MINUTES OF THE TOWN OF FLORENCE COUNCIL REGULAR MEETING, HELD ON MONDAY, JULY 20, 2020, AT 6:00 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.

SPECIAL NOTICE REGARDING PUBLIC MEETINGS

Due to the risks to public health caused by the possible spread of the COVID-19 virus at public gatherings, the Town of Florence has determined that public meetings will be indefinitely held through technological means. Meetings will be open to the public through technological means. In reliance on, and in compliance with, the March 13, 2020 Opinion issued by Attorney General Mark Brnovich, and in conjunction with the Emergency Proclamation signed by Mayor Tara Walter, on March 18, 2020. The Town of Florence provides this special advance notice of the technological means through which public meetings may be accessed. While this special notice is in effect, public comment at meetings will only be accepted through written submissions, which may or may not be read aloud during meetings.

CALL TO ORDER

Mayor Walter called the meeting to order at 6:01 p.m.

ROLL CALL:

Present: Walter, Anderson, Wall, Larsen, Cordes
Absent: Hughes

MOMENT OF SILENCE

Mayor Walter called for a moment of silence.

PLEDGE OF ALLEGIANCE

Mayor Walter led the Pledge of Allegiance.

CALL TO THE PUBLIC
Call to the Public for public comment on issues within the jurisdiction of the Town Council. Council rules limit public comment to three minutes. Individual Councilmembers may respond to criticism made by those commenting, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take action on any matter during an open call to the public unless the matters are properly noticed for discussion and legal action.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated that she forwarded the two emails that were received regarding Grinders Sports. She stated that she contacted both parties and advised them that the action for tonight's meeting is to enter into negotiations which would begin the due diligence period. She inquired if they would like their comment to be read at the Council meeting or if they wanted further clarification; however, she did not receive a response back from either party.

ADJOURN TO MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1

On motion of Councilmember Wall, seconded by Vice-Mayor Anderson, and carried (5-0) to adjourn to Merrill Ranch Community Facilities District No. 1.

Ordinance No. MRCFD1 117-20:

Chairman Walter read Ordinance No. MRCFD1 117-20 by title only.

AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH $100 OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2021.

Ms. Becki Jimenez, District Treasurer, stated that the rate for debt service for General Obligation Bonds is $1.6855 per Net Assessed Valuation or an estimated $552,717. The rate for the operations and maintenance is $0.30 per NAV, or an estimated $98,377. The total levy is for $651,094 at a rate of $1.986 per $100 NAV. She stated that the debt service is important to sustain the debt that is incurred with the General Obligation Bonds issues and the operations and maintenance is a small amount that the District collects to maintain the District itself for all of the expenses that are related withing the District itself.

On motion of Vice-Chairman Anderson, seconded by Boardmember Larsen, and carried (4: Walter, Anderson, Wall, Larsen; 1: Cordes) to adopt Ordinance No. MRCFD1 117-20.

Discussion/Approval/Disapproval of the Merrill Ranch Community Facilities District No. 1 July 6, 2020 Special Meeting minutes.

On motion of Boardmember Wall, seconded by Boardmember Larsen, and carried (5-0) to approve the Merrill Ranch Community Facilities District No. 1 July 6, 2020 Special Meeting minutes.

ADJOURN FROM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1

On motion of Boardmember Larsen, seconded by Boardmember Wall, and carried (5-0) to adjourn from Merrill Ranch Community Facilities District No.1.

ADJOURN TO MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2

On motion of Councilmember Larsen, seconded by Vice-Mayor Anderson, and carried (5-0) to adjourn to Merrill Ranch Community Facilities District No. 2.

Ordinance No. MRCFD2 217-20:

Chairman Walter read Ordinance No. MRCFD2 217-20 by title only.

AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH $100 OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2021.

Ms. Jimenez stated that the estimates for debt service and maintenance and operations have been set forth. The rate for debt service (Debt Service Fund) for General Obligation Bonds is $3.25 per Net Assessed Valuation (NAV), or an estimated $767,514. The rate for the operations and maintenance (Administrative Fund) is $0.30 per NAV, or an estimated $70,847. The total levy is for $838,361 at a rate of $3.55 per $100 NAV. She stated that the debt service is important to sustain the debt that is incurred with the General Obligation Bonds issues and the operations and maintenance is a small amount that the District collects to maintain the District itself for all of the expenses that are related withing the District itself.

On motion of Boardmember Larsen, seconded by Boardmember Wall, and carried (4: Walter, Anderson, Wall, Larsen; 1: Cordes) to adopt Ordinance No. MRCFD2 217-20.

Discussion/Approval/Disapproval of the Merrill Ranch Community Facilities District No. 2 July 6, 2020 Special Meeting minutes.

On motion of Boardmember Wall, seconded by Boardmember Larsen, and carried (5-0) to approve the Merrill Ranch Community Facilities District No. 2 Special Meeting minutes.

ADJOURN FROM MERRILL RANCH COMMMUNITY FACILITIES DISTRICT NO. 2

On motion of Boardmember Cordes, seconded by Boardmember Wall, and carried (5-0) to adjourn from Merrill Ranch Community Facilities District No. 2.

PRESENTATIONS

Steward Health and COVID-19 Presentation.

Dr. Derrick Glum, Chief Operating Officer for Mountain Vista Hospital and Florence Anthem Hospital, provided a presentation in which he outlined the following:

- Covid Update
  - Starting to see a reduction in the rise of new cases day-over-day and week-over-week statewide
  - Pinal County is seeing same trajectory
  - Per Arizona Department of Health website, the new cases are started to taper
- What Mountain Vista Hospital and Florence Anthem Hospital have been doing to prepare for Covid-19 patients
  - 30 + Covid-19 patients within the last six weeks in Florence Hospital
    - Acute patients are stabilized and transferred to Mountain Vista Hospital
  - Have daily calls with their corporation office who assist with staffing, equipment, and medication needs

- Are seeing that the duration of the illness not being as long, and the severity taper off sooner
  - Patients needing intubation or ventilators are not happening as frequently
  - Medication and treatment plans that have been used are being effective
- Visitors are being limited
- Anyone entering the hospital is required to wear face masks

Mayor Walter inquired about testing at the hospitals.

