

DOWNTOWN CHANDLER ENHANCED MUNICIPAL SERVICES AGREEMENT FOR FISCAL YEAR 2024-2025

THIS AGREEMENT is entered into effective July 1, 2024, by and between the CITY OF CHANDLER, an Arizona municipal corporation (the "City"), and DOWNTOWN CHANDLER COMMUNITY PARTNERSHIP, an Arizona non-profit corporation (the "DCCP").

RECITALS

WHEREAS, the City desires to obtain certain enhanced municipal services for a portion of the downtown area of Chandler, and, pursuant to the authority granted under Section 48-575 of the Arizona Revised Statutes, has established the Downtown Chandler Enhanced Municipal Services District by Resolution No. 3905 to fund such services within the geographic area described therein and depicted in attached Exhibit "A" (the "District"), and has established an assessment for properties within the District to fund such enhanced services; and

WHEREAS, the DCCP is willing and able and desires to provide such enhanced municipal services for the District;

NOW, THEREFORE, in consideration of the recitals and the mutual obligations of the parties contained herein, each of them does hereby covenant and agree with the other as follows:

SECTION 1 **SCOPE OF SERVICES**

1.1. **Purpose.** The purpose of this Agreement is to establish and carry out a strategy for providing enhanced municipal services within the District, including marketing and promotion, safety and beautification, and management assistance so as to increase the economic and civic value of the downtown area of Chandler.

1.2. **Description of Services.** During the term of this Agreement and in order to further the purpose of this Agreement, the DCCP shall perform the enhanced municipal services described in attached Exhibit "B", which at a minimum shall include the services described in Sections 1.3 through 1.5 below.

1.3. **Marketing and Promotions.** The DCCP shall promote the District, including all of its individual market and geographic segments, through the development and implementation of a, including but not limited to: publications; facilitating the production by others of special events and festivals; and advertising and publicity.

1.4. **Safety and Beautification.** The DCCP shall implement programs that clean the physical environment of the District, thereby enhancing public safety services. In addition, the DCCP shall provide supplemental projects including street banners, informational directories, building light lines and annual holiday light displays. Additionally, the DCCP shall regularly communicate with the City on general maintenance and beautification to ensure a well-maintained and appealing atmosphere.

1.5. **Downtown Management Assistance.** The DCCP shall be the point of contact on a daily basis for issues affecting District ratepayers so that matters can be coordinated with the City and addressed appropriately.

1.6. **Compliance with Laws.** In providing any and all of the services described in this Agreement, the DCCP shall comply with all applicable laws, ordinances and codes of the United States, the State of Arizona, and the City of Chandler.

1.7. **General Administration.** The DCCP shall maintain high standards in the conduct of its internal and external business affairs, and shall maintain a high public integrity.

1.8. **Coordination With The City.** In order that this Agreement may be considered for renewal for fiscal year 2024-2025, the DCCP shall:

a. Provide, for approval by the City, (i) any recommended modifications to the description of the scope of services described in attached Exhibit "B" or otherwise described in this section 1 of this Agreement, (ii) a detailed operating budget that meets the modified scope of services, (iii) an accounting of anticipated and existing carryforward and how it will be utilized during the timeframe of this agreement. The proposed modifications and the operating budget including carryforward shall be submitted to the City by March 21, 2024 and the City shall take action on both items on June 27, 2024.

b. Provide, for the term of this Agreement, the DCCP shall provide two progress reports to the City in the months of January and June of each year, to include information on relevant topics such as events, attendance, hours devoted to clean and safe activities, marketing reach, etc.

c. Provide monthly financial statements and an independent audit report (every other year) of expenditures and program compliance within one hundred twenty (120) days following the end of the fiscal year covered by this Agreement and within ninety (90) days following the termination of this Agreement. The year the audit is not conducted, a financial review will be completed. The City may also choose to perform its own audit. The financial statements and audit shall utilize fund accounting and distinguish between restricted and unrestricted revenues per the Financial Accounting Standards Board Accounting Standards Codification (ASC) 958 as follows:

1. *Unrestricted Net Assets:* Those funds that have no donor or contributor stipulations. These include member dues and prior savings from pre-District fundraising done by DCCP. If this contract is not renewed, all funds in this category are retained by the DCCP.

