SCOTTSDALE

CITY COUNCIL MEETING

AGENDA

COUNCIL

Mary Manross, Mayor
Wayne Ecton
Robert W. Littlefield
Cynthia Lukas
Ned O'Hearn
David Ortega
Tom Silverman

Tuesday, June 3, 2003

4:00 P.M.

City Council Special Meeting to Call Executive Session

Call to Order – City Hall Kiva Forum, 3939 N. Drinkwater Blvd.

Roll Call

1. MOTION TO RECESS INTO EXECUTIVE SESSION, FOR DISCUSSION OR CONSULTATION FOR LEGAL ADVICE AND TO CONSIDER THE CITY'S POSITION AND INSTRUCT ITS REPRESENTATIVES AND ATTORNEY(S) REGARDING DISCUSSION OR CONSULTATION WITH THE CITY'S ATTORNEY(S) AND ITS OUTSIDE COUNSEL FOR LEGAL ADVICE AND TO CONSIDER ITS POSITION AND INSTRUCT ITS ATTORNEYS REGARDING THE FOLLOWING PENDING LITIGATION: SCOTTSDALE 275, LLC vs CITY OF SCOTTSDALE, et al. A.R.S. 38-431.03 (A)(3) AND (A)(4). (REQUESTED BY D. PENNARTZ)

Adjourn

City Council Executive Session
Immediately Following 4:00 P.M. City Council Special Meeting

Call to Order – City Hall Kiva Conference Room

1. DISCUSSION OR CONSULTATION WITH THE CITY'S ATTORNEY(S) AND ITS OUTSIDE COUNSEL FOR LEGAL ADVICE AND TO CONSIDER ITS POSITION AND INSTRUCT ITS ATTORNEYS REGARDING THE FOLLOWING PENDING LITIGATION: SCOTTSDALE 275, LLC vs CITY OF SCOTTSDALE, et al. A.R.S. 38-431.03 (A)(3) AND (A)(4). (REQUESTED BY D. PENNARTZ)

Adjourn

5:00 P.M.
CITY COUNCIL MEETING

Call to Order – City Hall Kiva Forum, 3939 N. Drinkwater Boulevard

Roll Call

Public Comment
Citizens may complete one speaker/citizen comment card per night and submit it to the City Clerk before or during this evening's meeting. Please check the box that refers to "public comment." This "Public Comment" time is reserved for citizen comments regarding non-agendized items. No official Council action can be taken on these items.

CONSENT AGENDA ITEMS 1 - 14

1. **Inn Suites Hotels & Suites Liquor License**
   Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 11 (hotel) State liquor license for an existing hotel location.
   Location: 7707 E McDowell Rd
   Reference: 24-LL-2003
   Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

2. **Ayako of Tokyo Liquor License**
   Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing restaurant location.
   Location: 7042 E Indian School Rd
   Reference: 25-LL-2003
   Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

3. **The Moody Brew Liquor License**
Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license.
Location: 8445 E Hartford Dr
Reference: 26-LL-2003
Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

4. **Pasta Bene Liquor License**
Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing location.
Location: 6990 E Shea Bl
Reference: 28-LL-2003
Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

5. **Circle K Store # 6347 Liquor License**
Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 10 (beer/wine store) State liquor license for an existing convenience store location.
Location: 8202 E McDowell Rd
Reference: 29-LL-2003
Staff Contacts: Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

6. **Mirabel Club Liquor License**
Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a series 6 (bar) State liquor license for a new golf course/club location.
Location: 37401 N Mirabel Club Dr
Reference: 30-LL-2003
Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

7. **Frank & Lupes Outdoor Courtyard Extension and Liquor License**
Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises for an outdoor courtyard serving area.
Location: 4121 N Marshall Wy
Reference: 13-EX-2003
Staff Contact(s): Jeff Fisher, Plan and Permit Services Interim Director, 480-312-7619, jefisher@ScottsdaleAZ.gov

8. **Modifying 110th Place Abandonment**
Request: Consider the following:
1. Abandon a portion of 110th Place cul-de-sac.
2. Dedicate a new 110th Place cul-de-sac.
3. Adopt Resolution No. 6293 vacating and abandoning a portion of the public right of way.

Location: E Cave Creek Rd
Reference: 1-AB-2003
Staff Contact(s): Cheryl Sumners, Senior Planner, 480-312-7834, csumners@ScottsdaleAZ.gov

9. **Contract for Legal Services in connection with *Scottsdale 275, LLC v. City of Scottsdale, et al,* Case No. CIV02-0041-PHX-MHM, pending in Arizona District Court.**
Request: Adopt Resolution No. 6295 authorizing the Mayor to execute Contract No. 2002-032A-COS, legal services contract renewal in a maximum amount of One Hundred Thousand Dollars ($100,000.00), with the law firm of Lewis and Roca, LLP for legal services regarding representation of the City of Scottsdale in the litigation entitled *Scottsdale 275, LLC v. City of Scottsdale, et al.*
Related Policies, References: Resolution No. 6295; prior contract (No. 2002-032-COS) and Resolution 6043.
Staff Contact(s): David A. Pennartz, City Attorney, dpennartz@scottsdaleaz.gov; Deborah W. Robberson, Deputy City Attorney, drobberson@scottsdaleaz.gov

10. **An intergovernmental agreement between the cities of Scottsdale, Chandler, Glendale, Goodyear, Mesa and Peoria, and a legal services contract between those cities and the law firm of Engelman Berger, P.C., relating to joint legal representation in settlement activities in connection with the *CAWCD v. U.S.* litigation.**
Request: Adopt Resolution No. 6300 authorizing the Mayor to enter into: (a) Eighth Intergovernmental Agreement No. 2003-108-COS, an agreement between the cities of Scottsdale, Chandler, Glendale, Goodyear, Mesa and Peoria, and (b) Agreement No. 2003-109-COS, a Contract for Legal Services among the aforementioned cities and the law firm of Engelman Berger, P.C., both relating to joint legal representation in settlement activities in connection with the *CAWCD v. U.S.* litigation.
Staff Contact(s): David Pennartz, dpennartz@scottsdaleaz.gov, (480) 312-2405; Paul Norman, pnorman@scottsdaleaz.gov, (480) 312-2405

11. **Contract for Legal Services in connection with a proposed redevelopment agreement for Los Arcos.**
Request: Adopt Resolution No. 6296 authorizing the Mayor to execute Contract No. 2003-101-COS, an outside counsel contract renewal in a maximum amount of Forty Thousand Dollars ($40,000) with the law firm of VAN WAGNER & ERHART LLP for legal services regarding representation of the City of Scottsdale in a proposed redevelopment agreement for Los Arcos.
Related Policies, References: Resolution No. 6296
Staff Contact(s): David A. Pennartz City Attorney, dpennartz@scottsdaleaz.gov; (480) 312-2405

12. **Contract for Legal Services in connection with *City of Scottsdale v. Phillip P. Lovell*, Superior Court Case No. CV2000-017992**
Request: Adopt Resolution No. 6297 authorizing the Mayor to execute Contract No. 2003-102-COS, an outside counsel contract renewal in a maximum amount of Fifty Thousand Dollars ($50,000.00) with the law firm of AYERS & BROWN, P.C. for legal services regarding representation of the City of Scottsdale in the litigation entitled *City of Scottsdale v. Phillip P. Lovell*, Superior Court Case No. CV2000-017992, an eminent domain action brought to acquire real property for McDowell Sonoran Preserve.
Related Policies, References: Resolution No. 6297
Staff Contact(s): Donna M. Bronski, Deputy City Attorney, dbronski@scottsdaleaz.gov, (480) 312-2405

13. **Approve annual contract with GPEC for economic development marketing**
Request: Adopt Resolution No. 6304 authorizing General Funds in the amount of $83,806 for provision of regional economic development marketing services, and
Approve Contract No. 2003-107-COS with the Greater Phoenix Economic Council
Related Policies, References: Economic Vitality Strategic Plan, approved by Council 11/02
Staff Contact(s): David Roderique, Economic Vitality General Manager, 480-312-7601, droderique@scottsdaleaz.gov

14. **Approve Industrial Development Refinancing Bonds for Scottsdale Healthcare**
Request: Adopt Resolution No. 6239 upholding the approval of the Scottsdale Industrial Development Board for the authorization of the issuance of up to $40 million in Industrial Development Revenue Bonds to Scottsdale Healthcare for the refinancing of existing bonds; and, declare an emergency to enable Scottsdale Healthcare to sell these bonds immediately, thus avoiding possible interest rate changes.
Staff Contact(s): David Roderique, Economic Vitality General Manager, 480-312-7601, droderique@scottsdaleaz.gov

Regular Agenda begins on the following page

15. Updating Regulations for massage facilities, massage therapists and general provisions for licensing and permits

Request: Approve Ordinance No. 3510, imposing new fees, adding annual fingerprinting and other updates to the massage therapist and facility regulations; and
Approve Ordinance No. 3509, amending and updating the Article I of Chapter 16, relating to the general provisions for licenses and permits.

Related Policies, References: Chapter 16 of the City Code; Licenses, Taxation, and Miscellaneous Business Regulations; Senate Bill 1103, effective May 13, 2003.

Staff Contact(s): Captain Burl Haenel, District 1, bhaenel@scottsdaleaz.gov, (480) 312-7318, Cindy James, Customer Services Director, Tax and License, cjames@scottsdaleaz.gov, (480) 312-5925, Donna Bronski, Deputy City Attorney, dbronski@scottsdaleaz.gov, (480)312-2624

16. Annual review and update of Downtown Enhanced Municipal Services District No. 2.

Request: Adopt Resolution No. 6298 (Attachment A) to accomplish all of the following:

1. Reject any objections received to the legality of the assessments for Fiscal Year 2003-2004 for the Downtown Enhanced Municipal Services District No. 2 as insufficient and without merit.
2. Establish at $527,500 the amount of funds to be raised for District projects through assessments for Fiscal Year 2003-2004.
3. Supplement the amount raised through assessments, by committing toward funding of enhanced municipal services within the District during Fiscal Year 2003-2004, an additional $100,000 from the City's general fund.
4. Establish a Fiscal Year 2003-2004 budget for the District in the total amount of $612,000 as detailed on Attachment B.
5. Approve expenditure of $97,000 in District funds under existing Contract No. 2002-100-COS with Downtown Scottsdale Partnership, Inc. for Fiscal Year 2003-2004.
6. Approve expenditure of $500,000 in District funds under existing Contract No. 2002-111-COS with Cramer-Krasselt for Fiscal Year 2003-2004,

Related Policies, References: On May 28, 2002, the Mayor and City Council adopted Resolution No. 6083 ordering the provision of enhanced municipal services within the Downtown Enhanced Municipal Services District No. 2, and providing for the annual costs and expenses to be assessed against the real property within the District for each of the next five years. On July 2, 2002, the Mayor and City Council adopted Resolution No. 6112A adopting a budget for the Downtown Enhanced Municipal Services District for 2002-2003, and awarding contracts to Cramer-Krasselt for marketing services and promotion at a cost of $500,000 and to Downtown Scottsdale Partnership for district administration at a cost of $97,000.

Staff Contact(s): Sahler Hornbeck, Downtown Liaison, 480-312-2394, shornbeck@scottsdaleaz.gov; Laurel Edgar, Revitalization Manager, 480-312-7313, ledgar@scottsdaleaz.gov

Public Comment
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City Manager's Report

Mayor and Council Items

Adjournment

Executive Sessions authorized by Arizona Revised Statutes 38-431.03 in the Kiva Conference Room, City Hall, at 3:30 P.M., during or immediately following the 5:00 P.M. Meeting. Executive Sessions are posted at least twenty-four hours prior to such meetings.

Section 2.17 of the Scottsdale City Code states, "Regular Meetings that are scheduled to be conducted on consecutive days may be combined and held on either of the two (2) days, at the election of the council, and shall be considered a single meeting." The Council may hold over any items noticed on the Monday agenda to the agenda for the Tuesday meeting.

CITY COUNCIL REPORT

MEETING DATE: June 3, 2003 ITEM NO. 1 GOAL: Preserve Character and Environment

SUBJECT

Hotel Liquor License Request for
Inn Suites Hotel & Suites Eldorado Park – PJ's Café & Pub
24-LL-2003

REQUEST

To consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 11 (hotel) State liquor license for an existing hotel location. This request is the result of a name change for the responsible person on the liquor license application.

OWNER

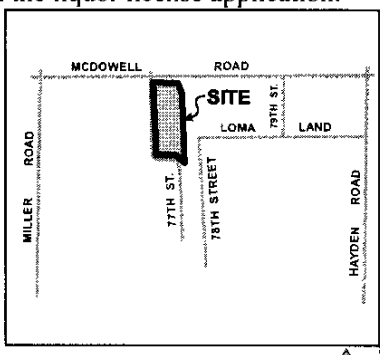
Scottsdale Eldorado Resort, LLC

APPLICANT CONTACT

Edna Ruiz
480-941-1202

LOCATION

7707 E. McDowell Rd.



General Location Map N.T.S. N

BACKGROUND

This site is zoned C-3 (Highway Commercial District).
This request is for a new series 11 (hotel/motel) liquor license for an existing hotel. The hotel will continue to operate under the business name Inn Suites Hotel & Suites Eldorado Park – PJ's Café & Pub. This request is the result of a name change for the responsible person on the liquor license application.
The distance to the nearest school, Yavapai Middle School, is 2250 ft.
The distance to the nearest church, Los Arcos Unified Methodist, is 1700 ft.
There are 12 liquor licenses within a one half mile radius of this location.