Dr. Glum stated that the Florence Anthem Hospital is facilitating testing every day at the hospital from 9:00 am – 11:00 am. He has been working with Ms. Catherine Wilson, Human Resources Director, to ensure that Town employees and community members have access to testing. Testing can be facilitated through the Emergency Room Department if they have an order from their physician. He stated that they are testing approximately 20 – 30 people on a daily basis but there have been spikes between 10 and 50 people as well.

Dr. Glum stated that Emergency Room personnel are used to doing the Covid-19 testing and the volume of patients in the Emergency Room Department increases starting at 11:30 am which is why they stop the testing at 11:00 am.

Mr. Glum stated that testing is done at the Mountain Vista Hospital daily from 9:00 am – 12:00 pm through their drive through service. He stated that if someone does not have a specific physician's order, they can use the state order from Dr. Christ.

Vice-Mayor Anderson inquired if an appointment is required.

Dr. Glum stated that appointments are not required.

Councilmember Larsen inquired if they have enough testing supplies.

Dr. Glum stated they have been allocated sufficient kits. They are also the testing site for all of the employees for Gila River Indian Community and the casino employees. A certain number of tests need to be maintained per the Governor's Executive Order for inpatients, surgeries, and other required methods as outlined withing the executive order.

Water Smart Conference Summary Presentation.

Mr. Brent Billingsley, Town Manager, stated several employees attended a Growing Water Smart Workshop hosted by the Sonoran Institute. The course was excellent, and they had a follow-up portion to the course based on the work performed there. The Town is preparing for their water element for the General Plan and hired the Sonoran Institute to help the Town develop the scope of work. The Town was also eligible to apply for a grant application because of its attendance to the workshop. The Town received the grant and the Sonoran Institute will be preparing the policy section of the report.

Ms. Maricella Benitez, Planner, provided a presentation in which she outlined the following regarding the Sonoran Institute Growing Water Smart Workshop:

- Water in Florence

    - Assured Water Supply Designation (AWS)
    - Utilize groundwater and CAP allotment
    - Completed a regional water recharge facility
    - Purchase and sale agreement with the Central Arizona Water Conservation District (CAWCD) to sell, transfer, and assign the Town's recharged CAP allotment
    - Strong water portfolio
- Arizona Growing Water Smart
    - PowerPoints on water and land use
    - Case studies on water policy in other municipalities
    - Collaboration between staff members to trade and discuss ideas with other Towns and Cities and to create an action plan and goals for future water/land use
- Town's portfolio
    - Strong portfolio for our size
    - Take water from the ground and from the Central Arizona Project (CAP).
    - Have assured water supply designation
- Have control overuse of the water
- Recharge and obtain from the CAP
- Challenges and consequences of not creating the main goal to create an Action Plan
    - Challenges
        - Communication and Urgency
        - Concern if assured water supply will be the same in coming years
        - Water financing
        - Lack of proper process/integration
        - Future sustainability needs consistency and clarity
        - Growth areas not in Town service area
    - Consequences
        - Cannot achieve build-out
        - Loss of business
        - Cost for services goes up
        - Inefficient and Ineffective water supply system
        - Inability to serve community
- Target Audience
    - Council
    - General public
    - Regional Commissions/Committees
    - Pinal County
    - Developers
    - Internal staff
    - Other municipalities
- Drafted Goals
    - Research water in Florence and other municipalities as it relates to land use, density, and water provision
    - Improve water quality
    - Maintain and improve water and sewer infrastructure
    - Conserve water and use water efficiently in order to grow in a healthy manner
    - Identify criteria that include water within the updated General Plan
- Strategies
    - General Plan Update integrates water strategies and master plan

- Education on water conservation
- Connect with other communities
- Explore landscaping options
- Create criteria that helps identify the cost/benefit of new development
- Create the foundation for the Integrated Water Master Plan (IWMP)
- Water allocation/quality policy

- Action Plan
  - 3 Months: Agree on water element and bring in water consultants. Start data collection and discuss with Council on what to be incorporated into the water element.
  - 6 Months: Incorporate consultant's work into General Plan process. Explore water element outreach.
  - 12 months: Complete water element for General Plan and present to Council in 2021.

Ms. Benitez stated with the assistance of the Babbitt Center, the Town is able to draft a scope of work that shows the timeline of the recommendations and where they want to be with policies, and where to insert into the General Plan.

Vice-Mayor Anderson stated that Johnson Utilities/Epcor need to be included in the discussion.

Mr. Billingsley stated that the Town has reached out to Epcor and they understand the importance of having conversations. The Town is working with Epcor on a project with a new developer coming to Florence in which a portion is within the Epcor service area and the other portion is within the Town's service area.

Councilmember Wall inquired what the comparison is, for Florence residents, between Johnson Utilities and the Town of Florence water.

Mr. Billingsley stated that Johnson Utilities has more customers for both water and sewer services.

Councilmember Wall stated that she echoes Vice-Mayor Anderson's comments regarding Johnson Utilities being included in the discussions for the General Plan. As the area around them continues to grow, water sustainability for them can become a very big issue.

CONSENT: All items on the consent agenda will be handled by a single vote as part of the consent agenda, unless a Councilmember or a member of the public objects at the time the agenda item is called.

a. **Ratification of the Interagency Service Agreement extension between Arizona State Parks, and the Town of Florence, to manage McFarland State Historic Park through December 31, 2020. (Jennifer Evans)**

b. **Approval of Addendum 1 to the Intergovernmental Agreement (IGA) with the Florence Industrial Development Authority for use of the Suter House. (Hezekiah Allen)**

c. **Approval of Change Order 7, for WestLand Resources, for the Poston Butte Preserve Project On-Call Engineering. (Hezekiah Allen)**

d. **Authorization to contract with Ascendant Auto and Diesel Services, Inc. for repair and maintenance of the Town fire apparatus. (Chris Salas)**

e. **Approval of the June 1 and June 15, 2020 Town Council Meeting minutes.**

On motion of Councilmember Wall, seconded by Vice-Mayor Anderson, and carried (5-0) to approve the Consent Agenda, as written, with the exception of Item a.

a. **Ratification of the Interagency Service Agreement extension between Arizona State Parks, and the Town of Florence, to manage McFarland State Historic Park through December 31, 2020.**

Councilmember Cordes inquired about which account the money gets deposited into that is received from the State and if this is the same money that is used to assist the Chamber in running McFarland State Park.

