



Legislation Details (With Text)

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A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, CREATING AN ENTERTAINMENT DISTRICT IN ACCORDANCE WITH ARIZONA REVISED STATUTES SECTION 4-207(C)(4).  
 Staff Contact: Jean Moreno, Executive Officer Strategic Initiatives and Special Projects

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Resolution No. R17-43 with Exhibit A, 2. 2009 Community Feedback Summary Report Centerline, 3. Survey Responses Summary Report, 4. Survey Response Detail, 5. Proposed Centerline Ent. District Church/School Buffer Zone Map

| Date      | Ver. | Action By    | Action   | Result |
|-----------|------|--------------|----------|--------|
| 6/13/2017 | 1    | City Council | approved | Pass   |

**RESOLUTION NO. R17-43**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, CREATING AN ENTERTAINMENT DISTRICT IN ACCORDANCE WITH ARIZONA REVISED STATUTES SECTION 4-207(C)(4).**

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**Purpose and Recommended Action**

This is a request for City Council to waive reading beyond the title and adopt a resolution creating an entertainment district in the Centerline Redevelopment Area in accordance with Arizona Revised Statutes (A.R.S.) Title 4-Arizona Liquor Law, § 207(C)(4) Entertainment District that would allow the city, on a case-by-case basis, to approve exemptions from the distance restrictions prescribed in A.R.S. § 4-207 pertaining to the location of certain types of liquor licenses within 300 feet of a church or school.

**Background**

In 2015, the former retail property located at 5734 W. Glendale Avenue was acquired by a church organization for use as a church facility. The addition of a church at this location raised questions from the business community about impacts on existing businesses and vacant properties in the area as it pertained to the issuance of liquor licenses. This was also a concern for the city because in 2007 the City Council, reinvigorated

the mission to create a vibrant city center which ultimately culminated in the development of the Centerline project. Over the course of roughly two years between 2007 and 2009, the City Council and staff participated in a variety of community activities to gather key stakeholder and community input regarding the continued development of the Glendale Avenue corridor. Some of the key themes that came out of the public outreach process were to apply mixed development with good balance of uses for vitality, variety, and sustainability including nightlife (see attached report for details).

A.R.S. § 4-207 prohibits the issuance of certain types of liquor license for any premises that are, at the time the license application is received by the director, within 300 horizontal feet of a church, school building, or fenced recreational area adjacent to the school building. This restriction is commonly referred to as the “300-foot rule”. A church is defined as any building erected or converted for use as a church where services are regularly convened, that is used primarily for religious worship and schooling, and that a reasonable person would conclude is a church by reason of design, signs or architectural or other features (A.R.S. § 4-207(D)(1)). A school is defined as any public or private school with any grades Kindergarten through 12 (A.R.S. § 4-207(A)).

The 300-foot rule must be observed for the following license types:

- Series 6 Bar
- Series 7 Beer & Wine Bar
- Series 8 Conveyance
- Series 9 Liquor Store
- Series 10 Beer and Wine Store
- Series 14 Private Club
- Series 16 Wine Festival/Fair

The following license types are not impacted by the 300-foot rule:

- Series 1 and 2 Producer
- Series 3 Microbrewery
- Series 4 Wholesaler
- Series 5 Government
- Series 11 Hotel-Motel
- Series 12 Restaurant
- Series 13 In-State Farm Winery
- Series 15 Special Event license
- Series 18 Craft Distillery
- Playing area of a golf course with an issued license
- A beer and wine license at a not-for-profit performing arts theatre with a permanent seating capacity of at least 250 persons
- Validly issued licenses that were in place prior to the location of a church or school (these licenses can be transferred to new owners at the same location)

State law allows places of worship and schools to be located within most zoning districts. The State Legislature recognized the potential conflict between community desires to create day and night time activation in certain areas based on entertainment uses and amended A.R.S. § 207 to include a provision that allows the governing

body of a city or town, on a case-by-case basis, to approve an exemption from the distance restrictions set for churches and schools through the formation of an entertainment district (A.R.S. § 4-207(C)(4)). The number of entertainment districts allowed in any jurisdiction is based on municipal population as follows:

- Population of at least 500,000 may designate no more than 3
- Population of at least 200,000 may designate no more than 2
- Population less than 200,000 may designate no more than 1

An entertainment district is defined as a contiguous area that is designated by a resolution adopted by the governing body of a city or town that consists of no more than one square mile, that is no less than one-eighth of a mile in width and that contains a significant number of entertainment, artistic and cultural venues including music halls, concert facilities, theaters, arenas, stadiums, museums, studios, galleries, restaurants, bars and other related facilities (A.R.S. § 4-207(C)(4)).