APPLICANT'S PROPOSAL

Goal/Purpose of Request.
The applicant is seeking a favorable recommendation on a series 11 liquor license. The applicant has maintained the required posting notice for the State mandated 20-day period.

IMPACT ANALYSIS

Police/Fire. The Police Department has conducted a review and recommends approval of this case.

(Continued)

Financial Services. Revenue Collection has reported that the applicant has met City licensing requirements and all fees have been paid.

Parking. Planning and Development Services has conducted a review of the parking requirements. There are no interior modifications or changes intended for this establishment. Parking is in compliance with the zoning ordinance.

Development Information. This establishment is 5760 sq. ft.

Maricopa County. Maricopa County Environmental Health has reviewed this application and reported no opposition to this case.

Community involvement. No petitions or protests have been filed with the City Clerk during the 20 (twenty) day posting period.

OPTIONS AND STAFF RECOMMENDATION

City Council has the option of recommending approval or denial to the Arizona Department of Liquor Licenses and Control.

Recommended Approach: The review of this application has shown that it meets zoning, parking, and public safety requirements.
Staff recommends approval.

Proposed Next Steps: The City Council's recommendation of approval or denial will be forwarded to the Department of Liquor Licenses and Control for their consideration. If the application is approved by the Department of Liquor Licenses and Control, the applicant should receive their license from the State within 15 days.

RESPONSIBLE DEPT(S)

Planning and Development Services Department

STAFF CONTACT(S)

Jeff Fisher
Plan Review and Permit Services Director
480-312-7619
E-mail: Jfisher@ScottsdaleAZ.Gov

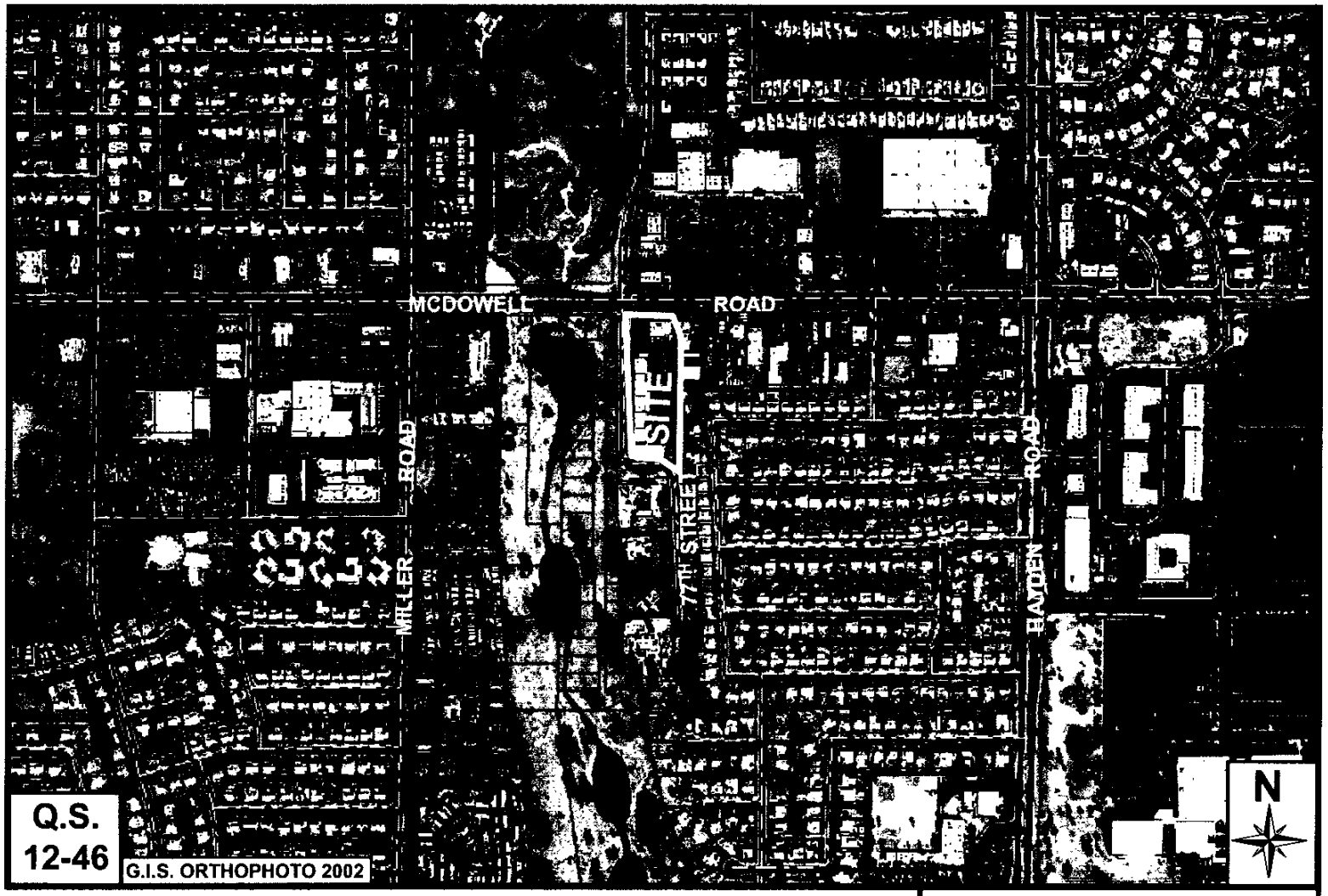
APPROVED BY

5/13/03
Kroy Ekblaw — Date
Planning and Development Services General Manager

Ed Gawf — 5/14/03
Ed Gawf — Date
Deputy City Manager

ATTACHMENTS

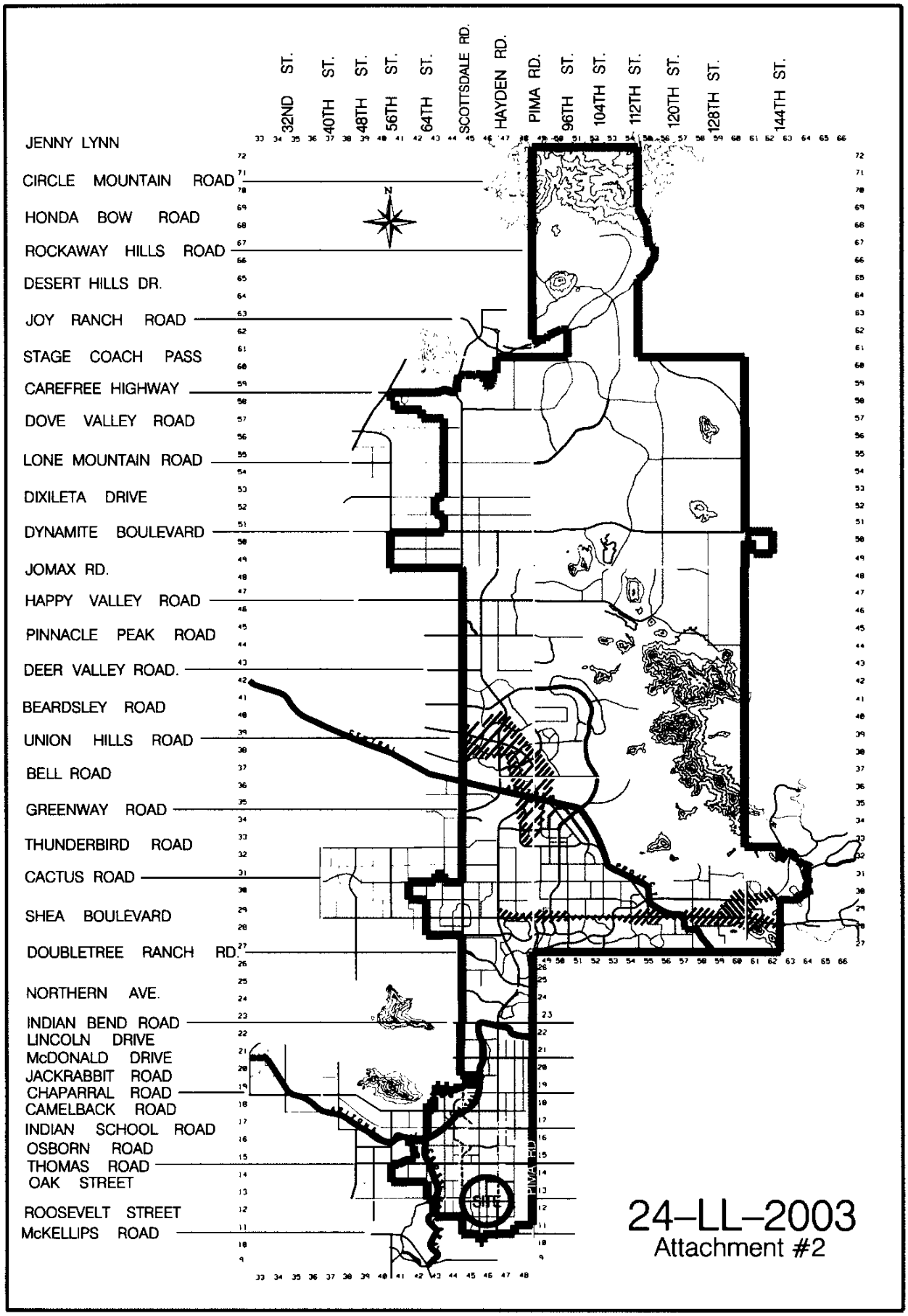
#1: Aerial Map
#2: Vicinity Map
#3 Graphic – Liquor license locations within ½ mile
#4: Application



Inn Suites

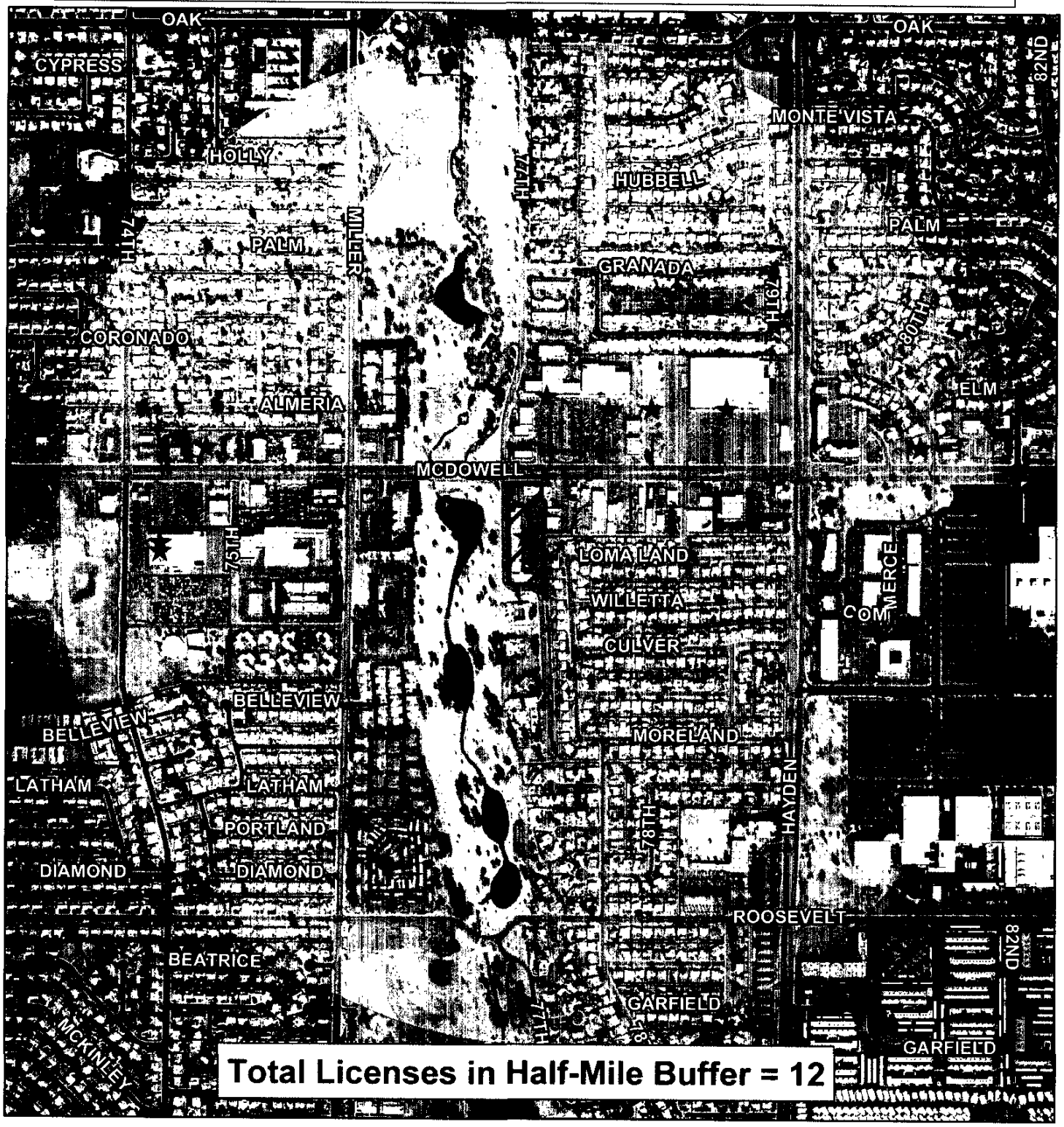
24-LL-2003

ATTACHMENT #1



24–LL–2003
Attachment #2

Liquor Licenses Within A Half-Mile Radius of 7707 E McDowell Rd.



