a public hearing on the proposed development fees on April 1, 2014. City Council will consider adoption of the new fees on May 6 and May 13, 2014.

At this time the City is soliciting public input on the Land Use Assumptions and Infrastructure Improvement Plan. If you and your organization would like to learn more about the growth projections, planned infrastructure or the current or

proposed fees, City staff is available to make a presentation on the draft plan. You will have additional opportunities to provide feedback on the proposed fees as revised on March 1, 2014. The table provided below contains preliminary information based on the assumptions included in the draft plan.

The complete report can be viewed on the City website at:

<http://www.flagstaff.az.gov/documentcenter/view/43419>

To schedule a presentation, submit questions or provide comments please contact:

Dan Folke, Planning Director  
 City of Flagstaff  
 211 W. Aspen Street  
 86001  
 928-213-2630  
[dfolke@flagstaffaz.gov](mailto:dfolke@flagstaffaz.gov)

Figure 1. City of Flagstaff Proposed Development Fees *(Subject to change based on changes to the Land Use Assumptions and Infrastructure Improvement Plan as adopted by Council on February 18, 2014.)*

		Fire	Police	TOTAL Development Fee
<b>Residential</b>		~~~~~ Per Housing Unit ~~~~~		
	<b>Number of Bedrooms</b>			
2+ Units	All Sizes	\$379	\$238	\$617
Single Unit	0-3	\$387	\$243	\$630
Single Unit	4+	\$485	\$305	\$790
Single Unit	Avg	\$406	\$255	\$661
<b>Nonresidential</b>		~~ Per Square Foot of Floor Area ~~		
Commercial		\$1.28	\$1.12	\$2.40
Office/Institutional		\$0.50	\$0.44	\$0.94
Industrial/Flex		\$0.17	\$0.15	\$0.32

Figure 2. City of Flagstaff Current Development Fees

<b>Current Development Fee Schedule</b>		Fire	Police	Current Development Fee
<b>Residential</b>		~~~~~ Per Housing Unit ~~~~~		
	<b>Number of Bedrooms</b>			
2+ Units	All Sizes	\$352	\$184	\$536
Single Unit	0-3	\$444	\$231	\$675
Single Unit	4+	\$444	\$231	\$675
Single Unit	Avg	\$444	\$231	\$675
<b>Nonresidential</b>		~~ Per Square Foot of Floor Area ~~		
Commercial		\$0.81	\$0.68	\$1.49
Office/Institutional		\$0.28	\$0.24	\$0.52
Industrial/Flex		\$0.07	\$0.06	\$0.13

\*Source: TischlerBise. (28Nov11). *January 1, 2012 Interim Development Fees*

**DRAFT – CITY OF FLAGSTAFF PUBLIC SAFETY  
DEVELOPMENT FEES,  
INFRASTRUCTURE IMPROVEMENTS PLAN,  
AND LAND USE ASSUMPTIONS**

Prepared for:  
*City of Flagstaff, Arizona*

February 7, 2014

**TischlerBise**  
Fiscal, Economic & Planning Consultants

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## **EXECUTIVE SUMMARY**

The City of Flagstaff has engaged TischlerBise to update its Public Safety development fees for necessary public services pursuant to Arizona Revised Statutes 9-463.05. Municipalities in Arizona may assess development fees to offset infrastructure costs to a municipality associated with providing necessary public services to a development. The development fees must be based on an Infrastructure Improvements Plan. Development fees cannot be used for, among other things: projects not included in the Infrastructure Improvements Plan, projects related to existing development, or costs related to operations and maintenance.

This Infrastructure Improvements Plan and associated update to the City of Flagstaff Public Safety development fees include the following necessary public services:

- Fire
- Police

This plan includes all necessary elements required to comply with the Arizona Revised Statute 9-463.05.

### **ARIZONA DEVELOPMENT FEE ENABLING LEGISLATION**

---

Arizona Revised Statute 9-463.05 (hereafter referred to as “development fee enabling legislation”) governs how development fees are calculated for municipalities in Arizona. During the state legislative session of 2011, Senate Bill 1525 (SB 1525) was introduced which significantly amended the development fee enabling legislation. The changes included:

- Amending existing development fee programs by January 1, 2012;
- Abandoning existing development fee programs by August 1, 2014;
- A new development fee program structure developed from a unified Land Use Assumptions document and Infrastructure Improvements Plan;
- New adoption procedures for the Land Use Assumptions, Infrastructure Improvements Plan, and development fees;
- New definitions, including “necessary public services” which defines what categories and types of infrastructure may be funded with development fees;
- Time limitations in development fee collections and expenditures; and
- New requirements for credits, “grandfathering” rules, and refunds.

Governor Brewer signed SB 1525 into law on April 26, 2011. This update of the City’s Public Safety development fees will comply with all of the new requirements of SB 1525.

### **NECESSARY PUBLIC SERVICES**

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The City of Flagstaff currently collects development fees for the following infrastructure categories:

- Fire
- Police

Under the new requirements of the development fee enabling legislation, development fees may be used only for construction, acquisition or expansion of public facilities that are necessary public services. “Necessary public service” means any of the following categories of facilities that have a life expectancy of three or more years and that are owned and operated on behalf of the municipality:

- Water Facilities
- Wastewater Facilities

- Storm Water, Drainage, and Flood Control Facilities
- Library Facilities
- Streets Facilities
- Fire and Police Facilities
- Neighborhood Parks and Recreational Facilities
- Any facility that was financed before June 1, 2011 and that meets the following requirements:
  1. Development fees were pledged to repay debt service obligations related to the construction of the facility.
  2. After August 1, 2014, any development fees collected are used solely for the payment of principal and interest on the portion of the bonds, notes, or other debt service obligations issued before June 1, 2011 to finance construction of the facility.

### **INFRASTRUCTURE IMPROVEMENTS PLAN**

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Development fees must be calculated pursuant to an Infrastructure Improvements Plan (hereafter referred to as the “IIP”). For each necessary public service that is the subject of a development fee, by law, the infrastructure improvements plan shall include the following seven elements:

*Element #1: A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.*

*Element #2: An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.*

*Element #3: A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.*

*Element #4: A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.*

*Element #5: The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.*

*Element #6: The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.*

*Element #7: A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development.*

### **QUALIFIED PROFESSIONALS**

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The IIP must be developed by qualified professionals using generally accepted engineering and planning practices. A qualified professional is defined as “a professional engineer, surveyor, financial analyst or planner providing services within the scope of the person’s license, education, or experience.”

TischlerBise is a fiscal, economic, and planning consulting firm specializing in the cost of growth services. Our services include development fees, fiscal impact analysis, infrastructure financing analyses, user fee/cost of service studies, capital improvement plans, and fiscal software. TischlerBise has prepared over 800 development impact fee studies over the past 30 years for local governments across the United States.

## DEVELOPMENT FEES

### CALCULATION METHODOLOGIES

Development fees for the necessary public services generated by new development must be based on the same level of service provided to existing development in the service area. There are three basic methodologies used to calculate development fees. They examine the past, present, and future status of infrastructure. The objective of evaluating these different methodologies is to determine the best measure of the demand created by new development for infrastructure capacity.

- **Cost recovery method (past)** is used in instances when a community has oversized a facility or asset in anticipation of future development. This methodology is based on the rationale that new development is repaying the community for its share of the remaining unused capacity.
- **Incremental expansion method (present)** documents the current level of service for each type of public facility. The intent is to use revenue collected to expand or provide additional facilities, as needed to accommodate new development, based on the current cost to provide capital improvements.
- **Plan-based method (future)** utilizes a community’s capital improvement plan and/or other adopted plans or engineering studies to guide capital improvements needed to serve new development.

Figure 1 is a summary of the methodologies and components used to calculate the IIP and development fees.

**Figure 1: Recommended Calculation Methodologies**

		Methodology		
Type of Necessary Public Services	Cost Recovery (Past)	Incremental Expansion (Present)	Plan Based (Future)	
Fire	<ul style="list-style-type: none"> <li>Facilities</li> <li>Apparatus</li> <li>Equipment</li> <li>Communications Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Vehicles</li> <li>Communications Equipment</li> </ul>	Not Applicable	
Police	<ul style="list-style-type: none"> <li>Communications Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Facilities</li> <li>Vehicles</li> <li>Communications Equipment</li> </ul>	Not Applicable	

### Reporting Results

Calculations throughout this Study are based on analysis conducted using Excel software. Formulas and results are discussed herein using one-and two-digit place (in most cases), which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the Study (due to the rounding of figures shown, not in the analysis.)

**PROPOSED DEVELOPMENT FEES**

Based on the data, assumptions, and calculation methodologies in the [Land Use Assumptions](#) and Infrastructure Improvement Plans, the maximum supportable development fees are listed in the figure below:

**Figure 2: Maximum Supportable City of Flagstaff Public Safety Development Fees**

		<i>Fire</i>	<i>Police</i>	<i>TOTAL Development Fee</i>
<b>Residential</b>		<i>Number of Bedrooms</i>		
		<i>Per Housing Unit</i>		
2+ Units	All Sizes	\$474	\$362	\$836
Single Unit	0-3	\$484	\$370	\$854
Single Unit	4+	\$607	\$464	\$1,071
<i>Single Unit</i>	<i>Avg</i>	\$508	\$388	\$896
<b>Nonresidential</b>		<i>Per Square Foot of Floor Area</i>		
Commercial		\$0.89	\$0.63	\$1.52
Office/Institutional		\$0.34	\$0.25	\$0.59
Industrial/Flex		\$0.12	\$0.09	\$0.21

Source: TischlerBise

**COMPARISON TO CURRENT DEVELOPMENT FEES**

The City of Flagstaff currently collects development fees for the following infrastructure categories:

- Fire
- Police

The City’s current development fees, effective as of January 1, 2012, are shown below.

**Figure 3: City of Flagstaff Development Fees, Effective January 1, 2012**

<i>Current Development Fee Schedule</i>		<i>Current Development Fee</i>	
		<i>Fire</i>	<i>Police</i>
<b>Residential</b>		<i>Per Housing Unit</i>	
	<b>Number of Bedrooms</b>		
2+ Units	All Sizes	\$352	\$184
Single Unit	0-3	\$444	\$231
Single Unit	4+	\$444	\$231
<i>Single Unit</i>	<i>Avg</i>	\$444	\$231
<b>Nonresidential [1]</b>		<i>Per Square Foot of Floor Area</i>	
Commercial		\$0.81	\$0.68
Office/Institutional		\$0.28	\$0.24
Industrial/Flex		\$0.07	\$0.06

Source: TischlerBise. (28Nov11). *January 1, 2012 Interim Development Fees*

[1] The 2012 nonresidential fees were by size thresholds, averages are shown here.

The changes between the proposed fees and the current fees are shown in the figure below. Note: the red figures in parentheses represent decreases in fee amounts.

**Figure 4: Changes Between City of Flagstaff Current and Proposed Development Fees**

		<i>Net Change</i>		
		<i>Fire</i>	<i>Police</i>	<i>Development Fee</i>
<b>Residential</b>		<i>Per Housing Unit</i>		
	<b>Number of Bedrooms</b>			
2+ Units	All Sizes	\$122	\$178	\$300
Single Unit	0-3	\$40	\$139	\$179
Single Unit	4+	\$163	\$233	\$396
<i>Single Unit</i>	<i>Avg</i>	\$64	\$157	\$221
<b>Nonresidential</b>		<i>Per Square Foot of Floor Area</i>		
Commercial		\$0.08	(\$0.05)	\$0.03
Office/Institutional		\$0.06	\$0.01	\$0.07
Industrial/Flex		\$0.05	\$0.03	\$0.08

Source: TischlerBise

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## FIRE FACILITIES INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

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ARS 9-463.05 (T)(7)(f) defines the facilities and assets, which can be included in the Fire Facilities IIP:

*“Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training police and firefighters from more than one station or substation.”*

The Fire Facilities IIP includes components for the Fire facilities, Fire fleet (vehicles/apparatus/equipment), and the Fire Department’s proportionate share of the City of Flagstaff public safety communications command center system (communications equipment and infrastructure), and the cost of preparing the Fire Facilities IIP and Development Fee Study. Cost recovery is used to calculate the IIP for the Fire facilities, apparatus, equipment, and communications infrastructure. Incremental expansion is used to calculate the Fire vehicles and communications equipment elements of the Fire IIP and Development Fees.

### SERVICE AREA

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The City’s Fire facilities and assets serve the entire city. The service area for the Fire Facilities IIP and development fees is Citywide.

### PROPORTIONATE SHARE

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ARS 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to accommodate new development. The Fire IIP uses a proportionate share concept to allocate the demand between residential and nonresidential development. The demand for Fire facilities and assets in City of Flagstaff is measured by annual calls for service. Calls for service data from 2012, in combination with functional population factors (described below), were used to determine the relative demand for service from residential and nonresidential development.

**Functional Population**

TischlerBise recommends functional population to allocate the cost of Fire Facilities to residential and nonresidential development. Functional population has a long history in the professional literature. Originally called activity analysis by Stuart Chapin in 1965, and incorporated into development impact fee methodology by James Nicholas in the mid-1980s, functional population has been used to equitably spread infrastructure costs between residential and nonresidential sectors. TischlerBise has refined the functional population concept by incorporating what the U.S. Census Bureau calls “daytime population.” Using jurisdiction-specific data on commuting patterns, it is now possible to account for where people live and work (i.e., spend their daily hours). As shown below, residents that do not work are assigned 20 hours per day to residential development and four hours per day to nonresidential development (annualized averages). Residents that work in Flagstaff are assigned 14 hours to residential development and 10 hours to nonresidential development. Residents that work outside Flagstaff are assigned 14 hours to residential development. Inflow commuters are assigned 10 hours to nonresidential development. Based on 2010 decennial census and Longitudinal Employer-Household Dynamics data, both provided by the U.S. Census Bureau, the cost allocation for residential development is 70 percent, while nonresidential development accounts for 30 percent of the demand for Fire Facilities.

**Figure 5: City of Flagstaff Functional Population**

	<i>Demand Units in 2010</i>	<i>Demand Hours/Day</i>	<i>Person Hours</i>
<b>Residential</b>			
Population	65,870		
Residents Not Working	36,843	20	736,860
Resident Workers	29,027		
Worked in City	17,161	14	240,254
Worked Outside City	11,866	14	166,124
<b>Residential Subtotal</b>			<b>1,143,238    70%</b>
<b>Nonresidential</b>			
Non-working Residents	36,843	4	147,372
Jobs Located in City	34,744		
Residents Working in City	17,161	10	171,610
Non-Resident Workers (inflow commuters)	17,583	10	175,830
<b>Nonresidential Subtotal</b>			<b>494,812    30%</b>
<b>TOTAL</b>			<b>1,638,050</b>

Source: U.S. Census Bureau, 2010 Decennial Census; U.S. Census Bureau, OnTheMap 6.1.1 Application and LEHD Origin-Destination Employment Statistics

**Service Units**

The Fire Facilities costs are allocated to both residential and nonresidential development based on an analysis of functional population and calls for service. For residential development, fees are calculated on a per capita basis, and then converted to an appropriate amount by type of housing unit based on persons per household.

For nonresidential development fees, TischlerBise recommends using nonresidential vehicle trips as the demand indicator for Fire Facilities. Trip generation rates are used for nonresidential development because vehicle trips are highest for commercial developments, such as shopping centers, and lowest for industrial/flex development. Office and institutional trip rates fall between the other two categories. Because the Fire Department responds to emergency medical services calls for service this ranking of trip rates is consistent with the relative demand for Fire services from nonresidential development.

Other possible nonresidential demand indicators, such as employment or floor area, would not accurately reflect the demand for service. For example, if employees per thousand square feet were used as the demand indicator, Fire development fees would be too high for office and institutional development because offices typically have more employees per 1,000 square feet than retail uses. If floor area were used as the demand indicator, Fire development fees would be too high for industrial development. More information regarding the calculation of nonresidential vehicle trips can be found in Figure 17: Fire Facilities Ratio of Service Unit to Land Use.

**Fire Department Calls for Service**

The functional population allocation to residential (70%) and nonresidential (30%) development is applied to the 2012 calls for service data provided by the City of Flagstaff Fire Department to derive calls for service per service unit (i.e., population for residential development, and vehicle trips for nonresidential development). Of the Fire Department’s 10,178 calls for service, 7,125 are assigned to residential development, and 3,053 are assigned to nonresidential development, based on functional population.

**Figure 6: Fire Facilities Proportionate Share**



Land Use	Proportionate Share	Estimated Calls for Service (CFS)	2013 Service Units	CFS per Service Unit
Residential	70%	7,125	74,941 Population	0.10
Nonresidential	30%	3,053	102,819 Nonres Vehicle Trips	0.03

### Public Safety Communications Command Center Calls for Service

The City of Flagstaff shares a Public Safety Communications Command Center and associated infrastructure with Coconino County and surrounding public safety agencies. The shared command center received 71,475 calls for service from all jurisdictions in calendar year 2012. Calls for service for the City of Flagstaff Fire Department accounted for 14 percent of the total public safety calls for service received. This proportionate share factor will be used to calculate the demands placed on the *communications equipment* (e.g., portable communication radios, and stationary computer components) by the Fire Department.

Proportionate share factors for demands placed on the *communications infrastructure* (e.g., telecommunications towers for wireless network) by the Fire Department were provided by the City of Flagstaff Police Department based on use by the City’s Fire, Police, and Public Works departments, and other jurisdictions. Proportionate share factors for *communications infrastructure* differ from *communications equipment* due to additional impact from Public Works. Proportionate share factors are shown below.

**Figure 7: Public Safety Communications Command Center Proportionate Share<sup>1</sup>**

Public Safety Agency	Calls for Service [1]	Proportionate Share for Communications	
		Equipment [1]	Infrastructure [2]
<b>Flagstaff Police</b>	<b>43,304</b>	<b>61%</b>	<b>27%</b>
<b>Flagstaff Fire</b>	<b>10,178</b>	<b>14%</b>	<b>18%</b>
Other Jurisdictions	17,993	25%	26%
Flagstaff Public Works	Not Applicable	0%	29%
<b>Total Calls Received in 2012</b>	<b>71,475</b>	<b>100%</b>	<b>100%</b>

[1] Proportionate share factors for Communications Equipment are based on total calls for service dispatched by the Public Safety Communications Command Center.

