



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**SPECIAL MEETING
TUESDAY, JULY 17, 2018
6:00 P.M.**

**Council Chambers
202 N. State Route 89
Chino Valley, Arizona**

AGENDA

- 1) **CALL TO ORDER; ROLL CALL**
- 2) **ACTION ITEMS**
 - a) Public Hearing and consideration and possible action to adopt Resolution No. 18-1126 adopting a Final Budget for Fiscal Year 2018/2019, and proposed expenditure limitation for the same year, in the amount of \$ 24,525,200. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 18-1126 adopting a Final Budget and proposed expenditure limitation for Fiscal Year 2018/2019 in the amount of \$24,525,200.
 - b) Public Hearing and consideration and possible action to adopt Resolution No. 18-1125, adopting the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2018/2019, which shall constitute the budgets of the Districts for Fiscal Year 2018/2019. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 18-1125, approving the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2018/2019, which shall constitute the budgets of the Districts for Fiscal Year 2018/2019.
- 3) **STUDY SESSION ITEMS**
 - a) Presentation and discussion regarding the 2017 Road 2 North Traffic Impact Study prepared by DOWL Engineering. (Frank Marbury, Public Works Director/Town Engineer)
 - b) Presentation and discussion regarding Brook Apartments, a 6.85 acre project generally located approximately 1,400 feet west of State Route 89 and 620 feet south of West Road 2 North at 740 West Road 1 North. The applicant is proposing to rezone the property from (MR-1) Multi-Family Residential-1 Acre Minimum to (MR-1) Multi-Family Residential-1 Acre Minimum with a Planned Area Development Overlay to increase the density and allow 192 units on site. (Jason Sanks, Development Services Director)

- c) Review and discussion regarding the draft 2018 Strategic Plan. (Cecilia Grittman, Town Manager)
- 4) EXECUTIVE SESSION
 - a) Council may vote to recess the Special Meeting to hold an executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding the acquisition of a portion of the Prescott water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Town's position and instruct the Town Attorney regarding the Town's position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Cecilia Grittman, Town Manager)
- 7) ADJOURNMENT

Dated this 12th day of July, 2018.

By: *Jami C. Lewis, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting.

Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at <http://www.chinoaz.net/agendacenter>, and in the Public Library and Town Clerk's Office.

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley South Campus, Chino Valley Post Office, and Chino Valley North Campus in accordance with the statement filed by the Town Council with the Town Clerk.

Date: _____ Time: _____ By: _____
Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Special Meeting

2)a)

Meeting Date: 07/17/2018
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Action
Estimated length of staff presentation: None
Physical location of item: N/A

Information

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 18-1126 adopting a Final Budget for Fiscal Year 2018/2019, and proposed expenditure limitation for the same year, in the amount of \$ 24,525,200. (Joe Duffy, Finance Director)

RECOMMENDED ACTION:

Adopt Resolution No. 18-1126 adopting a Final Budget and proposed expenditure limitation for fiscal year 2018/2019 in the amount of \$24,525,200.

SITUATION AND ANALYSIS:

On May 22, 2018 the Mayor and Council adopted Resolution No. 18-1126 adopting the Tentative Budget for the Fiscal Year 2018/2019, and setting the Expenditure Limitation at \$24,525,200. The Tentative Budget was posted on the Town's website.

The State Budget Forms were published two times in the Chino Valley Review.

A public hearing was held on June 26, 2018.

Staff recommends approving Resolution No. 18-1126 and adopting the Final Budget for Fiscal Year 2018/2019.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: All

Available:

Funding Source:

Adoption of this item establishes a final budget and the expenditure limitation for FY 2018-2019.

Attachments

RES 18-1126 Final Town Budget

RESOLUTION NO. 18-1126

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, YAVAPAI COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET FOR THE FISCAL YEAR 2018/2019; SETTING AN EXPENDITURE LIMITATION TO GOVERN THE TOWN OF CHINO VALLEY BUDGET FOR FISCAL YEAR 2018/2019; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE FROM AND AFTER ITS PASSAGE AND APPROVAL ACCORDING TO THE LAW.

WHEREAS, pursuant to the provisions of the laws of the State of Arizona, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") is required to adopt an annual budget for the Town of Chino Valley (the "Town"); and

WHEREAS, pursuant to Article 9, Section 20(9) of the Arizona Constitution, and Arizona Revised Statutes ("A.R.S.") Sections 41-563.03(C), (E) and (G), the qualified voters of the Town of Chino Valley, on August 30, 2016, approved Proposition 436, adopting an Alternative Expenditure Limitation for the Town; and

WHEREAS, Proposition 436 provided that, as part of the budget process and after a public hearing, the Town Council shall annually adopt an expenditure limitation to govern the budget; and

WHEREAS, in accordance with A.R.S. § 42-17102, the Town Manager prepared and filed with the Town Council the Town Manager's Budget estimates for the fiscal year beginning July 1, 2018 and ending June 30, 2019; and

WHEREAS, on May 22, 2018, the Town Council approved Resolution 18-1121, adopting (i) an expenditure limitation and (ii) the estimates of expenditures for the fiscal year beginning July 1, 2018, and ending June 30, 2019, as the tentative budget for the Town; and

WHEREAS, Resolution 18-1121 also directed the Town Manager or designee to: (i) publish in the official Town newspaper once per week for two consecutive weeks, (a) the official tentative budget and (b) a notice of the public hearing of the Town Council to hear taxpayers and make tax levies at designated times and places; and (ii) not later than seven business days following consideration of Resolution 18-1121 by the Town Council, (a) make available at the Chino Valley Public Library and the Chino Valley Town Hall a complete copy of the tentative budget, and (b) post the tentative budget on the Town's website; and

WHEREAS, due notice has been given by the Town Clerk as required by law that the Town Council would meet on June 26, 2018, at the Town Council Chambers for the purposes of (i) hearing taxpayers on the proposed expenditures and proposed tax levies as set forth in said estimates and (ii) adopting the tentative budget as final; and

WHEREAS, on June 26, 2018, the Town Council held a public hearing on the final budget and proposed tax levy as required by law; and

WHEREAS, the expenditures/expenses in the proposed final budget for Fiscal Year 2018/2019 do not exceed the expenditures/expenses shown on the published tentative budget.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The expenditure limitation to govern the Town of Chino Valley budget for Fiscal Year 2018/2019 is hereby approved in an amount not to exceed \$24,525,200.

SECTION 3. The estimates of revenues and expenditures shown in the schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby formally adopted as the official final budget for the Town for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

SECTION 4. This Resolution shall be effective from and after its passage and approval according to law.

SECTION 5. If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 17th day of July, 2018.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 18-1126 was duly passed by the Council of the Town of Chino Valley, Arizona, at a special meeting held on July 17, 2018, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 18-1126

[Schedule of Estimated Revenues and Expenditures]

See following pages

OFFICIAL BUDGET FORMS

Town of Chino Valley

Fiscal Year 2019

Town of Chino Valley
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Fiscal Year 2019

Resolution for the Adoption of the Budget

Schedule A—Summary Schedule of Estimated Revenues and Expenditures/Expenses

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Schedule D—Other Financing Sources/Uses and Interfund Transfers

Schedule E—Expenditures/Expenses by Fund

Schedule F—Expenditures/Expenses by Department (as applicable)

Schedule G—Full-Time Employees and Personnel Compensation

Town of Chino Valley
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2019

Fiscal Year	S c h	FUNDS							
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds
2018 Adopted/Adjusted Budgeted Expenditures/Expenses*	E	9,129,900	4,692,400	698,000	3,606,500	0	4,973,200	0	23,100,000
2018 Actual Expenditures/Expenses**	E	8,864,600	4,038,600	698,000	1,318,600	0	2,301,300	0	17,221,100
2019 Fund Balance/Net Position at July 1***		5,386,549	755,912	457,014	1,362,236		11,702,774		19,664,485
2019 Primary Property Tax Levy	B	0							0
2019 Secondary Property Tax Levy	B								0
2019 Estimated Revenues Other than Property Taxes	C	9,122,000	4,801,400	0	4,065,000		5,279,000		23,267,400
2019 Other Financing Sources	D	0	0	0	0	0	0	0	0
2019 Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2019 Interfund Transfers In	D	400,000	75,000	849,000	0	0	0	0	1,324,000
2019 Interfund Transfers (Out)	D	75,000	0	0	1,249,000	0	0	0	1,324,000
2019 Reduction for Amounts Not Available:									
LESS: Amounts for Future Debt Retirement:									0
									0
									0
									0
2019 Total Financial Resources Available		14,833,549	5,632,312	1,306,014	4,178,236		16,981,774	0	42,931,885
2019 Budgeted Expenditures/Expenses	E	10,146,800	5,245,200	849,100	2,949,000	0	5,335,100	0	24,525,200