0 275 550 1,100 1,650 2,200 Feet

1 inch equals 777.89 feet

Liquor Licenses.mxd
Printed: 04/14/2003
Created By: Brian Hancock
Source: City of Scottsdale, State of Arizona Dept. of Liquor Licenses and Control.

CITY OF SCOTTSDALE

N

24-LL-2003

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

24-LL-2003

APPLICATION FOR LIQUOR LICENSE

TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

RECEIVED APR 0 2003 CITY OF SCOTTSDALE DEVELOPMENT

SECTION 1 This application is for a:

- ☑ INTERIM PERMIT *Complete Section 5*
- ☑ NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16, 17*
- ☐ PERSON TRANSFER (Bars & Liquor Stores ONLY) *Complete Sections 2, 3, 4, 11, 13, 15, 16, 17*
- ☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY) *Complete Sections 2, 3, 4, 12, 13, 15, 16, 17*
- ☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREE *Complete Sections 2, 3, 4, 9, 13, 15, 17* (fee not required)
- ☐ GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16, 17*

SECTION 2 Type of ownership:

- ☑ J.T.W.R.O.S. *Complete Section 6*
- ☐ INDIVIDUAL *Complete Section 6*
- ☐ PARTNERSHIP *Complete Section 6*
- ☐ CORPORATION *Complete Section 7*
- ☑ LIMITED LIABILITY CO. *Complete Section 7*
- ☐ CLUB *Complete Section 8*
- ☐ GOVERNMENT *Complete Section 10*
- ☐ ~~TRUST *Complete Section 6*~~
- ☐ OTHER Explain _____

SECTION 3 Type of license and fees: LICENSE #: 11073094

1. Type of License: Class 11 ~~12~~ 2. Total fees attached: $248.00

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

SECTION 4 Applicant: (All applicants must complete this section)

1. Applicant/Agent's Name: Mr. Ms. ~~German~~ Ruiz (Last) ~~Jose~~ Edna (First) ~~Luis~~ Maricely (Middle)
(Insert one name ONLY to appear on license)
2. Corp./Partnership/L.L.C.: Scottsdale Eldorado Resort L.L.C.
(Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: InnSuites Hotels & Suites Scottsdale Eldorado Park - PJ's Cafe & Pub
(Exactly as it appears on the exterior of premises)
4. Business Address: 7707 E. McDowell Rd. (Do not use PO Box Number) Scottsdale (City) Maricopa (COUNTY) 85257 (Zip)
5. Business Phone: (480) 941-1202 Residence Phone: [redacted]
6. Is the business located within the incorporated limits of the above city or town? ☑YES ☐NO
7. Mailing Address: InnSuites Hotel Centre 1615 E. Northern Ave Ste 102 (City) Phoenix (State) AZ 85020 (Zip)
8. Enter the amount paid for a 06, 07, or 09 license: $ N/A (Price of License ONLY)

DEPARTMENT USE ONLY

Accepted by: AE Date: 3/28/03 Lic. # 11073094

Fees:	Application	Interim Permit	Agent Change	Club	F. Prints	TOTAL
	100.00	100.00			48.00	$ 248.00

PROCESSING APPLICATIONS TAKES APPROXIMATELY 90 DAYS, AND CIRCUMSTANCES OFTEN RESULT IN A LONGER WAITING PERIOD. YOU ARE CAUTIONED REGARDING PLANS FOR A GRAND OPENING, ETC., BEFORE FINAL APPROVAL AND ISSUANCE OF THE LICENSE.

*Disabled individuals requiring special accommodation, please call (602) 542-9027.

SECTION 5 Interim Permit:

1. If you intend to operate business while your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There MUST be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. 11073043
4. Is the license currently in use? ☒ YES ☐ NO If no, how long has it been out of use? _____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, James F. Wirth (Print full name), declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, STOCKHOLDER OR LICENSEE of the stated license and location.

Rare Earth Financial LLC Administive Member

X by J Wirth Manager (Signature)

BETH L. MILES
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-30-2004

State of Arizona County of Maricopa

The foregoing instrument was acknowledged before me this 24th day of March, 2003.
Day of Month Month Year

My commission expires on: September 30, 2004

Beth L. Miles
(Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Residence Address	City State Zip
			%		

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Residence Address	City State Zip
☐ ☐	[redacted]					
☐ ☐						
☐ ☐						
☐ ☐				%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☐ NO

STATE OF ARIZONA

DEPARTMENT OF LIQUOR LICENSES AND CONTROL

ALCOHOLIC BEVERAGE LICENSE

License 11073043

Issue Date: 5/28/1998

Expiration Date: 3/31/2003

Hotel/Motel

Issued To:
LOUISE MICHELLE ORION, Agent
INN SUITES HOTELS INC, Owner

Location:
INNSUITES HOTELS SCOTTSDALE
7707 E MC DOWELL RD
SCOTTSDALE, AZ 85257

Mailing Address:
LOUISE MICHELLE ORION
INN SUITES HOTELS INC
INNSUITES HOTELS SCOTTSDALE
1625 E NORTHERN AVE. #01
PHOENIX, AZ 85020

GREAT SEAL OF THE STATE OF ARIZONA
DITAT DEUS
1912

POST THIS LICENSE IN A CONSPICUOUS PLACE

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

☐ CORPORATION *Complete questions 1, 2, 3, 5, 6, 7, 8.*
☒ L.L.C. *Complete questions 1, 2, 4, 5, 6, 7 and attach copy of Articles of Org. and Operation Agreement.*

1. Name of Corporation/L.L.C.: Scottsdale Eldorado Resort L.L.C.
(Exactly as it appears on Articles of Inc. or Articles of Org.)

2. Date Incorporated/Organized: Jan. 21, 03 State where Incorporated/Organized: Arizona

3. AZ Corporation Commission File No.: _____ Date authorized to do business in AZ: _____

4. AZ L.L.C. File No: L-1061364-0 Date authorized to do business in AZ: Jan. 21, 03

5. Is Corp./L.L.C. non-profit? ☐ YES ☒ NO If yes, give IRS tax exempt number: _____

6. List all directors/officers in Corporation/L.L.C.:

Last	First	Middle	Title	Residence Address	City State Zip
Rare Earth Financial, L.L.C.			~~Sole Mem~~ Member, ~~Manager~~	[redacted]	
~~Wirth~~	~~James~~	~~Frank~~		~~5700 E. Glenrosa~~	

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders or controlling members owning 10% or more:

Last	First	Middle	% Owned	Residence Address	City State Zip
Rare Earth Financial, L.L.C.			80%	[redacted]	
James & Gail Wirth			20%	[redacted]	
See Attached articles			%		
			%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach an ownership, and director/officer/members disclosure for the parent entity. Attach additional sheets as necessary in order to disclose real people. Attached

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
(Exactly as it appears on Club Charter) (Attach a copy of Club Charter)

2. Is club non-profit? ☐ YES ☐ NO If yes, give IRS tax exempt number: _____

3. List officer and directors:

Last	First	Middle	Title	Residence Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

SECTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store:

1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle

2. Assignee's Name: _____
Last First Middle

3. License Type: _____ License Number: _____ Date of Last Renewal: _____

4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 Government: (for cities, towns, or counties only)

1. Person to administer this license: _____
Last First Middle

2. Assignee's Name: _____
Last First Middle

A SEPA[redacted] BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11 Person to Person Transfer:

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY).

1. Current Licensee's Name: _____ Entity: _____
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: _____
(Exactly as it appears on license)

3. [redacted] _____
(Exactly as it appears on license)

4. [redacted] Business Address: _____

_____

5. License Type: _____ License Number: _____ Last Renewal Date: _____

6. Current Mailing Address (other than business): _____

_____

7. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☐ YES ☐ NO

8. Does the applicant intend to operate the business while this application is pending? ☐ YES ☐ NO If yes, complete section 5, attach fee, and current license to this application.

9. I hereby relinquish my rights to the above described license to the applicant named in this application and hereby declare that the statements made in this section are true, correct and complete.

I, _____, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER,
(Print full name)
STOCKHOLDER or LICENSEE of the stated license. I have read this section and the contents and all statements are true, correct and complete.

X_____
(Signature of CURRENT LICENSEE)

State of _____ County of _____
The foregoing instrument was acknowledged before me this
_____ day of _____, _____.
Day of Month Month Year

My commission expires on: _____

_____
(Signature of NOTARY PUBLIC)

Scottsdale Eldorado Resort L.L.C.

80% Rare Earth Financial L.L.C., Administrative Member

20% James & Gail Wirth, Members

Rare Earth Financial L.L.C.

100% James F. Wirth, Administrative Member

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

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

1. Current Business Name and Address: _____
(Exactly as it appears on license)

2. New Business Name and Address: _____
(Do not use PO Box Number)

3. License Type: _____ License Number: _____ Last Renewal Date: _____

4. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants

1. Distance to nearest school: 2 miles ~~x~~ 2250 ft Name/Address of school: Yavapai Middle School
(Regardless of distance) 701 N. Miller, Scottsdale AZ

2. Distance to nearest church: 1 mile ~~x~~ 1700 ft Name/Address of church: Los Arcos Unified Methodist
(Regardless of distance) 7425 E. Culver St., Scottsdale AZ

3. I am the: ☐ LESSEE ☐ SUBLESSEE ☐ OWNER ☑ PURCHASER (of premises)

4. If the premises is leased give lessors name and address: _____

4a. Monthly rental/lease rate $ _____. What is the remaining length of the lease? _____ yrs. _____ mos.

4b. What is the penalty if the lease is not fulfilled? $ _____ or other _____
(give details - attach additional sheet if necessary)

5. What is the total business indebtedness of the applicant for this license/location excluding lease? $3,100,000.—

Does any one creditor represent more than 10% of that sum? ER ☒ YES ~~☒~~ NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City	State	Zip
~~N/A~~ ER	RARE earth Financial		50%	6 1615 E. Northernave	Phoenix	Arizona	85200
IRWIN Union Bank			50%	2425 E. Camel Back RD suite 250	Phoenix		85016

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) Hotel- Restaurant.

7. Has a license, or a transfer license for the premises on this application been denied by the state within the past one (1) year?
☐ YES ☒ NO If yes, attach explanation.

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

9. Is the premises currently licensed with a liquor license? ☒ YES ☐ NO If yes, give license number and licensee's name:
License # 11073043 (Exactly as it appears on license) Name Louise Michelle Orion, Agent
InnSuites Hotels Inc., Owner

SECTION 14 Restaurant, or Hotel-Motel Applicants:

1. Is there a valid restaurant or hotel-motel liquor license at the proposed location? ☑ YES ☐ NO If yes, give licensee's name:

   Orion (Last) Louise (First) Michelle (Middle) and license #: 11073043

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

3. All restaurant applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor.

4. Do you understand that **40% of your annual gross revenue** must be from food sales? ☑ YES ☐ NO

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

1. Check ALL boxes that apply to your licensed premises:

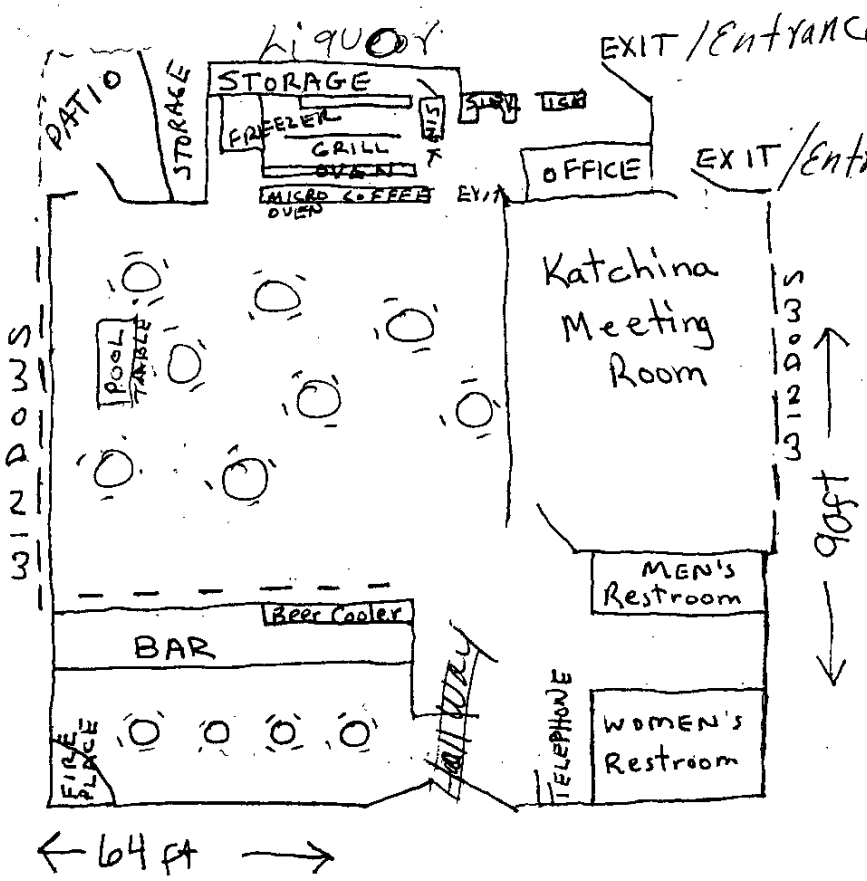
   ☑ Entrances/Exits ☑ Liquor storage areas
   ☐ Drive-in windows ☒ Patio enclosures
   ☐ Service windows ☐ Under construction: estimated completion date _____

2. Restaurants and Hotel/Motel applicants must explicitly depict kitchen equipment and dining facilities.

3. The diagram below is the only area where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored. Give the square footage or outside dimensions of the licensed premises.