[2] Proportionate share factors (shown here as rounded figures) for Communications Infrastructure were provided by the City of Flagstaff Police Department. The City of Flagstaff Department of Public Works places demands on the communications infrastructure but not on the Public Safety Communications Command Center.

<sup>1</sup> The proportionate share factors by department for the *Communications Infrastructure* are shown as rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown here (due to the rounding of figures shown, not in the analysis.)

## IIP FOR FIRE FACILITIES

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For each necessary public service that is the subject of a development fee, ARS 9-463.05(E) requires that the IIP include seven elements. The sections below detail each of these elements. (A forecast of new revenues generated by sources other than development fees can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

### Analysis of Capacity, Usage, and Costs of Existing Public Services

ARS 9-463.05(E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS 9-463.05(E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

## Fire Facilities

### Level of Service

The City recently completed a multi-year plan to relocate and expand its Fire facilities. The current inventory of qualified Fire facilities totals 59,197 square feet, which includes excess capacity to serve future demand. The level of service (LOS) for Fire facilities is a measure of square feet per service unit. The current LOS for residential development is calculated as follows: (59,197 square feet X 70% residential proportionate share)/74,941 persons) = 0.55 square feet per capita.<sup>2</sup> This calculation is repeated for nonresidential development using 2013 nonresidential vehicle trips. The results are shown in Figure 8.

**Figure 8: Level of Service – Fire Facilities**

Facility [1]	Total Square Feet	Cost/SF	Replacement Cost
Station 1	7,913	\$520	\$4,114,760
Station 2	14,631	\$352	\$5,150,112
Station 3	9,340	\$333	\$3,110,220
Station 4	5,600	\$232	\$1,299,200
Station 5	7,913	\$487	\$3,853,631
Station 6	9,000	\$337	\$3,033,000
Station 10 (Airport)	2,800	\$250	\$700,000
Current Fire Mechanic Space	2,000	\$250	\$500,000
<b>TOTAL</b>	<b>59,197</b>	<b>\$368</b>	<b>\$21,760,923</b>

Source: City of Flagstaff Fire Department

[1] Reflects non-administrative space

Service Unit	Proportionate Share	2013	2020	2023
City Population	70%	74,941	80,918	83,025
	Square Feet Per Capita	0.55	0.51	0.50
Nonresidential Vehicle Trips	30%	102,819	109,630	112,683
	Square Feet per Nonresidential Vehicle Trip	0.17	0.16	0.16

Debt was issued in 2006 and 2012 to help fund the expansion of Fire facilities. As new development utilizes its proportionate share of the available capacity of existing Fire facilities, the City plans to have it pay a proportionate share of the remaining debt, scheduled to be retired in 2020 and 2023. As shown above, if no new Fire facilities are added and development occurs at the rate shown in the [Land Use Assumptions](#), the LOS for Fire facilities will change over the next ten years. The current LOS is 0.55 square feet per capita and 0.17 square feet per nonresidential vehicle trip. By 2023, the LOS for current Fire facilities will be 0.50 and 0.16 respectively.

<sup>2</sup> Level of service is shown as a rounded figure. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown here (due to the rounding of figures shown, not in the analysis.)

**Cost per Service unit**

Debt was issued in 2006 and 2012 to pay for the expansion of Fire facilities to the current square footage of 59,197. As new development utilizes its proportionate share of the available capacity of the Fire facilities, the City plans to have new development pay for its share of the remaining debt. Thus, the cost recovery methodology is used to calculate the cost per service unit by land use. Growth share is based on projected persons and trips at the end of each bond term.

The City of Flagstaff has a fiscal year that runs July 1<sup>st</sup> through June 30<sup>th</sup>. The final payments for Fire facilities debt are due July 1<sup>st</sup>, or the start of the fiscal year. Therefore, the service units at the time of the last July payment are used to calculate the growth share by land use for each debt schedule. The final payment for the 2006 Series A debt is due July 1, 2023. TischlerBise projects the City of Flagstaff will add 8,084 persons and see an additional 9,864 nonresidential vehicle trips between July of 2013 and 2023, which equates to 9 percent of the 2023 projected combined population and nonresidential trips. The formula to calculate growth share for the 2006 Series A debt is (195,708 population and nonresidential vehicle trips in 2023 – 177,760 population and nonresidential vehicle trips in 2013) / 195,708 population and nonresidential vehicle trips in 2023 = 9 percent (*rounded*).

The cost per service unit for residential development is calculated as follows: ((9% growth share x \$10,901,463 remaining principal and interest) x 70% residential proportionate share)/8,084 net increase in persons = \$84.96 cost per capita. This calculation is repeated for each land use and each debt obligation. The results are a combined cost per service unit for Fire facilities of \$109.18 per capita, and \$38.95 per nonresidential vehicle trip.

**Figure 9: Cost Recovery – Fire Facilities**

Debt Obligation		Year of Final	Remaining Principal
Name	Year Issued	Payment	and Interest
Series A	2006	2023	\$10,901,463

Land Use	Growth Share [1]	Proportionate Share [2]	Increase 2013-2023 Service Units [3]	Cost per Service Unit
Residential	9%	70%	8,084 Population	\$84.96
Nonresidential		30%	9,864 Nonres Vehicle Trips	\$29.84

Debt Obligation		Year of Final	Remaining Principal
Name	Year Issued	Payment	and Interest
Series 2011	2012	2020	\$2,954,241

Land Use	Growth Share [1]	Proportionate Share [2]	Increase 2013-2020 Service Units [3]	Cost per Service Unit
Residential	7%	70%	5,977 Population	\$24.22
Nonresidential		30%	6,811 Nonres Vehicle Trips	\$9.11

Source: City of Flagstaff, Finance Department

[1] Share of projected population and nonresidential vehicle trips attributable to new growth

[2] TischlerBise. (2013). Functional Population

[3] TischlerBise. (2013). Development Fee Land Use Assumptions

Land Use	Combined Cost per Service Unit
Residential	<b>\$109.18</b>
Nonresidential	<b>\$38.95</b>

## Fire Fleet - Vehicles, Apparatus and Equipment

### Level of Service

The City plans to maintain the current LOS for Fire vehicles, apparatus, and equipment. The City currently has a 37-unit fleet of Fire vehicles, apparatus, and equipment. Based on the proportionate share analysis discussed above, residential development creates 70 percent of the demand for the Fire fleet, with nonresidential development accounting for 30 percent of the demand. The current LOS for residential development is calculated as follows:  $((37 \text{ units} \times 70\% \text{ proportionate share}) / (74,941 \text{ persons} / 1,000)) = 0.35 \text{ vehicles per } 1,000 \text{ persons}$ . This calculation is repeated for nonresidential development resulting in a LOS of 0.11 vehicles per 1,000 nonresidential vehicle trips.

**Figure 10: Level of Service Fire Fleet - Vehicles, Apparatus, and Equipment**

Type	Description	Units in Service	Unit Price [1]	Replacement Cost
Vehicle	Ladder Apparatus	1	\$895,034	\$895,034
Vehicle	Rescue - Heavy	1	\$560,867	\$560,867
Vehicle	TYPE 1 Engine	1	\$448,478	\$448,478
Vehicle	Pumper Apparatus	4	\$394,641	\$1,578,564
Vehicle	Type 1 Pumper	1	\$359,539	\$359,539
Vehicle	TYPE 3 Wildlands	3	\$358,000	\$1,074,000
Vehicle	Water Tender	2	\$270,000	\$540,000
Vehicle	HAZMAT Truck	1	\$251,392	\$251,392
Vehicle	Rescue - Medic	1	\$244,247	\$244,247
Vehicle	TYPE 6 Engine	2	\$130,000	\$260,000
Vehicle	TYPE 6 Brush Truck	2	\$130,000	\$260,000
Vehicle	Rescue - Light	1	\$43,220	\$43,220
Vehicle	Light Duty Vehicle	9	\$26,139	\$235,253
Vehicle	Heavy Duty Vehicle	3	\$24,657	\$73,972
Vehicle	Trailers	2	\$4,586	\$9,171
Apparatus	Aerial Truck (quint ladder)	1	\$800,000	\$800,000
Apparatus	Pumper Truck	1	\$359,539	\$359,539
Equipment	SCBA Equipment	1	\$220,358	\$220,358
<b>Total Fleet</b>		<b>37</b>	<b>\$221,990</b>	<b>\$8,213,633</b>

Source: City of Flagstaff Fire Department

[1] Reflects the unit cost at year of purchase adjusted for inflation to Feb 2013 CPI

Land Use	Proportionate Share	2013 Service Units	Vehicles, Apparatus and Equipment Per 1,000 Service Units
Residential	70%	74,941 Population	0.35
Nonresidential	30%	102,819 Nonres Vehicle Trips	0.11

**Cost per Service unit**

The cost per service unit for the incremental expansion of Fire vehicles is calculated in Figure 11. *The cost per service unit of Fire apparatus, and for Fire equipment are each calculated separately.* The City of Flagstaff debt financed the purchase of large Fire apparatus--an Aerial Truck and Pumper Truck--and Fire equipment for use in the entire service area. As new development utilizes its proportionate share of the available capacity of these apparatus and equipment units the City plans to have new development pay for its share of the remaining debt. Thus, the cost recovery methodology is used to calculate the cost per service unit for Fire apparatus, and for Fire equipment (explained below). The cost per service unit for Fire vehicles is calculated using an incremental expansion methodology.

*Vehicles*

To calculate the cost per service unit for the 34 units of Fire vehicles, the replacement costs for the apparatus and equipment were subtracted from the total replacement cost of the Fire fleet for an adjusted value of \$6,833,736 for the Fire vehicles. The current cost of Fire vehicles per service unit for residential development is calculated as follows: ((34 vehicle units X 70% proportionate share) / (74,941 persons/1,000)) = 0.32 level of service X \$200,992 average cost per vehicle = \$63.83 cost per capita. This calculation is repeated for nonresidential development and results in a cost per service unit of \$19.94.

**Figure 11: Incremental Expansion – Fire Vehicles**

Type	Description	Units in Service	Unit Price [1]	Replacement Cost
Vehicle	Ladder Apparatus	1	\$895,034	\$895,034
Vehicle	Rescue - Heavy	1	\$560,867	\$560,867
Vehicle	TYPE 1 Engine	1	\$448,478	\$448,478
Vehicle	Pumper Apparatus	4	\$394,641	\$1,578,564
Vehicle	Type 1 Pumper	1	\$359,539	\$359,539
Vehicle	TYPE 3 Wildlands	3	\$358,000	\$1,074,000
Vehicle	Water Tender	2	\$270,000	\$540,000
Vehicle	HAZMAT Truck	1	\$251,392	\$251,392
Vehicle	Rescue - Medic	1	\$244,247	\$244,247
Vehicle	TYPE 6 Engine	2	\$130,000	\$260,000
Vehicle	TYPE 6 Brush Truck	2	\$130,000	\$260,000
Vehicle	Rescue - Light	1	\$43,220	\$43,220
Vehicle	Light Duty Vehicle	9	\$26,139	\$235,253
Vehicle	Heavy Duty Vehicle	3	\$24,657	\$73,972
Vehicle	Trailers	2	\$4,586	\$9,171
Apparatus	Aerial Truck (quint ladder)	1	\$800,000	\$800,000
Apparatus	Pumper Truck	1	\$359,539	\$359,539
Equipment	SCBA Equipment	1	\$220,358	\$220,358
	Total Fleet	37	\$221,990	\$8,213,633
	<b>Total for Fire Vehicles</b>	<b>34</b>	<b>\$200,992</b>	<b>\$6,833,736</b>

Source: City of Flagstaff Fire Department

[1] Reflects the unit cost at year of purchase adjusted for inflation to Feb 2013 CPI

Land Use	Proportionate Share	2013 Service Units	Vehicles Per 1,000 Service Units	Cost per Service Unit
Residential	70%	74,941 Population	0.32	<b>\$63.83</b>
Nonresidential	30%	102,819 Nonres Vehicle Trips	0.10	<b>\$19.94</b>

*Apparatus*

The cost per service unit for the Fire apparatus (using the cost recovery methodology) is calculated using a growth share based on projected persons and nonresidential vehicle trips at the time of the last payment, July 1, 2019. Of the projected 188,870 combined population and nonresidential vehicle trips in 2019, 11,110 (6 percent) are attributable to new growth between 2013 and 2019. The formula to calculate growth share is as follows:  $(188,870 \text{ population and nonresidential vehicle trips in 2019} - 177,760 \text{ population and nonresidential vehicle trips in 2013}) / 188,870 \text{ population and nonresidential vehicle trips in 2019} = 6 \text{ percent (rounded)}$

The Fire apparatus cost per service unit for residential development is calculated as follows:  $((6\% \text{ growth share} \times \$289,122 \text{ remaining principal and interest}) \times 70\% \text{ residential proportionate share}) / 5,293 \text{ net increase in persons} = \$2.29 \text{ cost per capita}$ . This calculation is repeated for nonresidential development and results in a cost per service unit of \$0.89.

**Figure 12: Cost Recovery – Fire Apparatus**

Debt Obligation		Year of Final	Remaining Principal
Name	Year Issued	Payment	and Interest
Fire Vehicles	2010	2019	\$289,122

Land Use	Growth Share [1]	Proportionate Share [2]	Increase 2013-2019 Service Units [3]	Cost per Service Unit
Residential	6%	70%	5,293 Population	<b>\$2.29</b>
Nonresidential		30%	5,817 Nonres Vehicle Trips	<b>\$0.89</b>

*Source: City of Flagstaff, Finance Department*

[1] Share of projected population and nonresidential vehicle trips attributable to new growth

[2] TischlerBise. (2013). Functional Population

[3] TischlerBise. (2013). Development Fee Land Use Assumptions

*Equipment*

The cost per service unit for the Fire equipment (using the cost recovery methodology) is calculated using a growth share based on projected persons and trips at the time of the last payment, July 1, 2023. Of the projected 195,708 combined population and nonresidential vehicle trips in 2023, 17,948 (9 percent) are attributable to new growth between 2013 and 2023. The formula to calculate growth share is as follows:  $(195,708 \text{ population and nonresidential vehicle trips in 2023} - 177,760 \text{ population and nonresidential vehicle trips in 2013}) / 195,708 \text{ population and nonresidential vehicle trips in 2023} = 9 \text{ percent (rounded)}$ .

The Fire equipment cost per service unit for residential development is calculated as follows:  $((9\% \text{ growth share} \times \$169,414 \text{ remaining principal and interest}) \times 70\% \text{ residential proportionate share}) / 8,084 \text{ net increase in persons} = \$1.32 \text{ cost per capita}$ . This calculation is repeated for nonresidential development and results in a cost per service unit of \$0.46.

**Figure 13: Cost Recovery – Fire Equipment**

Debt Obligation		Year of Final Payment	Remaining Principal and Interest
Name	Year Issued		
SCBA Equipment	2006	2023	\$169,414

Land Use	Growth Share [1]	Proportionate Share [2]	Increase 2013-2023 Service Units [3]	Cost per Service Unit
Residential	9%	70%	8,084 Population	<b>\$1.32</b>
Nonresidential		30%	9,864 Nonres Vehicle Trips	<b>\$0.46</b>

Source: City of Flagstaff, Finance Department

[1] Share of projected population and nonresidential vehicle trips attributable to new growth

[2] TischlerBise. (2013). Functional Population

[3] TischlerBise. (2013). Development Fee Land Use Assumptions

**Fire Communications System - Equipment and Infrastructure**

The City of Flagstaff maintains an inventory of portable and stationary communications equipment, and the communications infrastructure associated with the shared Public Safety Communications Command Center system. The shared center dispatches calls for the City of Flagstaff, Coconino County and surrounding public safety agencies, as well as providing communications infrastructure for the City of Flagstaff Department of Public Works. Each agency places differing levels of demand on the system. As discussed above, annual calls for service were used to calculate the share of the components allocated to the City of Flagstaff Fire Department; and functional population factors were used to calculate the demands placed on the system by residential and nonresidential land uses in the service area.

**Level of Service**

There are two types of communications equipment associated with the shared system; first is the portable equipment assigned to staff and vehicles, and second is the computer equipment necessary to dispatch and track calls for service. Communications infrastructure includes the telecommunications towers for the wireless network.

Of the equipment and infrastructure that constitute the City of Flagstaff shared system, the City of Flagstaff Fire Department makes use of 51 components. Portable components used by the Fire Department are allocated to the Fire Department at 100 percent. Dispatch communications components like the computer system’s server are allocated based on demand on the system generated by the Fire Department (14%), as determined by calls for service (see the Proportionate Share section above).

Demand placed on the *communications infrastructure* by the Fire Department was determined by the City of Flagstaff. According to the City, the Fire Department generates 18.41 percent of the total demand for the *communications infrastructure*. The remaining demand on the *communications infrastructure* is generated by the Flagstaff Police and Public Works Departments as well as from other jurisdictions.

As shown in Figure 14, these proportionate share factors are used to adjust the count of components to reflect only the share of the total 51 components used by the Fire Department. The Fire Department uses 100 percent of the 6 *portable communications* components, 14 percent of the 44 *dispatch communications* components, and 18.41 percent of the *communications infrastructure*. These shares equate to 12.34 units of communications equipment and infrastructure used by the Fire Department.

The communications equipment and infrastructure LOS for residential development is calculated as follows:  $(12.34 \text{ pieces of equipment} \times 70\% \text{ proportionate share}) / (74,941 \text{ person} / 1,000) = 0.12 \text{ pieces of equipment per } 1,000 \text{ persons}$ . This calculation is repeated for nonresidential development resulting in a LOS of 0.04 pieces of equipment per 1,000 nonresidential vehicle trips.

**Figure 14: Level of Service Fire Communications System - Equipment and Infrastructure**

Communications System Equipment and Infrastructure	Units in Service	Fire Dept. Share of Units [1]	Units Used by Fire Dept.	Average Cost per Unit	Replacement Cost [2]
Equipment - Portable Communications	6	100.00%	6.00	\$5,733	\$34,400
Equipment - Dispatch Communications	44	14.00%	6.16	\$5,366	\$33,055
Infrastructure - Tower and Network [3]	1	18.41%	0.18	\$3,952,287	\$727,616
<b>TOTAL</b>	51		12.34	\$82,800	\$795,071

Source: City of Flagstaff Police Department

[1] City of Flagstaff Public Safety Communications Command Center

[2] Replacement cost is the Fire Department's share of Total Units multiplied by cost per unit.