2. *Temporarily Restricted Net Assets:* Those funds that have donor-imposed restrictions that can be fulfilled in one of two ways – passage of a defined period of time (time restricted) or by performing defined activities (purpose restricted). This includes assessment revenues, the voluntary City contribution, sponsorships, and event income for those events funded and/or staffed by the District. Temporarily restricted assets may only be used for District purposes in line with the duties outlined in Sections 1.3 through 1.5, not general DCCP purposes. Any monies

carried forward in to the next fiscal year from this category, will remain in this classification. If this contract is not renewed, all funds in this category must be returned to the City.

3. *Permanently Restricted Net Assets*: Those funds that are donated for a specific and restricted use, such as an endowment. Currently, no such assets exist in the District and disposition of any funds secured during the term of this contract will be decided between the parties.

d. Provide assistance to the Maricopa County Assessor, the Maricopa County Treasurer, and the City in the assessment of the District. DCCP shall be responsible for maintaining an accurate roll of land use and property ownership information, the development of proposed assessment lists, and the scheduling of events leading to assessment hearings and other appropriate public hearings and notifications to be conducted during the fiscal year covered by this Agreement for the next fiscal year.

1.9. **Continuance of City Service Levels.** The City shall continue to provide within the District the same level of municipal services as described in attached Exhibit "C".

SECTION 2 **EFFECTIVE DATE**

2.1. **Term.** This Agreement shall be for the City's fiscal year beginning July 1, 2024 and ending June 30, 2025.

SECTION 3 **COMPENSATION**

3.1. **Remittance of Assessments.** The City agrees to remit to the DCCP, for the services to be rendered by it under this Agreement, an amount equal to the annual assessment of the Chandler Enhanced Municipal Services District as collected and distributed by the Maricopa County Treasurer for fiscal year 2024-2025. Payments by the City shall be made to the DCCP when received by the City from the Maricopa County Treasurer.

3.2. **Voluntary Contribution.** The City shall pay to the DCCP a voluntary contribution of \$130,981 (One hundred thirty thousand, nine hundred and eighty one dollars) in two equal installments, the first on or before July 15, 2024, and the second on or before January 15, 2025.

3.3 **Reserve Fund.** The DCCP shall establish a contingency fund as a reserve to use as operating funds for fiscal year 2024-2025. The reserve will be sufficient enough to use as operating funds until such time that the City receives assessment funds from Maricopa County. The DCCP Board may set and carry a reserve level not to exceed 20% of that years' assessment. If the DCCP Board wishes to accumulate funds for a specific project in addition to the 20% reserve, a written proposal may be submitted to the City for consideration. Upon City approval, Temporarily Restricted Funds may be earmarked for the project; however, if the project does not move forward in the agreed upon timeframe, the monies will be returned to the general Temporarily Restricted Funds and the reserve spent down.

SECTION 4

INSURANCE AND INDEMNIFICATION

4.1 **Indemnification:** The DCCP agrees to indemnify, defend and save harmless the City, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively; from all losses, claims, suits, actions, payments and judgments, demands, expenses, attorney's fees, defense costs or actions of any kind and nature resulting from personal injury (including bodily injury and death) to any person, including employees of the DCCP or any subcontractor or consultant of the DCCP employed by the DCCP, or damage to any property, arising or alleged to have arisen out of the negligent performance of the DCCP for the work to be performed hereunder, except any such injury or damages arising out of the sole negligence of the City, its officers, agents or employees. It is the intention of the parties to this contract that the City, its Mayor and Council, appointed boards and commissions, officials, officers and employees, individually and collectively, are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property.

4.2 **Insurance:** The DCCP shall provide insurance coverage in the amount and type, and subject to the conditions, as set forth in attached Exhibit "D".

SECTION 5

TERMINATION

5.1. **Automatic Termination.** This Agreement shall terminate automatically if either of two conditions applies:

- a. At the end of the fiscal year covered by this Agreement if the DCCP budget is not approved and/or renewal of the Agreement is not approved by the Chandler City Council.
- b. The DCCP ceases to exist.