   DO NOT INCLUDE PARKING LOTS, LIVING QUARTERS, ETC.

Premises to include all areas currently licensed



Scottsdale PJ's Cafe

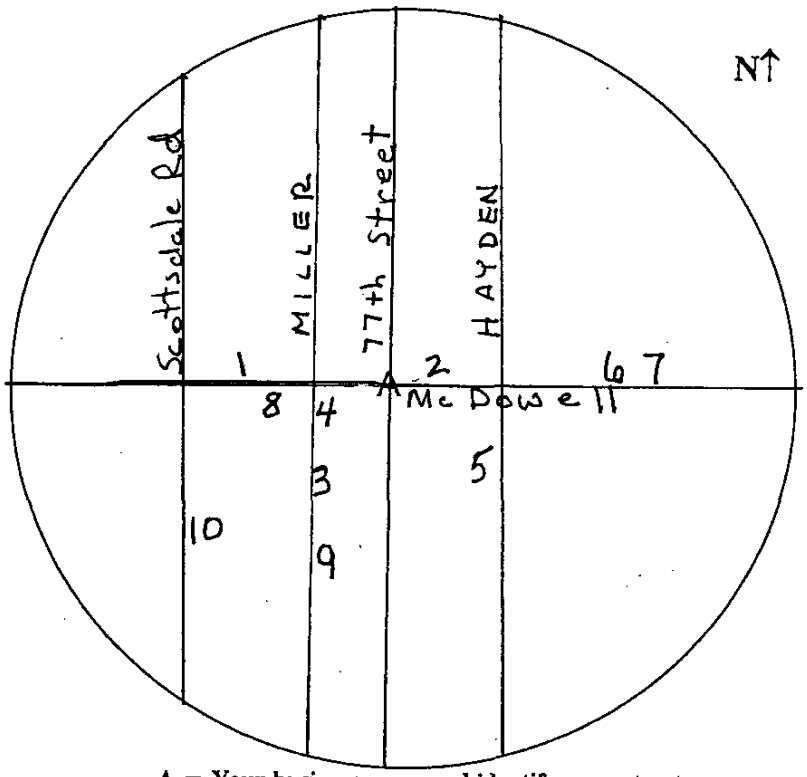
YOU MUST NOTIFY THE DEPARTMENT OF LIQUOR OF ANY CHANGES OF BOUNDARIES, ENTRANCES, EXITS, OR SERVICE WINDOWS MADE AFTER SUBMISSION OF THIS DIAGRAM.

SECTION 16 Geographical Data: **A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.**

List below the exact names of all churches, schools, and spirituous liquor outlets within a one half mile radius of your proposed location.

1. Dr Feelgood Bar
2. Fry's
3. Long Shots Bar
4. Dennys
5. Walgreens
6. Going To Be Senior Housing
7. Sugar Daddy's Bar
8. Basha's
9. Yavapai Middle School
10. Los Arcos Church
11.
12.
13.
14.
15.

(ATTACH ADDITIONAL SHEET IF NECESSARY)



A = Your business name and identify cross streets.

SECTION 17 **Signature Block:**

I, EDNA MARICELY RUIZ, declare that: 1) I am the APPLICANT (Agent/Club Member/Partner), making this
(Print name of APPLICANT/AGENT listed in Section 4 Question 1)
application; 2) I have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

X Edna M Ruiz
(Signature)

BETH L. MILES
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-30-2004

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 27th day of March, 2003.
Day of Month Month Year

My commission expires on: September 30, 2004

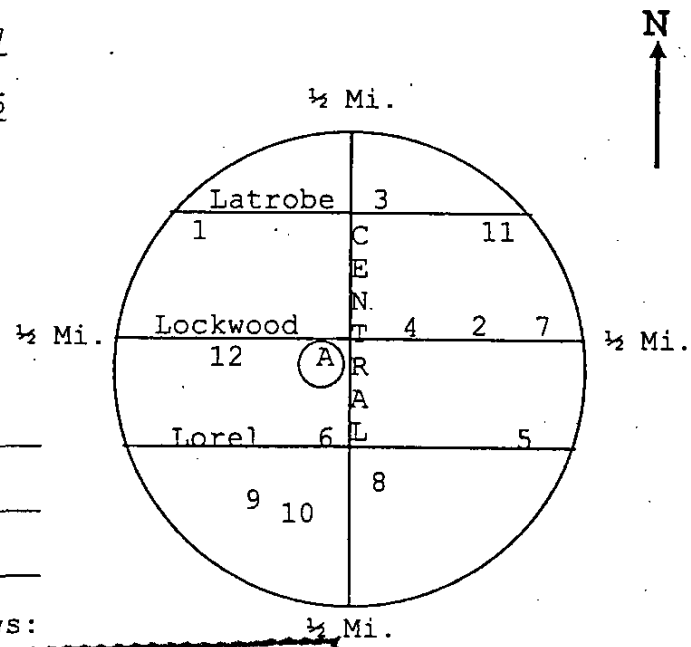
Beth L. Miles
(Signature of NOTARY PUBLIC)

SAMPLE

GEOGRAPHICAL DATA

In the area adjacent to the map provided below indicates your proposed location and the exact names of all churches, schools, and alcoholic beverage outlets within a 1/2 mile radius of your proposed location.
(See example below)

A = Applicant	Series 12
01 Pink Elephants	Series 06
02 Mama's Rest.	Series 12
03 Corner Liquors	Series 09
04 Joe's Groceries	Series 10
05 Lions Club	Series 14
06 Burgers R Us	Series 07
07 Pizza Perfect	Series 07
08 Billy Bobs Bar	Series 06
09 St. Anthonys Church	
10 St. Anthonys School	
11 Burbank Middle School	
12 First United Baptist Church	
13	
14	
15	



A.R.S. Section 4-207.A reads as follows:

A. No retailers license shall be issued for any premises which are. at the time the license application is received by the director, within three hundred(300) horizontal feet of a church, within three hundred(300) horizontal feet of a public or private school building with kindergarten programs or any of grades one(1) through twelve(12). or within three hundred(300) horizontal feet of a fenced recreational area adjacent to such school building.

ACC/FAX
DATE FILED

AUG 15 2002

DATE APPR 8-15-02
TERM
BY

L-1041793-7

ARTICLES OF ORGANIZATION
OF
RARE EARTH FINANCIAL, L.L.C.

Pursuant to A.R.S. § 29-632, the undersigned states as follows:

1. The name of this limited liability company is:

RARE EARTH FINANCIAL, L.L.C. 52[illegible]

2. This limited liability company is organized to transact any and all lawful business for which a limited liability company may be organized under Arizona law.

3. The address of the registered office in Maricopa County, Arizona is:

InnSuites Hotels Centre
1615 East Northern Avenue, Suite #102
Phoenix, Arizona 85020

4. The statutory agent's name and address is:

James F. Wirth
InnSuites Hotels Centre
1615 East Northern Avenue, Suite #102
Phoenix, Arizona 85020

5. Management of this limited liability company is vested in a Manager. The name and address of each person who is a Manager and/or who owns a twenty percent (20%) or greater interest in the capital or profits of the limited liability company at the time of formation of the limited liability company is:

James F. Wirth
InnSuites Hotels Centre
1615 East Northern Avenue, Suite #102
Phoenix, Arizona 85020

DATED August 15, 2002.

James F. Wirth

ACC/FAX
DATE FILED
L-1061364-0
JAN 21 2003

DATE APPR 01-21-03
TERM
BY

ARTICLES OF ORGANIZATION
OF
SCOTTSDALE ELDORADO RESORT L.L.C.

1. The name of this limited liability company is Scottsdale Eldorado Resort L.L.C.

2. The address of the registered office is 1615 East Northern, Suite 102, Phoenix, Arizona 85020.

3. The name and business address of the agent for service of process are James W. Reynolds, 5080 North 40th Street, Suite 335, Phoenix, Arizona 85018.

4. Management of this limited liability company is vested in a manager. As of the date of formation, the manager's name and business address are Rare Earth Financial L.L.C., 1615 East Northern Avenue, Suite 102, Phoenix, Arizona 85020.

5. As of the date of formation, the name and business address of each member who owns a 20% or greater interest in the capital or profits of the company are:

Rare Earth Financial L.L.C.
1615 East Northern Avenue, Suite 102
Phoenix, Arizona 85020

6. Each person dealing with the limited liability company shall be entitled to rely upon any deed, lease, mortgage, deed of trust, pledge, bill of sale, assignment, declaration of covenants, conditions and restrictions affecting property, grant of easement, security interest or other encumbrance, or other instrument of conveyance or transfer of any interest in real or personal property, and any contract (including an option, purchase or sale contract, indemnity agreement, escrow instructions or contract amendment) that may be related to the acquisition, disposition or encumbrance of any real or personal property, that has been executed and delivered by the manger on behalf of the limited liability company, as fully as if the manager were the sole party in interest therein, both legally and beneficially. Every such contract or instrument purporting to be the action of the limited liability company which has been executed and delivered in its name by the manager shall be conclusive evidence in favor of any person relying thereon or claiming thereunder that, at the time of delivery thereof, the manager had full power and authority to take such action, and to execute and deliver such contract or instrument, on behalf of the limited liability company for the purpose of carrying on its business in the usual way pursuant to A.R.S. Section 29-654B. Each person dealing with the limited liability company shall be entitled also to rely upon the identity of the manager set forth in the company's articles of organization, until articles of amendment changing the designated manager have been filed with the Arizona Corporation Commission.

Dated: January 21, 2003

James W. Reynolds

ACCEPTANCE OF AGENT

James W. Reynolds, having been designated to act as agent for service of process for Scottsdale Eldorado Resort L.L.C., hereby consents to act in that capacity until removed or resignation is submitted in accordance with the Arizona Revised Statutes.

James W. Reynolds

I:\0000\[illegible]\016.007\Articles of Organization Scottsdale Eldorado Resort.doc

OPERATING AGREEMENT
OF
SCOTTSDALE ELDORADO RESORT L.L.C.

THIS OPERATING AGREEMENT is executed as of 26 Feb., 2003, by Rare Earth Financial L.L.C., an Arizona limited liability company (the " Member") and Scottsdale Eldorado Resort L.L.C., an Arizona limited liability company (the "Company").

ARTICLE I
Formation

1.1 Formation. The Member has caused the Company to be formed under Arizona law effective upon the filing of its Articles of Organization with the Arizona Corporation Commission.

1.2 Definitions. The following terms, when appearing in this Agreement with initial letters capitalized, shall have the following meanings:

"Act" means the Arizona Limited Liability Company Act, Title 29, Chapter 4, of Arizona Revised Statutes, as amended from time to time.

"Administrative Member" means the person designated as the Administrative Member from time to time in accordance with Section 6.1 hereof.

"Agreement" means this written operating agreement, as amended from time to time.

"Capital Contribution" means the amount of money and the fair value of other property contributed to the capital of the Company pursuant to this Agreement, with the value of all non-monetary contributions to be determined by the Members.

"Code " shall mean the Internal Revenue Code of 1986 (or successor thereto), as amended from time to time.

"Company" means the limited liability company formed pursuant to the terms of this Agreement.

"Dissociation" means, with respect to any Member, the termination of his or her status as a Member by reason of the adjudication of incompetency, death or other termination of existence of such Member or the Member's withdrawal pursuant to Section 8.3 hereof.