[3] City of Flagstaff. (2012). Communications Infrastructure proportionate share

Land Use	Proportionate Share	2013 Service Units	Equipment & Infrastructure per 1,000 Service Units
Residential	70%	74,941 Population	0.12
Nonresidential	30%	102,819 Nonres Vehicle Trips	0.04

**Cost per Service unit**

The costs per service unit for the Fire *communications equipment* and *communications infrastructure* are calculated separately.

- **Communications Infrastructure:** The City of Flagstaff debt financed the expansion of the public safety *communications infrastructure* in 2011. As new development utilizes its proportionate share of the available capacity of the expanded system the City plans to have new development pay for its share of the remaining debt. Thus, the cost recovery methodology is used to calculate the cost per service unit for Fire *communications infrastructure* (shown in Figure 16).
- **Communications Equipment:** The cost per service unit for Fire *communications equipment* is calculated using an incremental expansion methodology.

**Communications Equipment**

To calculate the cost per service unit for Fire communications equipment the replacement costs are calculated for each component by multiplying the per unit cost by the share of units allocated to the Fire Department. Next, the replacement value for just the *communications equipment* was calculated resulting in a value of \$67,455 for the Fire *communications equipment* alone. (*Communications infrastructure* is calculated and shown separately). The current cost of Fire *communications equipment* per service unit for residential development is calculated as follows: (\$67,455 replacement value X 70% proportionate share)/74,941 persons = \$0.63 per capita. This calculation is repeated for nonresidential development and results in a cost per service unit of \$0.20.

**Figure 15: Incremental Expansion – Communications Equipment**

Communications System Equipment and Infrastructure	Units in Service	Fire Dept. Share of Units [1]	Units Used by Fire Dept.	Average Cost per Unit	Replacement Cost [2]
Equipment - Portable Communications	6	100.00%	6.00	\$5,733	\$34,400
Equipment - Dispatch Communications	44	14.00%	6.16	\$5,366	\$33,055
Infrastructure - Tower and Network [3]	1	18.41%	0.18	\$3,952,287	\$727,616
<b>TOTAL</b>	<b>51</b>		<b>12.34</b>	<b>\$82,800</b>	<b>\$795,071</b>
<b>Total for Communications Equipment</b>	<b>50</b>		<b>12.16</b>	<b>\$5,547</b>	<b>\$67,455</b>

Source: City of Flagstaff Police Department

[1] City of Flagstaff Public Safety Communications Command Center

[2] Replacement cost is the Fire Department's share of Total Units multiplied by cost per unit.

[3] City of Flagstaff. (2012). Communications Infrastructure proportionate share

Land Use	Proportionate Share	2013 Service Units	Equipment per 1,000 Service Units	Cost per Service Unit
Residential	70%	74,941 Population	0.11	<b>\$0.63</b>
Nonresidential	30%	102,819 Nonres Vehicle Trips	0.04	<b>\$0.20</b>

*Communications Infrastructure*

Debt was issued in 2011 to pay for the expansion of the Public Safety Communications Command Center infrastructure. As new development utilizes its proportionate share of the available capacity of the *communications infrastructure*, the City plans to have new development pay for its share of the remaining debt. Thus, the cost recovery methodology is used, and the growth share is based on projected persons and trips at the end of the bond term.

The City’s Fire, Police, and Public Works Departments use the *communications infrastructure*, along with surrounding public safety agencies. According to the City of Flagstaff, the Fire Department generates 18.41 percent of total demand on the infrastructure.

The City of Flagstaff has a fiscal year that runs July 1<sup>st</sup> through June 30<sup>th</sup>. The final payment for the *communications infrastructure* debt is due July 1<sup>st</sup>, or the start of the fiscal year. Therefore, the service units at the time of the last July payment are used to calculate the growth share by land use. TischlerBise projects the City of Flagstaff will add 6,670 persons and see an additional 7,811 nonresidential vehicle trips between July of 2013 and 2021, which equates to 8 percent of the 2021 projected combined population and nonresidential trips. The formula to calculate growth share is as follows:  $(192,241 \text{ population and nonresidential vehicle trips in 2021} - 177,760 \text{ population and nonresidential vehicle trips in 2013}) / 192,241 \text{ population and nonresidential vehicle trips in 2021} = 8 \text{ percent (rounded)}$ .

The cost per service unit for residential development is calculated as follows:  $(\$3,658,398 \text{ remaining principal and interest} \times 18.41\% \text{ Fire proportionate share} \times 8\% \text{ growth share} \times 70\% \text{ residential proportionate share}) / 6,670 \text{ net increase in persons} = \$5.65 \text{ cost per capita}$ . This calculation is repeated for nonresidential development and results in a cost per nonresidential vehicle trip of \$2.07.

**Figure 16: Cost Recovery – Fire Communications Infrastructure**

Debt Obligation		Year of Final Payment	Remaining Principal and Interest
Name	Year Issued		
Communications Equipment	2011	2021	\$3,658,398

Land Use	Portion Attributable to Fire Dept. [1]	Growth Share [2]	Proportionate Share [3]	Increase 2013-2021 Service Units [4]	Cost per Service Unit
Residential	18.41%	8%	70%	6,670 Population	<b>\$5.65</b>
Nonresidential			30%	7,811 Nonres Vehicle Trips	<b>\$2.07</b>

Source: City of Flagstaff, Finance Department

- [1] City of Flagstaff Public Safety Communications Command Center
- [2] Share of projected population and nonresidential vehicle trips attributable to new growth
- [3] TischlerBise. (2013). Functional Population
- [4] TischlerBise. (2013). Development Fee Land Use Assumptions

### **Excluded Costs**

Development fees in Flagstaff exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards. The City of Flagstaff Capital Improvement Plan addresses the cost of these excluded items.

### **Current Use and Available Capacity**

According to City staff, Fire facilities, apparatus, equipment, and communications infrastructure have surplus capacity to serve growth; therefore, a cost recovery methodology was used to calculate the growth share of future principal and interest payments. Fire vehicles and communications equipment are fully utilized; therefore, there is no available capacity for future development.

**RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT**

ARS 9-463.05(E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Shown in the table below are the ratios of a service unit (i.e., persons and nonresidential vehicle trips) to various types of land uses for residential and nonresidential development. The residential development table displays the *Persons per Household* factors for single family and multifamily homes.

For nonresidential development, average daily vehicle trips are used for the Fire Facilities IIP as a measure of demand by land use. TischlerBise recommends using nonresidential vehicle trips as the best demand indicator for Fire Facilities. Trip generation rates are used for nonresidential development because vehicle trips are highest for commercial developments, such as shopping centers, and lowest for industrial/flex development. Office and institutional trip rates fall between the other two categories. Because the Fire Department responds to emergency medical calls for service this ranking of trip rates is consistent with the relative demand for Fire services from nonresidential development.

Other possible nonresidential demand indicators, such as employment or floor area, would not accurately reflect the demand for service. For example, if employees per thousand square feet were used as the demand indicator, Fire Facilities development fees would be too high for office and institutional development because offices typically have more employees per 1,000 square feet than retail uses. If floor area were used as the demand indicator Fire Facilities development fees would be too high for industrial development.

**Figure 17: Fire Facilities Ratio of Service Unit to Land Use**

Residential Development	
Land Use	Persons per Household [1]
Single Unit	2.75
2+ Unit	2.57

[1] TischlerBise. (2013).  
 Development Fee Land Use Assumptions

Nonresidential Development			
Land Use	Weekday Trip	Trip	
	Ends [2] (a)	Adjustment [3] (b)	Vehicle Trips (a X b)
Commercial KSF	42.70	33%	14.09
Office/Institutional KSF	11.03	50%	5.52
Industrial/Flex KSF	3.82	50%	1.91

[2] Institute of Transportation Engineers. (2012). Trip Generation Manual 9th Edition

[3] Average adjustment used to count every trip only once, at the point of final destination.

Vehicle trips are estimated using average weekday vehicle trips ends from the reference book Trip Generation published by the Institute of Transportation Engineers (ITE 9<sup>th</sup> Edition 2012). A vehicle trip end represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway).

Trip generation rates are adjusted to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor of 50 percent is applied to the office/institutional, and industrial/flex categories. The commercial/retail category has a trip factor of less than 50 percent because this type of development attracts vehicles as they pass-by on arterial and collector roads. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For the average shopping center, the ITE data indicates that 34 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66 percent of attraction trips have the commercial site as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor of 66 percent is multiplied by 50 percent to calculate a trip adjustment factor for commercial land use of 33 percent.

### PROJECTED SERVICE UNITS AND INFRASTRUCTURE DEMAND

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ARS 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

### Fire Facilities

The development fee enabling legislation requires all development fees to be reevaluated every five years. For the five-year period of this Fire Facilities IIP and Development Fee Study, the City of Flagstaff will collect a Fire facilities fee to pay down the debt incurred to expand the Fire facilities with the capacity to absorb growth. Over the course of the next five years, the City of Flagstaff is projected to add an additional 4,617 persons, and see an additional 4,818 nonresidential vehicle trips. As shown in Figure 18, projected development between 2013 and 2018 will generate demand for the remaining Fire facilities capacity.

**Figure 18: Projected Demand for Fire Facilities**

		Existing Fire Facilities = 59,197 SF					
		Residential		Nonresidential		Demand for	Remaining
		Population	2018 LOS	Vehicle Trips	2018 LOS	Facility SF	Capacity
Base Yr	2013	74,941	0.52	102,819	0.16	55,997	3,200
1	2014	76,931	0.52	103,771	0.16	57,191	2,006
2	2015	77,576	0.52	104,726	0.16	57,684	1,513
3	2016	78,228	0.52	105,688	0.16	58,183	1,014
4	2017	78,889	0.52	106,662	0.16	58,688	509
5	2018	79,558	0.52	107,637	0.16	59,197	0

### Fire Apparatus

The development fee enabling legislation requires all development fees to be reevaluated every five years. For the five-year period of this Fire Facilities IIP and Development Fee Study, the City of Flagstaff will collect a Fire apparatus fee to pay down the debt incurred to purchase the large apparatus. Over the remaining period of the debt obligation, the City of Flagstaff is projected to add an additional 5,293 persons, and see an additional 5,817 nonresidential vehicle trips. As shown in Figure 19, projected development between 2013 and 2019 will generate demand for the remaining capacity of the Fire apparatus.

**Figure 19: Projected Demand for Fire Apparatus**

		Existing Fire Apparatus = 2 Units					
		Residential		Nonresidential		Demand for	Remaining
		Population	2019 LOS	Vehicle Trips	2019 LOS	Apparatus	Capacity
Base Yr	2013	74,941	0.00002	102,819	0.00001	1.88	0.12
1	2014	76,931	0.00002	103,771	0.00001	1.92	0.08
2	2015	77,576	0.00002	104,726	0.00001	1.93	0.07
3	2016	78,228	0.00002	105,688	0.00001	1.95	0.05
4	2017	78,889	0.00002	106,662	0.00001	1.97	0.03
5	2018	79,558	0.00002	107,637	0.00001	1.98	0.02
6	2019	80,234	0.00002	108,636	0.00001	2.00	0.00

## Fire Equipment

The development fee enabling legislation requires all development fees to be reevaluated every five years. For the five-year period of this Fire Facilities IIP and Development Fee Study, the City of Flagstaff will collect a Fire equipment fee to pay down the debt incurred to purchase the Fire equipment. Over the remaining period of the debt obligation, the City of Flagstaff is projected to add an additional 8,084 persons, and see an additional 9,864 nonresidential vehicle trips. As shown in Figure 20, projected development between 2013 and 2023 will generate demand for the remaining capacity of the Fire equipment.

**Figure 20: Projected Demand for Fire Equipment**

		Existing Fire Equipment = 1 Unit					
		Residential		Nonresidential		Demand for Equipment	Remaining Capacity
		Population	2023 LOS	Vehicle Trips	2023 LOS		
<i>Base Yr</i>	2013	74,941	0.00001	102,819	0.000003	0.91	0.09
1	2014	76,931	0.00001	103,771	0.000003	0.92	0.08
2	2015	77,576	0.00001	104,726	0.000003	0.93	0.07
3	2016	78,228	0.00001	105,688	0.000003	0.94	0.06
4	2017	78,889	0.00001	106,662	0.000003	0.95	0.05
5	2018	79,558	0.00001	107,637	0.000003	0.96	0.04
6	2019	80,234	0.00001	108,636	0.000003	0.97	0.03
7	2020	80,918	0.00001	109,630	0.000003	0.97	0.03
8	2021	81,611	0.00001	110,630	0.000003	0.98	0.02
9	2022	82,314	0.00001	111,652	0.000003	0.99	0.01
10	2023	83,025	0.00001	112,683	0.000003	1.00	0.00

## Fire Communications Infrastructure

The development fee enabling legislation requires all development fees to be reevaluated every five years. For the five-year period of this Fire Facilities IIP and Development Fee Study, the City of Flagstaff will collect a Fire *communications infrastructure* fee to pay down the debt incurred to improve the network and add a telecommunications tower, to ensure the shared Public Safety Communications Command Center would have sufficient capacity to serve growth. Over the remaining period of the debt obligation, the City of Flagstaff is projected to add an additional 6,670 persons, and see an additional 7,811 nonresidential vehicle trips. As shown in Figure 21, projected development between 2013 and 2021 will generate demand for the remaining portion of *communications infrastructure* that is attributable to the Flagstaff Fire Department.

**Figure 21: Projected Demand for Fire Communications Infrastructure**

		Existing Fire Communications Infrastructure = 18.41% of 1 System Unit					
		Residential		Nonresidential		Demand for Units	Remaining Capacity
		Service Units	2021 LOS per 1,000	Service Units	2021 LOS per 1,000		
		Population	Service Units	Vehicle Trips	Service Units		
<i>Base Yr</i>	2013	74,941	0.002	102,819	0.0005	0.17	0.014
1	2014	76,931	0.002	103,771	0.0005	0.17	0.011
2	2015	77,576	0.002	104,726	0.0005	0.17	0.009
3	2016	78,228	0.002	105,688	0.0005	0.18	0.008
4	2017	78,889	0.002	106,662	0.0005	0.18	0.006
5	2018	79,558	0.002	107,637	0.0005	0.18	0.005
6	2019	80,234	0.002	108,636	0.0005	0.18	0.003
7	2020	80,918	0.002	109,630	0.0005	0.18	0.002
8	2021	81,611	0.002	110,630	0.0005	0.18	0.000

### Fire Vehicles and Communications Equipment

As shown in Figure 22 TischlerBise projects an additional 8,084 persons and 9,864 trips over the next ten years. The City of Flagstaff Fire Department expects to expand the fleet of Fire vehicles incrementally to serve growth at the current level of service, which equates to a demand for four new vehicles in the next ten years. Incremental investments in Communications equipment will be made by the Fire Department to maintain the current level of service, which equates to a demand for one new unit in the next ten years. The incremental demand to serve growth is shown in Figure 22 below.

The ten-year totals of the projected demand for the Fire vehicles, and the Fire Department’s share of the communications equipment is multiplied by the respective costs per average unit to determine the total cost to incrementally expand capacity for each category to accommodate the projected demand over the next ten years. For example, the projected development over the next ten years requires adding four vehicles. This is multiplied by the average cost of \$200,992 per average vehicle to calculate a total ten-year cost of \$803,968. This calculation is repeated for each category. See Figure 22 for additional details.

**Figure 22: Projected Demand for Fire Vehicles and Communications Equipment**

		Service Units		Vehicles	Comm. Equip.
				per 1,000 Service Units	
Res LOS		Persons		0.32	0.11
Nonres LOS		Nonresidential Vehicle Trips		0.10	0.04
		Average Cost per Unit		<b>\$200,992</b>	<b>\$5,547</b>

			Projected Demand (Rounded)		
			Vehicles (units)	Comm. Equip. (units)	
		Projected Service Units			
		Persons	Nonres Trips		
Base	2013	74,941	102,819	34	12
1	2014	76,931	103,771	35	12
2	2015	77,576	104,726	35	13
3	2016	78,228	105,688	35	13
4	2017	78,889	106,662	36	13
5	2018	79,558	107,637	36	13
6	2019	80,234	108,636	36	13
7	2020	80,918	109,630	37	13
8	2021	81,611	110,630	37	13
9	2022	82,314	111,652	37	13
10	2023	83,025	112,683	38	13
<b>Ten-Year Total</b>		<b>8,084</b>	<b>9,864</b>	<b>4</b>	<b>1</b>
Cost of Fire Vehicles				\$803,968	
Cost of Fire Communications Equipment				\$5,547	

**Fire Facilities Improvements Plan**

Lastly, the 10-year plan for necessary Fire Facilities improvements and expansions identified by City of Flagstaff are listed in Figure 23. The figure below reflects new purchases and does not include debt service costs associated with Fire facilities, apparatus, equipment, and communications infrastructure.

**Figure 23: Necessary Fire Facilities Expansions**

<i>Improvements</i>	<i>10-Year Plan</i>
Projects	
Incremental Expansion of Vehicles	<b>\$803,968</b>
Incremental Expansion of Communications Equipment	<b>\$5,547</b>
<i>TOTAL</i>	<b>\$809,515</b>

**MAXIMUM SUPPORTABLE FIRE FACILITIES DEVELOPMENT FEES**

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The proposed development fees by land use for Fire Facilities are shown in Figure 24 on the following page.

**Fire Facilities IIP and Development Fee Study**

Included in the Fire Facilities *per service unit cost* is the cost to prepare the Fire Facilities IIP and Development Fee Study. See **Appendix A – Cost of Professional Services** for the detailed calculations.

**Revenue Credit**

Included in the maximum supportable development fees is a *Revenue Credit* of 0 percent. The unadjusted Fire Facilities development fees per development unit would not generate more revenue over the next ten years, based on the approved [Land Use Assumptions](#), than the identified growth-related necessary expenditures of \$2,096,648 (necessary facilities expansion plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the potential gross cost per service unit is reduced by the revenue credit to calculate the net capital cost per service unit. Based on the gross capital costs per service unit, the projected development fee revenue would equal \$1,513,051. See Figure 24 and Figure 25 for additional detail. Therefore, no revenue credit adjustment is necessary for the Fire Facilities development fees.