Ms. Becki Jimenez, Finance Director, stated that she is not clear on what monies Councilmember Cordes is referring to.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated that the Town has an Intergovernmental Agreement with the State of Arizona to operate McFarland Park. The Town contracts with the Greater Florence Chamber of Commerce to operate McFarland Park. She stated that funding is allocated for utility costs which is included in the Town's budget. The State maintains the facilities including major repairs; however, the Town maintains the day-to-day operations and maintenance. The request to Council is for the Town to enter into a six-month agreement so the Town can meet with the State and negotiate the terms of the agreement. There is a new state director and staff would like an opportunity to meet and negotiate the terms of the agreement.

Councilmember Cordes stated that it is her understanding that the State provides the funding to operate McFarland Park. She said the walkway is in need of repairs. It is her understanding that there was discussion with regards to whose responsibility it was to pay for the repair.

Ms. Garcia stated that the State does not provide funding to operate McFarland State Park.

Councilmember Cordes stated that the walkways need to be repaired. Based on the current agreement, it would appear that it is the Town's responsibility to repair the walkways. She wants to ensure that the Town is aware of what the costs will be before they enter into a contract.

Ms. Garcia stated that the porch, which encompasses the walkway is considered a major repair. The State has accepted the responsibility for those repairs.

Ms. Garcia stated that the Town wants to meet with the State regarding this contract as there are too much gray areas within the contract that needs to be clarified.

Vice-Mayor Anderson inquired who is responsible to pay for the stair railings. The rope has been there for approximately two years.

Ms. Garcia stated that the railings will be a major improvement to the park and the State is accountable for providing those repairs. Staff can reach out to the State to discuss the status of those repairs. The State asked for more time to review the contract, because the Town has strict terms that it proposed in the new contract; therefore, the State is requesting more time to review the contract. The Town is requesting an extension to the existing contract to allow the State to have time to review the new proposed contract. It is anticipated that the new contract will come before Council within the next month.

Vice-Mayor Anderson inquired if the contract would include dates for the railings and porches to be completed. Since the State is paying for those repairs, the Town does not have the ability to push forward their payment nor their programming of the repairs. The Town is able to outline whose responsibility it is and in what fiscal year it will be funded.

Councilmember Wall stated that she wants to ensure that the new contract does not reference the Main Street Program in Section 4 (B) 1 and uses a generic name such as the chamber instead.

Mayor Walter inquired when the meeting with the State will take place.

Ms. Jennifer Evans, Management Analyst, stated that a specific date has not been set; however, she believes that time is of the essence. The goal is to set the meeting within the next two months.

Mayor Walter asked to be included in the meeting.

On motion of Councilmember Larsen, seconded by Councilmember Cordes, and carried (5-0) to approve the ratification of the Interagency Service Agreement extension between Arizona State Parks, and the Town of Florence, to manage McFarland State Historic Park through December 31, 2020.

UNFINISHED BUSINESS

Ordinance No. 695-20:

Mayor Walter read Ordinance No. 695-20 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE TOWN OF FLORENCE SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH $100 OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR GENERAL MUNICIPAL EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2021.

Ms. Jimenez stated The Town of Florence levies a primary property tax annually. The rate for last year was $1.0740 per $100 of Net Assessed Valuation (NAV). The proposed property tax rate is $1.0585 per $100/NAV. This year the Town will levy the same amount as last year. At the proposed rate of $1.0585, the proposed property tax levy for the 2019-2020 Fiscal Year is $1,166,611. The revenues support the General Fund.

On motion of Councilmember Larsen, seconded by Councilmember Wall, and carried (5-0) to adopt Ordinance No. 695-20.

Ordinance No. 696-20:

Mayor Walter read Ordinance No. 696-20 by title only.

An Ordinance of the Town of Florence, Pinal County, Arizona, adopting a secondary property tax for the Fiscal Year 2020-2021 for Anthem at Merrill Ranch Street Light Improvement District #1, Anthem at Merrill Ranch Street Light Improvement District #2 and Anthem at Merrill Ranch Street Light Improvement District #3.

Ms. Jimenez stated that the Town of Florence levies a secondary property tax for the three Street Light Improvements Districts located in the Merrill Ranch Development. For the last several years, we have not levied a secondary tax in the Districts. There have been ample funds to pay for the electrical costs in each of the Street Light Districts. This year, Street Light Improvement District (SLID) No. 3 has diminished its funds and we must levy a secondary tax to provide continued service for that district. The proposed rate of $.1433 per $100 of Net Assessed Valuation (NAV) will result in a charge of $14.33 on a $100 home. There is no levy for Streetlight Improvement District No.1 or Streetlight Improvement District No. 2.

Vice-Mayor Anderson still opposes taxing half the Town for streetlights and not the other portion of Town.

Councilmember Larsen stated that she does not agree with taxing certain individuals. She would prefer that the General Fund pay.

Councilmember Cordes stated that this has been discussed and Vice-Mayor Anderson and Councilmember Larsen's concerns have not been addressed. She stated that it puts Council in an unfair position because they are being asked to move forward with this item. She stated that Council wanted a solution to their concerns and were never provided a solution.

Mr. Billingsley stated that there are two issues: future lighting issues; and a portion of the community having SLIDS while other portions of the community do not. The Town had multiple Council meetings on this subject as well as information has been provided. Ms. Garcia and Mr. Chris Salas, Public Works Director, have provided a presentation and data to Council.

Mr. Billingsley stated that the Town has SLIDs and the Town is required to tax a secondary tax for them. The Development Code requires all new developments to create SLIDs to pick up those costs. Developers are assured that theTown will collect the taxes on an annual basis once the SLIDs are created. The Town could have legal problems if the Council elects to not set a tax rate or collect taxes.

Vice-Mayor Anderson stated that it is his understanding that as long as the lights are paid for, the Town does not need to tax the people.

Mr. Billingsley stated that they have not budgeted funds in the approved budget to offset the cost of the SLIDs.

Mr. Billingsley inquired of Ms. Jimenez where will the money come from to pay the secondary tax if Council elects to not set a tax rate and collect taxes and pay for the streetlights.

Ms. Jimenez stated that the Town entered into the budget with a $1.7 million deficit in the General Fund and it cannot support the streetlights. Monies from Cares Fund is used to replace what the Town is spending. The only option would be the HURF Fund; however, the SLIDs were budgeted in the SLID funds where the Town is required to collect an ad valorem tax to support the electrical costs. There was no discussion on the SLIDs during the budget preparation.