"Interest" in the Company means the economic rights of a Member (and its Successors in Interest) to share in distributions of cash and other property from the Company

pursuant to the Act and this Agreement, together with the Member's distributive share of the Company's net income or loss for purposes of federal and state income taxes.

"Majority in Interest" of the Members means, at any time, one or more Members whose combined Profit Percentages constitute more than one half of the combined Profit Percentages of all Members at the time of determination, disregarding any Profit Percentages held by any Successor in Interest who is not a Member. A single Member shall constitute a Majority in Interest of the Members during any period in which he holds a Profit Percentage greater than 50%.

"Member" means the person who is identified above as the Member in the heading of this Agreement and each person who may be subsequently substituted or added as a Member pursuant to the terms of this Agreement, until such time as an event of Dissociation occurs with respect to any such person. Whenever reference is made in this Agreement to the "Members" in the plural, its shall mean the sole Member during any period in which there exists only one Member.

"Profit Percentage" means the percentage share of each Member in the distributions made from time to time by the Company to its Members (other than distributions representing the return of Capital Contributions) as adjusted from time to time to reflect permitted transfers of Interests in the Company. As of the date hereof, the sole Member of the Company shall have a Profit Percentage equal to 100%.

"Successor in Interest" means any person who succeeds to the ownership of all or part of a Member's Interest and who has not been admitted as a Member of the Company.

ARTICLE II
Purpose and Term

2.1 Name. The name of the Company shall be "Scottsdale Eldorado Resort L.L.C." or such other name as a Majority in Interest of the Members from time to time shall select.

2.2 Registered Office. The registered office of the Company shall be located at 1615 East Northern Avenue, Suite 102, Phoenix, AZ 85020, or such other place as a Majority in Interest of the Members from time to time shall determine.

2.3 Company Purposes. The Company is being formed for the purpose of engaging in any and all business and activities permitted to be conducted by a limited liability company under the Act.

2.4 Term. The term of the Company shall commence on the filing of its Articles of Organization and shall continue until dissolved in accordance with Section 11.1 of this Agreement.

2.5 Agent for Service of Process. The statutory agent for service of process for the Company shall be appointed and may be changed from time to time by the Administrative Member.

ARTICLE III
Capital Contributions and Member Loans

3.1 Initial Capital Contributions. The initial Member shall contribute the cash sum of one thousand dollars ($1,000.00) to the capital of the Company within sixty (60) days after formation of the Company.

3.2 Additional Cash Contributions. The Members may, but shall not be obligated to, make Capital Contributions in addition to the initial Capital Contributions at such times and in such amounts as any such Member, in his or her sole and absolute discretion, considers to be in his or her interest to contribute.

3.3 Members' Limited Liability. Except as required by law, no Member shall be liable for the debts, liabilities, contracts or any other obligations of the Company beyond the Capital Contributions made by the Member under this Agreement. No Member or Successor in Interest shall be personally liable to contribute, advance or otherwise provide the Company any funds or property in addition to the initial Capital Contributions made pursuant to Section 3.1 hereof.

ARTICLE IV
Distributions

4.1 Amount and Time of Distributions. A Majority in Interest of the Members shall determine the amount of the cash of the Company to be distributed from time to time to the Members in accordance with the Act. No property other than cash shall be distributed to the Members unless first approved by all Members. Distributions by the Company to the Members shall be made in accordance with the following priorities:

(a) First, to the Members (or their Successors in Interest) in the amount of and proportion to their respective Capital Contributions until all such Capital Contributions have been returned; and

(b) Second, to the Members (or their Successors in Interest) in proportion to their Profit Percentages on the date of distribution.

4.2 Distribution Upon Withdrawal. No Member or Successor in Interest shall be entitled to receive any distribution or the value of any Interest in the Company as a result of a

Member's withdrawal or other Dissociation from the Company prior to the dissolution of the Company.

ARTICLE V
Taxable Income or Loss Allocations

5.1 Tax Treatment. The Company, solely for federal and state income tax purposes, shall be disregarded as an entity separate from its Member for so long as all Interests are held by a single Member and shall be treated as a partnership during any period in which Interests are held by two or more persons or entities.

5.2 General Allocations of Taxable Income or Loss. During any period in which Interests in the Company are held by two or more persons, the Company shall be operated in a manner consistent with its classification as a partnership for federal and state income tax purposes and no Member shall take any action inconsistent with such classification. The Members shall instruct the Company's accountants, in connection with their preparation of the Company's annual federal income tax returns, to allocate the Company's taxable income or loss (and each item of income, gain, loss, deduction and credit entering into the computation thereof) among the Members in accordance with their respective Interests in the Company pursuant to Code Section 704(b) and, for this purpose, to maintain a capital account for each Member in accordance with Regulations Section 1.704-1(b)(2). Subject to Section 5.3 hereof, the Members intend that:

(a) The Company's taxable loss for any fiscal year shall be allocated among the Members (and charged to their respective capital accounts) in proportion to their unreturned Capital Contributions at the end of such year until the cumulative losses are equal to their cumulative unreturned Capital Contributions, and thereafter among the Members in proportion to their Profit Percentages.

(b) The Company's taxable income for any fiscal year shall be allocated among the Members (and credited to their respective capital accounts) to offset taxable losses previously allocated for prior fiscal years (if any) and thereafter among the Members in proportion to their Profit Percentages.

5.3 Special Allocations. Upon the recommendation of the Company's accountants, the Company's taxable income or losses (or any item of income, gain, loss, or deduction) shall be specially allocated among the Members as may be necessary or appropriate in the accountants' reasonable judgment to comply with the "substantial economic effect" requirements under Code Section 704(b) and the regulations promulgated thereunder. The general purpose of all special allocations hereunder shall be, to the extent possible, to assure that the capital account balances of each Member at the end of each fiscal year will be equal to the total distributions that would be made to such Member under the terms of this Agreement if all property of the Company were sold for book value and the Company were liquidated immediately following the close of such fiscal year.

5.4 Capital Accounts. The Members expressly acknowledge and agree that the allocations made and the capital accounts maintained under this Article V shall not (i) determine the amount or timing of the distributions that each of them may be entitled to receive from the Company from time to time or (ii) create or affect the obligations of any Member to make Capital Contributions to the Company.

5.5 Effect of Transfer of Interest. If an Interest in the Company should be transferred in accordance with the terms of this Agreement during the course of a fiscal year, all items of income, gain, loss, deduction, or credit allocable to such Interest shall be prorated between the transferor and transferee based upon the number of days during such fiscal year that each of them held such Interest, unless a Majority in Interest of the Members determine to cause an interim closing of the Company books and to allocate such items between the transferor and the transferee according to the actual income or loss of the Company during the period that each of them held such Interest.

5.6 Tax Allocations Under Code Section 704(c). In accordance with Code Section 704(c) and the regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial book value. In the event the book value of any Company asset is adjusted pursuant to the Code and regulations, subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its book value in the same manner as under Code Section 704(c) and the regulations thereunder. Any elections or other decisions relating to such allocations shall be made by a Majority in Interest of the Members in any manner that reasonably reflects the purpose and intention of this Agreement.

ARTICLE VI
Management

6.1 Administrative Member . The Members agree that the management of the Company shall be vested in its Member(s). Upon the execution of this Agreement, Rare Earth Financial L.L.C. shall be the Administrative Member with full right, power and authority on behalf of the Company to manage and conduct its business and affairs in the ordinary course of business. A Majority in Interest of the Members may remove the Administrative Member at any time. Upon the resignation or removal of the person serving as Administrative Member, a replacement Administrative Member may be appointed by a Majority in Interest of the Members.

6.2 Rights and Powers of Administrative Member. Except as to transactions that are subject to approval of the Members (either Majority in Interest or unanimous) under the express

terms of this Agreement, the Administrative Member shall have full, exclusive and complete power and authority to manage and control the ordinary business and affairs of the Company. Any action taken by the Administrative Member on behalf of the Company that involves a conflict of interest, including any contract or transaction between the Company and the Administrative Member or any of his Affiliates, shall be on terms not less favorable to the Company than would be available from independent third parties on an arm's length basis.

6.3 Reliance by Third Parties. Any third party shall be entitled to rely on all actions of the Administrative Member on behalf or in the name of the Company and shall be entitled to deal with the Administrative Member as if it were the sole party in interest therein, both legally and beneficially. No third party shall be required to verify whether any consents or approvals required by this Agreement have been obtained by the Administrative Member. Every instrument purporting to be the action of the Company and executed by the Administrative Member shall be conclusive evidence in favor of any person relying thereon or claiming thereunder that, at the time of delivery thereof, this Agreement was in full force and effect and that the execution and delivery of that instrument is duly authorized by the Members and the Company.

6.4 Actions Requiring Members' Approval. The Administrative Member shall not undertake any of the following acts without approval by a Majority in Interest of the Members:

(a) Sell, convey, assign, transfer mortgage, or otherwise dispose of or encumber all or substantially all of the Company's assets in a single transaction or related group of transactions;

(b) Admit a Person as a new Member or grant to any Person any interest in the profit or cash flow of the Company;

(c) Purchase or enter into any contract for the purchase of any real property;

(d) File a petition in bankruptcy on behalf of the Company; or

(e) Take any other action that this Agreement specifically requires to be approved by a Majority in Interest of the Members.

6.5 Filing of Documents. The Administrative Member shall file or cause to be filed all certificates or documents as may be reasonably necessary or appropriate for the formation, continuation, qualification and operation of the Company as a limited liability company in the State of Arizona and any other state in which the Company may elect to do business. To the extent that the Administrative Member determines the action to be necessary or appropriate, the Administrative Member shall do all things to maintain the Company as a limited liability company under the laws of the State of Arizona and any other state in which the Company may elect to do business.

6.6 Indemnification and Exculpation. The Company, its receiver or trustee shall, to the maximum extent permitted by law, indemnify, defend and hold harmless each Member to the extent of the Company's assets, for, from and against any liability, damage, cost, expense, loss, claim or judgment incurred by the Member arising out of any claim based upon acts performed or omitted to be performed by any Member or any employee or agent of the Company in connection with the business of the Company, including without limitation, reasonable attorneys' fees and costs incurred by him or her in settlement or defense of such claims; provided, however, that no Member shall be indemnified with respect to his or her own acts or omissions that constitute fraud or willful misconduct. Attorneys' fees and other expenses incurred by any Member who is entitled to indemnification hereunder in connection with any action or suit arising out of or in connection with Company affairs, shall be reimbursed by the Company as incurred. No Member shall be liable, responsible, accountable in damages or otherwise to the Company or any Member for any act or omission performed or omitted by any Member in connection with the Company or its business except for acts which constitute his or her own fraud or willful misconduct.

6.7 Compensation. Each Member shall be reimbursed for all out-of-pocket expenses incurred in managing the Company's business and, to the extent approved by a Majority in Interest of the Members, the Administrative Member shall be entitled to reasonable compensation for services rendered by the Administrative Member for the benefit of the Company.

ARTICLE VII
Records

The Administrative Member shall keep or cause to be kept at the principal office of the Company all records and documents required to be maintained by the Act.

ARTICLE VIII
Transfers and Withdrawals

8.1 Transfers. A Member may sell or assign all or part of his or her Interest in the Company, but the transferee shall hold such Interest only as a Successor in Interest without management or other rights of a Member unless and until the transferee is admitted as a Member under Section 8.2 or Section 9.1 hereof.

8.2 Requirements for Admission of Successor in Interest as a Member. Except as provided in Section 9.1 hereof, no Successor in Interest shall become a Member in the Company unless: (a) each Member, in his or her sole discretion, shall have consented in writing to the Successor in Interest becoming a Member; and (b) the Successor in Interest shall have assumed in writing any and all of the obligations of a Member under this Agreement with respect to his or her Interest.

8.3 Withdrawal of Member. A Member shall have the right to withdraw from the Company at any time by written notice of withdrawal to the Company and to any other Member and any Successor in Interest. A Member shall continue to have the status of a Member under this Agreement and the Act until the occurrence of any event of Dissociation.

8.4 Rights of Successor in Interest. A withdrawn or Dissociated Member and any Successor in Interest of a Member shall have only the right to receive the distributions and allocations of taxable income or loss to which the Member would have been entitled under this Agreement with respect to the Member's Interest had the Member not withdrawn or dissociated as a Member. A Successor in Interest shall not have or enjoy any right to participate in the management of the Company or any other rights of a Member under the Act or this Agreement, unless and until the Successor in Interest is admitted as a Member pursuant to Section 8.2 or Section 9.1 hereof.