**Figure 24: Maximum Supportable Fire Facilities Development Fees**

<i>Fire Level Of Service and Capital Costs</i>	<i>Per Person</i>
Fire Facilities - Debt Service	\$109.18
Fire Vehicles	\$63.83
Fire Apparatus - Debt Service	\$2.29
Fire Equipment - Debt Service	\$1.32
Fire Communications Equipment	\$0.63
Fire Communications Infrastructure - Debt Service	\$5.65
IIP and Development Fee Study	\$1.93
<b>GROSS CAPITAL COST</b>	<b>\$184.83</b>
<b>Revenue Credit</b>	<b>0%</b> <span style="float: right;">(\$0.00)</span>
<b>NET CAPITAL COST</b>	<b>\$184.83</b>

<i>Fire Residential Development Fee Schedule</i>			Development Fee per Housing Unit		
<i>Unit Type</i>	<i>Number of Bedrooms</i>	<i>Persons per Household [1]</i>	<i>Proposed Fee</i>	<i>Current Fee [2]</i>	<i>Increase (Decrease)</i>
2+ Units	All Sizes	2.57	\$474	\$352	\$122
Single Unit	0-3	2.62	\$484	\$444	\$40
Single Unit	4+	3.29	\$607	\$444	\$163
<i>Single Unit</i>	<i>Avg</i>	<i>2.75</i>	<i>\$508</i>	<i>\$444</i>	<i>\$64</i>

[1] TischlerBise. (2013). Development Fee Land Use Assumptions  
[2] TischlerBise. (28Nov11). January 1, 2012 Interim Development Fees

<i>Fire Level Of Service and Capital Costs</i>	<i>Per Trip</i>
Fire Facilities - Debt Service	\$38.95
Fire Vehicles	\$19.94
Fire Apparatus - Debt Service	\$0.89
Fire Equipment - Debt Service	\$0.46
Fire Communications Equipment	\$0.20
Fire Communications Infrastructure - Debt Service	\$2.07
IIP and Development Fee Study	\$0.79
<b>GROSS CAPITAL COST</b>	<b>\$63.30</b>
<b>Revenue Credit</b>	<b>0%</b> <span style="float: right;">(\$0.00)</span>
<b>NET CAPITAL COST</b>	<b>\$63.30</b>

<i>Fire Nonresidential Development Fee Schedule</i>			Development Fee per Square Foot of Floor Area		
<i>Nonresidential Land Use</i>	<i>Weekday Vehicle Trip Ends</i>	<i>Trip Rate Adj. Factors</i>	<i>Proposed Fee</i>	<i>Current Fee [3]</i>	<i>Increase (Decrease)</i>
	<i>(Per 1,000 sq. ft.)</i>		<i>(Per Square Foot of Floor Area)</i>		
Commercial	42.70	33%	\$0.89	\$0.81	\$0.08
Office/Institutional	11.03	50%	\$0.34	\$0.28	\$0.06
Industrial/Flex	3.82	50%	\$0.12	\$0.07	\$0.05

[3] TischlerBise. (28Nov11). January 1, 2012 Interim Development Fees  
The 2012 nonresidential fees were by size thresholds, averages are shown here.

**FORECAST OF REVENUES FOR FIRE FACILITIES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains the forecast of revenues required by Arizona’s enabling legislation.

**Fire Facilities Cash Flow**

Revenue projections shown below assume implementation of the maximum supportable Fire Facilities development fees and that development over the next ten years is consistent with the approved [Land Use Assumptions](#) described in Appendix C. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue. The deficit shown in the revenue projection below represents the portion of necessary investments that will not be recouped through Fire Facilities development fee revenue.

**Figure 25: Projected Revenue for Fire Facilities**

*Ten-Year Growth-Related Costs for Fire Facilities*

Fire Facilities - Debt Service*	\$ 1,187,929
Fire Vehicles	\$ 803,968
Fire Apparatus - Debt Service*	\$ 17,347
Fire Equipment - Debt Service*	\$ 15,247
Fire Communications Equipment	\$ 5,547
Fire Communications Infrastructure - Debt Service*	\$ 53,881
IIP and Development Fee Study	\$ 12,729
<b>TOTAL</b>	<b>\$ 2,096,648</b>

[1] Debt Service costs shown above represent only the growth share of each debt obligation.

		<i>per Housing Unit</i>		<i>Per Square Foot of Floor Area</i>		
		<i>Single Unit</i>	<i>2+ Units</i>	<i>Commercial</i>	<i>Office</i>	<i>Industrial</i>
		\$508	\$474	\$0.89	\$0.34	\$0.12
		<i>Housing Units Added</i>		<i>Square Feet Added (1,000)</i>		
Base	Year 2013	16,833	10,324	4,195	6,084	5,316
Year 1	Year 2014	16,942	10,391	4,234	6,139	5,370
Year 2	Year 2015	17,052	10,458	4,273	6,193	5,424
Year 3	Year 2016	17,162	10,526	4,313	6,248	5,478
Year 4	Year 2017	17,273	10,594	4,353	6,303	5,532
Year 5	Year 2018	17,385	10,662	4,393	6,359	5,588
Year 6	Year 2019	17,497	10,731	4,434	6,416	5,643
Year 7	Year 2020	17,610	10,800	4,474	6,473	5,700
Year 8	Year 2021	17,724	10,870	4,515	6,530	5,757
Year 9	Year 2022	17,839	10,940	4,557	6,588	5,815
Year 10	Year 2023	17,954	11,011	4,599	6,648	5,873
<i>Ten-Yr Increase</i>		1,121	687	404	564	557
Projected Fees =>		\$569,468	\$325,638	\$359,560	\$191,598	\$66,787
<b>Total Projected Revenues</b>		<b>\$1,513,051</b>				
Cumulative Net Surplus/(Deficit)		<b>(\$583,597)</b>				

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## POLICE FACILITIES INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

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ARS 9-463.05 (T)(7)(f) defines the facilities and assets, which can be included in the Police Facilities IIP:

*“Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training police and firefighters from more than one station or substation.”*

The Police Facilities IIP includes components for the Police facilities, vehicles, the Police Department’s proportionate share of the City of Flagstaff public safety communications command center system (equipment and infrastructure), and the cost of preparing the Police Facilities IIP and Development Fee Study. Cost recovery is used to calculate the IIP for Police communications infrastructure. Incremental expansion is used to calculate the Police facilities, vehicles, and communications equipment elements of the Police Facilities IIP and Development Fees.

### SERVICE AREA

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The City of Flagstaff Police Department provides service to the entire city. The service area for the Police Facilities IIP and development fees is Citywide.

### PROPORTIONATE SHARE

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ARS 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to accommodate new development. The Police IIP uses a functional population concept to allocate the demand between residential and nonresidential development. The demand for Police facilities and assets in the City of Flagstaff is measured by annual calls for service. Calls for service data from 2012, in combination with functional population factors (described below), were used to determine the relative demand for service from residential and nonresidential development.

## Functional Population

TischlerBise recommends functional population to allocate the cost of Police Facilities to residential and nonresidential development. Functional population has a long history in the professional literature. Originally called activity analysis by Stuart Chapin in 1965, and incorporated into development impact fee methodology by James Nicholas in the mid-1980s, functional population has been used to equitably spread infrastructure costs between residential and nonresidential sectors. TischlerBise has refined the functional population concept by incorporating what the U.S. Census Bureau calls “daytime population.” Using jurisdiction-specific data on commuting patterns, it is now possible to account for where people live and work (i.e., spend their daily hours). As shown below, residents that do not work are assigned 20 hours per day to residential development and four hours per day to nonresidential development (annualized averages). Residents that work in Flagstaff are assigned 14 hours to residential development and 10 hours to nonresidential development. Residents that work outside Flagstaff are assigned 14 hours to residential development. Inflow commuters are assigned 10 hours to nonresidential development. Based on 2010 decennial census and Longitudinal Employer-Household Dynamics data, both provided by the U.S. Census Bureau, the cost allocation for residential development is 70 percent, while nonresidential development accounts for 30 percent of the demand for Police Facilities.

**Figure 26: City of Flagstaff Functional Population**

	<i>Demand Units in 2010</i>	<i>Demand Hours/Day</i>	<i>Person Hours</i>
<b>Residential</b>			
Population	65,870		
Residents Not Working	36,843	20	736,860
Resident Workers	29,027		
Worked in City	17,161	14	240,254
Worked Outside City	11,866	14	166,124
<b>Residential Subtotal</b>			<b>1,143,238    70%</b>
<b>Nonresidential</b>			
Non-working Residents	36,843	4	147,372
Jobs Located in City	34,744		
Residents Working in City	17,161	10	171,610
Non-Resident Workers (inflow commuters)	17,583	10	175,830
<b>Nonresidential Subtotal</b>			<b>494,812    30%</b>
<b>TOTAL</b>			<b>1,638,050</b>

Source: U.S. Census Bureau, 2010 Decennial Census; U.S. Census Bureau, OnTheMap 6.1.1 Application and LEHD Origin-Destination Employment Statistics

**Service Units**

Different demand indicators for residential and nonresidential development are used to calculate the Police Facilities IIP. Residential development fees are calculated based on resident population, and then converted to an appropriate amount by type of housing unit based on persons per household.

For nonresidential development fees, TischlerBise recommends using nonresidential vehicle trips as the demand indicator for Police Facilities. Trip generation rates are used for nonresidential development because vehicle trips are highest for commercial developments, such as shopping centers, and lowest for industrial/flex development. Office and institutional trip rates fall between the other two categories. This ranking of trip rates is consistent with the relative demand for Police services from nonresidential development.

Other possible nonresidential demand indicators, such as employment or floor area, would not accurately reflect the demand for service. For example, if employees per thousand square feet were used as the demand indicator, Police development fees would be too high for office and institutional development because offices typically have more employees per 1,000 square feet than retail uses. If floor area were used as the demand indicator Police development fees would be too high for industrial development. More information regarding the calculation of nonresidential vehicle trips can be found in Figure 34: Police Facilities Ratio of Service Unit to Land Use.

**Police Department Calls for Service**

The functional population allocation to residential and nonresidential development is applied to the 2012 calls for service data provided by the City of Flagstaff Police Department to derive calls for service per service unit (i.e. population for residential development, and vehicle trips for nonresidential development). Of the Police Department’s 43,304 calls for service, 70 percent or 30,313 represent demand from residential development, and 30 percent or 12,991 represent demand from nonresidential development.

**Figure 27: Police Proportionate Share**

	<b>2012</b>
<i>Total Calls for Service</i>	43,304

*Source: City of Flagstaff, Police Department*

Land Use	Proportionate Share	Estimated Calls for Service (CFS)	2013 Service Units	CFS per Service Unit
Residential	70%	30,313	74,941 Population	0.40
Nonresidential	30%	12,991	102,819 Nonres Vehicle Trips	0.13

### Public Safety Communications Command Center Calls for Service

City of Flagstaff shares a public safety command center and associated infrastructure with Coconino County and surrounding public safety agencies. The shared command center received 71,475 calls for service from all jurisdictions in calendar year 2012. Calls for service for the City of Flagstaff Police Department accounted for 61 percent of the total public safety calls for service received. This proportionate share factor will be used to calculate the demands placed on the *communications equipment* (e.g., portable communication radios, and stationary computer components) by the Police Department.

Proportionate share factors for demands placed on the *communications infrastructure* (e.g., telecommunications towers for wireless network) by the Police Department were provided by the City of Flagstaff Police Department based on use by the City’s Fire, Police, and Public Works departments, and other jurisdictions. Proportionate share factors for *communications infrastructure* differ from *communications equipment* due to additional impact from Public Works. Proportionate share factors are shown below.

**Figure 28: Public Safety Communications Command Center Proportionate Share<sup>3</sup>**

Public Safety Agency	Calls for Service [1]	Proportionate Share for Communications	
		Equipment [1]	Infrastructure [2]
Flagstaff Police	43,304	61%	27%
Flagstaff Fire	10,178	14%	18%
Other Jurisdictions	17,993	25%	26%
Flagstaff Public Works	Not Applicable	0%	29%
<b>Total Calls Received in 2012</b>	71,475	100%	100%

[1] Proportionate share factors for Communications Equipment are based on total calls for service dispatched by the Public Safety Communications Command Center.

[2] Proportionate share factors (shown here as rounded figures) for Communications Infrastructure were provided by the City of Flagstaff Police Department. The City of Flagstaff Department of Public Works places demands on the communications infrastructure but not on the Public Safety Communications Command Center.

<sup>3</sup> The proportionate share factors by department for the *Communications Infrastructure* are shown as rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown here (due to the rounding of figures shown, not in the analysis.)

## IIP FOR POLICE FACILITIES

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For each necessary public service that is the subject of a development fee, ARS 9-463.05(E) requires that the IIP include seven elements. The sections below detail each of these elements. (A forecast of new revenues generated by sources other than development fees can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

### **Analysis of Capacity, Usage, and Costs of Existing Public Services**

ARS 9-463.05(E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS 9-463.05(E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

## Police Facilities

### **Level of Service and Cost per Service unit**

The City plans to maintain the level of service (LOS) for Police facilities that it provides to existing development. Thus, the incremental expansion methodology is used to calculate this component of the Police IIP. The City currently has 46,672 square feet of qualified Police facilities. Based on the proportionate share analysis discussed above, residential development creates 70 percent of the demand for Police facilities, with nonresidential development accounting for 30 percent of the demand. The current LOS for residential development is calculated as follows: (46,672 square feet X 70% residential proportionate share)/74,941 persons = 0.44 square feet per capita. This calculation is repeated for nonresidential development resulting in a LOS of 0.14 square feet per nonresidential vehicle trip.

The cost per service unit is the product of square feet per service unit and the average cost per square foot. The cost per service unit for residential development is calculated as follows: 0.44 square feet per capita X \$239 average cost per square foot = \$104.19 cost per person.<sup>4</sup> This calculation is repeated for nonresidential development resulting in a cost of \$32.55 per nonresidential vehicle trip.

**Figure 29: Incremental Expansion – Police Facilities**

Facility	Total Square Feet	Cost per Square Foot	Replacement Cost [2]
LEAF Facility (City Police share) [1]	32,148	\$252	\$8,104,898
Police Share of Coconino Facility	8,000	\$252	\$2,016,896
Southside Substation	64	\$252	\$16,135
Sunnyside Substation	400	\$252	\$100,845
Garage/Warehouse (Win Oil leased)	3,500	\$252	\$882,392
Purchased "Pod" Storage Space	2,560	\$5	\$12,000
<b>TOTAL</b>	<b>46,672</b>	<b>\$239</b>	<b>11,133,166</b>

Source: City of Flagstaff, Police Department

[1] Reflects non-administrative space

[2] 2007 values adjusted for inflation to Feb 2013 CPI

Land Use	Proportionate Share	2013 Service Units	Square Feet per Service Unit	Cost per Service Unit
Residential	70%	74,941 Population	0.44	<b>\$104.19</b>
Nonresidential	30%	102,819 Nonres Vehicle Trips	0.14	<b>\$32.55</b>

<sup>4</sup> Level of service is shown as a rounded figure. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown here (due to the rounding of figures shown, not in the analysis.)

**Police Vehicles**

The City plans to maintain the LOS for Police vehicles that it provides to existing development. Thus, the incremental expansion methodology is used to calculate this component of the Police Facilities IIP. The City currently has a fleet of 78 Police vehicles. Based on the proportionate share analysis, residential development creates 70 percent of the demand for police vehicles, with nonresidential development accounting for 30 percent of the demand. The current LOS for residential development is calculated as follows:  $(78 \text{ vehicles} \times 70\% \text{ proportionate share}) / (74,941 \text{ persons} / 1,000) = 0.73 \text{ vehicles per } 1,000 \text{ persons}$ . This calculation is repeated for nonresidential development resulting in a LOS of 0.23 vehicles per 1,000 nonresidential vehicle trips.

The cost per service unit is the product of LOS and the average cost per unit. The cost per service unit for residential development is calculated as follows:  $(0.73 \text{ LOS} / 1,000) \times \$34,300 \text{ average cost per unit} = \$24.99 \text{ cost per service unit}$ .<sup>5</sup> This calculation is repeated for nonresidential development resulting in a cost of \$7.81 per nonresidential vehicle trip.

**Figure 30: Incremental Expansion – Police Vehicles**

Type of Vehicle	Units in Service	Unit Price [1]	Replacement Cost
Patrol Sedan	32	\$38,054	\$1,217,741
Patrol Motorcycle	4	\$16,157	\$64,629
Patrol Motorcycle Trainer	3	\$11,480	\$34,440
Patrol Utility Vehicle	2	\$38,905	\$77,810
Patrol 4x4 Pickup Truck	1	\$28,594	\$28,594
Prisoner Transport Van	1	\$44,220	\$44,220
Patrol Surveillance Van	1	\$162,210	\$162,210
Bomb Squad Response Vehicle	1	\$176,028	\$176,028
Bomb Squad Trailer	1	\$85,038	\$85,038
Mobile Command Post	1	\$60,377	\$60,377
Radar/Sign Board Trailer	3	\$25,511	\$76,534
Full Service Sedan [2]	23	\$21,259	\$488,967
Graffiti Eradication Van	1	\$31,995	\$31,995
Street Crimes Task Force Vehicle	2	\$36,779	\$73,558
Utility Trailer	1	\$3,720	\$3,720
Animal Control 4x4 Pickup Truck	1	\$51,916	\$51,916
<b>TOTAL</b>	<b>78</b>	<b>\$34,300</b>	<b>\$2,677,776</b>

Source: City of Flagstaff, Police Department

[1] Includes all pieces of equipment to place the vehicle in service; Adjusted for Inflation Feb 2013 CPI

[2] Reflects updated inventory to remove vehicles used for administrative services

Land Use	Proportionate Share	2013 Service Units	Vehicles per 1,000 Service Units	Cost per Service Unit
Residential	70%	74,941 Population	0.73	<b>\$24.99</b>
Nonresidential	30%	102,819 Nonres Vehicle Trips	0.23	<b>\$7.81</b>

<sup>5</sup> Level of service is shown as a rounded figure. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown here (due to the rounding of figures shown, not in the analysis.)

## Police Communications System - Equipment and Infrastructure

The City of Flagstaff maintains an inventory of communications equipment and infrastructure associated with the Public Safety Communications Command Center. The shared center dispatches calls for the City of Flagstaff, Coconino County and surrounding public safety agencies, as well as providing communications infrastructure for the City of Flagstaff Department of Public Works. Each agency places differing levels of demand on the system. As discussed above, annual calls for service were used to calculate the share of the components allocated to the City of Flagstaff Police Department; and functional population factors were used to calculate the demands placed on the system by residential and nonresidential land uses in the service area.