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC expenditure limitation

2018	2019
\$ 23,100,000	\$ 24,525,200
23,100,000	24,525,200
\$ 23,100,000	\$ 24,525,200
\$	\$

☒ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

- * Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.
- ** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
- *** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Town of Chino Valley
Tax Levy and Tax Rate Information
Fiscal Year 2019

	2018	2019
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u> </u>	\$ <u> </u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ <u> </u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u> </u>	\$ <u> </u>
B. Secondary property taxes	<u> </u>	<u> </u>
C. Total property tax levy amounts	\$ <u> </u>	\$ <u> </u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u> </u>	
(2) Prior years' levies	<u> </u>	
(3) Total primary property taxes	\$ <u> </u>	
B. Secondary property taxes		
(1) Current year's levy	\$ <u> </u>	
(2) Prior years' levies	<u> </u>	
(3) Total secondary property taxes	\$ <u> </u>	
C. Total property taxes collected	\$ <u> </u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u> </u>	<u> </u>
(2) Secondary property tax rate	<u> </u>	<u> </u>
(3) Total city/town tax rate	<u> </u>	<u> </u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>3</u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**Town of Chino Valley
Revenues Other Than Property Taxes
Fiscal Year 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
GENERAL FUND			
Local taxes			
Sales Taxes	\$ 4,280,000	\$ 4,718,425	4,611,000
Franchise Taxes	123,000	120,422	121,500
Licenses and permits			
Building Permits	225,000	409,882	350,000
Business Licenses	58,000	60,196	60,000
Plan Check Fees	110,000	198,215	150,000
Other Licenses and Permits	14,000	19,648	19,000
Intergovernmental			
State Shared Sales Tax	1,058,000	1,063,037	1,117,000
State Shared Income Tax	1,398,000	1,393,416	1,381,000
Vehicle License Tax	727,500	785,805	784,000
Yavapai County Library Funds	110,000	101,087	102,000
Police Dept Grants	7,500	6,315	7,500
Senior Nutrition Grant	52,000	75,000	75,000
Charges for services			
Engineering Fees	5,000	5,983	5,000
Senior Nutrition Program Fees	16,500	6,423	17,000
Facility Use Fees	23,000	20,177	20,000
Police Report Fees	3,000	3,940	3,500
Aquatic Center Fees	74,000	70,565	73,500
Other Charges for Services	2,500	10,264	10,000
Fines and forfeits			
Animal Control Fees	30,000	29,668	30,000
Library Fines	3,000	3,237	3,500
Court Fines and Forfeitures	128,000	146,857	150,000
Interest on investments			
Interest	10,000	33,884	30,000
Contributions			
Sponsorships	1,000		
Senior Center Thrift Store	1,500	657	1,500
Miscellaneous			
Other Revenues	4,500	20,780	
Total General Fund	\$ 8,465,000	\$ 9,303,883	\$ 9,122,000

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Town of Chino Valley
Revenues Other Than Property Taxes
Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway User Revenue	\$ 920,000	\$ 917,351	899,000
Interest	1,500	4,196	1,500
Miscellaneous	1,500	124,538	2,000
	\$ 923,000	\$ 1,046,085	\$ 902,500
CDBG Grants	\$	\$	\$ 325,000
			\$ 325,000
Miscellaneous Grants	\$ 3,500,000	\$ 3,500,000	3,500,000
	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000
Special Revenue Fund-Court	\$ 14,500	\$ 37,640	14,900
Special Revenue Fund-PD	55,000	34,089	55,000
Lighting Improvement Districts #1, #2, #3	4,000	4,000	4,000
	\$ 73,500	\$ 75,729	\$ 73,900
Total Special Revenue Funds	\$ 4,496,500	\$ 4,621,814	\$ 4,801,400
CAPITAL PROJECTS FUNDS			
Impact Fee Funds	\$	\$	
Capital Improvements Fund	4,621,900	2,465,716	4,004,000
Replacement Fund	11,000	7,379	61,000
	\$ 4,632,900	\$ 2,473,095	\$ 4,065,000
Total Capital Projects Funds	\$ 4,632,900	\$ 2,473,095	\$ 4,065,000
ENTERPRISE FUNDS			
Water Enterprise Fund	\$ 2,665,600	\$ 572,835	2,886,000
Sewer Enterprise Fund	2,365,000	2,214,951	2,393,000
	\$ 5,030,600	\$ 2,787,786	\$ 5,279,000
Total Enterprise Funds	\$ 5,030,600	\$ 2,787,786	\$ 5,279,000
TOTAL ALL FUNDS	\$ 22,625,000	\$ 19,186,578	\$ 23,267,400

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Town of Chino Valley
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2019

FUND	OTHER FINANCING 2019		INTERFUND TRANSFERS 2019	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Capital Improvement Fund	\$	\$	\$ 400,000	\$
General Fund				75,000
Total General Fund	\$	\$	\$ 400,000	\$ 75,000
SPECIAL REVENUE FUNDS				
HURF Fund			75,000	
Total Special Revenue Funds	\$	\$	\$ 75,000	\$
DEBT SERVICE FUNDS				
Capital Improvement Fund	\$	\$	\$ 849,000	\$
Total Debt Service Funds	\$	\$	\$ 849,000	\$
CAPITAL PROJECTS FUNDS				
Capital Improvement Fund	\$	\$	\$	1,249,000
Road Impact Fee Fund				
Total Capital Projects Funds	\$	\$	\$	1,249,000
ENTERPRISE FUNDS				
Water Enterprise	\$	\$	\$	\$
Total Enterprise Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$	\$	\$ 1,324,000	\$ 1,324,000

**Town of Chino Valley
Expenditures/Expenses by Fund
Fiscal Year 2019**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
GENERAL FUND				
Prosecutor	\$ 116,100	\$	\$ 116,800	\$ 119,800
Town Clerk	193,800		178,800	247,600
Town Manager	313,000		289,600	383,500
Human Resources	233,000		221,600	252,200
Magistrate Court	279,400		270,700	275,900
Finance	356,200		353,400	372,600
Mgmt Info Systems	285,400		239,800	275,900
Mayor & Council	40,700		34,700	50,200
Planning	208,500		192,200	207,200
Building Inspection	186,700		181,100	193,600
Police	3,174,200		3,165,400	3,423,000
Animal Control	129,100		117,600	124,800
Recreation	112,700		112,700	132,900
Library	329,700		336,000	350,700
Senior Center	317,400		310,500	303,300
Parks	430,300		426,200	491,600
Aquatic Center	215,800		237,300	235,700
Facilities Maintenance	422,100		410,400	508,500
Fleet Maintenance	279,200		241,400	279,100
Engineering	216,500		325,200	373,300
Customer Service	237,600		189,700	295,400
Non-Departmental	612,500		513,500	775,000
Contingency	440,000		400,000	475,000
Total General Fund	\$ 9,129,900	\$	\$ 8,864,600	\$ 10,146,800
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund	\$ 1,094,900	\$	\$ 973,900	\$ 1,322,700
CDBG Grant				325,000
Miscellaneous Grants Fund	3,500,000		3,000,000	3,500,000
Special Revenue Fund -- Court	38,500		5,700	38,500
Special Revenue Fund -- PD	55,000		55,000	55,000
Lighting Improvement Districts	4,000		4,000	4,000
Total Special Revenue Funds	\$ 4,692,400	\$	\$ 4,038,600	\$ 5,245,200
DEBT SERVICE FUNDS				
Debt Service Fund	\$ 698,000	\$	\$ 698,000	\$ 849,100
Total Debt Service Funds	\$ 698,000	\$	\$ 698,000	\$ 849,100
CAPITAL PROJECTS FUNDS				
Capital Improvements Fund	\$ 3,496,500	\$	\$ 1,282,900	\$ 2,889,000
Impact Fees Funds			25,700	
Asset Replacement Fund	110,000		10,000	60,000
Total Capital Projects Funds	\$ 3,606,500	\$	\$ 1,318,600	\$ 2,949,000
ENTERPRISE FUNDS				
Water Enterprise Fund	\$ 2,633,000	\$	\$ 563,600	\$ 2,897,400
Sewer Enterprise Fund	2,340,200		1,737,700	2,437,700
Total Enterprise Funds	\$ 4,973,200	\$	\$ 2,301,300	\$ 5,335,100
TOTAL ALL FUNDS	\$ 23,100,000	\$	\$ 17,221,100	\$ 24,525,200