5.2. **Optional Termination.** Either party may terminate this Agreement during its term upon giving the other party at least sixty (60) days written notice of such desired termination.

5.3. **Effect of Early Termination.** Upon early termination of this Agreement, the assets of the DCCP shall become the assets of the City, with the exception of the verified Unrestricted Net Assets, and the City's voluntary contribution shall be terminated immediately.

SECTION 6
MISCELLANEOUS PROVISIONS

6.1. **Binding Agreement; Assignment:** This Agreement shall be binding upon the successors and assigns of the parties. However, no party shall have the right to assign this Agreement or any interest in this Agreement without the prior written consent of the other party.

6.2. **Notices:** Any notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by registered or certified mail, return receipt requested, pre-paid to the parties as specified below.

If to the City: City of Chandler
 City Manager's Office
 Mail Stop 605
 P.O. Box 4008
 Chandler, AZ 85244-4008

 City of Chandler
 Cultural Development
 Mail Stop 498
 P.O. Box 4008
 Chandler, AZ 85244-4008

If to the DCCP: Downtown Chandler Community Partnership
 100 W. Boston St., Ste. 5
 Chandler, AZ 85225

6.3. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. This Agreement has been made and entered into in Maricopa County, Arizona.

6.4. **Waiver.** No waiver by either party of any breach of any of the terms, covenants or conditions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same for any other term, covenant or condition herein contained.

6.5. **Attorney's Fees.** In the event of any actual litigation between the parties in connection with this Agreement, the party prevailing in such action shall be entitled to recover from the other party all of its costs and fees, including reasonable attorney's fees, which shall be determined by the court and not by the jury.

6.6. **Exhibits.** The exhibits attached hereto are incorporated herein by this reference as though fully set forth herein.

6.7. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and all prior and contemporaneous agreements,

representations, negotiations and understandings of the parties hereto, oral or written, are hereby superseded and merged herein.

IN WITNESS WHEREOF, the City has caused this agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and DCCP has signed the same on or as of the day and year first written above.

CITY OF CHANDLER, an Arizona municipal corporation

By: _____
Kevin Hartke, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney TA

DOWNTOWN CHANDLER COMMUNITY PARTNERSHIP, an Arizona non-profit corporation

By: 
Megan Schmidt, Chair

ATTEST:

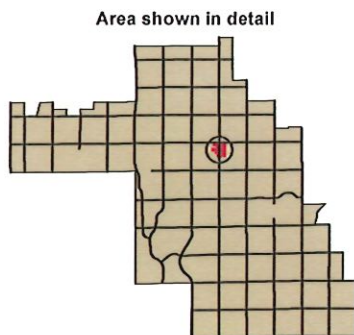
Exhibit A

City of Chandler Enhanced Municipal Services District

Assessment Diagram 2024-2025



Note: For detailed parcel information including building and lot square footage please refer to Exhibit D.



- | Assessed Parcels | | Exempt Parcels | |
|--|-------------------|--|-------------------|
| | Historic Downtown | | Residential |
| | City Owned | | Other |
| | Privately Owned | | District Boundary |
| | | | Streets |



Exhibit B



Downtown Chandler Community Partnership 2024-25 Work Plan

1. Marketing and Promotion

A. Promotional Events/Programs

- Seasonal Events and Promotions: Winter, Spring, Summer, Fall
- Events: Farmers Market and extending to a Summer Market, Sippin' Santa's, Brunch Crawl, Sugarland, Wedding Walk, Prancer's Pajama Party, Dive-in Movies, Art Walk
- Holiday campaign
- Small Business Saturday
- Holiday Décor/Seasonal Lighting
- Event Partnerships – Fine Arts and Wine Festival, BBQ Festival, Reunion Truck Show, Oktoberfest, Chandler Pride, Corvette Club of Arizona
- Serve on City Special Events Committee, Dr. AJ Chandler Park Renovation Committee, Area Plan Update Committee