ARTICLE IX
Liquidation and Winding Up

9.1 Dissolution. The Company shall dissolve and commence winding up only (i) upon the written election to dissolve signed by a Majority in Interest of the Members, or (ii) the Dissociation of the sole Member and the failure of any Successor in Interest to become a Member within ninety (90) days thereafter in the manner hereinafter provided. The Company shall not dissolve solely by reason of the Dissociation of a Member or upon the bankruptcy of the Company or any Member. If there remains no Member after any such event of Dissociation, the Successor in Interest of the Member (including the personal representative of the Member's estate) may, in his or her discretion, become a Member of the Company upon giving to the Company written notice of his or her election to become a Member within ninety (90) days thereafter, in which event the Company shall continue. If more than one Successor in Interest elects to become a Member and continue the Company, only the Successor in Interest holding the greater Profit Percentage shall become a Member or, in the case of equal Profit Percentages held by two or more Successors in Interest, each of them may elect to become a Member.

9.2 Liquidation. Upon dissolution of the Company, the business and affairs of the Company shall be wound up and liquidated as rapidly as business circumstances permit. The Administrative Member and the remaining Members (or a liquidating trustee or agent appointed by all Successors in Interest in the absence of any remaining Member) shall sell and liquidate the assets of the Company and the proceeds thereof shall be paid (to the extent permitted by applicable law) in the following order:

(a) First, to creditors, including Members with respect to liabilities of the Company owing to Members, in the order of priority as required by applicable law;

(b) Second, to a reserve for contingent liabilities to be distributed at the time and in the manner determined by a Majority in Interest of the Members;

(c) Thereafter, to the Members in accordance with Section 3.1 hereof.

9.3 Procedures for Winding Up. A reasonable time shall be allowed for the orderly winding up of the business and affairs of the Company and the liquidation of its assets in order to minimize any losses otherwise related to that winding up. If no Member remains upon dissolution, all of the Successors in Interest by unanimous written consent may appoint a liquidating trustee or agent to take charge of the winding up of the Company.

9.4 Articles of Termination. When all of the Company's properties and assets have been applied to the Company's debts or distributed to the Members, Articles of Termination shall be executed and filed by the Members as required by the Act.

ARTICLE X
Miscellaneous

10.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

10.2 Severability. If any provision of this Agreement shall be conclusively determined by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Agreement shall not be affected thereby.

10.3 Binding Effect. Except as otherwise provided herein, this Agreement shall inure to the benefit of and be binding upon the existing and all future Members of the Company, their personal representatives and permitted assignees, and any other person that may acquire an Interest in the Company.

10.4 Titles and Captions. All article, section and paragraph titles and captions contained in this Agreement are for convenience only and are not a part of the context hereof.

10.5 Pronouns and Plurals. All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the appropriate person(s) may require.

10.6 No Third Party Rights. This Agreement is intended to create enforceable rights between the Company and the Members and creates no rights in, or obligations to, any other persons or entities whatsoever.

10.7 Amendments. This Agreement may be amended only by a written instrument signed by the Members.

EXECUTED AS OF THE DATE FIRST ABOVE WRITTEN.

RARE EARTH FINANCIAL L.L.C.

By _____
James Wirth
Its Manager

SCOTTSDALE ELDORADO RESORT L.L.C.

By: Rare Earth Financial L.L.C.
Its Administrative Member

By: _____
James Wirth
Its Manager

\\DC1\SYS\DOC\9000#\9086\9086.007\OPK Scottsdale Eldorado.doc

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

RESTAURANT OPERATION PLAN

LICENSE # 11073094

1. List by Make, Model and Capacity of your :

Grill/Charboiler	US Range
Oven	Wolf #MF 13-97A
Freezer walk-in	Russell #815 82E
Refrigerator	
Sink	PRICE PFISTER 2 COMPARTMENT + 3 COMPARMENT
Dish Washing Facilities	STERO #862845
Food Preparation Counter (Dimensions)	3½ ft by 16ft (x2)
Other 2 KEG BEER COOLER; Russell	Microwave; GE Turntable PL 70504

2. Print the name of your restaurant: [redacted] [redacted] INNSUITES Hotels & Scottsdale [redacted]

3. Attach a copy of your menu (Breakfast, Lunch and Dinner including prices). El Dorado PARK + PJ'S CAFE + PU

4. List the seating capacity for:

   a. Restaurant area of your premises [80]

   b. Bar area of your premises [+ 30]

   c. Total area of your premises [110]

5. What type of dinnerware and utensils are utilized within your restaurant?
   ☒ Reusable ☐ Disposable

6. Does your restaurant have a bar area that is distinct and separate from the restaurant seating? (If yes, what percentage of the public floor space does this area cover). ☒ Yes 25 % ☐ No

7. What percentage of your public premises is used primarily for restaurant dining? (Does not include kitchen, bar, cocktail tables or game area.) 50 %

*Disabled individuals requiring special accommodations, please call the Department.

Lic0114 05/1999

8. Does your restaurant Contain any games or television? ☒ Yes ☐ No
(If yes, what types and how many? Pool tables, Video Games, Darts, etc.)

1) POOL TABLE
1) MEGA TOUCH VIDEO
4) TELEVISIONS

9. Do you have live entertainment or dancing? ☐ Yes ☒ No
(If yes, what type and how often?)

10. Use space below or attach a list of employee positions and their duties to fully staff your business.

PJ's Manager
Food & Beverage Server

Attached is

I, EDNA Maricely Ruiz, hereby declare that I am the APPLICANT filing this application. I have
(Print full name)
read theis application and the contents and all statements true, correct and complete.

X Edna M Ruiz
(Signature of APPLICANT)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
27th day of March, 2003.
Day of Month Month Year

My commission expires on:: September 30, 2004

Beth L. Miles
(Signature of NOTARY PUBLIC)

Scottsdale El Dorado Resort
Food and Beverage Associates
as of March 19, 2003

Name	Position
German, Jose Luis	Restaurant Supervisor
Torres, Jose	Kitchen Supervisor
Hare, Sabrina Rae	Food Server
Juarez, Maricela	Food Preparation
Moreno, Paulino	Food Preparation
Lebaron, Berta	Bartender
Magub, Corey Douglas	Bartender
McKinney, Russell Steven	Bartender
Roybal-Watson, Kimberly	Bartender
Guzman Gomez, Gloria	Hospitality Food Server
Ruiz, Edna	Hospitality Food Server

Please join us for a Healthy Breakfast Buffet each morning in P.J.'s Cafe...6:30 am–10 am

Free Social Hour each evening 5 pm–6:30 pm

and our Free Wednesday Night Manager's Barbeque from 5:30 pm–6:30 pm

Your suite choice® VALUE

Your Suite # is:_____

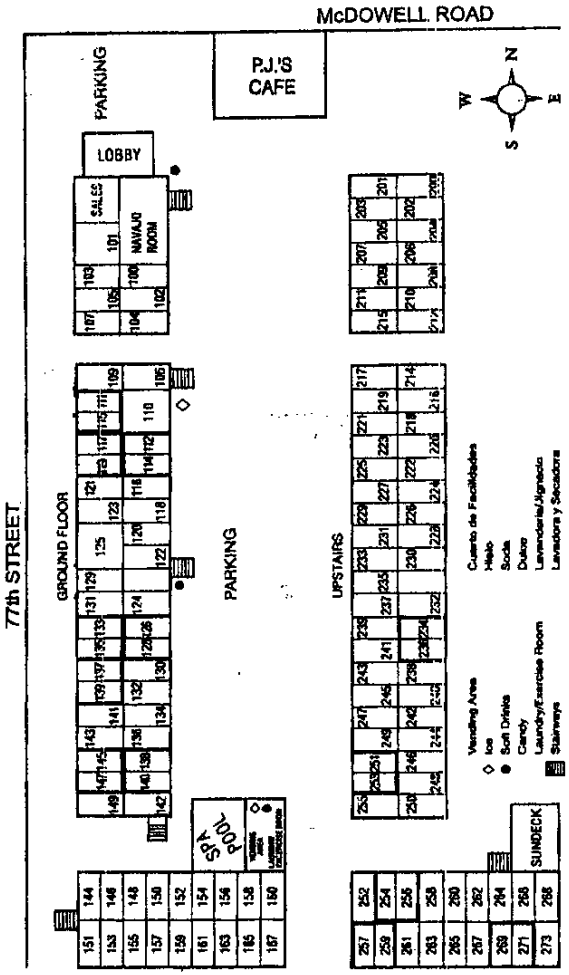
Your Suite Rate is: $_____

per night (plus tax)

Check In Time 2:00 p.m.
Check Out Time 12:00 Noon

7707 East McDowell Road
(480) 941-1202
1-888-444-HOTEL

Inn Suites HOTELS & SUITES
SCOTTSDALE ELDORADO PARK



Desserts & Coffee

39-N.Y. CHEESE CAKE	$2.99
40-CHOCOLATE CAKE	$2.99
41-CARROT CAKE *TOPPED WITH FROSTING AND WALNUTS*	$2.99
COFFEE	$1.25

Pj's Sports Bar & Grill
Social Hour

Exclusively for our InnSuites Guests*
Everyday from 5pm to 6:30 pm, Enjoy Two Complimentary Beverages From the Following Menu

Wine	Draft Beer
Chardonnay	Budwiser
White Zinfindel	Bud Light
Cabernet	Amstel Light

*Room Key Required. Subject to Change without notice

Beverages

FOUNTAIN DRINKS $1.50
COCA COLA, DIET COKE, SPRITE,
ORANGE JUICE, CRANBERRY JUICE, APPLE JUICE

DOMESTIC BEERS $2.50
BUDWEISER,BUD LIGHT,MILLER LIGHT, MGD,COORS
COORS LIGHT

IMPORTED BEERS $3.50
HEINEKEN, CORONA, TECATE, NEGRA MODELO, DOS XX
AMSTEL LIGHT SMIRNOFF ICE

DRAFT BEERS $ 1.50
BUDWEISER, BUD LIGHT, AMSTEL LIGHT

WINE $3.00
CHARDONNAY, WHITE ZINFANDEL, SAUVIGNON

HAPPY HOUR
MONDAY THRU SUNDAY
4PM – 8PM

PJ's Café Sports Bar & Grill

7707 East McDowell Rd • Scottsdale, AZ • 480-941-1202 ext. 308

Appetizers

1/2 PRICE ON ANY APPETIZER DURING HAPPY HOUR 4pm - 8pm

1-PJ'S CHICKEN WINGS	$5.99
2-JALAPENOS POPPERS	$4.99
3-MOZZARELLA STICKS	$4.99
4-QUESADILLA (CHICKEN OR BEEF)	$5.99
5-FRIED ZUCCHINI & Mushroom	$5.99
6-CHICKEN TENDERS	$4.99
7-BATTERED ONION RINGS	$4.99
8-FOUR ROLLED CHICKEN OR BEEF TAQUITOS	$5.99
9-NACHOS CON QUESO	$4.99
10-PJ's COMBO (ANY THREE ITEMS)	$9.99

Soups & Salads

11-BOSTON CLAM CHOWDER SOUP	$2.99
12-CHICKEN NOODLE SOUP	$2.99
13-MIXED VEGETABLES SOUP	$2.99
14-DINNER SALAD A MIXTURE OF GREENS, TOMATO, CABBAGE, CARROTS AND CROUTONS	$2.99
15-CHICKEN CAESAR SALAD ROMAINE LETTUCE, TOSSED W/ CAESAR DRESSING PARMESAN CHEESE & CROUTONS	$6.99
16-CAJUN CHICKEN SALAD SEASONED CHICKEN ON FRESH GREENS, GRATED CHEESE, AND CROUTONS	$5.99
17-POTATO SALAD BLENDED W/ EGGS, VEGETABLES, SALAD DRESSING & MAYO	$3.99

18% Gratuity on Roofsffsm Service Orders
please allow a 20 minute wait

Burgers

ALL BURGERS ARE SERVED WITH LETTUCE, TOMATO, ONIONS AND PICKLES, FRENCH FRIES, POTATO SALAD

18-BASIC BURGER-
COOKED YOUR WAY (NO CHEESE) $4.29

19-PJ'S BACON CHEESE BURGER $4.99
1/4 LB.BEEF PATTY SERVED ON A BUN

20-ALL AMERICAN 1/2 LB CHEESE BURGER $5.99

Kids Menu

21-HOT DOG- WITH FRIES $2.99

22-CHICKEN FINGERS- WITH FRIES $2.99

23-HAM & CHEESE SANDWICH- WITH FRIES $2.99

Sandwiches

ALL SANDWICHES ARE SERVED WITH FRENCH FRIES AND POTATO SALAD

24-GRILLED CHICKEN BREAST SANDWICH
WITH ONIONS & MUSHROOMS $4.99

25-GRILLED CARIBBEAN STEAK SANDWICH
WITH ONIONS & MUSHROOMS $5.99

26-TURKEY & SWISS SANDWICH $4.99

27-HAM & SWISS SANDWICH $4.99

Specialties De PJ's

Your Choice of mashed potato, Steamed Vegetables or Fries

28-GRANDE BURRO
FLOUR TORTILLA STUFFED WITH CHOICE OF CHICKEN OR SHREDDED BEEF, SERVED WITH SPANISH RICE AND REFRIED BEANS $8.99