Ms. Garcia stated that the Council had several worksessions on this item and adopted an ordinance for SLIDS to allow Council to set SLIDs in the portions of Town which do not have SLIDs. Council may request to move forward with those petitions. Since the adoption of the Ordinance, Council did approve the creation of SLID No. 4 and SLID No. 5 which are two areas within the Anthem at Merrill Ranch District. Mesquite Trails currently has four districts pending that will come before Council for authorization. SLID No. 4 and SLID No. 5 were not created in time to be on this cycle but will be included in the next cycle. SLID No. 1 and SLID No. 2 have enough taxes, so they do not have to levy this year.

Councilmember Larsen stated that her intention is not to get rid of the SLIDs altogether. She stated there is a certain standard of lights across Florence and then there are the additional lights. She believes that it is only fair that only the additional lights should be included in the SLIDs. The standard amount of lights that would normally be paid for by the General Fund.

Councilmember Cordes stated that many things were not discussed due to the Covid-19 pandemic.

Vice-Mayor Anderson stated that the cost is approximately $90,000 annually for the streetlights and he does not believe that it will be a huge impact to the budget.

Mayor Walter stated that it may be able to be paid for with the Council contingency fund.

Councilmember Larsen inquired if those amounts for the lights be segmented out for future years. She inquired what flexibility can the Council provide moving forward so that future Councils have the ability to remove it.

Mr. Billingsley stated that a portion of the Development Code will need to be rewritten. He stated that the Town wants a mechanism to offset the costs to the Town; otherwise, you will have an inverse relationship with growth. The Town will continue to get poorer as more growth happens. This is not good business management. The Federal Government FHWA designated certain lighting requirements that the Town has to provide based on the traffic count. The Town would segment what the required lighting is versus the additional subdivision lighting.

Mr. Billingsley stated that the Town cannot change the development agreement. He stated that as long as the Town is not pushing the cost on the developer, the Town will not be sued. He stated that Council asked staff to come up with a solution for those areas, and Council has approved subsequent SLIDs. He stated that staff is waiting on direction from Council if staff is to proceed with petitioning the areas where no SLIDs exist to see if they are interested in forming a SLID.

Councilmember Larsen stated that she would never force anyone to be in a SLID nor incur the cost of an entire SLID. She stated that she feels the mandatory lighting should be a shared cost.

Vice-Mayor Anderson stated that the burden of the cost for the streetlights should be paid for by all residents, not certain residents.

Mayor Walter asked Mr. Billingsley to explain where the funding comes from for streetlights that are not covered by SLIDS.

Mr. Billingsley explained that the HURF fund pays for the streetlights not covered by SLIDs; however, they are far less dense than the streetlights in Anthem. Many communities have streetlight districts because it ends up being a very huge bill over time. Council can consider limiting the number of streetlights provided in subdivisions to the original intentions. Additional lighting was requested by the residents for more streetlights which is why the SLIDs were created.

Discussion occurred regarding crack sealing being done in the Anthem area.

Ms. Jimenez stated that there was insufficient funding withing the CFD, so the Town elected to utilize HURF funds to do the maintenance of the streets. The Town has done this for four years and this is the first year that the Districts will be paying for maintenance.

Councilmember Wall stated that the argument should not be about fairness but rather the amenities that are provided and the location of where those amenities are. She stated that the SLIDs are needed to pay for the continued growth in the Town. The discussion should be on what can be provided.

Discussion occurred regarding streetlights, the costs, and each person's perspective on how they should be paid for.

Vice-Mayor Anderson stated that eventually primary taxes will need to be increased.

On motion of Councilmember Wall, seconded by Councilmember Cordes, to adopt Ordinance No. 696-20.

Roll Call Vote:
Wall: Yes
Cordes: Yes
Larsen: Yes
Walter: Yes
Anderson: No

Motion passed (Yes: 4; No: 1)

NEW BUSINESS

Resolution No. 1745-20:

Mayor Walter read Resolution No. 1745-20 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY ARIZONA, AFFIRMING THE APPROVAL OF THE AMENDED FINAL PLAT FOR FLORENCE PLAZA; AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

Mr. Larry Harmer, Planner, stated that the request is being made by Florence LLC, for an approval of an Amended Final Plat for Florence Plaza, 495-649 North Pinal Parkway Avenue. The original plat for this property was approved in 2009. That plat divided the property into four lots as they are currently configured. Three of the four lots now have businesses located on them; i.e. Speedway Market and Gas on Lot 1, Sonic on Lot 3, Dollar General and the Florence Café and others on Lot 4. Lot 2 is currently vacant. For financing reasons, the owner desires to create a fifth lot that would place Dollar General on its own lot. In oder to accomplish this, there have been adjustments made to Lots 2, 3 and 4 to allow adequate property widths and cross-access to all lots internal to the site.

Mr. Harmer stated that the Town does not have a formal process that would address an Amended Final Plat; however, if this application is approved,it will result in five total lots. Staff has processed the application as a Minor Subdivision per Section § 150.266 (C) of the Development Code. As such, only adminstrative staff review and approval is required. The Town Engineer has reviewed the application and has expressed no concerns. If approved, the lots willl meet the required setbacks.

Councilmember Wall inquired what the reason is for splitting the lot.

Mr. Harmer stated that it has to do with the owner's personal finances.

On motion of Vice-Mayor Anderson, seconded by Councilmember Wall, and carried (5-0) to adopt Resolution No. 1745-20.

Discussion/Approval/Disapproval of negotiation of a Pre-Annexation Development Agreement with Grinders Sports Group LLC. to construct a mixed-use project in the Town of Florence.

Mr. Billingsley stated that Grinders Sports Group, LLC ("Grinders", previously known as, Project Rattler) is in the process of developing a large sports venue in the Town of Florence. The project is in its early phase and have been before Council previously. Grinders has applied for a Major General Plan Amendment and a Pre-Annexation Development Agreement. In the near future, Grinders will be submitting at least one annexation petition and applying for rezoning of two separate properties that constitute the overall project. One of the parcels is not within the Town of Florence and will require an annexation prior to the Town being able to ratify a development agreement.