### **Level of Service**

There are two types of communications equipment associated with the shared system; first is the portable equipment assigned to staff and vehicles, and second is the computer equipment necessary to dispatch and track calls for service. Communications infrastructure includes the telecommunications towers for the wireless network.

Of the communication equipment and infrastructure that constitute the City of Flagstaff shared system, the City of Flagstaff Police Department makes use of 72 components. Portable components used by the Police Department are allocated to the Police Department at 100 percent. Dispatch communications components like the computer system's server are allocated based on demand on the system generated by the Police Department, and determined by calls for service (see the **Public Safety Communications Command Center Calls for Service** section above).

Demand placed on the *communications infrastructure* by the Police Department was determined by the City of Flagstaff. According to the City, the Police Department generates 26.53 percent of the total demand for the *communications infrastructure*. The remaining demand on the *communications infrastructure* is generated by the Flagstaff Fire and Public Works Departments as well as from other jurisdictions.

As shown in Figure 31, these proportionate share factors are used to adjust the count of components to reflect only the share of the total 72 components used by the Police Department. The Police Department uses 100 percent of the 27 *portable communications* components, 61 percent (26.84 units) of the 44 *dispatch communications* components, and 26.53 percent of the *communications infrastructure*. These shares equate to 54.11 units of communications equipment and infrastructure used by the Police Department.

The communications equipment and infrastructure LOS for residential development is calculated as follows:  $(54.11 \text{ pieces of equipment} \times 70\% \text{ proportionate share}) / (74,941 / 1,000) = 0.51 \text{ pieces of equipment per } 1,000 \text{ persons}$ . This calculation is repeated for nonresidential development resulting in a LOS of 0.16 pieces of equipment per 1,000 nonresidential vehicle trips.

**Figure 31: Level of Service Police Communications System - Equipment and Infrastructure**

Communications Equipment and Infrastructure	Units in Service	Police Dept. Share of Units [1]	Units Used by Police Dept.	Average Cost per Unit	Replacement Cost [2]
Equipment - Portable Communications	27	100.00%	27.00	\$3,900	\$105,300
Equipment - Dispatch Communications	44	61.00%	26.84	\$5,366	\$144,026
Infrastructure - Tower and Network [3]	1	26.53%	0.27	\$3,952,287	\$1,048,542
<b>TOTAL</b>	72		54.11	\$59,635	\$1,297,868

Source: City of Flagstaff Police Department

[1] City of Flagstaff Public Safety Communications Command Center

[2] Replacement cost is the Police Department's share of Total Units multiplied by cost per unit.

[3] City of Flagstaff. (2012). Communications Infrastructure proportionate share

Land Use	Proportionate Share	2013 Service Units	Equipment & Infrastructure per 1,000 Service Units
Residential	70%	74,941 Population	0.51
Nonresidential	30%	102,819 Nonres Vehicle Trips	0.16

**Cost per Service unit**

The costs per service unit for the Police *communications equipment* and *communications infrastructure* are calculated separately.

- **Communications Infrastructure:** The City of Flagstaff debt financed the expansion of the public safety *communications infrastructure* in 2011. As new development utilizes its proportionate share of the available capacity of the expanded system the City plans to have new development pay for its share of the remaining debt. Thus, the cost recovery methodology is used to calculate the cost per service unit for Police *communications infrastructure* (shown in Figure 33).
- **Communications Equipment:** The cost per service unit for Police *communications equipment* is calculated using an incremental expansion methodology.

**Communications Equipment**

To calculate the cost per service unit for Police *communications equipment*, first the replacement costs are calculated for each component by multiplying the per unit cost by the share of units allocated to the Police Department. Next, the replacement value for just the *communications equipment* was calculated resulting in a value of \$249,326 for the Police *communications equipment* alone. (*Communications infrastructure* is calculated and shown separately). The current cost of Police *communications equipment* per service unit for residential development is calculated as follows: (\$249,326 X 70% proportionate share)/74,941 persons = \$2.33 per capita. This calculation is repeated for nonresidential development and results in a cost per service unit of \$0.73.

**Figure 32: Incremental Expansion –Communications Equipment**

Communications Equipment and Infrastructure	Units in Service	Police Dept. Share of Units [1]	Units Used by Police Dept.	Average Cost per Unit	Replacement Cost [2]
Equipment - Portable Communications	27	100.00%	27.00	\$3,900	\$105,300
Equipment - Dispatch Communications	44	61.00%	26.84	\$5,366	\$144,026
Infrastructure - Tower and Network [3]	1	26.53%	0.27	\$3,952,287	\$1,048,542
<b>TOTAL</b>	<b>72</b>		<b>54.11</b>	<b>\$59,635</b>	<b>\$1,297,868</b>
<b>Total for Communications Equipment</b>	<b>71</b>		<b>53.84</b>	<b>\$4,631</b>	<b>\$249,326</b>

Source: City of Flagstaff Police Department

[1] City of Flagstaff Public Safety Communications Command Center

[2] Replacement cost is the Police Department's share of Total Units multiplied by cost per unit.

[3] City of Flagstaff. (2012). *Communications Infrastructure proportionate share*

Land Use	Proportionate Share	2013 Service Units	Equipment per 1,000 Service Units	Cost per Service Unit
Residential	70%	74,941 Population	0.50	<b>\$2.33</b>
Nonresidential	30%	102,819 Nonres Vehicle Trips	0.16	<b>\$0.73</b>

*Communications Infrastructure*

The City of Flagstaff issued debt in 2011 to pay for *communications infrastructure* improvements. As new development utilizes its proportionate share of the available capacity of the *communications infrastructure*, the City plans to have new development pay for its share of the remaining debt. Thus, the cost recovery methodology is used, and the growth share is based on projected persons and nonresidential vehicle trips at the end of the bond term.

The City’s Police, Fire, and Public Works Departments use the *communications infrastructure*, along with surrounding public safety agencies. According to the City of Flagstaff, the Police Department generates 26.53 percent of total demand on the infrastructure.

The City of Flagstaff has a fiscal year that runs July 1<sup>st</sup> through June 30<sup>th</sup>. The final payments for debt obligation are due July 1<sup>st</sup>, or the start of the fiscal year. Therefore, the service units at the time of the last payment, July 1, 2021, are used to calculate the growth share by land use. TischlerBise projects the City of Flagstaff will add 6,670 persons and see an additional 7,811 nonresidential vehicle trips between July of 2013 and 2021, which equates to 8 percent of the 2021 projected combined population and nonresidential trips. The formula to calculate growth share is as follows:  $192,241 \text{ population and nonresidential vehicle trips in 2021} - 177,760 \text{ population and nonresidential vehicle trips in 2013} / 192,241 \text{ population and nonresidential vehicle trips in 2021} = 8 \text{ percent (rounded)}$ .

The cost per service unit for residential development is calculated as follows:  $(\$3,658,398 \text{ remaining principal and interest} \times 26.53\% \text{ Police proportionate share} \times 8\% \text{ growth share} \times 70\% \text{ residential proportionate share}) / 6,670 \text{ net increase in persons} = \$8.15 \text{ cost per capita}$ . This calculation is repeated nonresidential and results in a cost per nonresidential vehicle trip of \$2.98.

**Figure 33: Cost Recovery – Police Communications Infrastructure**

Debt Obligation		Year of Final	Remaining Principal
Year Issued	Name	Payment	and Interest
2011	Communications Equipment	2021	\$3,658,398

*Source: City of Flagstaff, Finance Department*

Land Use	Portion Attributable to Police Dept. [1]	Growth Share [2]	Proportionate Share [3]	Increase 2013-2021 Service Units [4]	Cost per Service Unit
Residential	26.53%	8%	70%	6,670 Population	<b>\$8.15</b>
Nonresidential			30%	7,811 Nonres Vehicle Trips	<b>\$2.98</b>

*Source: City of Flagstaff, Finance Department*

- [1] City of Flagstaff Public Safety Communications Command Center
- [2] Share of projected population and nonresidential vehicle trips attributable to new growth
- [3] TischlerBise. (2013). Functional Population
- [4] TischlerBise. (2013). Development Fee Land Use Assumptions

### **Excluded Costs**

Development fees in Flagstaff exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards. The City of Flagstaff Capital Improvement Plan addresses the cost of these excluded items.

### **Current Use and Available Capacity**

According to City staff, Police communications infrastructure has surplus capacity to serve growth; therefore, a cost recovery methodology was used to calculate the growth share of future principal and interest payments. Police facilities, vehicles, and communications equipment are fully utilized; therefore, there is no available capacity for future development.

**RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT**

ARS 9-463.05(E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Figure 34 displays the ratio of a service unit (i.e., persons and nonresidential vehicle trips) to various types of land uses for residential and nonresidential development. The residential development table displays the *Persons per Household* factors for single family and multifamily homes.

For nonresidential development, average daily vehicle trips are used for the Police Facilities IIP as a measure of demand by land use. TischlerBise recommends using nonresidential vehicle trips as the best demand indicator for Police Facilities. Trip generation rates are used for nonresidential development because vehicle trips are highest for commercial developments, such as shopping centers, and lowest for industrial/flex development. Office and institutional trip rates fall between the other two categories.

Other possible nonresidential demand indicators, such as employment or floor area, would not accurately reflect the demand for service. For example, if employees per thousand square feet were used as the demand indicator, Police Facilities development fees would be too high for office and institutional development because offices typically have more employees per 1,000 square feet than retail uses. If floor area were used as the demand indicator Police Facilities development fees would be too high for industrial development.

**Figure 34: Police Facilities Ratio of Service Unit to Land Use**

Residential Development	
Land Use	Persons per Household [1]
Single Unit	2.75
2+ Unit	2.57

[1] TischlerBise. (2013).  
Development Fee Land Use Assumptions

Nonresidential Development			
Land Use	Weekday Trip		Vehicle Trips (a X b)
	Ends [2] (a)	Trip Adjustment [3] (b)	
Commercial KSF	42.70	33%	14.09
Office/Institutional KSF	11.03	50%	5.52
Industrial/Flex KSF	3.82	50%	1.91

[2] Institute of Transportation Engineers. (2012). Trip Generation Manual 9th Edition

[3] Average adjustment used to count every trip only once, at the point of final destination.

Vehicle trips are estimated using average weekday vehicle trips ends from the reference book Trip Generation published by the Institute of Transportation Engineers (ITE 9<sup>th</sup> Edition 2012). A vehicle trip end represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway).

Trip generation rates are adjusted to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor of 50 percent is applied to the office/institutional, and industrial/flex categories. The commercial/retail category has a trip factor of less than 50 percent because this type of development attracts vehicles as they pass-by on arterial and collector roads. For an average size shopping center, the ITE (2012) indicates that on average 34 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66 percent of attraction trips have the shopping center as their primary destination, of which half (33%) are trip ends.

### PROJECTED SERVICE UNITS AND INFRASTRUCTURE DEMAND

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ARS 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

**Police Communications Infrastructure**

The development fee enabling legislation requires all development fees to be reevaluated every five years. For the five-year period of this Police Facilities IIP and Development Fee Study, the City of Flagstaff will collect a Police *communications infrastructure* fee to pay down the debt incurred to improve the network and add a telecommunications tower, to ensure the shared Public Safety Communications Command Center would have sufficient capacity to serve growth. Over the remaining period of the debt obligation, the City of Flagstaff is projected to add an additional 6,670 persons, and see an additional 7,811 nonresidential vehicle trips. As shown in Figure 35, projected development between 2013 and 2021 will generate demand for the remaining portion of *communications infrastructure* that is attributable to the Flagstaff Police Department.

**Figure 35: Projected Demand for Police Communications Infrastructure**

		Existing Police Communications Infrastructure = 26.53% of 1 System Unit					
		Residential		Nonresidential		Demand for Units	Remaining Capacity
		Service Units	2021 LOS per 1,000	Service Units	2021 LOS per 1,000		
Base Yr		Population	Service Units	Vehicle Trips	Service Units		
2013		74,941	0.002	102,819	0.001	0.24	0.021
1	2014	76,931	0.002	103,771	0.001	0.25	0.016
2	2015	77,576	0.002	104,726	0.001	0.25	0.013
3	2016	78,228	0.002	105,688	0.001	0.25	0.011
4	2017	78,889	0.002	106,662	0.001	0.26	0.009
5	2018	79,558	0.002	107,637	0.001	0.26	0.007
6	2019	80,234	0.002	108,636	0.001	0.26	0.005
7	2020	80,918	0.002	109,630	0.001	0.26	0.002
8	2021	81,611	0.002	110,630	0.001	0.27	0.000

### Police Facilities, Vehicles, and Communications Equipment

TischlerBise projects an additional 8,084 persons and 9,864 trips over the next ten years. This new development will demand approximately 4,867 additional square feet of Police facilities. The City of Flagstaff Police Department will need to expand its fleet of Police vehicles incrementally by eight units to maintain the current level of service, and add five units of *communications equipment*.

The ten-year totals of the projected demand for each existing Police category is multiplied by the respective costs per unit to determine the total cost of each category to accommodate the projected demand over the next ten years. For example, the projected development over the next ten years requires eight additional Police vehicles. This is multiplied by the average cost of \$34,300 per vehicle to calculate the total ten-year cost for Police vehicles to be \$274,400. This calculation was repeated for each Police Component. See Figure 36 for additional details.

**Figure 36: Projected Demand for Police Facilities, Vehicles, and Communications Equipment**

	Service Units	Facilities	Vehicles	Comm. Equip.
		per Service Unit	per 1,000 Service Units	
Res LOS	Persons	0.44	0.73	0.50
Nonres LOS	Nonresidential Vehicle Trips	0.14	0.23	0.16
	Average Cost per Unit	\$239	\$34,300	\$4,631

		Projected Service Units		Projected Demand (Rounded)		
		Persons	Nonres Trips	Facilities (sq. ft.)	Vehicles (units)	Comm. Equip. (units)
Base	2013	74,941	102,819	46,672	78	54
1	2014	76,931	103,771	47,669	80	55
2	2015	77,576	104,726	48,080	80	55
3	2016	78,228	105,688	48,496	81	56
4	2017	78,889	106,662	48,916	82	56
5	2018	79,558	107,637	49,341	82	57
6	2019	80,234	108,636	49,772	83	57
7	2020	80,918	109,630	50,205	84	58
8	2021	81,611	110,630	50,643	85	58
9	2022	82,314	111,652	51,089	85	59
10	2023	83,025	112,683	51,539	86	59
<b>Ten-Year Total</b>		<b>8,084</b>	<b>9,864</b>	<b>4,867</b>	<b>8</b>	<b>5</b>
Cost of Police Facilities				\$1,163,213		
Cost of Police Vehicles					\$274,400	
Cost of Police Communications Equipment						\$23,155

### Police Facilities Improvements Plan

Lastly, the 10-year plan for necessary Police Facilities improvements and expansions identified by the City of Flagstaff are listed in the figure below. The figure below reflects new purchases and does not include debt service costs associated with Police communications infrastructure.

**Figure 37: Necessary Police Facilities Expansions**

<i>Improvements</i>		10-Year Plan
Projects		
	Facilities	
	Emergency Operations Center	\$140,910
	Incremental Expansion of Police Facilities	\$1,022,303
	Incremental Expansion of Vehicles	\$274,400
	Incremental Expansion of Communications Equipment	\$23,155
	<i>TOTAL</i>	\$1,460,768

### MAXIMUM SUPPORTABLE POLICE FACILITIES DEVELOPMENT FEES

The proposed development fees by land use for Police Facilities are shown in Figure 38 on the following page.

### Police Facilities IIP and Development Fee Study

Included in the Police Facilities *per service unit cost* is the cost to prepare the Police Facilities IIP and Development Fee Study. See **Appendix A – Cost of Professional Services** for the detailed calculations.

### Revenue Credit

Included in the maximum supportable development fees is a *Revenue Credit* of 0 percent. The unadjusted Police Facilities development fees per development unit would not generate more revenue over the next ten years, based on the approved [Land Use Assumptions](#), than the identified growth-related necessary expenditures of \$1,550,395 (existing debt service, necessary expansions, plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the potential gross cost per service unit is reduced by the revenue credit to calculate the net capital cost per service unit. Based on the gross capital costs per service unit, the projected development fee revenue would equal \$1,125,690. See Figure 38 and Figure 39 for additional detail. Therefore, no revenue credit adjustment is necessary for the Police Facilities development fees.

**Figure 38: Maximum Supportable Police Facilities Development Fees**

<b>Police Level Of Service and Capital Costs</b>		<b>Per Person</b>
Police Facilities		\$104.19
Police Vehicles		\$24.99
Police Communications Equipment		\$2.33
Police Communications Infrastructure - Debt Services		\$8.15
IIP and Development Fee Study		\$1.82
<b>GROSS CAPITAL COST</b>		<b>\$141.48</b>
<b>Revenue Credit</b>	<b>0%</b>	<b>(\$0.00)</b>
<b>NET CAPITAL COST</b>		<b>\$141.48</b>

<b>Police Residential Development Fee Schedule</b>			<b>Development Fee per Housing Unit</b>		
<b>Unit Type</b>	<b>Number of Bedrooms</b>	<b>Persons per Household [1]</b>	<b>Proposed Fee</b>	<b>Current Fee [2]</b>	<b>Increase (Decrease)</b>
2+ Units	All Sizes	2.57	\$362	\$184	\$178
Single Unit	0-3	2.62	\$370	\$231	\$139
Single Unit	4+	3.29	\$464	\$231	\$233
<i>Single Unit</i>	<i>Avg</i>	<i>2.75</i>	<i>\$388</i>	<i>\$231</i>	<i>\$157</i>

[1] TischlerBise. (2013). Development Fee Land Use Assumptions  
[2] TischlerBise. (28Nov11). *January 1, 2012 Interim Development Fees*

<b>Police Level Of Service and Capital Costs</b>		<b>Per Trip</b>
Police Facilities		\$32.55
Police Vehicles		\$7.81
Police Communications Equipment		\$0.73
Police Communications Infrastructure - Debt Services		\$2.98
IIP and Development Fee Study		\$0.75
<b>GROSS CAPITAL COST</b>		<b>\$44.82</b>
<b>Revenue Credit</b>	<b>0%</b>	<b>(\$0.00)</b>
<b>NET CAPITAL COST</b>		<b>\$44.82</b>

<b>Police Nonresidential Development Fee Schedule</b>			<b>Development Fee per Square Foot of Floor Area</b>		
<b>Nonresidential Land Use</b>	<b>Weekday Vehicle Trip Ends</b>	<b>Trip Rate Adj. Factors</b>	<b>Proposed Fee</b>	<b>Current Fee [3]</b>	<b>Increase (Decrease)</b>
	<i>(Per 1,000 sq. ft.)</i>		<i>(Per Square Foot of Floor Area)</i>		
Commercial	42.70	33%	\$0.63	\$0.68	(\$0.05)
Office/Institutional	11.03	50%	\$0.25	\$0.24	\$0.01
Industrial/Flex	3.82	50%	\$0.09	\$0.06	\$0.03

[3] TischlerBise. (28Nov11). *January 1, 2012 Interim Development Fees*  
The 2012 nonresidential fees were by size thresholds, averages are shown here.