B. Downtown Marketing and Communications

- Downtown map/brochures kept current and regularly updated
- Seasonal Promotional Campaigns- Channel Your Chill, Stay & Play
- Brand Campaign – Downtown Live!
- Monthly Newsletters – Downtown Update (Stakeholders) and Downtown Dish (public)
- Special Event Notifications/communications
- Website kept current and regularly updated
- Promote downtown parking options, both surface and garage
- Social media to include Facebook, Instagram, Tik Tok
- Target Marketing in frequent visitors via specific cities based on AI data
- Kiosks/banners kept current and regularly updated
- Collaborative marketing with downtown businesses
- Online event calendar kept current regularly updated
- Assist City in Communication efforts with Downtown Businesses and Property Owners
- Partner with Visit Chandler to participate and/or attend tourism opportunities

Exhibit B

2. Safety and Beautification

- Clean Team Services - 7 days a week – minimum 40 hours
- Ambassador Program - 2-3-month pilot program on the weekends during high visitor season.
- Provide flower planting in pots/planters along colonnade area and intersection of Frye and AZ. Ave/Boston/AZ Ave as needed.
- Add flags in planters throughout downtown during patriotic holidays.
- Partnered with DEI, Library, and Cultural Development to add holiday wreaths to the park. Wrapped garland around Sternberg lighting, light the canal.
- Replace and update roof top lighting.
- Partner with various groups to incorporate arts in the downtown, and local artists to wrap utility boxes.
- Partner with the City's Homeless Navigation team to report incidents and/or concerns.
- Increase pressure washing throughout downtown outside of city's weekly pressure washing areas.

3. Downtown Management

- 6-Downtown Stakeholders Meetings
- Minimum 9 Board Meetings
- Strategic Plan
- Annual Satisfaction survey
- Monthly Financials
- Bi-annual audit (odd years)
- Annual Meeting
- Annual Report
- DCCP Workplan
- DCCP Budget
- EMSD Renewal
- Advocate for Downtown projects, businesses and property owners
- Liaison between stakeholders/City
- Attend various meetings/celebrations
- Fundraising efforts for Special Programs/Projects
- Hiring of Consultant to assist with the EMSD 10 year renewal process and guidance for potential expansion.
- Work on strategies to address pop-up vendors, nonprofits, and other organizations under the city colonnade.

EXHIBIT C
CITY SERVICES PROVIDED IN DOWNTOWN
FY2024-25

City Services to Be Provided to Downtown

Downtown Redevelopment Staff
(Non-exhaustive list of responsibilities)

- Manage all economic development activities in Downtown Chandler, including, but not limited to:
 - Business recruitment, retention, and expansion assistance
 - Deployment of City-owned land for redevelopment projects through the request for proposal process
 - Management and negotiation of development agreements
 - Serving as a liaison between the downtown business community and the City of Chandler
 - Providing research services and analyzing relevant economic data
- Initiate and implement the various projects and activities of the City's Downtown program including, but not limited to:
 - Coordinating and leading City Capital Improvement Projects throughout Downtown Chandler
 - Coordinating maintenance tasks within the physical environment throughout Downtown Chandler
 - Leading and coordinating the implementation of various new improvements
 - Coordinating with the City's Communication and Public Affairs Department to create marketing content and events for Downtown Chandler
 - Leverage best practices for the implementation of placemaking projects
- Serve as the liaison between the Downtown Chandler Community Partnership and the City of Chandler
- Coordinate across City departments and the Downtown Chandler community to address quality of life issues
- The DCCP would have the first right of refusal for The Arizona Office of Tourism if Economic Development - Tourism Division (Visit Chandler) is not applying for any grant opportunities. The City will work with the DCCP for submittal.
- The DCCP has the ability to request use of the Gateway Banner when not in use by an upcoming permitted event if it is a DCCP sponsored event that benefits the downtown as a whole and not one specific business regardless of whether a permit is needed or not.

Downtown Redevelopment Operations

- **Cleaning Maintenance**

- Power washing under colonnades once per week and on Arizona Ave and Breezeway and other identified areas every two weeks. (Map available upon request)
- Breezeway maintenance and cleaning task as needed.