### Analysis

The creation of an entertainment district that would allow entertainment uses to coexist in the context of the downtown environment along with schools and churches has the potential to support economic development in the downtown area. There are approximately 16 known churches and 2 schools (one of which is a co-located church and school) that, when accounting for a 300-foot buffer zone, would fall within the proposed boundary of the entertainment district. Most of those facilities fall within the heart of the downtown area between 55<sup>th</sup> Drive and Grand Avenue. There has been market interest in converting former retail uses to entertainment type uses that would require liquor licensing and there are several vacant properties in this area that could benefit from market-driven redevelopment opportunities.

Glendale's population dictates that only two entertainment districts could ever be created. An entertainment district designation does not impact Zoning Ordinance regulations or provide any other rights or privileges to businesses located within the district. The designation of an entertainment district is only relevant to the issuance of liquor licenses that require observing the 300-foot rule.

The city conducted a public outreach effort that resulted in feedback outlining general support for the concept with suggestions for maintaining the existing character of the area while creating the ability to attract new uses to revitalize Centerline. The public outreach effort included the use of a survey tool to collect consistent feedback which resulted in a total of 151 survey responses received between July 22, 2016 and September 27, 2016.

#### Survey Summary Findings:

- 56% of respondents were in favor of the proposal
- 30% of respondents opposed the proposal
- 11% of respondents were undecided
- 3% of respondents did not provide an answer to this question
- A majority of business community respondents (92%) and resident respondents (56%) were in favor of the proposal

#### Constituent Group Data:

- 58% of respondents were residents

- 20% of respondents were church leaders, parents/students, or school administrators
- 16% of respondents were business owners, property owners, or landlords
- 6% of respondents did not provide an answer to this question

Geographic Location Data:

- 48% of respondents represented the impacted 85301 zip code
- 32% of respondents represented the immediately adjacent 85302 and 85303 zip codes
- 15% of respondents represented other Glendale zip codes
- 3% of respondents represented non-Glendale zip codes
- 2% of respondents did not provide an answer to this question

A staff summary report and the full details of the survey, including commentary, are provided as an attachment to this report. Themes from those in favor were that the proposal could create attraction, diversity of uses, and revitalization. Themes from those opposed or expressing concern included concerns about potential increases in undesirable behavior, impacts to the existing family-friendly environment, and opposition towards liquor store uses.

Staff presented to the Planning Commission on August 4, 2016 providing information about the proposal and seeking input and guidance from the Commission regarding whether there was general support for the concept, were there any specific criteria that they would suggest be utilized by Council when evaluating requests for exemptions, any suggestions or comments regarding the proposed district boundaries, or any other concerns or need for additional information on the topic. One question was raised regarding whether the proposal would allow billboards in the downtown area. The adoption of an Entertainment District does not impact zoning and therefore would not have any impacts related to billboards. The Planning Commission expressed support for moving forward with the proposal.

A public meeting was conducted on Wednesday, August 31, 2016 to provide an overview, answer any questions, and seek public feedback. The meeting was attended by approximately 12 adults (not including city staff and Councilmembers) and four people spoke publicly. Two were church pastors (including one that also operates a school), one was a business owner who is also a resident, and one was a resident. The feedback from those who spoke was general support of the concept and the city's efforts to revitalize downtown, but also the request that efforts be made to maintain the character of the downtown area and consider impacts to adjacent properties in the decision-making process when individual exemptions are considered.