**FORECAST OF REVENUES FOR POLICE FACILITIES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains the forecast of revenues required by Arizona’s enabling legislation.

**Police Facilities Cash Flow**

Revenue projections shown below assume implementation of the maximum supportable Police Facilities development fees and that development over the next ten years is consistent with the [Land Use Assumptions](#) described in Appendix C. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue. The deficit shown in the revenue projection below represents the portion of necessary investments that will not be recouped through Police Facilities development fee revenue.

**Figure 39: Projected Revenue for Police Facilities**

*Ten-Year Growth-Related Costs for Police Facilities*

Police Facilities	\$1,163,213
Police Vehicles	\$274,400
Police Communications Equipment	\$23,155
Police Communications Infrastructure - Debt Service*	\$77,646
IIP and Development Fee Study	\$11,981
<b>TOTAL</b>	<b>\$1,550,395</b>

[1] Debt Service cost shown above represents only the growth share of the debt obligation.

		<i>Per Housing Unit</i>		<i>Per Square Foot of Floor Area</i>		
		<i>Single Unit</i>	<i>2+ Units</i>	<i>Commercial</i>	<i>Office</i>	<i>Industrial</i>
		\$388	\$362	\$0.63	\$0.25	\$0.09
		<i>Housing Units Added</i>		<i>Square Feet Added (1,000)</i>		
Base	2013	16,833	10,324	4,195	6,084	5,316
Year 1	2014	16,942	10,391	4,234	6,139	5,370
Year 2	2015	17,052	10,458	4,273	6,193	5,424
Year 3	2016	17,162	10,526	4,313	6,248	5,478
Year 4	2017	17,273	10,594	4,353	6,303	5,532
Year 5	2018	17,385	10,662	4,393	6,359	5,588
Year 6	2019	17,497	10,731	4,434	6,416	5,643
Year 7	2020	17,610	10,800	4,474	6,473	5,700
Year 8	2021	17,724	10,870	4,515	6,530	5,757
Year 9	2022	17,839	10,940	4,557	6,588	5,815
Year 10	2023	17,954	11,011	4,599	6,648	5,873
	<i>Ten-Yr Increase</i>	1,121	687	404	564	557
	Projected Fees =>	\$434,948	\$248,694	\$255,127	\$139,281	\$47,640
	<b>Total Projected Revenues</b>	<b>\$1,125,690</b>				
	Cumulative Net Surplus/(Deficit)	<b>(\$424,705)</b>				

**APPENDIX A – COST OF PROFESSIONAL SERVICES**

The table below displays each section of the Public Safety IIP and Development Fee Study. Each necessary public service is assigned a cost, followed by the proportionate share factors used to allocate the cost to residential and nonresidential land uses. Next, the figure displays the change in service units between 2013 and 2018, and finally the cost per service unit. (Because development fees are updated at least every five years, the cost is assessed against the service units for only 5 years.)

**Figure A40: IIP and Development Fee Study**

**Fire Development Fee Report**

Land Use		Residential	Nonresidential
<b>Proportionate Share</b>		<b>70%</b>	<b>30%</b>
Fire Consultant Fee	\$12,729	\$8,910	\$3,819

Service Unit		Person	Vehicle Trip
Increase in Service Units	2013-2018	4,617	4,818
Cost per Service Unit		<b>\$1.93</b>	<b>\$0.79</b>

**Police Development Fee Report**

Land Use		Residential	Nonresidential
<b>Proportionate Share</b>		<b>70%</b>	<b>30%</b>
Police Consultant Fee	\$11,981	\$8,387	\$3,594

Service Unit		Person	Vehicle Trip
Increase in Service Units	2013-2018	4,617	4,818
Cost per Service Unit		<b>\$1.82</b>	<b>\$0.75</b>

Source: TischlerBise. (2012). Development Fee Land Use Assumptions

## APPENDIX B – FORECAST OF REVENUES OTHER THAN DEVELOPMENT FEES

ARS 9-463.05(E)(7) requires:

*“A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.”*

ARS 9-463.05(B)(12) states,

*“The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.”*

The City of Flagstaff does not have a higher than normal construction excise tax rate, so the required offset described above is not applicable. The required forecast of non-development fee revenue that might be used for growth-related capital costs is shown in below. There are no General Fund revenues used for growth-related capital expenditures. The City of Flagstaff allocates the Secondary Property Tax revenue to a Debt Service fund. These funds are available for capital investments; however, **the City of Flagstaff directs revenue from the Secondary Property Tax to non-development fee eligible capital needs**. The forecast of revenue to be generated from the Secondary Property Tax was calculated by the City, and is shown in Figure B41.

**Figure B41: Five-Year Revenue Projection, Secondary Property Tax**

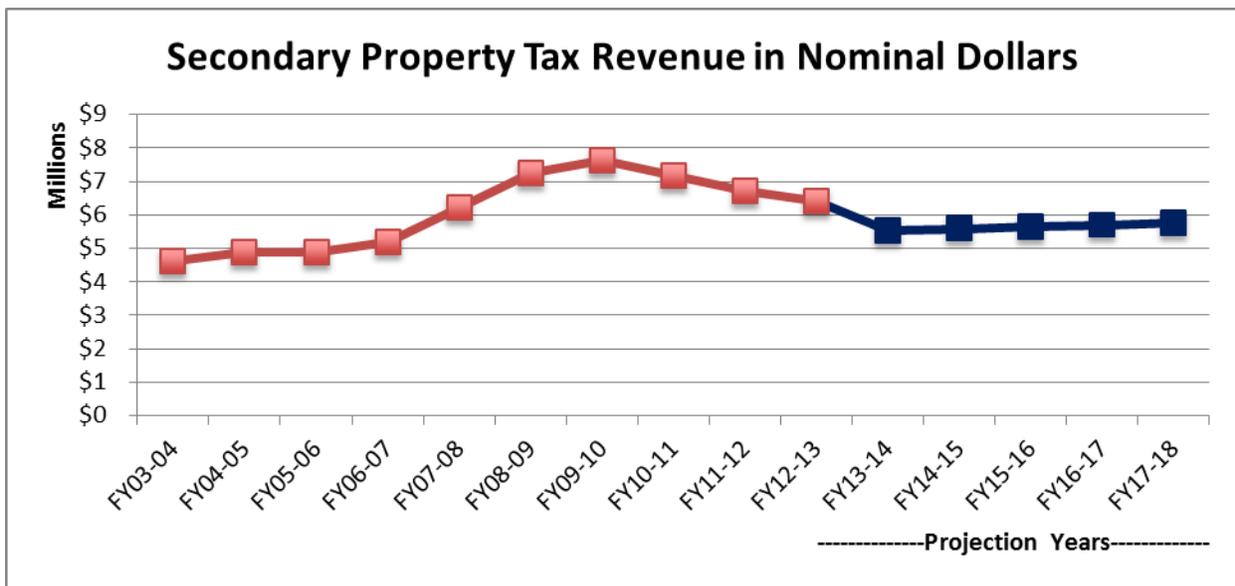
*Forecast of Revenues in Nominal Dollars*

	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18
Secondary Property Taxes Levied for Debt Service	\$5,530,453	\$5,585,758	\$5,641,615	\$5,698,031	\$5,755,012

Source: City of Flagstaff, Finance Department

The figure below charts ten years of past revenues from the Secondary Property Tax, as reported in the City of Flagstaff Comprehensive Annual Financial Reports, and the revenue projections for the next five fiscal years. As shown, for the next five years, the City projects annual revenue generated by the Secondary Property Tax will remain relatively flat.

**Figure B42: Secondary Property Tax Revenue Trend and Projections**



Source: City of Flagstaff, Finance Department

## APPENDIX C – LAND USE ASSUMPTIONS

Arizona Revised Statutes (ARS) 9-463.05 (T)(6) requires the preparation of a *Land Use Assumptions* document, which shows:

*“projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the General Plan of the municipality.”*

TischlerBise prepared current demographic *estimates* and future development *projections* for both residential and nonresidential development that will be used in the Infrastructure Improvement Plan (IIP) and calculation of the development fees. Current demographic data estimates for FY12-13 are used in calculating levels-of-service (LOS) provided to existing development in the City of Flagstaff. Although long-range projections are necessary for planning infrastructure systems, a shorter period of five to ten years is critical for the development fee analysis. Arizona’s Development Fee Act requires fees to be updated at least every five years and limits the Infrastructure Improvements Plan to a maximum of ten years. The estimates and projections presented herein were calculated from data used by the City of Flagstaff to develop the 2012 Regional Plan Update for the City of Flagstaff planning region.

### SUMMARY OF GROWTH INDICATORS

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Development projections and growth rates are summarized in Figure C43. These projections will be used to estimate development fee revenue and to indicate the anticipated need for growth-related infrastructure. However, development fee methodologies are designed to reduce sensitivity to accurate development projections in the determination of the proportionate share fee amounts. If actual development is slower than projected, development fee revenues will also decline, but so will the need for growth-related infrastructure. In contrast, if development is faster than anticipated, the City will receive an increase in development fee revenue, but will also need to accelerate capital improvements to keep pace with development.

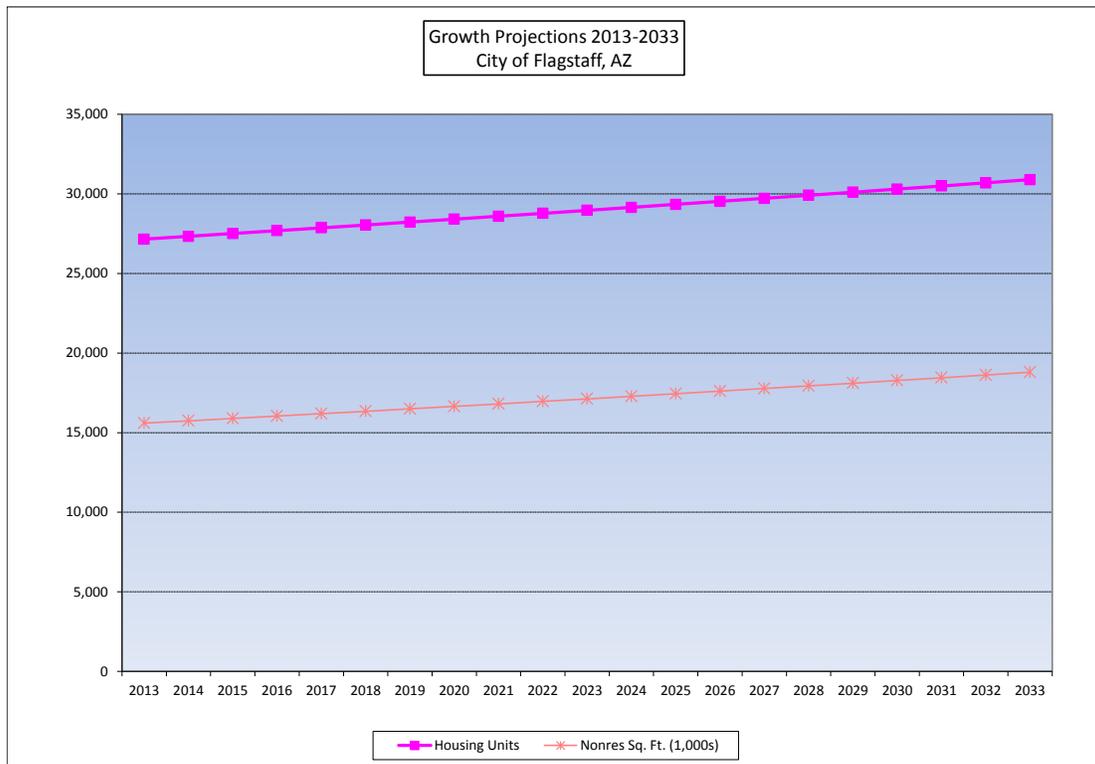
Development projections are calculated through a three-step process. First, TischlerBise used historic population, housing, and employment data from the U.S. Census Bureau, and building permit data provided by the City of Flagstaff to calculate base year 2013 estimates. Second, TischlerBise had discussions with staff and used projections developed by the City of Flagstaff for the 2012 Regional Plan Update process. The City of Flagstaff calculated 20-year projections for population, housing, employment, and land use, based on 2010 decennial census counts and an internally designed high population growth assumption. Finally, TischlerBise applied exponential growth formulas based on the City of Flagstaff 2030 projections of year-round population, housing units, and jobs to estimate projections for each year beyond the base year 2013. See Figure C43 below for a summary of the base year estimates and 20-year projections. The City of Flagstaff is expected to add an average of 187 housing units and 160,000 square feet of non-residential floor area annually.

The City of Flagstaff calculated projections based on two growth scenarios using a low annual growth rate of 0.79 percent and a high annual growth rate of 1.06 percent. Housing unit, employment and land development projections for the 2012 Regional Plan Update were all calculated based on the high annual growth rate to ensure the City of Flagstaff is as prepared as possible to absorb potential growth.

Figure C43: Summary of Development Projections and Growth Rates

	Base Yr 2013	Five-Year Increments ==>												Cumulative Increase 2013-2033	Avg. Ann. Increase 2013-2033
		1 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023	15 2028	20 2033		
<b>RESIDENTIAL DEVELOPMENT</b>															
<b>Housing Units</b>															
Single Family	16,833	16,942	17,052	17,162	17,273	17,385	17,497	17,610	17,724	17,839	17,954	18,542	19,148	2,315	116
Multifamily	10,324	10,391	10,458	10,526	10,594	10,662	10,731	10,800	10,870	10,940	11,011	11,371	11,743	1,419	71
<b>TOTAL</b>	<b>27,157</b>	<b>27,333</b>	<b>27,510</b>	<b>27,688</b>	<b>27,867</b>	<b>28,047</b>	<b>28,228</b>	<b>28,410</b>	<b>28,594</b>	<b>28,779</b>	<b>28,965</b>	<b>29,913</b>	<b>30,891</b>	<b>3,734</b>	<b>187</b>
<b>Nonres Floor Area (1,000 SF)</b>															
Commercial (1,000 SF)	4,195	4,234	4,273	4,313	4,353	4,393	4,434	4,474	4,515	4,557	4,599	4,816	5,044	849	42
Office/Insttit (1,000 SF)	6,084	6,139	6,193	6,248	6,303	6,359	6,416	6,473	6,530	6,588	6,648	6,948	7,262	1,178	59
Industrial/Flex (1,000 SF)	5,316	5,370	5,424	5,478	5,532	5,588	5,643	5,700	5,757	5,815	5,873	6,172	6,487	1,171	59
<b>TOTAL</b>	<b>15,595</b>	<b>15,742</b>	<b>15,890</b>	<b>16,038</b>	<b>16,188</b>	<b>16,339</b>	<b>16,493</b>	<b>16,648</b>	<b>16,802</b>	<b>16,960</b>	<b>17,119</b>	<b>17,936</b>	<b>18,793</b>	<b>3,198</b>	<b>160</b>
<b>ANNUAL INCREASES (City Limits)</b>															
	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	27-28	32-33	<b>2013-2033</b>	<b>Avg Annual</b>
Housing Units	176	177	178	179	180	181	182	184	185	186	192	198		<b>187</b>	
Nonres Floor Area (1,000 SF)	147	148	148	150	151	154	155	154	158	160	165	175		<b>160</b>	

Source: City of Flagstaff; TischlerBise



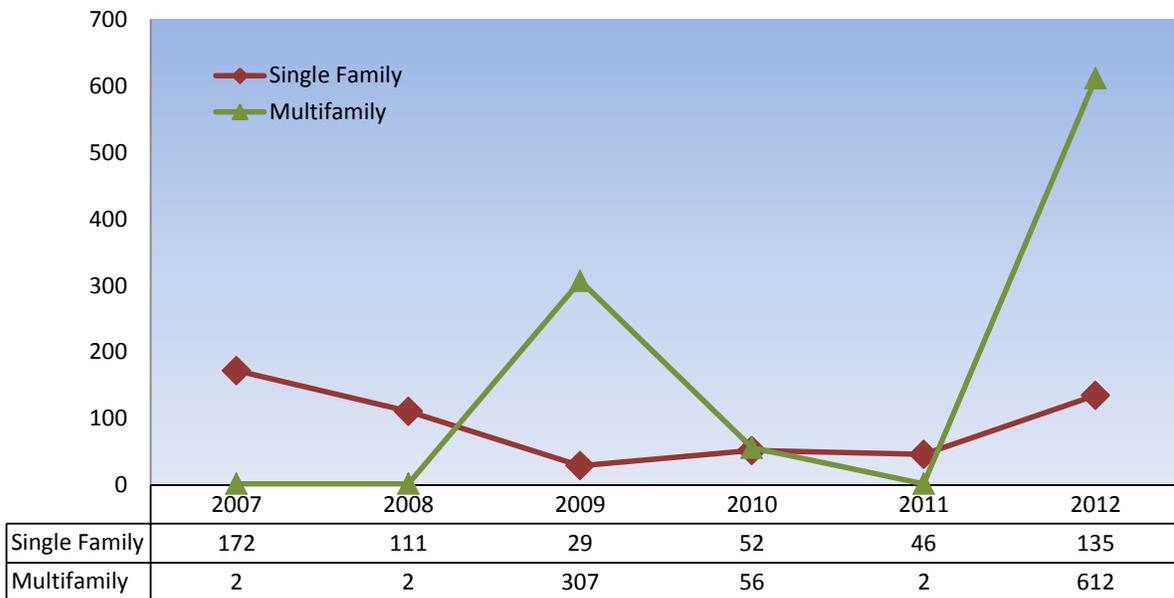
**RESIDENTIAL DEVELOPMENT**

Current estimates and future projections of residential development are detailed in this section, including population and housing units by type.