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2019**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
Prosecutor				
General Fund	\$ 116,100	\$	\$ 113,317	\$ 116,100
Department Total	\$ 116,100	\$	\$ 113,317	\$ 116,100
Town Clerk				
General Fund	\$ 193,800	\$	\$ 189,350	\$ 193,800
Department Total	\$ 193,800	\$	\$ 189,350	\$ 193,800
Town Manager				
General Fund	\$ 313,000	\$	\$ 377,150	\$ 313,000
Department Total	\$ 313,000	\$	\$ 377,150	\$ 313,000
Human Resources				
General Fund	\$ 233,000	\$	\$ 212,000	\$ 233,000
Department Total	\$ 233,000	\$	\$ 212,000	\$ 233,000
Municipal Court				
General Fund	279,400		263,500	279,400
Special Revenue Fund	\$ 38,500	\$	\$ 9,700	\$ 38,500
Department Total	\$ 317,900	\$	\$ 273,200	\$ 317,900
Finance				
General Fund	\$ 356,200	\$	\$ 342,250	\$ 356,200
Department Total	\$ 356,200	\$	\$ 342,250	\$ 356,200
Mgmt Info Systems				
General Fund	\$ 285,400	\$	\$ 290,150	\$ 285,400
Department Total	\$ 285,400	\$	\$ 290,150	\$ 285,400
Mayor and Council				
General Fund	\$ 40,700		35,300	40,700
Department Total	\$ 40,700	\$	\$ 35,300	\$ 40,700
Planning				
General Fund	\$ 208,500	\$	\$ 177,400	\$ 208,500
Department Total	\$ 208,500	\$	\$ 177,400	\$ 208,500
Building Inspection				
General Fund	\$ 186,700		236,640	186,700
Department Total	\$ 186,700	\$	\$ 236,640	\$ 186,700
Police				
General Fund	3,174,200		2,724,800	3,174,200
Impact Fee Fund	\$	\$	\$	\$
Special Revenue Fund	55,000		55,000	55,000
Department Total	\$ 3,229,200	\$	\$ 2,779,800	\$ 3,229,200
Animal Control				
General Fund	\$ 129,100		112,000	129,100
Department Total	\$ 129,100	\$	\$ 112,000	\$ 129,100
Recreation				
General Fund	\$ 112,700	\$	\$ 86,536	\$ 112,700
Impact Fee Fund				
Department Total	\$ 112,700	\$	\$ 86,536	\$ 112,700

**Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2019**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
Library				
General Fund	\$ 329,700	\$	\$ 308,250	\$ 329,700
Department Total	\$ 329,700	\$	\$ 308,250	\$ 329,700
Senior Center				
General Fund	\$ 317,400	\$	\$ 265,300	\$ 317,400
Department Total	\$ 317,400	\$	\$ 265,300	\$ 317,400
Parks Maintenance				
General Fund	\$ 430,300	\$	\$ 401,448	\$ 430,300
Department Total	\$ 430,300	\$	\$ 401,448	\$ 430,300
Aquatics Center				
General Fund	\$ 215,800	\$	\$ 257,779	\$ 215,800
Department Total	\$ 215,800	\$	\$ 257,779	\$ 215,800
Facilities Maintenance				
General Fund	\$ 422,100	\$	\$ 356,198	\$ 422,100
Department Total	\$ 422,100	\$	\$ 356,198	\$ 422,100
Fleet Maintenance				
General Fund	\$ 279,200	\$	\$ 251,274	\$ 279,200
Department Total	\$ 279,200	\$	\$ 251,274	\$ 279,200
Engineering				
General Fund	\$ 216,500	\$	\$ 75,750	\$ 216,500
Department Total	\$ 216,500	\$	\$ 75,750	\$ 216,500
Customer Service				
General Fund	\$ 237,600	\$	\$ 101,000	\$ 237,600
Department Total	\$ 237,600	\$	\$ 101,000	\$ 237,600
Non-Departmental				
General Fund	\$ 1,127,500	\$	\$ 900,691	\$ 1,127,500
Debt Service Fund	698,000		398,695	698,000
Capital Improvement Fund	4,619,500		362,000	4,619,500
Grant Fund	3,500,000		3,500,000	3,500,000
Impact Fee Fund	498,000		50,226	498,000
Asset Replacement Fund	110,000		47,500	110,000
Department Total	\$ 10,553,000	\$	\$ 5,259,112	\$ 10,553,000
Water Utilities				
Water Enterprise Fund	\$ 2,633,000	\$	\$ 548,415	\$ 2,633,000
Department Total	\$ 2,633,000	\$	\$ 548,415	\$ 2,633,000
Sewer Utilities				
Sewer Enterprise Fund	\$ 2,340,200	\$	\$ 3,265,595	\$ 2,340,200
Department Total	\$ 2,340,200	\$	\$ 3,265,595	\$ 2,340,200
Roads				
HURF	\$ 1,094,900	\$	\$ 866,100	\$ 1,094,900
Department Total	\$ 1,094,900	\$	\$ 866,100	\$ 1,094,900
Street Lighting Improvement District				
SLID Fund	\$ 4,000	\$	\$ 4,000	\$ 4,000
Department Total	\$ 4,000	\$	\$ 4,000	\$ 4,000
TOTAL ALL DEPARTMENTS	\$ 24,796,000	\$	\$ 17,185,314	\$ 24,796,000

Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Town of Chino Valley
Full-Time Employees and Personnel Compensation
Fiscal Year 2019

FUND	Full-Time Equivalent (FTE) 2019	Employee Salaries and Hourly Costs 2019	Retirement Costs 2019	Healthcare Costs 2019	Other Benefit Costs 2019	Total Estimated Personnel Compensation 2019
GENERAL FUND	82.5	\$ 4,423,229	\$ 821,639	\$ 713,919	\$ 424,939	= 6,383,726
SPECIAL REVENUE FUNDS						
Highway User Revenue	7.0	\$ 286,854	\$ 32,529	\$ 53,735	\$ 49,267	= 422,385
Total Special Revenue Funds	7.0	\$ 286,854	\$ 32,529	\$ 53,735	\$ 49,267	= 422,385
ENTERPRISE FUNDS						
Water Enterprise Fund	2.5	\$ 130,448	\$ 14,793	\$ 22,514	\$ 14,352	= 182,107
Sewer Enterprise Fund	3.5	\$ 186,578	\$ 21,158	\$ 31,193	\$ 20,492	= 259,421
Total Enterprise Funds	6.0	\$ 317,026	\$ 35,951	\$ 53,707	\$ 34,844	= 441,528
TOTAL ALL FUNDS	95.5	\$ 5,027,109	\$ 890,119	\$ 821,361	\$ 509,050	= 7,247,639



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Special Meeting

2)b)

Meeting Date: 07/17/2018
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Action
Estimated length of staff presentation: None
Physical location of item: Bright Star Subdivision

Information

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 18-1125, adopting the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2018/2019, which shall constitute the budgets of the Districts for fiscal year 2018/2019. (Joe Duffy, Finance Director)

RECOMMENDED ACTION:

Adopt Resolution No. 18-1125, approving the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2018/2019, which shall constitute the budgets of the Districts for fiscal year 2018/2019.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code:

Available:

Funding Source:

Approval will create a levy to pay for street lighting within the CVSLID street lighting districts. The districts are accounted for in a separate fund by the Town.

Attachments

RES 18-1125 - Final SLID Budget

RESOLUTION NO. 18-1125

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA ADOPTING THE STATEMENT OF ESTIMATES AND EXPENSES OF THE TOWN OF CHINO VALLEY STREET LIGHTING IMPROVEMENT DISTRICTS, WHICH SHALL CONSTITUTE THE FINAL BUDGETS OF THE DISTRICTS FOR FISCAL YEAR 2018/2019, PURSUANT TO ARIZONA REVISED STATUTES SECTIONS 48-616 AND 42-17101 ET SEQ., AS AMENDED.