Ms. Kelly Stinnett and Mr. Lyndon Estill, Grinders Sports Group, LLC, provided a presentation in which they outlined the following:

- Overview
  - First Southwest USA (Phoenix based) sports and eSports destination
  - Management comprised of industry veteran, strong financial team, retired major league athletic coaches
  - Professional advisory board planned to include sports management, finance, marketing, and media

- World class training and education: baseball, softball, soccer, lacrosse, basketball, volleyball, tennis, pickleball, field hockey, track, and field
- eSports focus on sports featured at the Complex
- Fully equipped sports medicine and rehab facilities to support athletes' needs
- Facility on 900+ acres in Pinal County close to major highway, airport, existing shopping centers, restaurants, and hotels
- Outstanding business plan, diverse revenue streams, projections show strong profitability
- Major sports figures and educators expected to develop and mold future Olympians and professional athletes
- Strong support from local and state governments
- In application process for grants from major league associations
- In negotiations with Fortune 500 sponsors for key sponsorships and endorsements
- Business plan includes significant technology utilization in coaching and education

- Management Team
  - Kelly Stinnett, Co-CEO
    - Created Grinder's Baseball and Grinder's Sport Inc. to help train children wanting to augment their skills and capabilities and excel at baseball.
    - 14-year Major League catcher, he recognized the need to provide young athletes with guidance, mentoring and support.
    - Grinders team currently includes pro and college instructors and has 10 travel teams and one softball team at its indoor academy.
    - Has also developed programs for those affiliated with other travels teams or players to facilitate development and provide guidance and preparation for the competitive travel baseball scene.
    - Is currently the head baseball coach at Park University in Gilbert, AZ.
    - Has had a vision for some time to create and construct a world class athletic/wellness facility for many years to train athletes and assist them with attaining their educational and athletic goals.
  - Drew Marino, Co-CEO
    - Is the CEO and President of USA Sports Inc.
    - USA Sports Inc. is a Sports Management Consulting firm for new and existing sports facilities.
    - Provides professional consulting management and marketing services to sports complexes from the initial design and layout to the development of new programs and growth.
    - Has been involved in professional and amateur sports for over thirty-five years.
    - Has combined his experience of sports and technology to offer unique consulting services to both private and municipal owned sports facilities around the
    - country.
    - Has a proven ability to form collaborative relationships with internal and external staff at all levels and a track record of building and leading high- performing teams.
    - Was also an MLB coach for the NY Mets and minor coach for the Tampa Bay Rays.
  - Lyndon Estill, COO
    - Is responsible for the conceptual and organizational development of the Grinder Sports Complex

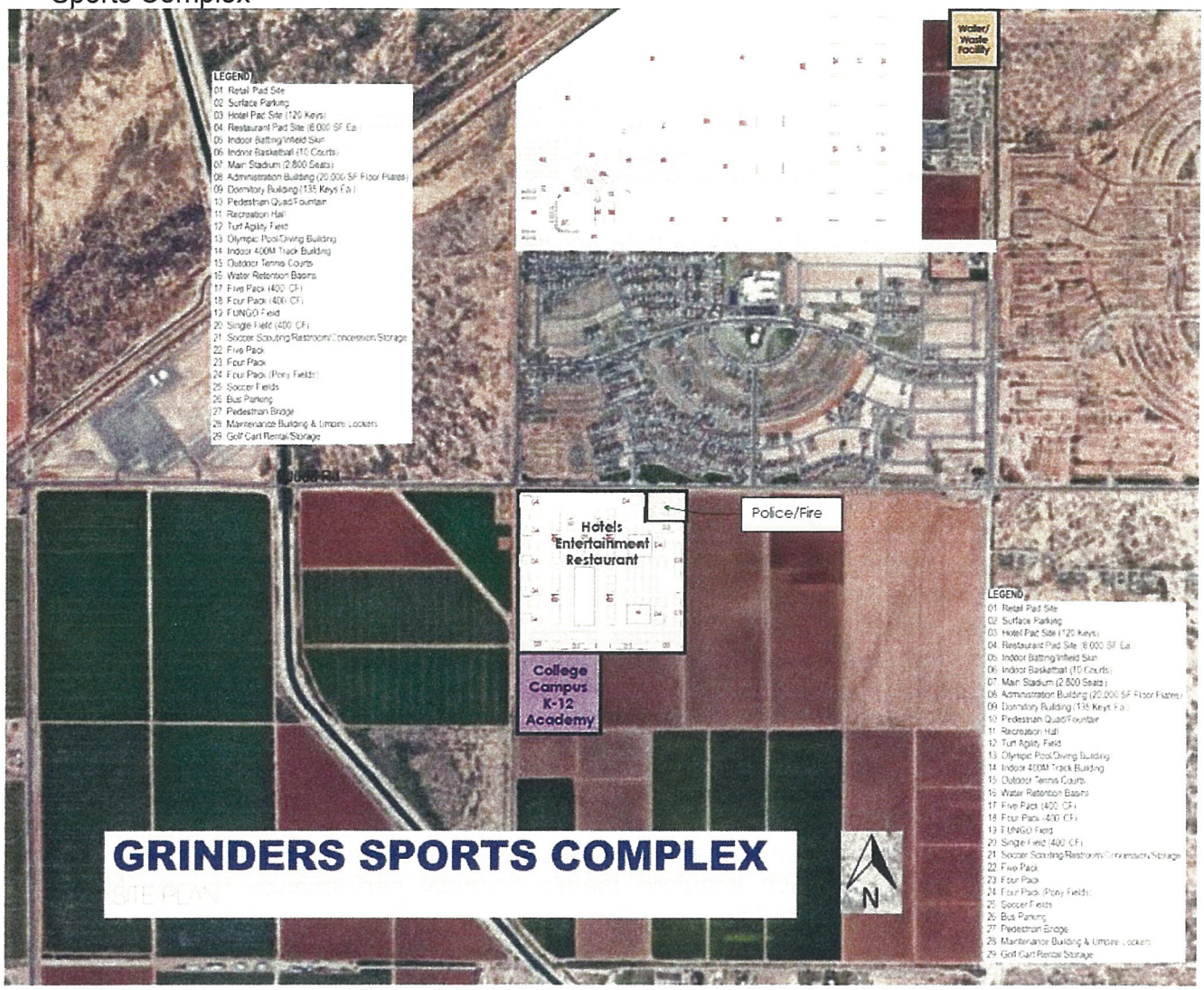
    - Throughout his professional baseball playing career, Lyndon spent every off-season working with various youth organizations in Washington state and Arizona to develop young players and grow the organizational business.
    - Used his experience as a professional player and coach to assist countless young players to advance to become college athletes.
    - His knowledge of the game also leads to spending time as the Director of Marketing and Brand Development with a Major League Baseball affiliated wood bat company.
- Don Mitchell, Director of Talent and Player Evaluations
    - Has extensive knowledge and experience in collegiate and professional baseball spanning more than 30 years.
    - Has been a college and professional player, Major League Baseball Director of Scouting, Certified MLB Agent, College Baseball Head Coach and College Athletic Director.
    - Currently the Founder and Lead Advisor for College Baseball/Softball Advisors, providing personal advice to athletes to promote themselves to college programs.
    - Over the last three decades, Don has established a great reputation within the national baseball community.
    - Has cultivated personal relationships with over 350 college coaches.
    - His honesty and integrity coupled with his scouting ability make him uniquely qualified to match high school and junior college players with a college program that is beneficial to both the student athlete and the college involved.
- Victor Marquez, CFO, Legal Counsel
    - His practice focuses on real estate transactions, land use and zoning laws, real estate, business and general commercial litigation, state and local government relations, and community outreach specialization in the context of land development and redevelopment for both private companies and nonprofit organizations and programs.
- Corey Shepard, Project Manager:
    - Brings more than ten years of experience in commercial construction management. He utilizes
    - his
    - extensive general contractor experience to ensure his client's best interests are being upheld
    - through every step of their project. Cory works closely with his clients to ensure total quality
    - throughout the entire project cycle by focusing on schedule and budget. He manages each project by
    - applying his comprehensive knowledge through contract review, budget analysis and schedule
    - coordination.
- Corey Shepard, Project Manager
    - Brings more than ten years of experience in commercial construction management.
    - Utilizes his extensive general contractor experience to ensure his client's best interests are being upheld through every step of their project.
    - Works closely with his clients to ensure total quality throughout the entire project cycle by focusing on schedule and budget.
    - Manages each project by applying his comprehensive knowledge through contract review, budget analysis and schedule coordination.
- Lesley Carey, Cashmere Hotel Group