**Current Housing Unit Estimates**

Development fees require an analysis of current levels of service. For residential development, current levels of service are determined using estimates of population and housing units. To estimate current housing units in the City of Flagstaff, TischlerBise obtained building permit information from the City. This information is then used to determine a base year estimate of housing units. Figure C44 shows residential building permit trends by number and type of housing unit for the City of Flagstaff.

**Figure C44: Residential Building Permits in the City of Flagstaff, 2007-2012**



Source: City of Flagstaff

Residential housing units, and building permit trends, by type are shown in Figure C45 below. To calculate total housing units, the distribution of 63 percent single family and 37 percent multifamily units in the City was calculated from the 2011 U.S. Census American Community Survey (ACS), 1-Year Estimates for *Units in Structure*. This distribution was applied to the total number of units reported by the 2010 decennial census to get 16,600 single family units, and 9,654 multifamily units in the City of Flagstaff in 2010.

**Figure C45: Residential Housing Units in the City of Flagstaff**

<b>Building Permits [1]</b>		<b>2010*</b>	<b>2011*</b>	<b>2012*</b>	<b>Total</b>	<i>Average</i>
Single Family [2]		52	46	135	233	78
Multifamily [3]		56	2	612	670	223
<b>Total</b>		<b>108</b>	<b>48</b>	<b>747</b>	<b>903</b>	

*\*Issued during calendar year*

		<i>Base Year</i>				
<b>Housing Units [4]</b>	<i>2011 Distribution [5]</i>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<i>2013 Distribution<sup>^</sup></i>
Single Family	63%	16,600	16,652	16,698	16,833	62%
Multifamily	37%	9,654	9,710	9,712	10,324	38%
<b>Total</b>		<b>26,254</b>	<b>26,362</b>	<b>26,410</b>	<b>27,157</b>	

<sup>^</sup> Reflects the addition of issued permits

- [1] City of Flagstaff Community Development Department, Monthly Construction Permits
- [2] Single Family includes detached, attached, and mobile homes
- [3] Multifamily includes structures with 2 or more units
- [4] U.S. Census Bureau, 2010 Decennial Census: DP1
- [5] U.S. Census Bureau, 2011 American Community Survey 1-Year Estimates: Table B25024

To estimate 2011, 2012, and 2013 housing units, the building permits issued each year were added to the housing units, starting with the 2010 census count. TischlerBise estimates the City of Flagstaff had 27,157 housing units at the start of base year 2013. The addition of 612 multifamily units in 2012 changed the 2013 distribution of housing units by type to 62 percent single family and 38 percent multifamily.

### **Current Household Size and Peak Population**

According to the U.S. Census Bureau, a household is a housing unit that is occupied by year-round residents. Development fees often use per capita standards and persons per housing unit (PPHU) or persons per household (PPH) to derive proportionate share fee amounts. When PPHU is used in the fee calculations, infrastructure standards are derived using year-round population. When PPH is used in the fee calculations, the development fee methodology assumes a higher percentage of housing units will be occupied, thus requiring seasonal or peak population to be used when deriving infrastructure standards. TischlerBise recommends that development fees for residential development in the City of Flagstaff be imposed according to the number of persons per household. This methodology recognizes the impacts of seasonal population peaks.

Persons per household requires data on population in occupied units and the types of units by structure. The 2010 decennial census did not obtain detailed information using a “long-form” questionnaire. Instead, the U.S. Census Bureau switched to a continuous monthly mailing of surveys, known as the American Community Survey (ACS), which has limitations due to sample-size constraints. For example, data on detached housing units are now combined with attached single units (commonly known as townhouses). For development fees in Flagstaff, “single family” residential units include detached (both stick-built and manufactured) and attached (commonly known as townhouses, which share a common sidewall, but are constructed on an individual parcel of land). The second residential category includes duplexes and all other structures with two or more units on an individual parcel of land. (Note: housing unit estimates from the ACS will not equal decennial census counts of units. These data are used only to derive the custom PPH factors for each type of unit).

Figure C46 below shows the ACS 2011 1-Year Estimates for the City of Flagstaff. To calculate the PPH, persons (57,726) is divided by households (21,534). Dwellings with a single unit per structure (detached, attached, and mobile homes) averaged 2.75 persons per household. Dwellings in structures with multiple units averaged 2.57 PPH. The 2011 City of Flagstaff total PPH was 2.68.

**Figure C46: Persons per Household by Type of Housing**

Units in Structure	Renter & Owner		Persons per Household	Housing Units	Persons Per Hsg Unit	Vacancy Rate
	Persons	HsehlDs				
Single Family	32,735	11,891	2.75	14,879	2.20	20%
Mobile Homes	4,358	1,601	2.72	1,703	2.56	6%
2+ Units	20,633	8,042	2.57	9,643	2.14	17%
<b>Total</b>	<b>57,726</b>	<b>21,534</b>	<b>2.68</b>	<b>26,225</b>		
				Vacant/Seasonal HU	4,691	

2011 Summary by Type of Housing	Persons	Households	PPH	Housing Units	PPHU	Housing Mix
Single Family [1]	37,093	13,492	<b>2.75</b>	16,582	2.24	63%
Multifamily [2]	20,633	8,042	<b>2.57</b>	9,643	2.14	37%
Subtotal	57,726	21,534	<b>2.68</b>	26,225	2.20	Vacancy Rate
Group Quarters	8,178					
<b>TOTAL</b>	<b>65,904</b>	<b>21,534</b>		<b>26,225</b>		<b>17.9%</b>

Source: U.S. Census Bureau, 2011 American Community Survey 1-Year Estimates

[1] Single Family includes detached, attached, and mobile homes

[2] Multifamily includes duplex and all other units with 2 or more units per structure

### Peak Population Estimate

The first step in estimating a base year peak population is to calculate a *peak occupancy rate* using ACS estimates of housing units by occupancy. The *peak occupancy rate* is used to determine the number of *peak households* (occupied housing units during seasonal/peak periods). Occupied and vacant housing unit estimates, shown in Figure C47, are from the 2011 ACS 1-Year Estimates, which is the most recent information available for the City. Due to data availability, the share of vacant units counted as “vacant units for seasonal, recreational, or occasional use” is from the ACS 3-Year Estimates, and was used to estimate the percentage of 2011 vacant units that were occupied by seasonal population. Based on the ACS 3-Year Estimates, 51 percent (2,398) of the estimated 4,691 vacant units are seasonally populated. Peak households (23,932) is the sum of year-round occupied households (21,534) and seasonally populated units (2,398). The 2011 Peak Occupancy Rate of 91 percent is the relationship of peak households (23,932) to total housing units (21,534 occupied plus 4,691 vacant). Using peak households reduces the vacancy rate from a year-round rate of 17.9 percent to a seasonal rate of 8.7 percent.

Figure C47: Household Occupancy Rates for City of Flagstaff

2011 Peak Households Estimate	Housing Units			Peak Households		Peak Occ.
	Occupied	Vacant	Seasonal*	Count	Share	Rate
Single Family	11,891	2,988	1,535	13,426	56%	90%
Mobile Homes	1,601	102	48	1,649	7%	97%
2+ Units	8,042	1,601	815	8,857	37%	92%
Total	21,534	4,691	2,398	23,932	100%	91%

Source: U.S. Census Bureau, 2011 American Community Survey 1-Year Estimates

\*Seasonal share of vacant units estimated from U.S. Census Bureau, 2011 ACS 3-Year Estimates

Next in the process to estimate a base year peak population is to apply the peak occupancy rates by unit type to the 2010-2012 residential building permit data from Figure C44 above to determine how many peak households have been added since the 2010 decennial census count. According to the 2011 ACS 1-Year Estimates, occupied single family units are 63 percent of the City’s households. The distribution is applied to the 2010 decennial census count of peak households (i.e., 91% of total housing units) to calculate an estimate of 14,969 single family households and 8,922 multifamily households. The annual units added are adjusted by the peak occupancy rates calculated in Figure C47 above, and then added to the 2010 estimate to determine the 2013 peak households by type. See Figure C48 for additional detail.

Figure C48: Peak Households

2010 Peak Households Estimate	Peak		Peak Households Added Annually [2]			2013 Peak
	Households [1]	Occupancy	2010	2011	2012	Households
Single Family	14,969	91%	47	42	123	15,181
Multifamily	8,922	92%	52	2	563	9,539
Total	23,891	91%	99	44	686	24,720

[1] U.S. Census Bureau, 2010 Decennial Census

[2] City of Flagstaff Community Development Department, Monthly Construction Permits

The last step in calculating a base year peak population for the City of Flagstaff is to apply the persons per household by housing type (see Figure C46) to the base year peak households by housing type (see Figure C48). The final 2013 peak population estimate for City of Flagstaff is the population in single family and multifamily households (66,267) plus the estimated 2013 population living in *group quarters*, which includes Northern Arizona University student housing. As part of the 2012 Regional Plan Update, The City of Flagstaff used 2010 decennial census as the base year figures from which to calculate a projected annual *group quarters* population growth rate of 2.41 percent (assuming the high population growth scenario used for other demographic and housing projections). As shown in Figure C49, the 2013 *group quarters* population estimate of 8,674 is added to the peak households population estimate of 66,267 to determine a base year 2013 peak population of 74,941 persons in the City of Flagstaff.

Figure C49: Peak Population Estimate

2013 Peak Households Estimate	Persons Per Household [1]	Peak	
		Households	Population
Single Family	2.75	15,181	41,736
Multifamily	2.57	9,539	24,474
Total	2.68	24,720	66,267
		Group Quarters [2]	8,674
		Total Base Year Peak Population	74,941

[1] Shown as rounded numbers

[2] City of Flagstaff 2012 Regional Plan Update,  
high population growth scenario

### Peak Population and Housing Unit Projections

TischlerBise analyzed recent growth trends, reviewed the City of Flagstaff 2012 Regional Plan Update data, and had discussions with staff. Based on the high population growth scenario and 2010 decennial census counts, the City of Flagstaff projects a 2030 housing unit estimate of 30,300 units, which equates to an annual growth rate of 0.72 percent. TischlerBise adjusted the annual growth rate to reflect the 2013 base year housing unit estimate of 27,157. The adjusted growth rate of 0.65 percent was used to calculate an estimate of housing units for each year past 2013. Housing units were divided into single family and multifamily unit estimates as described above, and then peak occupancy rates and persons per household factors were applied to the annual housing units added to calculate annual additional peak population in households. See Figure C50 for a summary of the projections.

Included in the City of Flagstaff 2012 Regional Plan Update demographic projections was the assumption that the *group quarters* population within the City (and including Northern Arizona University student housing) would grow at an annual rate of 2.41 percent, to reach a 2030 projected total of 13,000 persons. The annual growth rate was applied to the 2010 decennial census *group quarters* population count of 8,076 to estimate a *group quarters* population for each year beyond 2010. See Figure C50 for a summary of the projections.

Figure C50: Peak Population and Housing Unit Projections

	Decennial Census [1]	Estimates [2]				Projection [3]			Exponential Growth Rates	
	2010	2011	2012	2013	2018	2023	2030	2010-30	2013-30	
Housing Units	26,254	26,362	26,410	27,157	28,047	28,965	30,300	0.72%	0.65%	
Peak Population in Households [4]			64,428	66,267	69,788	72,021	75,271		0.75%	
Group Quarters	8,076	8,271	8,470	8,674	9,770	11,005	13,000	2.41%	2.41%	
Peak Population [4]			72,898	74,941	79,558	83,025	88,271		0.97%	

[1] U.S. Census Bureau, 2010 Decennial Census

[2] Estimates calculated using the 2010-2030 Exponential Growth Rate

[3] 2030 projections from City of Flagstaff 2012 Regional Plan Update, high population growth scenario

[4] TischlerBise

Annual population projections for the City of Flagstaff are the sum of the peak population in households and the group quarter population. The 2013 base year estimate of 74,941 and the 2030 peak population projection of 88,271 persons were used to calculate an exponential growth rate of 0.97 percent for the City of Flagstaff peak population.

**Year-Round Population Estimates and Projections**

The City of Flagstaff used U.S. Census Bureau 2010 decennial census data as the foundation for the City’s 2012 Regional Plan Update. Arizona Department of Administration data from December of 2012 was used to calculate 2012 base year estimates. Intercensal population estimates produced by the Arizona Department of Administration demonstrate an average annual growth rate for the City of Flagstaff that has slowed from a 2007 peak of 3.3 percent and a 2010 peak of 2.2 percent. While the City of Flagstaff does not expect to return to past growth rates, it does expect annual growth well into the future, and that the City will host a growing share of the Coconino County population. Population projections calculated from the decennial census assume a sustained annual growth rate of 1.06 percent and a 2030 population of 81,300.

To calculate a 2013 year-round population, TischlerBise used annual Arizona Department of Administration Interim Intercensal July Population Estimates for 2010, 2011, and 2012. Next, the annual exponential growth rate of 1.06 percent was calculated from the 2010 and 2030 populations used by City of Flagstaff for the high growth scenario. According to the high growth scenario assumptions, the 2013 City of Flagstaff population is 67,024. The annual exponential growth rate of 1.14 percent was calculated from the 2013 population estimate and the 2030 projection, and then applied to each projection year past 2013 to match the City of Flagstaff projected 2030 population of 81,300. Figure C51 presents a summary of the population projections for the City of Flagstaff and Coconino County.

**Figure C51: Population Estimates and Projections for City of Flagstaff**

	<i>April Census [1]</i>	<i>Annual July Population Estimates [2]</i>			Population Projections [3]			Exponential Growth Rates		
	2010	2010	2011	2012	2013	2018	2023	2030	2010-30	2013-30
City of Flagstaff	65,870	65,985	66,013	66,322	67,024	70,941	75,086	81,300	1.06%	1.14%
Coconino County	134,421	134,679	134,162	134,313	135,394	141,632	148,157	157,800	0.80%	0.90%
City Share	49.0%	49.0%	49.2%	49.4%	49.5%	50.1%	50.7%	51.5%		

[1] U.S. Census Bureau, 2010 Decennial Census

[2] Arizona Department of Administration, Interim Intercensal Population Estimates

[3] 2030 population projection from City of Flagstaff 2012 Regional Plan Update, high population growth scenario

Year-round population estimates and projections are presented here to demonstrate the difference in growth patterns for the year-round (1.14%) and peak populations (0.97%) of the City.

**Population and Residential Development Summary**

Peak Population and housing unit projections are used to illustrate the possible future pace of service demands, revenues, and expenditures. As these factors will vary to the extent that future development varies, there will be virtually no effect on the actual amount of the development fee. See Figure C52 below for a summary of population and housing unit projections.

Figure C52: Population and Housing Unit Projections in the City of Flagstaff, 2013-2033

	Base Yr 2013	Five-Year Increments ==>												Cumulative Increase 2013-2033	Avg. Ann. Increase 2013-2033
		1 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023	15 2028	20 2033		
<b>SUMMARY OF DEMAND PROJECTIONS (City Limits)</b>															
TOTAL PEAK POPULATION	74,941	76,931	77,576	78,228	78,889	79,558	80,234	80,918	81,611	82,314	83,025	86,723	90,670	15,729	786
TOTAL HOUSING UNITS	27,157	27,333	27,510	27,688	27,867	28,047	28,228	28,410	28,594	28,779	28,965	29,913	30,891	3,734	187
<b>RESIDENTIAL DEVELOPMENT</b>															
<b>Housing Units</b>															
Single Family	16,833	16,942	17,052	17,162	17,273	17,385	17,497	17,610	17,724	17,839	17,954	18,542	19,148	2,315	116
Multifamily	10,324	10,391	10,458	10,526	10,594	10,662	10,731	10,800	10,870	10,940	11,011	11,371	11,743	1,419	71
<b>TOTAL</b>	<b>27,157</b>	<b>27,333</b>	<b>27,510</b>	<b>27,688</b>	<b>27,867</b>	<b>28,047</b>	<b>28,228</b>	<b>28,410</b>	<b>28,594</b>	<b>28,779</b>	<b>28,965</b>	<b>29,913</b>	<b>30,891</b>	<b>3,734</b>	<b>187</b>
<b>ANNUAL INCREASES (City Limits)</b>															
	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	27-28	32-33	<b>2013-2033</b>	
Peak Population		1,990	645	652	661	669	676	684	693	703	711	759	810	<b>786</b>	
Housing Units		176	177	178	179	180	181	182	184	185	186	192	198	<b>187</b>	

Source: City of Flagstaff; TischlerBise

**NONRESIDENTIAL DEVELOPMENT**

**Employment Estimates and Projections**

In addition to data on residential development, the calculation of development fees requires data on nonresidential square footage and employment (number of jobs) in the City of Flagstaff.

TischlerBise analyzed recent employment trends, reviewed data provided by the City of Flagstaff, and had discussions with staff. According to the analysis conducted by the City of Flagstaff, the City historically hosts between 60 and 65 percent of all Coconino County employment. The City expects this trend to continue well into the future. See Figure C53 below for additional information on County and City employment trends. According to the City of Flagstaff, 2010 employment in the City was approximately 37,100. The city projects 2030 employment will reach 44,600, based on the high population growth scenario used for the 2012 Regional Plan Update. TischlerBise used 2010 and 2030 data to calculate an exponential employment growth rate of 0.92 percent for the City and 0.69 percent for the County. Employment estimates and projections between 2010 and 2030 were calculated with exponential growth rates. TischlerBise estimates the City of Flagstaff had 38,139 jobs for the base year of 2013.