WHEREAS, the provisions of Arizona Revised Statutes ("A.R.S.") Section 48-616 requires the Mayor and Council of the Town of Chino Valley (the "Town Council") to levy taxes upon all property in a municipal street lighting improvement district to pay the annual expenses of said district; and

WHEREAS, in accordance with A.R.S. § 42-17102, the Town Manager prepared and filed with the Town Council the budget estimates for the fiscal year beginning July 1, 2018 and ending June 30, 2019 for the following: (i) Chino Valley, Arizona, CVSLID #1 Lighting Improvement District; (ii) Chino Valley, Arizona, CVSLID #2 Lighting Improvement District; and (iii) Chino Valley, Arizona, CVSLID #3 Lighting Improvement District (collectively, the "Lighting Districts"); and

WHEREAS, on May 22, 2018, the Town Council approved Resolution 18-1122, adopting the estimates of expenditures for the fiscal year beginning July 1, 2018, and ending June 30, 2019, as the tentative budgets for the Lighting Districts; and

WHEREAS, Resolution 18-1122 also directed the Town Manager or designee to: (i) publish in the official Town newspaper once per week for two consecutive weeks, (a) the official tentative budgets for the Lighting Districts and (b) a notice of the public hearing of the Town Council to hear taxpayers and make tax levies at designated times and places; and (ii) not later than seven business days following consideration of Resolution 18-1122 by the Town Council, (a) make available at the Chino Valley Public Library and the Chino Valley Town Hall a complete copy of the tentative budgets for the Lighting Districts, and (b) post the tentative budgets for the Lighting Districts on the Town's website; and

WHEREAS, due notice has been given by the Town Clerk as required by law that the Town Council would meet on June 26, 2018, at the Town Council Chambers for the purposes of (i) hearing taxpayers on the proposed expenditures and proposed tax levies as set forth in said estimates and (ii) adopting the tentative budgets as final; and

WHEREAS, on June 26, 2018, the Town Council held a public hearing on the final budgets and proposed tax levies as required by law; and

WHEREAS, the expenditures/expenses in the proposed final budget for the Lighting Districts for Fiscal Year 2018/2019 do not exceed the expenditures/expenses shown on the published tentative budgets.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Statement of Estimates and Expenses shown in the schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby formally adopted as the official final budgets for the Lighting Districts for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

SECTION 3. This Resolution shall be effective from and after its passage and approval according to law.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 17th day of July, 2018.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 18-1126 was duly passed by the Council of the Town of Chino Valley, Arizona, at a special meeting held on July 17, 2018, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 18-1125
[Statement of Estimates and Expenses]

See following page.

Exhibit A**TOWN OF CHINO VALLEY, ARIZONA****STREET LIGHTING IMPROVEMENT DISTRICTS****Schedule of Estimated Assessments - Fiscal Year 2017/2018**

			A	B	C	D	E
Co. Dist. No.	Town ID No.	Town ID Name	2016/2017 Estimated Actual Expenses	2016/2017 Levy Request	2016/2017 Difference on Expenses vs. Levy	2017/2018 Projected Expenses	2017/2018 Levy Request
13004	CVSLID 1	Chino Valley, Arizona, CVSLID #1 Lighting Improvement District	\$ 1,950	\$ 2,000	\$ 50	\$ 2,000	\$ 2,000
13005	CVSLID 2	Chino Valley, Arizona, CVSLID #2 Lighting Improvement District	\$ 1,000	\$ 1,000	\$ -	\$ 1,000	\$ 1,000
13006	CVSLID 3A	Chino Valley, Arizona, CVSLID #3A Lighting Improvement District	\$ 910	\$ 1,000	\$ 90	\$ 1,000	\$ 1,000

Exhibit A**TOWN OF CHINO VALLEY, ARIZONA****STREET LIGHTING IMPROVEMENT DISTRICTS****Schedule of Estimated Assessments - Fiscal Year 2017/2018**

			A	B	C	D	E
Co. Dist. No.	Town ID No.	Town ID Name	2016/2017 Estimated Actual Expenses	2016/2017 Levy Request	2016/2017 Difference on Expenses vs. Levy	2017/2018 Projected Expenses	2017/2018 Levy Request
13004	CVSLID 1	Chino Valley, Arizona, CVSLID #1 Lighting Improvement District	\$ 1,950	\$ 2,000	\$ 50	\$ 2,000	\$ 2,000
13005	CVSLID 2	Chino Valley, Arizona, CVSLID #2 Lighting Improvement District	\$ 1,000	\$ 1,000	\$ -	\$ 1,000	\$ 1,000
13006	CVSLID 3A	Chino Valley, Arizona, CVSLID #3A Lighting Improvement District	\$ 910	\$ 1,000	\$ 90	\$ 1,000	\$ 1,000



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Special Meeting

3)a)

Meeting Date: 07/17/2018
Contact Person: Frank Marbury, Public Works Director/Town Engineer
 Phone: 928-636-7140 x-1226
Department: Public Works
Estimated length of Staff Presentation: 40 minutes

Physical location of item: N/A

Information

AGENDA ITEM TITLE:

Presentation and discussion regarding the 2017 Road 2 North Traffic Impact Study prepared by DOWL Engineering. (Frank Marbury, Public Works Director/Town Engineer)

SITUATION & ANALYSIS:

DOWL Engineering revised the 2017 Traffic Impact Study of Road 2 North to include potential impacts of Brook Apartments as well as all other known potential developments on Road 2 North from Road 1 East to Road 1 West. The presentation will describe the study and show the recommendations of the study. Recommendations for the Road 2 North ultimate roadway section include a two way left turn lane, bicycle lanes, and sidewalks. Intersection improvements at Highway 89 include signal timing changes as traffic patterns change and the eventual addition of an eastbound to southbound dedicated right turn lane. Other recommendations include maximizing clear zones and turn radii and minimizing sight restrictions.

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Special Meeting

3)b)

Meeting Date: 07/17/2018
Contact Person: Jason Sanks, Development Services Director
 Phone: 928-636-2646 x-1217
Department: Development Services
Estimated length of Staff Presentation: 10 minutes

Physical location of item: Generally located approximately 1,400 feet west of State Route 89 and 620 feet south of West Road 2 North at 740 West Road 1 East

Information

AGENDA ITEM TITLE:

Presentation and discussion regarding Brook Apartments, a 6.85 acre project generally located approximately 1,400 feet west of State Route 89 and 620 feet south of West Road 2 North at 740 West Road 1 North. The applicant is proposing to rezone the property from (MR-1) Multi-Family Residential-1 Acre Minimum to (MR-1) Multi-Family Residential-1 Acre Minimum with a Planned Area Development Overlay to increase the density and allow 192 units on site. (Jason Sanks, Development Services Director)

SITUATION & ANALYSIS:

See attached Memo and Draft Development Agreement.

Attachments

Brook Apartments Study Session Memo
 Brook Apartments Development Agreement (Draft)



MEMORANDUM

To: Town Council
 From: Jason Sanks, Development Services Director
 Re: Brook Apartments
 Date: July 10, 2018

In advance of the scheduled July 24th, 2018 Town Council meeting, Staff wanted to provide the Council with some general information regarding the proposed Development Agreement for the Brook Apartment project as well as a summary of the project's citizens review and public hearing process to date. Due to the unique nature of the property's location, Staff and Legal Counsel have determined that the list of off-site improvements that would be necessary to serve and mitigate impacts of the project would be best represented through a Development Agreement rather than just the zoning ordinance.

The 6.85 acre parcel is generally located approximately 1,400 feet west of State Route 89 and 620 feet south of West Road 2 North at 740 West Road 1 North. Access to the site is via Hawksnest Trail, which extends southerly from West Road 2 North and terminates at the north boundary of the subject property. Hawksnest Trail was dedicated to the Town of Chino Valley in November of 2007 as part of the plat approval for Heritage Place subdivision, immediately north of the subject property. The applicant, Tim Emberlin, has completed its pre-application meetings with Staff (Feasibility Review meeting on July 24, 2017 and Technical Review Meeting on February 14, 2018).