- **Routine Maintenance Task**

- Re-planting (approximately April/October), weeding and fertilizing twice per year flowers and plants in Downtown Area.
- City provides water for all pots on the Parks irrigation system. City provided pots without an automatic watering system will be watered by the store owner adjacent to the pots.
- Pick up trash as needed.
- Monitor and report graffiti, shopping carts, illegal dumping, and collaborating with our homeless navigators.
- Maintain Banners along Arizona Ave
- Work with vendors for maintenance repairs.

City of Chandler Police Department

- Traditional-type patrol officers are assigned to the area in marked police cars to respond to routine calls for service.
- The bicycle team is available for enforcement in Downtown Chandler.
- Crime prevention personnel are available to offer advice regarding crime prevention through environmental design and/or business practice.
- Specialized enforcement as needed for criminal activity.

City of Chandler Public Works Department

- Perform street sweeping weekly
- Inspect storm drains and inlets twice annually and clean as needed
- Perform concrete and asphalt repairs as needed
- Inspect pavement markings once per year and redo as needed
- Repair, replace, and install traffic signs as needed

City of Chandler Parks Department

A.J. Chandler Park

- Maintain A.J. Chandler Park including mowing, fertilizing and watering of grass, maintenance of trees and other plant material and cleaning open space ramada areas including maintenance of landscaped medians.
- DCCP has been granted one storage unit in which to store their special event and cleaning equipment.
- Responsible for the up lighting and Sternberg's in the downtown area.
- Downtown Maintenance Costs
 - Sidewalk Maintenance and cleaning and emptying of trash cans once per week, as well as other tasks as needed.
 - Landscaping Behind San Marco Place Storefronts
 - Pick up trash twice per week
 - Prune shrubs six times per year
- Breezeway Cleaning
 - Pick up trash twice per week

City of Chandler Building and Facilities Department

Colonnade, Lighting & Repairs

- Pay for annual electrical APS utility costs on existing lighting.
- Perform colonnade lighting repairs including light bulb, ballast, lenses, breaker repair and replacement on existing lighting including gooseneck lighting and Sternbergs.
- Maintain LED light strips along edge of colonnade

Parking Lot and Parking Garages Sweeping

- Sweep city parking lots/courts with motor sweeper monthly.



Exhibit D

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

05/15/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Gerlad Sajor
American Family Brokerage Inc	PHONE (A/C, No, Ext): 480-503-4455
6000 American Parkway	FAX (A/C, No): 866-287-1188
	E-MAIL ADDRESS: gsajor@amfam.com
	INSURER(S) AFFORDING COVERAGE
Madison WI 53783	INSURER A: USLI - United States Liability Insurance
INSURED	INSURER B: USLI - United States Liability Insurance
Downtown Chandler Community Partnership Inc	INSURER C: USLI - United States Liability Insurance
100 W Boston St Ste 5	INSURER D:
	INSURER E:
Chandler AZ 85225	INSURER F:

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

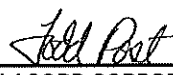
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PROJECT ☐ LOC OTHER:	Y	Y	NBP1566476A	01/31/2024	01/31/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☒ HIRED AUTOS ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS				01/31/2024	01/31/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE ☒ DED ☐ RETENTION \$			CUP1571799A	01/31/2024	01/31/2025	EACH OCCURRENCE \$ 3,000,000 AGGREGATE \$ 3,000,000 PER STATUTE ☐ OTH-ER ☐
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A				E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	Directors & Officers Host Liquor Liability			NBP1566476A	01/31/2024	01/31/2025	\$1,000,000 Claims Made Limit \$2,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

- The City of Chandler, its agents, representatives, officers, directors, officials, and employees are additional insureds. Certificate contains severability of interest and waiver of subrogation.
- Event Date: September 27 and 28, 2024
- Event Name: Downtown Chandler Oktoberfest
- Event Location: Dr. A.J. Chandler Park East Stage Plaza

CERTIFICATE HOLDER

CANCELLATION

City of Chandler 175 S. Arizona Ave Chandler AZ 85225	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
---	--

© 1988-2014 ACORD CORPORATION. All rights reserved.