Based on the public feedback received, staff developed exemption criteria to be included in the resolution for Council consideration which addresses time, place, and manner considerations. These exemption criteria would be utilized by the City Council when considering a request for an exemption to the 300-foot rule. At the October 4, 2016 workshop a Council member requested that staff seek directed feedback from the faith community regarding the exemption criteria. That outreach was conducted which resulted in the additional feedback below:

- Expressed appreciation for the staff effort to provide information and answer questions which provided transparency in the process and the proposed policy development
- Support for the proposal, but a concern that future staff and council respect the character of the area and consider impacts to adjacent properties when considering exemption requests

- A desire to support City Council's use of tools to develop downtown into a place that people want to visit and support
- That downtown be a place that people can take their children during the day or evening and that more music, restaurants, art, and activities for families are desirable
- That this proposal would not result in an increase in public drunkenness or allow drive-through liquor stores

Also at the October 4, 2016 workshop two Council members offered suggestions regarding the proposed boundaries for the district to include some of the properties to the north of Glenn drive between approximately 52<sup>nd</sup> and 55<sup>th</sup> avenues and to consider bifurcating a currently vacant parcel that is located near the Civic Center directly across from a church. Staff conducted follow-up on both of those suggestions. The parcels to the north of Glenn drive are composed of small residential lots which created concerns regarding being able to meet the 1/8 mile-wide criteria as referenced in the statute and future licensing could be problematic in the case of parcel bifurcation. The proposed boundaries as shown on Exhibit A of the resolution and the Church/School Buffer Zone Map are the same boundaries that were presented during the public outreach process and at the October 4, 2016 workshop, no changes were made.

### **Previous Related Council Action**

At the October 4, 2016 Workshop, staff presented the findings from the public outreach effort and sought guidance from Council on whether the initiative should move forward and asked for any changes to the recommended exemption criteria or proposed boundaries. Council provided comments regarding the map boundaries, asked that the proposed exemption criteria be shared with the church leaders, and provided consensus direction to bring this item to a future voting meeting for consideration.

At the May 3, 2016 Workshop, staff sought guidance from Council regarding the potential formation of an entertainment district pertaining to the issuance of liquor licenses. Council directed staff to conduct public outreach to solicit feedback and comments on the proposed creation of an entertainment district in downtown Glendale. Council also directed staff to maximize the proposed boundary by extending east to 43rd Avenue and west of Grand Avenue.

### **Community Benefit/Public Involvement**

Creating strategies that provide an agile response to market demands as it relates to the attraction and location of businesses in the Centerline area is a significant concern for the long-term economic vitality of the area. The Centerline is unique in that it represents the historic character of Glendale and, because of prior Council actions and initiatives, is uniquely positioned to support mixed-use development that encourages a dense, walkable core that would create a true live, work, play environment benefitting residents, businesses, and visitors alike. To inform Council's decision regarding the creation of an entertainment district, staff conducted the following public outreach activities.

- Development of a survey tool to capture consistent public feedback
- Direct mailer to 39 churches and 10 schools which included schools that would be impacted and those in the immediate vicinity. The packet included: outreach letter with an offer to meet/present to their constituency, fact sheet, and survey. Staff did not receive any requests to

meet, but did attempt phone contact to verify receipt of materials and offer to meet/answer questions.

- Postcard mailer to over 470 Centerline businesses and the interested parties list maintained by the Planning Department.
- Communication with Glendale Elementary School District which resulted in automated calls to student households informing them of the proposal and public meeting.
- Email notification to the following groups:
  - Registered neighborhoods in Cactus and Ocotillo districts
  - Glendale Centerline Alliance
  - Glendale Chamber of Commerce
  - Downtown and Catlin Court merchants
- Two quarter-page advertisements in the Glendale Star in the August 18, 2016 and August 25, 2016 print editions
- Inclusion in City Council newsletters
- Formal press release
- Public service announcement on Glendale 11

Public outreach efforts resulted in the following:

- 151 survey responses
- Staff presentations to:
  - Glendale Chamber of Commerce Government Affairs Committee
  - 5 and 5 Downtown Merchants alliance
  - Glendale NEIGHBOR non-profit consortium
  - Planning Commission
- Formal public meeting held on August 31st
- Five formal news articles and 2 opinion pieces in the Glendale Star, the Arizona Republic, and Your West Valley (Independent Newsmedia Inc.)
- Formal letter of support from the Glendale Chamber of Commerce

### **Budget and Financial Impacts**

There are no budget or financial impacts associated with this request.