The applicant is intending to rezone the property from (MR-1) Multi-Family Residential- 1 Acre Minimum to (MR-1 PAD) Multi-Family Residential Planned Area Development Overlay. The site is currently vacant with no existing structures. The proposed MR-1 PAD zoning will allow the applicant to develop the site into a multi-family units consisting of 192 units in four (4) three (3) story structures. Part of the subject property is located in the Major Community Core/ Downtown Core and the rest of the property is located in the Commercial/ Multi-Family Residential Land Use designation under the Chino Valley General Plan Potential Land Use Map.

With a proposal of 192 units in four (4) structures, each three (3) stories in height, the development will be considered the tallest and the largest multi-family residential development in Chino Valley. Each building will contain 48- one- and two-bedroom units in three floors (16 units per floor), with a footprint of approximately 14,100 square feet.

Lot Coverage and Floor Area						
Building	Ground Floor Sq. Ft.	Second Floor Sq. Ft.	Third Floor Sq. Ft.	Total Square Footage	Lot Coverage	Floor Area Ratio
1	14,100	14,100	14,100	42,300	4.7%	14%
2	14,100	14,100	14,100	42,300	4.7%	14%
3	14,100	14,100	14,100	42,300	4.7%	14%
4	14,100	14,100	14,100	42,300	4.7%	14%
TOTAL	56,400	56,400	56,400	169,200	18.9%	57%

Initially, the project was requesting relief from three (3) standards of the (UDO) Unified Development Ordinance: density, parking requirements, and setbacks. Since that time, the



MEMORANDUM

applicant has rearranged the site plan and have resolved the issues of parking and setbacks. At this time project requests relief from one standard only: density. Unlike the initially submitted proposal, this version meets all parking, setback, buffer yard, landscaping, outdoor lighting, height, and signage requirements.

Density

In respect to density, the project is proposing 28 dwelling units per acre or one (1) unit per 1,400 square feet of area; the UDO currently allows for only 14.5 units per acre, or one (1) unit per 3,000 square feet. The applicant believes that although it may seem counterintuitive, concentrating density in this manner will actually benefit Chino Valley, as less land area will be used to accommodate the same number of households. The applicants contends the project will also provide much needed housing options that do not currently exist in Chino Valley, particularly in regards to market rate, all age-inclusive housing.

Citizen Review & Public Hearing Process

March 8, 2018

- Town Staff notified property owners within a 300' radius, resulting in twenty-two (22) letters to surrounding property owners. To date, staff have received several email raising concerns and in opposition of the project.
- During the past few months, several property owners have spoken to staff regarding the project and have requested copies of the site plan and supporting documents.

March 20, 2018

- The item went before the Planning and Zoning Commission as a study session item. The Commission was introduced to the item and received an overview of the project.

March 26, 2018

- A neighborhood meeting was conducted at Town Hall. Overall the neighbors who attended the meeting were in opposition to the density of the project. They also stated the project lacked outside amenities and that more buffering was needed along the property lines between the development and the surrounding neighbors.

June 5, 2018

- The item went before the Planning and Zoning Commission as a discussion item. Staff indicated that they reviewed the site plan including street development, building locations, open space, setbacks, parking, signage, chain-link fencing, wall and vegetative landscape buffering and exterior and interior amenities. The applicant provided additional amenities that had been requested but were not discussed at previous meetings.
- During public comment, most of the surrounding property owners had similar comments towards the project. Their main concerns were density, apartment residents' animals, and impact to neighboring property values.



MEMORANDUM

- Property owners adjacent to the subject property spoke of the necessity to locate a block wall along the projects and adjacent neighbors.
- Planning & Zoning Commission unanimously voted for a continuation of the item for consideration and possible action to the regular July 3, 2018 Planning and Zoning Commission Meeting. The Commission also requested that during the re-notification process Staff notify those within 1,000 feet of the project.

June 14, 2018

- Letters of notification were sent out to all property owners within 1,000 foot radius including all property owners in Chino Grove Subdivision.

July 3, 2018

- The item went before the Planning and Zoning Commission as an action item. Staff did a brief refresher presentation with a couple of updates regarding citizen input. During the presentation, Staff emphasized that the project would need to substantially conform to all exhibits provided by the applicant.
- Staff stated that they would not support the project unless the items stated in the conditions of approval were provided by the developer as offsite improvements to mitigate impacts of this project and safely move vehicles and pedestrians in and out of this project north to the commercial shopping center.
- During the applicant's presentation, they went into detail about the perimeter landscaping and how the evergreen trees and masonry wall would serve as screening and buffering for adjacent properties. The applicant explained that with the proposed layout of the buildings and perimeter landscaping, the evergreens would serve as a visual buffer from the residences to the south specifically related to their line of sight of the proposed buildings.
- During the public portion of the meeting, a resident stated that one cannot put high density residential next to rural homes. He further stated that as a thirty-two year veteran of law enforcement in a small community just like Chino Valley, he experienced something similar happen with high density allowing all types of income and experiencing a high rate of crime go up.
- Many of the residents who spoke stated that these types of projects are designed for more dense areas like Phoenix, Prescott or even Prescott Valley. They stated that they like their rural lifestyle and that these types of dense project would just allow others similar projects to come into Town.
- Based on the public comments, the property owner clarified that the project was not a low income housing or HUD (Housing and Urban Development) project but that it was clearly an affordable housing project to meet the need of work force housing. He pulled up local



MEMORANDUM

statistics and noted the concentration of the crime is not related to multi-family residential in the community.

- The Commission commented that the project does not meet the criterion of “avoiding proximity to incompatible land uses,” mentioned as a target strategy in the General Plan. They mentioned the project is at the edge of the Community Core and should serve as a transition area and not a maximum density project.
- Planning and Zoning Commission forwarded a recommendation of denial to Town Council for a request to rezone 6.85 acres of real property from MR-1 (Multi Family Residential 1 acre minimum) zoning district to MR-1 (Multi Family Residential 1 acre minimum) zoning district with a Planned Area Development Overlay district with its associated development plan. **(7-0 Vote for Denial)**

**DEVELOPMENT AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND**

THIS DEVELOPMENT AGREEMENT (this “Agreement”) is made _____, 2018 (the “Effective Date”), by and between the Town of Chino Valley, an Arizona municipal corporation (“Town”) and _____, an _____ (“Owner”).

RECITALS

A. Owner desires to develop an approximate 6.85 acre parcel as an apartment complex (“Project”) in the Town, including all related on-site and off-site infrastructure, on real property generally located approximately 1,400 feet west of State Route 89 and 620 feet south of West Road 2 North at 740 West Road 1 North, which property is described and depicted on Exhibit A, attached hereto and incorporated herein by reference (the “Property”).

B. In order to develop the Project as desired by Owner, the Property must be rezoned from MR-1 (Multiple Family Residential-1 acre minimum) to MR-1 PAD (Multiple Family Residential-1 acre minimum) zoning district with a Planned Area Development Overlay zoning district to modify the density development standard in the MR-1 Zoning district.

C. Town and Owner desire to set forth the conditions under which Owner may be permitted to develop the Project while mitigating the impacts created by the Project.

D. The Town desires that Owner develop the Project to (i) create new transient lodging tax collections in the Town, (ii) increase the value of the Property for property tax purposes, (iii) create new opportunities for employment in Chino Valley and (iv) enhance retail transaction (sales) tax collections in the Town.

E. The parties understand and acknowledge that this Agreement is a “Development Agreement” within the meaning of and entered into pursuant to the terms of ARIZ. REV. STAT. § 9-500.05, in order to facilitate development of the Property by providing for, among other things (i) conditions, terms restrictions and requirements for the Property, (ii) the permitted uses for the Property and (iii) other matters related to the development of the Property. The terms of this Agreement shall constitute covenants running with the Property as more fully described in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Town and Owner hereby agree as follows:

1. Owner Obligations for Off-Site Improvements. Owner shall install at its expense and in accordance with Town requirements, the off-site improvements set forth below.

1.1 Water and Sewer Lines. Owner shall design and construct, according to Town standards, water and sewer lines (“Required Utility Lines”) to serve the Property. The Required Utility Lines shall be oversized to serve future developments (“Oversizing”) in accordance with the requirements of the Town. The Required Utility Lines, including Oversizing, shall be located as follows: Beginning at their existing terminus in Road 2 North just west of Highway 89, extending west to the Hawksnest Trail alignment, then south into the Project. The Required Utility Lines shall be looped to service the Project and stubbed out in the southeast corner of the Property to serve future developments. Owner shall pay the cost of the design and construction of the Required Utility Lines, including the Oversizing. Town shall reimburse Owner for the incremental cost of the materials only used in the Oversizing in excess of the actual cost of materials used in the construction of the Required Utility Lines in compliance with Paragraph 3 of this Agreement.