**Figure C53: Employment Trends in Coconino County and City of Flagstaff**

	City of Flagstaff Estimates [1]			Employment Estimates			Employment Projections [2]			Exponential Growth Rates	
	2000	2004	2010	2011	2012	2013	2018	2023	2030	2010-30	2013-30
City of Flagstaff	38,400	39,244	37,100	37,443	37,789	38,139	39,935	41,816	44,600	0.92%	0.92%
Coconino County	58,400	62,200	61,100	61,523	61,948	62,377	64,565	66,829	70,133	0.69%	0.69%
City Share	65.8%	63.1%	60.7%	60.9%	61.0%	61.1%	61.9%	62.6%	63.6%		

[1] City of Flagstaff 2012 Regional Plan Update; based on the 2010 employment estimate from U.S. Census Bureau LEHD web-based application OnTheMap, "all jobs" plus 5% assumed undercount  
 [2] 2030 projections from City of Flagstaff 2012 Regional Plan Update, high population growth scenario

**Employment by Industry Type**

In addition to projecting total employment, as part of the City of Flagstaff 2012 Regional Plan Update process, the City analyzed employment trends and set economic development priorities for the future. City staff made three assumptions to project employment distribution into the future. First, total employment assumes the high population growth scenario used for the 2012 Regional Plan Update. Second, as the County seat, the region will have a high percentage of government office jobs. Third, Industrial/Flex jobs will grow at a faster rate (1.00%) than Commercial/Retail jobs (0.93%) and Office/Institutional jobs (0.89%). Between 2010 and 2030, the City of Flagstaff expects to add 7,500 jobs. Figure C54 shows the incremental growth in employment by industry type.

Figure C54: Employment Distribution by Industry Type

	City of Flagstaff Estimates [1]		Base Year Employment Estimates [2]		Industry Employment Projection [3]	
	2010	2010 Share	2013	2013 Share	2030	Growth Rate
Commercial/Retail	8,162	22%	8,390	22%	9,812	0.93%
Office/Institutional	19,663	53%	20,214	53%	23,496	0.89%
Industrial/Flex	9,275	25%	9,535	25%	11,292	1.00%
<b>TOTAL</b>	<b>37,100</b>	<b>100%</b>	<b>38,139</b>	<b>100%</b>	<b>44,600</b>	<b>0.92%</b>

- [1] City of Flagstaff, 2012 Regional Plan Update, high population growth scenario  
 [2] TischlerBise, based on 2010 distribution from the City of Flagstaff  
 [3] Due to development activity since the 2012 Regional Plan Update process,  
 the projected industry employment figures deviate from previous assumptions

### NONRESIDENTIAL SQUARE FOOTAGE DEVELOPMENT

Job estimates are used to estimate nonresidential square footage based on nationally recognized average square feet per employee data published by The Institute of Transportation Engineers (ITE), and shown in Figure C55.

Figure C55: The Institute of Transportation Engineers, Employee and Building Area Ratios, 2012

ITE Code	Land Use / Size	Demand Unit	Weekday Trip Ends per Demand Unit*	Emp Per Employee*	Sq Ft Dmd Unit**	Per Emp
<b>Commercial / Shopping Center</b>						
820	Average	1,000 Sq Ft	42.70	na	2.00	500
<b>General Office</b>						
710	Average	1,000 Sq Ft	11.03	3.32	3.32	301
<b>Other Nonresidential</b>						
770	Business Park***	1,000 Sq Ft	12.44	4.04	3.08	325
760	Research & Dev Center	1,000 Sq Ft	8.11	2.77	2.93	342
610	Hospital	1,000 Sq Ft	13.22	4.50	2.94	340
565	Day Care	student	4.38	26.73	0.16	na
550	University/College	student	1.71	8.96	0.19	na
530	High School	student	1.71	19.74	0.09	na
520	Elementary School	student	1.29	15.71	0.08	na
520	Elementary School	1,000 Sq Ft	15.43	15.71	0.98	1,018
320	Lodging	room	5.63	12.81	0.44	na
254	Assisted Living	bed	2.66	3.93	0.68	na
151	Mini-Warehouse	1,000 Sq Ft	2.50	61.90	0.04	24,760
150	Warehousing	1,000 Sq Ft	3.56	3.89	0.92	1,093
140	<b>Manufacturing</b>	<b>1,000 Sq Ft</b>	<b>3.82</b>	<b>2.13</b>	<b>1.79</b>	<b>558</b>
110	Light Industrial	1,000 Sq Ft	6.97	3.02	2.31	433

\* Trip Generation, Institute of Transportation Engineers, 9th Edition (2012).

\*\* Employees per demand unit calculated from trip rates, except for Shopping Center data, which are derived from Development Handbook and Dollars and Cents of Shopping Centers, published by the Urban Land Institute.

TischlerBise used 2012 factors from the ITE to calculate the total nonresidential floor area for three categories of development used for the calculation of development fees. To estimate current nonresidential floor area, 2013 job estimates by category were multiplied by ITE square feet per employee factors. It is estimated the City of Flagstaff has approximately 16 million square feet of nonresidential space in active use. The estimated square footage in 2013 for each major category of nonresidential development is shown below in Figure C56.

**Figure C56: Estimated Employment and Nonresidential Floor Area in City of Flagstaff, 2013**

	<i>2013 Estimated Jobs</i>	<i>Square Feet Per Employee [1]</i>	<i>2013 Nonresidential Floor Area</i>	
			<i>Square Feet</i>	<i>Distribution</i>
Commercial/Retail	8,390	500	4,195,000	27%
Office/Institutional	20,214	301	6,084,359	39%
Industrial/Flex	9,535	558	5,316,636	34%
TOTAL	<b>38,139</b>	<b>409</b>	<b>15,595,995</b>	<b>100%</b>

[1] Trip Generation Manual, Institute of Transportation Engineers  
 9th Edition (2012). Shown as rounded numbers.

### **Nonresidential Floor Area and Employment Projections**

Future employment growth and nonresidential development in the City of Flagstaff are projected based on information provided by City staff, and TischlerBise’s analysis of past trends in the City. To project employment for the City, TischlerBise applied the industry-specific growth rates for each year beyond the base year 2013 estimates by industry category.

The projected increase in employment by industry type is then used to project growth in nonresidential square footage using the *Employee per Square Footage* data previously discussed. Results are shown in Figure C57. The City expects to add on average 386 jobs a year for the next twenty years. To keep pace with employment growth, the City should expect to add roughly 160,000 square feet of nonresidential development each year.

Figure C57: Nonresidential Floor Area and Employment Projections in City of Flagstaff, 2013-2033

	Base Yr 2013	Five-Year Increments ==>												Cumulative Increase 2013-2033	Avg. Ann. Increase 2013-2033
		1 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023	15 2028	20 2033		
<b>SUMMARY OF DEMAND PROJECTIONS (City Limits)</b>															
TOTAL JOBS	38,139	38,492	38,848	39,207	39,569	39,935	40,304	40,678	41,053	41,433	41,816	43,786	45,849	7,710	386
<b>NONRESIDENTIAL DEVELOPMENT</b>															
<b>Employment By Type</b>															
Commercial/Retail	8,390	8,468	8,546	8,625	8,705	8,785	8,867	8,949	9,031	9,115	9,199	9,633	10,087	1,697	85
Office/Institutional	20,214	20,394	20,575	20,758	20,942	21,129	21,316	21,506	21,697	21,890	22,085	23,084	24,128	3,914	196
Industrial/Flex	9,535	9,630	9,727	9,824	9,922	10,021	10,121	10,223	10,325	10,428	10,532	11,069	11,634	2,099	105
<b>TOTAL</b>	<b>38,139</b>	<b>38,492</b>	<b>38,848</b>	<b>39,207</b>	<b>39,569</b>	<b>39,935</b>	<b>40,304</b>	<b>40,678</b>	<b>41,053</b>	<b>41,433</b>	<b>41,816</b>	<b>43,786</b>	<b>45,849</b>	<b>7,710</b>	<b>386</b>
<b>Nonres Floor Area (1,000 SF)</b>															
Commercial (1,000 SF)	4,195	4,234	4,273	4,313	4,353	4,393	4,434	4,474	4,515	4,557	4,599	4,816	5,044	849	42
Office/Insttit (1,000 SF)	6,084	6,139	6,193	6,248	6,303	6,359	6,416	6,473	6,530	6,588	6,648	6,948	7,262	1,178	59
Industrial/Flex (1,000 SF)	5,316	5,370	5,424	5,478	5,532	5,588	5,643	5,700	5,757	5,815	5,873	6,172	6,487	1,171	59
<b>TOTAL</b>	<b>15,595</b>	<b>15,742</b>	<b>15,890</b>	<b>16,038</b>	<b>16,188</b>	<b>16,339</b>	<b>16,493</b>	<b>16,648</b>	<b>16,802</b>	<b>16,960</b>	<b>17,119</b>	<b>17,936</b>	<b>18,793</b>	<b>3,198</b>	<b>160</b>
<b>ANNUAL INCREASES (City Limits)</b>															
	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	27-28	32-33	<b>2013-2033</b>	
Jobs		353	356	359	362	366	369	374	375	380	383	401	420	<b>386</b>	
Nonres Floor Area (1,000 SF)		147	148	148	150	151	154	155	154	158	160	165	175	<b>160</b>	

Source: City of Flagstaff; TischlerBise

**AVERAGE DAILY VEHICLE TRIPS**

Nonresidential average Daily Vehicle Trips are used for the Public Safety development fee category as a measure of demand by land use. Vehicle trips are estimated using average weekday vehicle trip ends from the reference book, *Trip Generation, 9<sup>th</sup> Edition*, published by the Institute of Transportation Engineers (ITE) in 2012. A vehicle trip end represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway).

**Trip Rate Adjustments**

Trip generation rates are adjusted to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor of 50 percent is applied to the office/institutional, and industrial/flex categories. The commercial/retail category has a trip factor of less than 50 percent because this type of development attracts vehicles as they pass-by on arterial and collector roads. For an average size shopping center, the ITE (2012) indicates that on average 34 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66 percent of attraction trips have the shopping center as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor of 66 percent is multiplied by 50 percent to calculate a trip adjustment factor for commercial land use of 33 percent.

**Estimated Vehicle Trips in Flagstaff**

Trip adjustment factors are used in conjunction with average weekday vehicle trip ends provided by ITE (2012) to calculate average vehicle trips in the City of Flagstaff based on existing development. Figure C58 details the calculations to determine that existing nonresidential development in the City generates an average of 102,819 vehicle trips on an average weekday. An example of the calculation is as follows for commercial land uses: 4,195 x 42.70 vehicle trips per day per 1,000 square feet x 33 percent adjustment factor = 59,112 total vehicle trips per day from commercial development in the City. The same calculation is done for each land use type.

**Figure C58: Average Daily Trips from Existing Development in City of Flagstaff**

	Base Year	
<b>Nonresidential Vehicle Trips on an Average Weekday**</b>	<b>2013</b>	
<b>Nonresidential Gross Floor Area (1,000 sq. ft.)</b>	<i>Assumptions</i>	
Commercial/Retail	4,195	
Office/Institutional	6,084	
Industrial/Flex	5,316	
<b>Average Weekday Vehicle Trips Ends per 1,000 Sq. Ft.**</b>	<i>Trip Rate</i>	<i>Trip Factor</i>
Commercial	42.70	33%
Office/Institutional	11.03	50%
Industrial/Flex	3.82	50%
<b>Nonresidential Vehicle Trips on an Average Weekday</b>		
Commercial	59,112	
Office/Institutional	33,553	
Industrial/Flex	10,154	
<b>Total Nonresidential Trips</b>	<b>102,819</b>	

\*\*Trip rates are from the Institute of Transportation Engineers. (2012). *Trip Generation Manual 9th Edition*

**DEMAND INDICATORS BY SIZE OF DETACHED HOUSING**

As part of the development fee effort for the City of Flagstaff, TischlerBise further analyzed demographic data to present the option to refine the development fee schedule to be more progressive for residential development. This can be done by developing fees by size of housing unit based on bedroom count. Household size can be derived using custom tabulations of demographic data by bedroom range from survey responses provided by the U.S. Census Bureau in files known as Public Use Micro-data Samples (PUMS). Because PUMS data are only available for areas of roughly 100,000 persons, the City of Flagstaff is in Arizona Public Use Micro-data Area (PUMA) 0400. Data is first analyzed for the PUMA area and then calibrated to conditions in the City of Flagstaff.

TischlerBise used 2011 ACS 1-Year Estimates to derive persons per household by number of bedrooms. As shown in Figure C59, TischlerBise derived trip generation rates and average persons, by bedroom range, using the number of persons. Recommended multipliers were scaled to make the average value by type of housing for Arizona PUMA 0400 match the average value derived from ACS data specific to Flagstaff. As the number of bedrooms increases so do the persons per household.

**Figure C59: Average Persons per Household by Bedroom Range in City of Flagstaff**

	AZ PUMA 0400 [1]		Recommended Multipliers for Municipality [2]
	Households	Persons	Persons per Household
Single Family 0-3 Bdrms	457	1,258	2.62
Single Family 4+ Bdrms	109	376	3.29
<i>Single Family Subtotal</i>	<i>566</i>	<i>1,634</i>	<i>2.75</i>
Multi-family Total	102	220	2.57
AZ PUMA 0400 TOTAL	668	1,854	

[1] American Community Survey, Public Use Microdata Sample for AZ PUMA 0400 (unweighted data for 2011).

[2] Recommended multipliers are scaled to make the average value by type of housing for AZ PUMA 0400 match the average value for Flagstaff, derived from American Community Survey 2011 data, with persons adjusted to the Citywide average of 2.75 persons per single family household.

**LAND USE ASSUMPTIONS SUMMARY**

Provided on the next page is a summary of annual demographic and development projections to be used for the development fee study. Base year estimates for 2013 are used in the development fee calculations. Development projections are used to illustrate a possible future pace of service demands and cash flows resulting from revenues and expenditures associated with those service demands.

Figure C60: Summary – City of Flagstaff Land Use Assumptions, 2013-2033

	Base Yr 2013	1 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	Five-Year Increments ==>		Cumulative Increase 2013-2033	Avg. Ann. Increase 2013-2033	
											10 2023	15 2028			20 2033
<b>SUMMARY OF DEMAND PROJECTIONS (City Limits)</b>															
TOTAL PEAK POPULATION	74,941	76,931	77,576	78,228	78,889	79,558	80,234	80,918	81,611	82,314	83,025	86,723	90,670	15,729	786
TOTAL HOUSING UNITS	27,157	27,333	27,510	27,688	27,867	28,047	28,228	28,410	28,594	28,779	28,965	29,913	30,891	3,734	187
TOTAL JOBS	38,139	38,492	38,848	39,207	39,569	39,935	40,304	40,678	41,053	41,433	41,816	43,786	45,849	7,710	386
<b>RESIDENTIAL DEVELOPMENT</b>															
<b>Housing Units</b>															
Single Family	16,833	16,942	17,052	17,162	17,273	17,385	17,497	17,610	17,724	17,839	17,954	18,542	19,148	2,315	116
Multifamily	10,324	10,391	10,458	10,526	10,594	10,662	10,731	10,800	10,870	10,940	11,011	11,371	11,743	1,419	71
<b>TOTAL</b>	<b>27,157</b>	<b>27,333</b>	<b>27,510</b>	<b>27,688</b>	<b>27,867</b>	<b>28,047</b>	<b>28,228</b>	<b>28,410</b>	<b>28,594</b>	<b>28,779</b>	<b>28,965</b>	<b>29,913</b>	<b>30,891</b>	<b>3,734</b>	<b>187</b>
<b>NONRESIDENTIAL DEVELOPMENT</b>															
<b>Employment By Type</b>															
Commercial/Retail	8,390	8,468	8,546	8,625	8,705	8,785	8,867	8,949	9,031	9,115	9,199	9,633	10,087	1,697	85
Office/Institutional	20,214	20,394	20,575	20,758	20,942	21,129	21,316	21,506	21,697	21,890	22,085	23,084	24,128	3,914	196
Industrial/Flex	9,535	9,630	9,727	9,824	9,922	10,021	10,121	10,223	10,325	10,428	10,532	11,069	11,634	2,099	105
<b>TOTAL</b>	<b>38,139</b>	<b>38,492</b>	<b>38,848</b>	<b>39,207</b>	<b>39,569</b>	<b>39,935</b>	<b>40,304</b>	<b>40,678</b>	<b>41,053</b>	<b>41,433</b>	<b>41,816</b>	<b>43,786</b>	<b>45,849</b>	<b>7,710</b>	<b>386</b>
<b>Nonres Floor Area (1,000 SF)</b>															
Commercial (1,000 SF)	4,195	4,234	4,273	4,313	4,353	4,393	4,434	4,474	4,515	4,557	4,599	4,816	5,044	849	42
Office/Instit (1,000 SF)	6,084	6,139	6,193	6,248	6,303	6,359	6,416	6,473	6,530	6,588	6,648	6,948	7,262	1,178	59
Industrial/Flex (1,000 SF)	5,316	5,370	5,424	5,478	5,532	5,588	5,643	5,700	5,757	5,815	5,873	6,172	6,487	1,171	59
<b>TOTAL</b>	<b>15,595</b>	<b>15,742</b>	<b>15,890</b>	<b>16,038</b>	<b>16,188</b>	<b>16,339</b>	<b>16,493</b>	<b>16,648</b>	<b>16,802</b>	<b>16,960</b>	<b>17,119</b>	<b>17,936</b>	<b>18,793</b>	<b>3,198</b>	<b>160</b>
<b>Nonresidential Trips</b>															
Commercial (1,000 SF)	59,112	59,661	60,211	60,767	61,331	61,895	62,472	63,043	63,621	64,213	64,805	67,862	71,068	11,956	598
Office/Instit (1,000 SF)	33,553	33,854	34,155	34,458	34,764	35,070	35,385	35,700	36,013	36,333	36,661	38,318	40,052	6,499	325
Industrial/Flex (1,000 SF)	10,154	10,256	10,360	10,463	10,567	10,672	10,779	10,887	10,996	11,106	11,217	11,788	12,390	2,236	112
<b>TOTAL Nonresidential Trips</b>	<b>102,819</b>	<b>103,771</b>	<b>104,726</b>	<b>105,688</b>	<b>106,662</b>	<b>107,637</b>	<b>108,636</b>	<b>109,630</b>	<b>110,630</b>	<b>111,652</b>	<b>112,683</b>	<b>117,968</b>	<b>123,510</b>	<b>20,691</b>	<b>1,035</b>
													<b>2013-2033</b>		
<b>ANNUAL INCREASES (City Limits)</b>													<b>Avg Annual</b>		
Peak Population	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	27-28	32-33	786	
Housing Units		176	177	178	179	180	181	182	184	185	186	192	198	187	
Jobs		353	356	359	362	366	369	374	375	380	383	401	420	386	
Nonres Floor Area (1,000 SF)		147	148	148	150	151	154	155	154	158	160	165	175	160	

Source: City of Flagstaff; TischlerBise