- Has over 18 years of development, renovation and general management experience with luxury boutique hotels and resorts both in the U.S. and internationally.
- Attended Queen's University in Ontario, Canada, where she earned her Bachelor of Arts Degree in English Literature.
- Has helped create, design, and manage some of the top boutique hotels in the world. Began her hospitality career in Toronto, Canada where she undertook a series of positions with increasing responsibility at the Four Seasons, the Interstate, Wyndham hotels and Queens Landing, part of a four-star hotel group in the Niagara-on-the-Lake complex.
- Gained significant knowledge and practical experience in operations management, food & beverage, marketing, sales plan development, sales execution, construction, room renovation, budgeting, internal controls, and public relations.

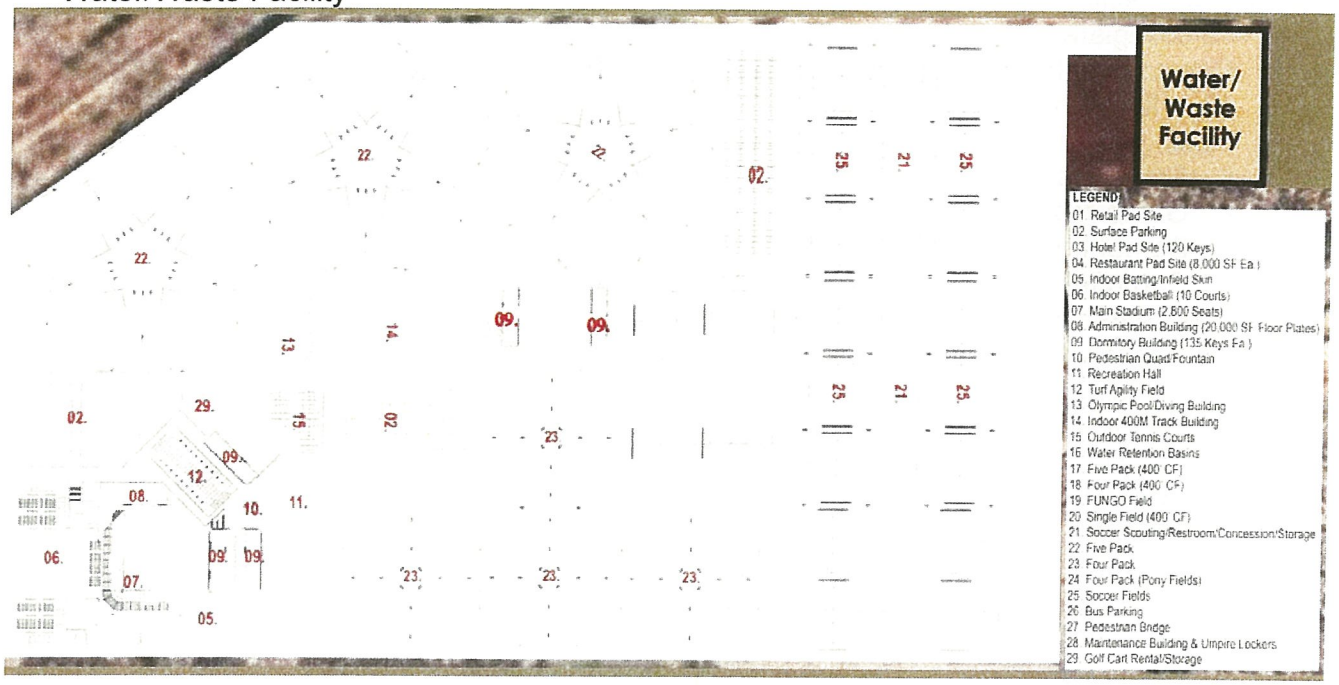
- Dean Reinmuth, Golf
  - His golf career spans back more than 40 years from his first job working at Naperville
  - Country Club in Illinois.
  - Starting out as a caddie, Dean worked his way up through the ranks by serving as a groundskeeper, working in the bag room, and then making his way into the pro shop. Soon after, he became a 1st assistant professional at Midlothian Country Club, in Midlothian, Illinois.
  - These various positions enabled Dean to learn all aspects of the business of golf while fine-tuning his playing skills.
  - Credits these experiences with setting the groundwork for what has evolved into
  - a very successful golf academy.
- Joe Molloy, Executive
  - Served as a senior executive in the New York Yankees for eleven years and is a former owner and Managing General Partner of the New York Yankees.
  - Served as the General Partner of the Yankees for six years, from 1992-1998, and from 1992-1995 he was the Managing General Partner, responsible for all baseball and business operations.
  - Is the CEO and owner of JAM Sports Ventures.
  - JAM Sports combines its experience operating one of the most storied sports franchises (New York Yankees) with deep financial, real estate, media, and technology expertise.
  - JAM Sports believes that its insights and command of related business
  - functions will drive each acquired team's financial performance to new levels of performance and profitability.
- <u>Adam Padilla, Owner, Brandfire Marketing</u>
  - Is the Co-Founder of BrandFire and Chief Creative Officer.
  - A celebrated branding expert, Adam lends his insight, tactical intelligence, and abundant creative talents to his clients.
  - Has been working with his partner Jesse Itzler since 2007, directing projects for ZICO, NetJets, Pretzel Crisps, Tom Brady and RUNDMC.
  - Is frequently called on to comment on branding and popular culture on WPIX, FOX Nightly News, Bravo, CNN, and CNBC.
  - Is also a regular contributor to AdWeek, the Wall Street Journal, Forbes, and Fast Company.
  - Aside from his professional accomplishments, Adam is also an influential content creator.