1.2 Hawksnest Trail. The roadway through the Heritage Place commercial subdivision shall be constructed to connect the Project to Road 2 North and shall be constructed to Town collector street standards, including a 28’ roadway width, concrete curb and gutter, and concrete sidewalk on at least one side with associated ramps and other devices to comply with the Americans with Disabilities Act. No construction of these improvements shall commence until the Town Public Works Director approves the final design for the roadway and related improvements.

1.3 Drainage Improvements. Drainage improvements shall be constructed to allow all weather access and prevent depth of flow from floodwaters in the street to exceed 1 foot per Town standards.

1.4 Road 2 North. The ultimate street section for Road 2 North will be a three lane roadway with bike lanes and sidewalks. However, improvements for Road 2 North must be coordinated with the construction of the off-site improvements for the Hawksnest development, which is pending. Prior to the issuance of a certificate of occupancy for the first building in the Project, Owner shall construct a left turn lane for westbound Road 2 North traffic at Hawksnest Trail, subject to review and approval by the Town’s Public Works Director.

1.5 Sidewalks. There is no sidewalk connection from the intersection of the Hawksnest Trail and Road 2 North intersection to the existing sidewalk on the north side of Road 2 North west of Walgreens located at the northwest corner of Road 2 North and Highway 89. Future development along the north side (Hawksnest) will be required to extend the sidewalk along Road 2 North pursuant to the rezoning ordinance for the Hawksnest development. As an interim measure until Hawksnest develops, the developer shall provide a fine graded granite screenings or decomposed granite pathway of sufficient width (minimum 5’, possibly more), with no more than a 2% cross-slope, and utilizing an approved stabilizing agent such as Soil-Sement or equivalent to connect to the existing sidewalk to the east.

1.6 Crosswalk. The developer shall provide a pedestrian crossing at Road 2 north in the vicinity of the Hawksnest Trail intersection, with final design plans to be provided at the time of project construction, pursuant to Town requirements, subject to review and approval of the Town’s Public Works Director.

If to Owner:

With copy to:

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this Section. Notices shall be deemed received (i) when delivered to the party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

7. Verification of Employment Eligibility; E-Verify Program. Not later than 30 days after the Effective Date, Owner shall register with and participate in the employment verification program as jointly administered by the United States Department of Homeland Security and the Social Security Administration or any successors to such program (the "E-Verify Program"). Thereafter, Owner shall provide proof to the Town that Owner is registered with and is participating in the E-Verify Program, as set forth above. If the Town determines that Owner is not complying with the requirements of ARIZ. REV. STAT. § 23-214, the Town shall notify Owner by certified mail of the Town's determination of noncompliance and Owner's right to appeal such determination, which appeal process shall be determined by the Town in its sole discretion.

8. Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the Town or Owner of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

9. Attorneys' Fees. In the event either party finds it necessary to bring any action at law or other proceeding against the other party to enforce any of the terms, covenants or conditions hereof, or by reason of any breach or default hereunder, the party prevailing in such action or other proceeding shall be paid all reasonable costs and reasonable attorneys' fees by the other party and, in the event any judgment is secured by said prevailing party, all such costs and attorneys' fees shall be included therein, such fees to be set by the court and not by jury.

10. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such

counterparts and such signature pages all attached to a single instrument so that the signature of all parties may be physically attached to a single document.

11. Headings. The descriptive headings of the sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

12. Further Acts. Each of the parties hereto shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.

13. Time of the Essence. Time is of the essence in this Agreement.

14. Assignment. This Agreement may be assigned, in whole or in part, by Owner only upon the prior, written approval of the Town, as evidenced by the Town Manager's signature thereon, which approval may not be unreasonably withheld by the Town; provided, however, that Owner may assign this Agreement without the Town's consent, but with not less than 30 days prior, written notice to the Town, to (i) any parent, subsidiary or affiliate of Owner, (ii) any person or entity that acquires all or substantially all of the assets of Owner or (iii) any lender to Owner as collateral security for the obligations of Owner under any credit facility or financing arrangement with respect to the Project.

15. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

16. Amendment. No amendment or waiver of any provision in this Agreement will be binding (i) on the Town unless and until it has been approved by the Town Council and has become effective or (ii) on Owner unless and until it has been executed by an authorized representative.

17. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and a suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

18. Severability. Every provision of this Agreement is and will be construed to be a separate and independent covenant. If any provision in this Agreement or the application of the same is, to any extent, found to be invalid or unenforceable, the remainder of this Agreement or the application of that provision to circumstances other than those to which it is invalid or unenforceable will not be affected by that invalidity or unenforceability. Each provision in this Agreement will be valid and will be enforced to the extent permitted by law and the parties will negotiate in good faith for such amendments of this Agreement as may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

19. Covenant of Good Faith. In exercising their rights and in performing their obligations pursuant to this Agreement, the parties will cooperate with one another in good faith to ensure the intent of this Agreement can be attained.

20. Conflict of Interest. This Agreement may be cancelled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

21. Israel. Owner certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in a “boycott,” as that term is defined in ARIZ. REV. STAT. § 35-393, of Israel.

22. Computation of Time. In computing any period of time under this Agreement, the date of the act or event from which the designated period of time begins to run shall not be included. The last date of the period so completed shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. The time for performance of any obligation or taking any action under this Agreement shall be deemed to expire at 5:00 p.m. (local time, Phoenix, Arizona) on the last day of the applicable time period provided herein.

23. Fair Interpretation. The parties have been represented by counsel in the negotiation and drafting of this Agreement and this Agreement shall be construed according to the fair meaning of its language. The rule of construction that ambiguities shall be resolved against the party who drafted a provision shall not be employed in interpreting this Agreement.

24. Recording. This Agreement shall be recorded by Town within 10 days of its execution, as required by ARIZ. REV. STAT. § 9-500.05(D).

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first set forth above.

“**Town**”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

Mayor

ATTEST:

Jamie Lewis, Town Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF YAVAPAI)

On _____, 2018, before me personally appeared _____, the Mayor of the TOWN OF CHINO VALLEY, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who she/he claims to be, and acknowledged that she/he signed the above document, on behalf of the Town of Chino Valley.

Notary Public

(Affix notary seal here)

“Owner”

By: NEED SIGNATURE BLOCK

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF YAVAPAI)

On _____, 2018, before me personally appeared _____, the _____ of _____, an _____, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document on behalf of _____, in its capacity as _____.

Notary Public

(Affix notary seal here)

**EXHIBIT A
TO
DEVELOPMENT AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND**

[Property Legal Description and Map]

See following pages.

All that portion of the Southwest Quarter of the Northeast Quarter of the Northwest Quarter of Section 22, Township 16 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

COMMENCING at the West quarter corner of above said Section 22;

Thence North 89 degrees, 36 minutes, 05 seconds East, 1355.91 feet along the midsection line to the Southeast corner of the Southwest quarter of the Northwest quarter of Section 22;

Thence North 01 degrees, 41 minutes, 25 seconds East, 1326.07 feet to the Southwest corner of the Southwest quarter of the Northeast quarter of the Northwest quarter of Section 22 marked with a three-quarter inch pipe;