29-CHILLE RELLENO
PREPARED FRESH IN HOUSE WITH MILD GREEN CHILES STUFFED WITH MONTEREY JACK CHEESE BATTERED AND FRIED TOPPED WITH GREEN SAUCE, SERVED WITH SPANISH RICE AND REFRIED BEANS $8.99

30-STEAK RANCHERA
SEASONED STEAK SERVED WITH PEPPERS AND ONIONS ALONG WITH SPANISH RICE AND REFRIED BEANS $10.99

31-STEAK AND AJO SHRIMP
STEAK SEASONED WITH PEPPERS AND ONIONS SHRIMP IN GARLIC AND OLIVE OIL SERVED WITH SPANISH RICE AND REFRIED BEANS $14.99

32-T-BONE STEAK
RUBBED IN GARLIC & OLIVE OIL, TOPPED WITH PEPPERS AND ONIONS SERVED WITH SPANISH RICE AND REFRIED BEANS $11.95

33-ARROZ CON POLLO
TENDER MARINATED CHICKEN BREAST BLASTED WITH OLIVE OIL, HERBS AND SPICES, SERVED WITH SPANISH RICE AND REFRIED BEANS $8.99

34-BEEF OR CHICKEN TACOS
THREE BEEF OR CHICKEN TACOS TOPPED WITH SHREDDED LETTUCE & TOMATO, SERVED W/ SALSA & SOUR CREAM, SPANISH RICE AND REFRIED BEANS $6.99

35-PJ'S FAJITAS
GRILLED STEAK OR CHICKEN SLICED AND READY TO SERVED WITH SAUTEED ONIONS & PEPPERS, SERVED WITH SPANISH RICE AND REFRIED BEANS $8.99

36-BREADED SHRIMP
ONE DOZEN FRESHLY FRIED BREADED SHRIMP SERVED WITH SPANISH RICE AND REFRIED BEANS $9.99

37-SHRIMP PASTA
TENDER SHRIMP SAUTEED IN GARLIC & OLIVE OIL OVER ANGEL HAIR PASTA AND GARLIC BREAD $9.99

38-CHICKEN FETTUCCINE ALFREDO
SAUTEED IN MUSHROOMS, ONIONS TOPPED WITH SUN DRIED TOMATO AND GARLIC BREAD $8.99

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
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Tucson AZ 85701-1352
(520) 628-6595

HOTEL-MOTEL AND RESTAURANT LICENSES
RECORDS REQUIRED FOR AUDIT OF SERIES #11 & #12 LICENSES

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

In the event of an audit, you will be asked to provide to the department any documents necessary to determine compliance with A.R.S. 205.02.G. Such documents requested may include however, are not limited to:

1. All invoices and receipts for the purchase of food and spirituous liquor for the licensed premises. If you do not have all food or liquor invoices, please contact your vendors immediately and request copies of missing invoices. These must be available for pick-up at the time of the Audit Interview Appointment. **If all food invoices are not available at that time, you may not be given credit for *all* food sales.**
2. A list of ***all*** food and liquor vendors
3. The restaurant menu used during the audit period
4. A price list for alcoholic beverages during the audit period
5. Mark-up figures on food and alcoholic products during the audit period
6. A recent, ***accurate*** inventory of food and liquor (taken within two weeks of the Audit Interview Appointment)
7. Monthly Inventory Figures - beginning and ending figures for food and liquor
8. Chart of accounts (copy)
9. Financial Statements-Income Statements-Balance Sheets
10. General Ledger
    - A. Sales Journals/Monthly Sales Schedules
      1) Daily sales Reports (to include the name of each waitress/waiter, bartender, etc. with sales for that day)
      2) Daily Cash Register Tapes - Journal Tapes and Z-tapes
      3) Guest Checks
      4) Coupons/Specials
      5) Any other evidence to support income from food and liquor sales
    - B. Cash Receipts/Disbursement Journals
      1) Daily Bank Deposit Slips
      2) Bank Statements and canceled checks
11. Tax Records
    - A. Transaction Privilege Sales, Use and Severance Tax Return (copies)
    - B. Income Tax Return - city, state and federal (copies)
    - C. Any supporting books, records, schedules or documents used in preparation of tax returns

12. Payroll Records

A. Copies of all reports required by the State and Federal Government

B. Employee Log (A.R.S. 4-119)

C. Employee time cards (actual document used to sign in and out each work day)

D. Payroll records for all employees showing hours worked each week and hourly wages

The sophistication of record keeping varies from establishment to establishment. Regardless of each licensee's accounting methods, the amount of gross revenue derived from the sale of food and liquor must be substantially documented.

REVOCATION OF YOUR LIQUOR LICENSE MAY OCCUR IF YOU FAIL TO COMPLY WITH A.R.S. 210.A.7. AND A.R.S. 205.02.G.

A.R.S. 210.A.7. The licensee fails to keep for two years and make available to the department upon reasonable request all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of spirituous liquors and, in the case of a restaurant or hotel-motel licensee, all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of food.

A.R.S. 205.02.G. For the purpose of this section:

1. "Restaurant" means an establishment which derives **at least forty percent (40%)** of its gross revenue from the sale of food.
2. "Gross revenue" means the revenue derived from all sales of food and spirituous liquor on the licensed premises, regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this section or under any other license that has been issued for the premises pursuant to this article.

I, (**print** Licensee/Agent's Name):

Ruiz	Edna	Maricely
Last	First	Middle

have read and fully understand all aspects of this statement.

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this

X Edna M Ruiz 25 day of March, 2003
(Signature of Licensee/Agent) Day of Month Month Year

BETH L. MILES
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 9-30-2004

My commission Expires on: 30th - 09 - 2004 Beth L. Miles
Day of Month Month Year (Signature of NOTARY PUBLIC)

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

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QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully, this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # 11073094
(If the location is currently licensed)

1. Check appropriate box →
   - ☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☐ Officer ☒ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager
   - ☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: RUIZ (Last) EDNA (First) Nicely (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] (This Will Not Become a Part of Public Records) Drivers License #: [redacted] State: AZ

4. Place of Birth: El Salvador (City) Centralamerica (State) Country (not county) Height: 5'01 Weight: 150 Eyes: BRN Hair: BK

5. Marital Status ☐ Single ☐ Married ☒ Divorced ☐ Widowed Residence (Home) Phone: ([redacted]

6. Name of Current or Most Recent Spouse: — (Last) — (First) — (Middle) — (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: 1986

8 Telephone number to contact you during business hours for any questions regarding this document: [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: InnSuites Hotels & Suites Scottsdale Eldorado Park & PJ's Cafe & Pub Premises Phone: (480) 941-1202

11. Licensed Premises Address: 7707 E. Mcdowell Rd Scottsdale az 85257
Street Address (Do not use PO Box #) City County Zip

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
6-16-1997	CURRENT	Bar Tender	PJ's Bar & Grill 7707 E. Mc Dowel Rd. Scottsdale AZ 85257
1/6/1997	6/6/1999	Cashier	mobil on the run 5958 E. McKellips Rd Mesa 3852

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
1997	CURRENT	Rent	[redacted]	[redacted]		

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day? 8, answer #14a below. If NO, skip to #15. ☒ YES ☐ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

To Take Class Sat. Mar. 29 Tempe AZ

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☒ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which [redacted] *misrepresentation of a business, professional or liquor license*? ☐ YES ☒ NO

20. Are you NOW or have you EVER held ownership, been a controlling person , been an officer, member, director, or manager on *any* [redacted] any other state? [redacted] ☐ YES ☒ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

[redacted] the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☒ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

[redacted] act or agreement between you and the licensee relating to the operation or management of this business?
☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, EDNA Maricely RUIZ, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X Edna M Ruiz
(Signature of Applicant)

State of ARizona County of Maricopa
The foregoing instrument was acknowledged before me this 24 day of MARCH, 2003
Day of Month Month Year

OFFICIAL SEAL
RACHEL SHEPSTEAD
NOTARY PUBLIC-ARIZONA
MARICOPA COUNTY
My Comm. Expires Oct. 19, 2005

My commission expires on: 19 Oct 2005
Day of Month Month Year

(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted] County of _____
The foregoing instrument was acknowledged before me this

X _____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

(Signature of NOTARY PUBLIC)

The Secretary of State
of the United States of America
hereby requests all whom it may concern to permit the citizen/
national of the United States named herein to pass
without delay or hindrance and in case of need to
give all lawful aid and protection.

Le Secrétaire d'Etat
des Etats-Unis d'Amérique
prie par les présentes toutes autorités compétentes de laisser passer
le citoyen ou ressortissant des Etats-Unis titulaire du présent passeport
sans délai ni difficulté et, en cas de besoin, de lui accorder
toute aide et protection légitimes.

SIGNATURE OF BEARER/SIGNATURE DU TITULAIRE

NOT VALID UNTIL SIGNED

UNITED STATES OF AMERICA

PASSPORT
PASSEPORT

USA

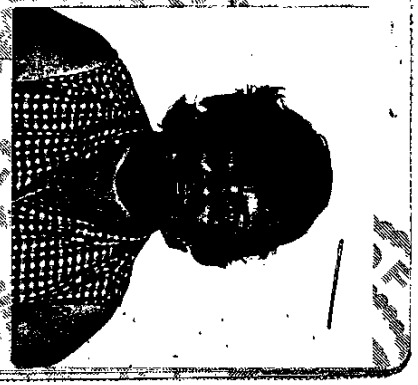
Type/Catégorie: P
Code of issuing State/Code du pays émetteur: USA
PASSPORT NO./NO. DU PASSEPORT: [redacted]

Surname / Nom: RUIZ
Given names / Prénoms: EDNA MARICELY
Nationality / Nationalité: UNITED STATES OF AMERICA
Date of birth / Date de naissance: [redacted]
Sex / Sexe: F
Place of birth / Lieu de naissance: EL SALVADOR
Date of issue / Date de délivrance: [redacted]
Date of expiration / Date d'expiration: [redacted]
Authority / Autorité: PASSPORT AGENCY
SAN FRANCISCO
Amendments/Modifications: SEE PAGE 24

P<USARUIZ<<EDNA<MARICELY<<<<<<<<<<<<<<<<<<<<
[redacted]

Visas
Departures/Sorties
Arrivals/Entrées

THIS PASSPORT WAS EXTENDED ON JUN 25, 1997 AND WILL EXPIRE ON JUL 3, 2006.



ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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AE 1011480

QUESTIONNAIRE

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Liquor License # 11073094
(If the location is currently licensed)

1. Check appropriate box →
   - ☒ Owner ☐ Partner ☐ Stockholder ☒ Member ☐ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager
   - ☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Wirth (Last) James (First) Frank (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License # [redacted] State: Arizona
(This Will Not Become a Part of Public Records)

4. Place of Birth: Chicago (City) IL (State) USA (Country (not county)) Height: 6'2" Weight: 170 Eyes: BLUE Hair: BLOND

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: Wirth (Last) Gail (First) Jeanne (Middle) Thornton (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: 1-1-64

8 Telephone number to contact you during business hours for any questions regarding this document. [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: InnSuites Hotel & Suites Scottsdale Eldorado Park & PJ's Cafe & Pub Premises Phone: (480) 941-1202

11. Licensed Premises Address: 7707 E. McDowell Rd. (Street Address (Do not use PO Box #)) Scottsdale (City) Maricopa (County) 85257 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
1980	CURRENT	President	InnSuites Hotels 1615 E Northern Ave Phoenix AZ 85020

BETHEL MILES Notary Public - Arizona MARICOPA COUNTY My Comm. Expires 06-06-2004

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
5/1/76	CURRENT	O	[redacted]	[redacted]		

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☒ YES ☐ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which [redacted] *presentation of a business, professional or liquor license*? ☐ YES ☒ NO

20. Are you NOW or have you EVER held ownership, been a controlling person [redacted] director, or manager on *any other liqu*[redacted] other state? [redacted] ☒ YES ☐ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

[redacted]ager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. I[redacted] or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, James Frank Wirth, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)
I have read this questionnaire and the contents and all statements are true, correct and complete.

X _____ (Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 25th day of March, 2004.
(Day of Month) (Month) (Year)

BETH L. MILES Notary Public - Arizona MARICOPA COUNTY My Comm. Exp. 9-30-2004

My commission expires on: 30 09 2004
(Day of Month) (Month) (Year)

Beth L. Miles
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name):_____
Last Middle First

[redacted]reby authorize the applicant to act as manager for the named liquor license [redacted] County of_____

The foregoing instrument was acknowledged before me this

X_____ (Signature of LICENSEE/AGENT)

_____ day of _____, _____
(Day of Month) (Month) (Year)

My commission expires on:_____
(Day of Month) (Month) (Year)

_____ (Signature of NOTARY PUBLIC)

I am a stockholder of entities doing business as InnSuites Hotels or Affiliates in Arizona. In the past, one or more InnSuites Hotels has been cited in a minor matter and resolved with the Liquor department. Correction action was immediately taken in each case. Each has been minor and quickly resolved.