- His @adam.the.creator account is one of the largest original meme pages, with over 1 billion total yearly impressions across social channels.

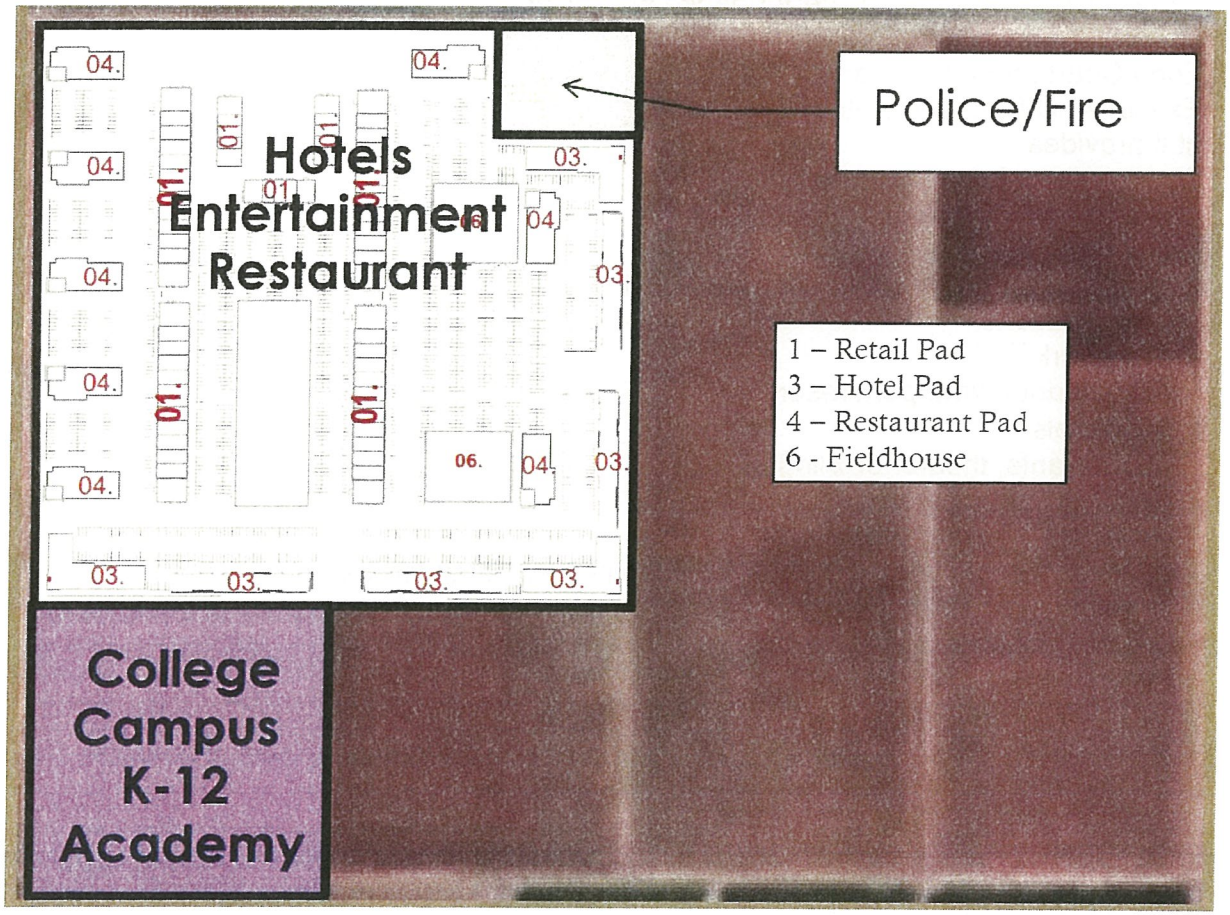
- Sports Complex



- Water/Waste Facility



- Police/Fire



- Planned Facilities
  - 15 collegiate/professional sized baseball fields with fixed seating
  - One collegiate professional sized baseball stadium (up to 5,000 seats)
  - 15 softball/youth baseball sized fields with fixed seating
  - Fields will be 100% synthetic turn and natural turf
    - Saves water
    - Game ready
    - Do not have to take time off of the field for maintenance
    - Can offer more programs
  - One softball/youth baseball sized stadium (up to 3,000 seats)
  - MLB style walk-out dugouts
  - 24 collegiate sized soccer-multi-use fields with fixed seating
  - Ten tennis courts and stadium
  - Pickleball facility
  - One Collegiate sized soccer/multi-use stadium with competition track (up to 5,000 seats)
  - Aquatic center
  - Approximately 180,000 square foot field house to include:
    - 10 collegiate size basketball courts that are transformable into two volleyball court, cheerleading
    - One collegiate size "stadium court" for basketball and volleyball
    - Rehab Center
    - Fitness Center for Athletic performance as well as adult fitness
    - Esports Arena
    - Food Court and Restaurants
    - Executive Offices and suites
  - What it provides:
    - Opportunities for young athletes
    - Hands on development
    - World class training
    - Opportunity for every child regardless of where they come from
  - Planned Attractions
    - Theme Park
    - Indoor/outdoor waterpark resort
      - 10 hotels
    - 12 restaurants, theater bowling alley
    - 27-hole golf course resort
    - 18-hole par 3 gold course
    - Two 18-hole miniature golf courses driving range; 18 lighted bays
    - Nine race car stimulators
    - Four paintball areas
    - Six go-court tracks
    - Equestrian Center with large animal health center
  - Features and facilities
    - Baseball, softball, lacrosse, soccer, and youth football fields, track and field, aquatics center
    - Field house providing basketball and volleyball courts, cheerleading
    - Fitness center complete with all sports training facilities
    - Sports medicine facility to provide medical and healthcare services

- A rehab center to provide rehabilitation services to all ages
- Access to training professional in all sports disciplines
- Grinder sports development training programs
- Classroom for academic course study, youth training, mentoring, nutrition, internships
- Pursue an MLB Team for future spring training site
- Pro and retail shops
- Professional coordinated concession areas
- Esports arena
- Business Center
- Local and national coaching conventions
- Food Court and restaurants
- Hotel Access
- Charity Events

- The Downtown Village
  - Hotels
  - Restaurants
  - Retail shopping
  - Miniature Golf Courses
  - Par 3 golf courses
  - Golf driving range
  - Esports
  - Bowling alley
  - Movie Theater
  - Beach volleyball
  - Go cart tracks
  - Paintball areas
  - Waterpark
  - Cornhole areas
  - Race car simulator

Mr. Billingsley stated that the request is for Council to authorize staff to begin negotiations on a pre-annexation development agreement with Grinder Sports.

Councilmember Cordes inquired what areas they looked at and what made them decide to pick Florence.

Mr. Estill stated that it took two years in searching for a site. Acreage was a huge issue. They looked throughout the valley and wanted to find the best fit. They looked at how underserved the area was as well. The found that the southeast area was overlooked and underserved. They want to ensure that they could serve a market that was underserved and non-appreciated was an important thing for them.

Councilmember Cordes stated it will help the residents to know that this will benefit the youth in our areas.

Councilmember Larsen stated that she is impressed with what they are offering the community. She inquired if they would include scooter and skating since this is underserved regionally.

Mr. Estill stated that the list is not complete and is fluid. They can add other things to the project but need to see where they can put it in the project. They need to make sure that there is land available and needs to be properly visible.

Vice-Mayor Anderson inquired how much land will be part of this annexation. He inquired if Magma Ranch will be part of the annexation.