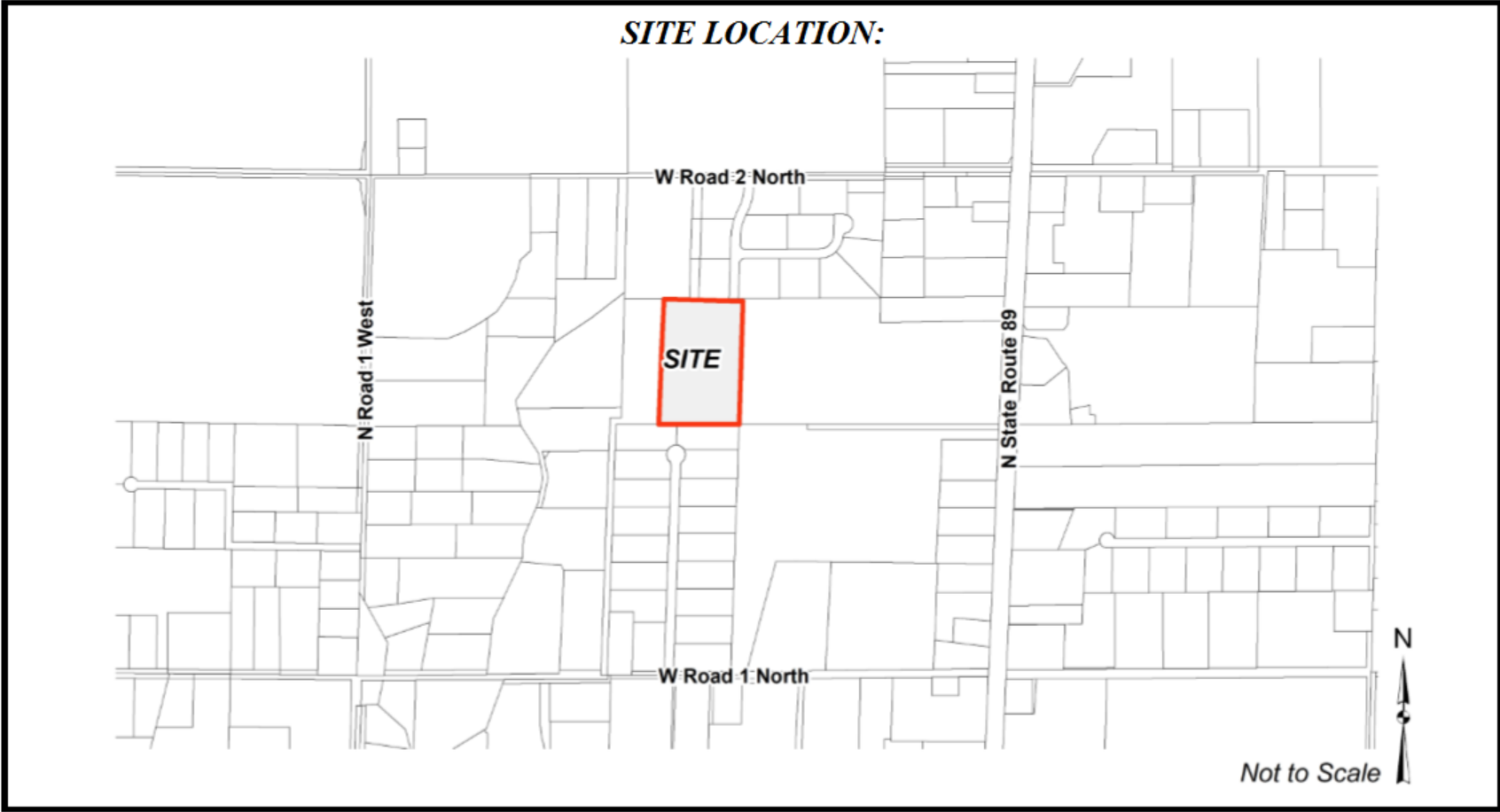
Thence North 89 degrees, 34 minutes, 15 seconds East, 198.01 feet to a one-half inch rebar; and the TRUE POINT OF BEGINNING;

Thence North 02 degrees, 43 minutes, 04 seconds West, 663.61 feet to a one-half inch rebar;

Thence North 89 degrees, 33 minutes, 21 seconds East 470.74 feet to a one-half inch rebar;

Thence South 1 degrees, 45 minutes, 42 seconds West, 663.21 feet to a one-half inch rebar;

Thence South 89 degrees, 34 minutes, 15 seconds East, 481.82 feet to the TRUE POINT OF BEGINNING.

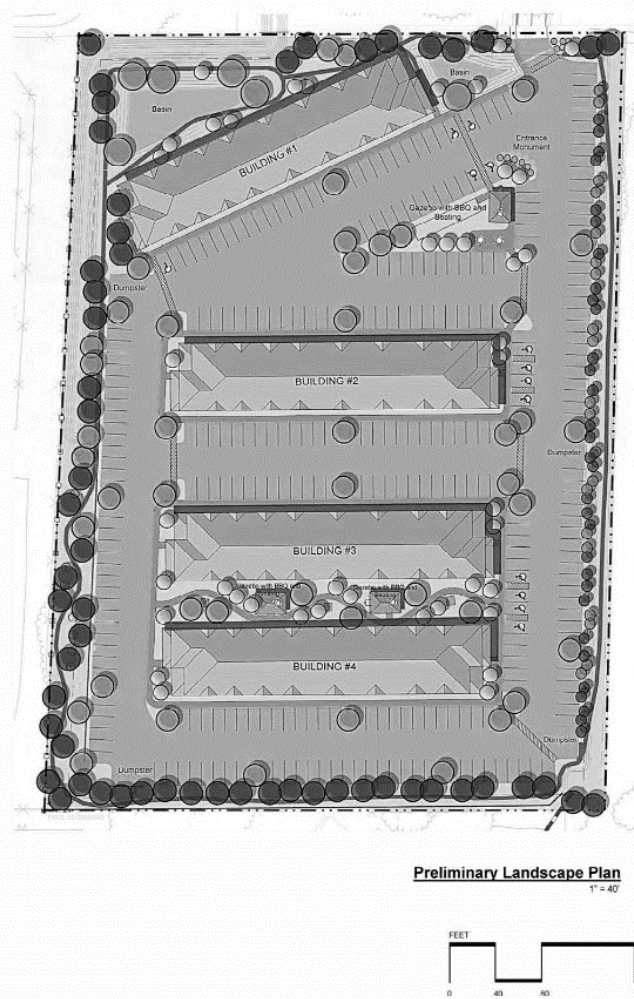


**EXHIBIT B
TO
DEVELOPMENT AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND**

[Site Plan Documents]

See following pages.

Note: All disturbed areas to be covered with 3/4" decorative stone 2" minimum depth on 3.5 ounce spun landscape fabric
Roof leaders to be lined with 2' wide 50/50 mixture of 1"-3" and 3'-6" Salt River Rock on 3.5 ounce spun landscape fabric



No	Description	Date

**Brook
Apartments**
Chino Valley, AZ
APN 306-23-024C

OWNER

Brook Assisted Living, LLC
1620 Willow Creek Road
Prescott, AZ 86301

Preliminary Landscape
Plan

PROJECT#
DRAWN
FOR
CHECKED
L210

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**TOWN OF CHINO VALLEY
COUNCIL AGENDA ITEM STAFF REPORT**

Town Council Special Meeting 3)c)
Meeting Date: 07/17/2018
Contact Person: Cecilia Grittmann, Town Manager
Department: Town Manager
Estimated length of Staff Presentation: 10 minutes

Physical location of item: N/A

Information

AGENDA ITEM TITLE:
Review and discussion regarding the draft 2018 Strategic Plan. (Cecilia Grittmann, Town Manager)

Attachments

Draft Strategic Plan

TOWN OF CHINO VALLEY 2018 STRATEGIC PLAN



Mayor Darryl Croft

Vice Mayor Lon Turner

Council Member Mike Best

Council Member Cloyce Kelly

Council Member Annie Lane

Council Member Corey Mendoza

Council Member Jack Miller

Adopted 7/24/2018

Staff

Town Manager	Cecilia Grittmann
Finance Director	Joe Duffy
Town Clerk	Jami Lewis
Chief of Police	Chuck Wynn
Public Works Director	Frank Marbury
Development Services Director	Jason Sanks
Community Services Director	Scott Bruner
Human Resources Director	Laura Kyriakakis
Customer Services Manager	Jo Ann Brookins
Asst. Community Svcs Director	Cyndi Thomas
Economic Development/Project Manager	John Coomer

Purpose and Approach

The purpose of the Chino Valley Strategic Plan is for the Council to develop a listing of its priorities as a government enterprise and how it will serve its community. The Town Council, working with the Town's professional staff, has developed a one-year working plan and an overview of what it would like to accomplish in the next five years.

The Council and staff examined previous Town strategic plans and documents, reviewed Arizona Public Services 1999 ***Focus Future***, and met with staff in a Council / Staff retreat to discuss projects, budgets, priorities, planning, staffing, and other pertinent information to develop a work plan.

one Council meets in an all-day retreat with staff and gets updates on departmental initiatives and priorities

two Council updates previous Strategic Plan

three Council meets for Strategic Planning Meeting with staff

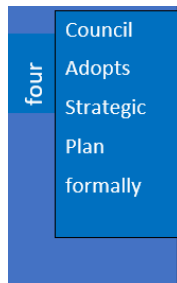
Planning Dates

February 21, 2018

Council and Staff meet in all-day retreat to discuss departmental initiatives, the upcoming budget year, and capital projects.

Council listened to in-depth presentations regarding roads, funding options for same, water resources and private water companies, sewer buildout and capacity, septage receiving, employee staffing levels and benefits, up-coming 50th anniversary of the Town's incorporation, and departmental focus areas.

April 4, 2018



Council and Staff meet in half-day retreat to prioritize departmental initiatives, provide direction to staff.

While acknowledging that Town staff and Council had changed drastically since the 2016 Strategic Plan, Council and Staff went through the 2016 Plan and provided status and progress updates. Many items were completed, some were dropped as Council re-prioritized initiatives, and others were discussed further and moved to the 2018 Strategic Plan.

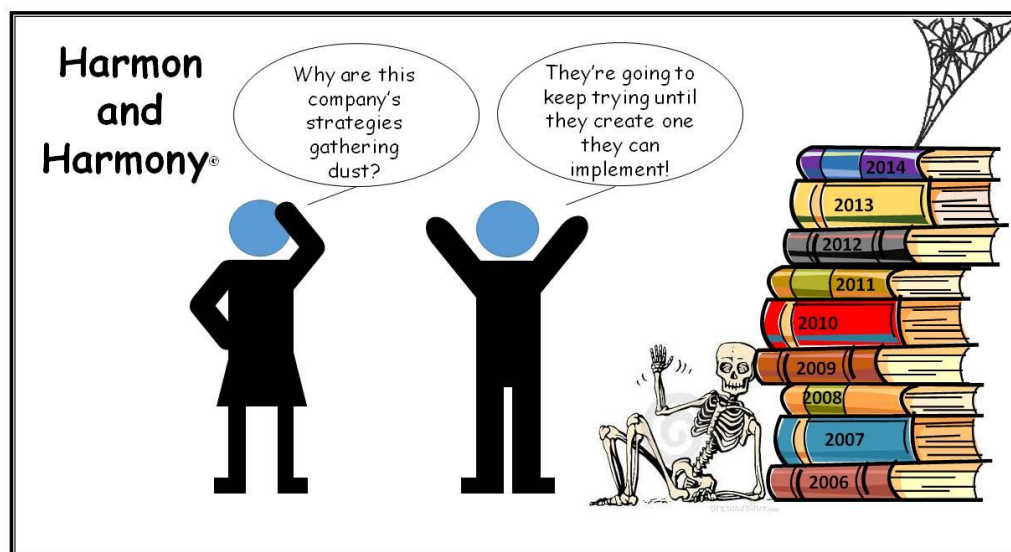
July 17, 2018

Study Session to discuss Strategic Plan

July 24th

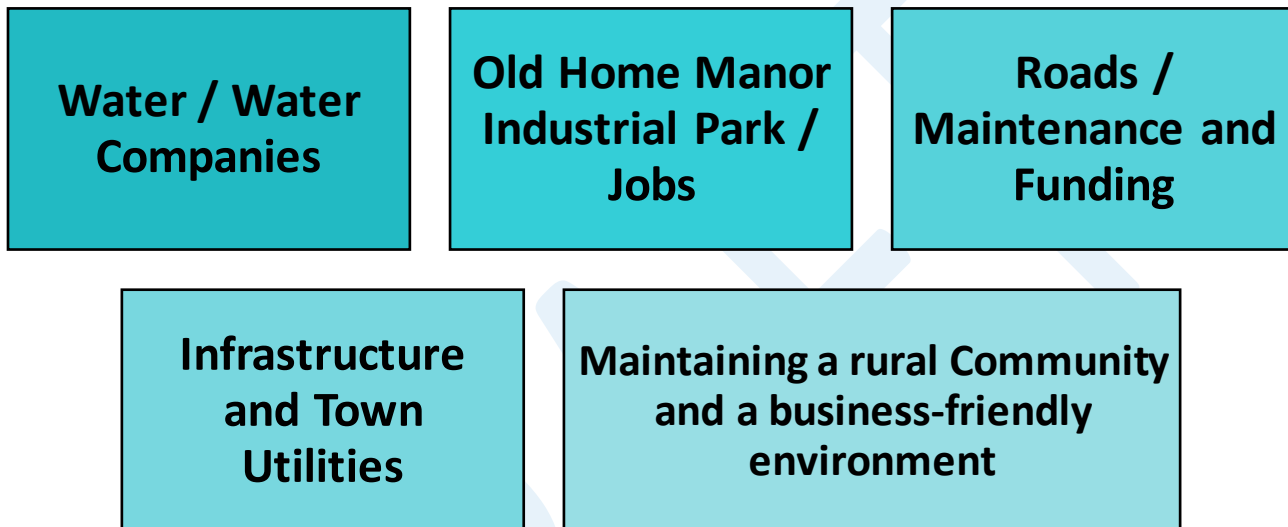
Adoption of Strategic Plan

Council expressed a desire to create a strategic plan that would be a **realistic** working document for both the Council and Staff. As the Town has multiple Council Subcommittees, many of the items staff will focus on will percolate up through a Council Subcommittee and be vetted using that mechanism. Town Staff will provide quarterly updates on the Strategic Plan's one-year initiatives to provide feedback to the Council and the Community on the progress being made on the Council's adopted plan.



Focus Areas

The Council's major focus areas over the next several years continues to be (in no particular order):



2018 Priorities

The Council identified the following 17 items as priorities for the Town for fiscal year 2018 /19. Virtually every priority relates to a focus area identified above and positions the Town for its future sustainability.

Town staff will work diligently with Council, Council subcommittees, and the community, to focus on the priorities and deliver them in a fiscally responsible and transparent fashion.



Item	Department	Subcommittee	Description
1	Public Works	Water & Utilities Subcommittee	Continue discussions with the 4 private water companies located within Chino Valley. Develop strategies for purchasing and increasing our service area rights.
2	Public Works	Econ Dev Subcommittee	Extension of Sewer and Water at the Old Home Manor Industrial Park.
3	Public Works	Water & Utilities Subcommittee	Outfit a 2 nd well to create redundancy in our water system.
4	Public Works	Water & Utilities Subcommittee	Extension of sewer and / or water in low income / high density areas
5	Public Works		Master Plan for Municipal facilities
6	Public Works	With Water Resources, Attorney	Asset Analysis of real property
7	Public Works	Water & Utilities Subcommittee	Inventory of Town wells, production levels
8	Public Works	With Water Resources, Attorney	Analysis of Development Agreements
9	Public Works	Roads and Streets Committee	Transportation Strategic Plan, development of funding options
10	Town Manager		Renegotiate Concessionaire Agreement with Prescott Sportsmen's Club
11	Econ Develop	Econ Dev Subcommittee	Develop Economic Development Strategic Plan for Old Home Manor Industrial Park
12	Econ Develop	Econ Dev Subcommittee	Economic Development Strategic Plan, exclusive of the Industrial Park

13	Dev Services	UDO Rewrite Subcommittee	Re-write of the Town's Unified Development Ordinance
14	Dev Svcs, ED	Econ Dev Subcommittee	Create a Planned Area Development for the Industrial Park
15	Community Services, Public Works, Ec Dev, Dev Svcs		Exploration of an RV Park at Old Home Manor
16	Econ Develop, Publ Works	Econ Dev Subcommittee	Analysis of Infrastructure at the Industrial Park, recommendations
17	Community Services	Ad-hoc 50 th Anniversary Committee	With volunteers from the community, create activities to celebrate the Town's 50 th birthday in 2020

Future Considerations



Plan for the Expansion of the Waste Water Treatment Plant

- Design
- Septage Acceptance
- Under Construction



Water Storage Tank



Develop Commercial Guidelines for the Community Core



Develop Infrastructure Master Plan

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Special Meeting

a)

Meeting Date: 07/17/2018

Department: Town Clerk

**Estimated length
of Staff Presentation:** None

Physical location of item: City of Prescott water distribution system within the Town limits

Information

AGENDA ITEM TITLE:

Council may vote to recess the Special Meeting to hold an executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding the acquisition of a portion of the Prescott water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Towns position and instruct the Town Attorney regarding the Towns position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Cecilia Gritman, Town Manager)

Attachments

No file(s) attached.