Mr. Billingsley stated that Magma Ranch will not be part of the annexation. There will be two annexations. He explained the location of the project and said it would include two parcels.

Councilmember Larsen inquired about annexation for Wildhorse Estates and Crestfield Manor. She inquired if they can be part of this annexation.

Mr. Billingsley stated that it would be a separate annexation. He stated that their annexation was discussed approximate two years ago. They were unable to get enough signatures.

Ms. Garcia stated that the annexation stopped because of the requested feasibility study. They were encouraged to work with developers that could pay for the cost of the feasibility study, which is one of the requirements for annexation.

Councilmember Wall inquired if any of the annexations create an island.

Mr. Billingsley stated that it would not cause an island.

Councilmember Cordes inquired how much the annexation will cost the town.

Mr. Billingsley stated that they are several variables that need to be considered when doing an annexation which is why it is necessary to have a cost benefit analysis. He stated that it is favorable if the land is zoned commercial or industrial because of the ongoing tax stream. He stated that the challenge happens when you do residential development. He explained the challenges in annexing a residential development due to the cost. It is best to annex a residential area that has little development and one consideration is if development impact fees can be collected and transaction privilege tax from development. Developed areas are negative from a cash flow perspective.

Councilmember Cordes inquired what the cost of the project will be.

Mr. Estill stated they are finalizing the cost based on phases, needs and development schedule.

Mr. Billingsley stated that they have a Non-Disclosure Agreement and they will have future executive sessions to discuss various aspects of the project.

On motion of Councilmember Larsen, seconded by Councilmember Cordes, and carried (5-0) to approve negotiation of a Pre-Annexation Development Agreement with Grinders Sports Group, LLC, to construct a mixed-use project in the Town of Florence.

MANAGER'S REPORT

There was no Manager's Report.

CALL TO THE PUBLIC

There were no public comments.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Councilmember Larsen stated that there will be several questions regarding Grinder Sports. She stated that the Town needs to do its due diligence and that all questions will be answered throughout the process.

Councilmember Cordes reminded everyone to check in on your neighbor and to help each other with whatever is needed. We have not reached the peak of Covid-19. She stated that she is liaison for the Florence Unified School District Board and noted that they have three vacancies on the board, and no one is running. She urged everyone to consider running for this board. She stated if no one runs, the Pinal County Superintendent will need to appoint people to fill those vacancies. She explained how a great school district can affect prices of homes and the other benefits of a great school district.

Vice-Mayor Anderson thanked the Florence community for keeping Florence safe. He is thankful for the Town's safety personnel. Florence is a great community and care about one another. He said it is sad is to see all of the protests happening throughout our nation and is grateful for all of our residents.

Mayor Walter stated that she appreciated meeting the new hospital director and is excited and optimistic to see what Grinders Sports is planning for our area.

Mayor Walter appointed Vice-Mayor Anderson to serve as liaison to the Planning and Zoning Commission. Councilmember Hawkins position was vacated with his passing and Vice-Mayor Anderson has filled that vacancy in an unofficial capacity since that time. He is now being officially appointed as liaison to the Planning and Zoning Commission.

ADJOURNMENT

On motion of Councilmember Wall, seconded by Councilmember Cordes, and carried (5-0) to adjourn the meeting at 8:04 p.m.

Tara Walter

Tara Walter, Mayor

ATTEST:

Lisa Garcia, Town Clerk

I certify that the following is a true and correct copy of the minutes of the Florence Town Council meeting held on July 20, 2020, and that the meeting was duly called to order and that a quorum was present.

_____

Lisa Garcia, Town Clerk