James F. Wirth March 27, 2003

CITY COUNCIL REPORT

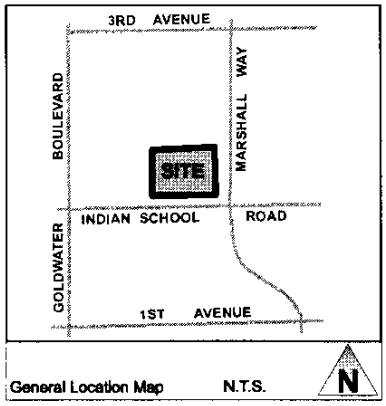
MEETING DATE: June 3, 2003 ITEM NO. 2 GOAL: Preserve Character and Environment

SUBJECT

Restaurant Liquor License Request for Ayako of Tokyo, Scottsdale 25-LL-2003

REQUEST

To consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing series 12 (restaurant) location.



OWNER

Nebula Restaurant Operations

APPLICANT CONTACT

Yoshiko Bowen
480-675-0808

LOCATION

7042 E. Indian School Rd.

BACKGROUND

This site is zoned D/OC-2 D/RS-1.
This is a request for a new restaurant license for an existing location currently operating with a series 12 (restaurant) liquor license. The establishment will continue to operate under the business name Ayako of Tokyo, Scottsdale. This request is due to a change in ownership.
The distance to the nearest school, Our Lady of Perpetual Help, is 3600 ft.
The distance to the nearest church, Scottsdale United Methodist Church, is 2900 ft.
There are 95 liquor licenses within a one half mile radius of this location.

APPLICANT'S PROPOSAL

Goal/Purpose of Request.
The applicant is seeking a favorable recommendation on a series 12 liquor license. The applicant has maintained the required posting notice for the State mandated 20-day period.

IMPACT ANALYSIS

Police/Fire. The Police Department has conducted a review and recommends approval of this case.

Financial Services. Revenue Collection has reported that the applicant has met City licensing requirements and all fees have been paid.

(Continued)

Parking. Planning and Development Services has conducted a review of the parking requirements. There are no interior modifications or changes intended for this establishment. Parking is in compliance with the zoning ordinance.
Development Information. This establishment is approx. 5600 sq. ft.

Maricopa County. Maricopa County Environmental Health has reviewed this application and reported no opposition to this case.

Community involvement. No petitions or protests have been filed with the City Clerk during the 20 (twenty) day posting period.

OPTIONS AND STAFF RECOMMENDATION

City Council has the option of recommending approval or denial to the Arizona Department of Liquor Licenses and Control.

Recommended Approach: The review of this application has shown that it meets zoning, parking, and public safety requirements.
Staff recommends approval.

Proposed Next Steps: The City Council's recommendation of approval or denial will be forwarded to the Department of Liquor Licenses and Control for their consideration. If the application is approved by the Department of Liquor Licenses and Control, the applicant should receive their license from the State within 15 days.

RESPONSIBLE DEPT(S)

Planning and Development Services Department

STAFF CONTACT(S)

Jeff Fisher
Plan Review and Permit Services Director
480-312-7619
E-mail: Jfisher@ScottsdaleAZ.Gov

APPROVED BY

5/13/03
Kroy Ekblaw Date
Planning and Development Services General Manager

Ed Gawf 5/14/03
Ed Gawf Date
Deputy City Manager

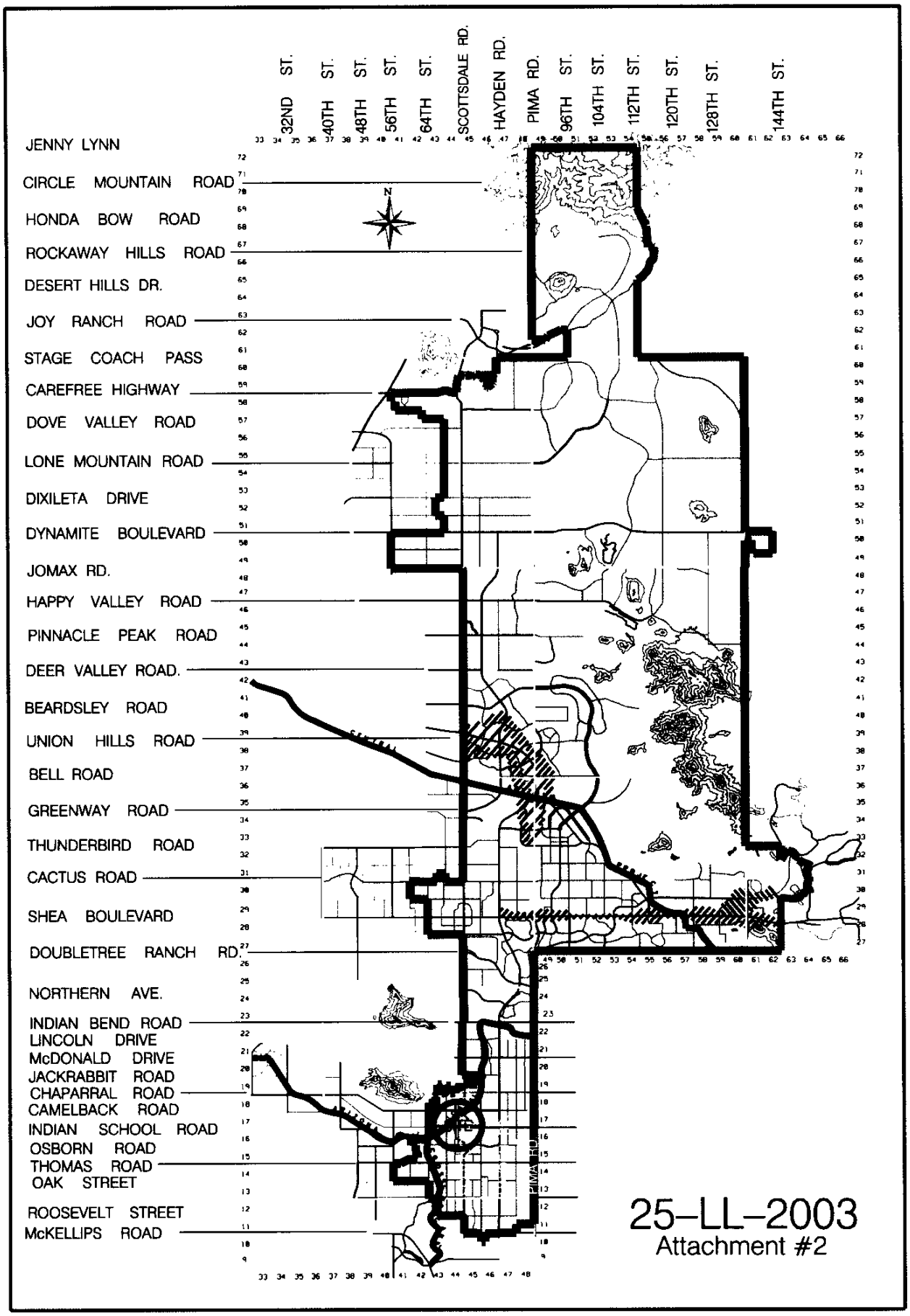
ATTACHMENTS

#1: Aerial Map
#2: Vicinity Map
#3 Graphic – Liquor license locations within ½ mile
#4: Application

25-LL-2003

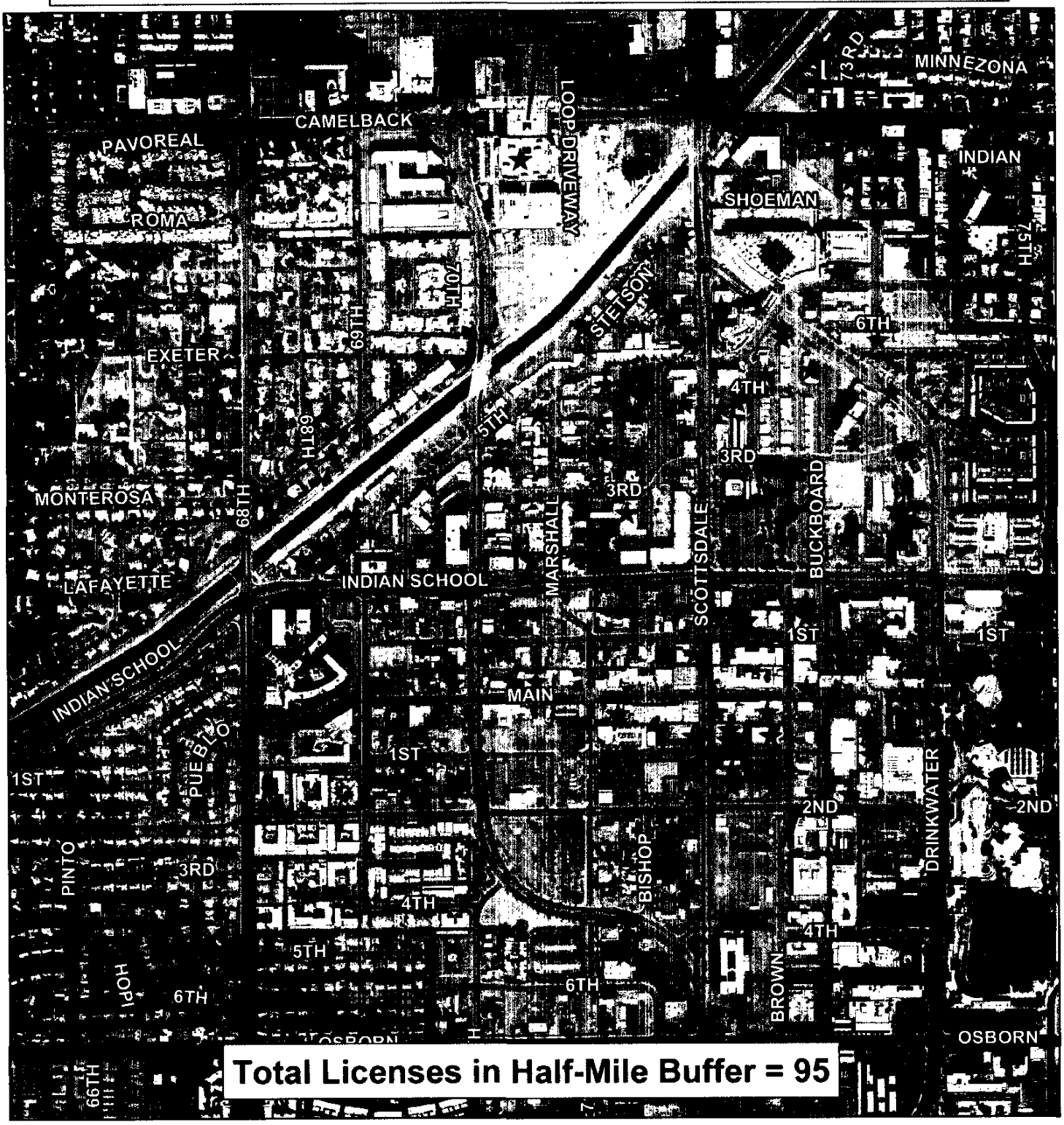
Ayako of Tokyo

ATTACHMENT #1



25–LL–2003
Attachment #2

Liquor Licenses Within A Half-Mile Radius of 7042 E Indian School Rd.



0 265 530 1,060 1,590 2,120 Feet

1 inch equals 757.08 feet

Liquor Licenses.mxd
Printed: 04/14/2003
Created By: Brian Hancock
Source: City of Scottsdale, State of Arizona Dept. of Liquor Licenses and Control.

CITY OF SCOTTSDALE

N

25-LL-2003

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

DLLC

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

25-LL-2003 **APPLICATION FOR LIQUOR LICENSE**

2003 MAR 31 A 11:51

TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

APR 7 2003

SECTION 1 This application is for a:

- ☒ INTERIM PERMIT *Complete Section 5*
- ☒ NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16, 17*
- ☐ PERSON TRANSFER (Bars & Liquor Stores ONLY) *Complete Sections 2, 3, 4, 11, 13, 15, 16, 17*
- ☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY) *Complete Sections 2, 3, 4, 12, 13, 15, 16, 17*
- ☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREE *Complete Sections 2, 3, 4, 9, 13, 15, 17* (fee not required)
- ☐ GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16, 17*

SECTION 2 Type of ownership:

- ☐ J.T.W.R.O.S. *Complete Section 6*
- ☐ INDIVIDUAL *Complete Section 6*
- ☐ PARTNERSHIP *Complete Section 6*
- ☒ CORPORATION *Complete Section 7*
- ☐ LIMITED LIABILITY CO. *Complete Section 7*
- ☐ CLUB *Complete Section 8*
- ☐ GOVERNMENT *Complete Section 10*
- ☐ TRUST *Complete Section 6*
- ☐ OTHER Explain _____

SECTION 3 Type of license and fees: LICENSE #: 12075467

1. Type of License: #12
2. Total fees attached: $ 248.00

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

SECTION 4 Applicant: (All applicants must complete this section)

1. Applicant/Agent's Name: Mr. Ms. BOWEN (Last) YOSHIKO (First) "NONE" (Middle)
   (Insert one name ONLY to appear on license)
2. Corp./Partnership/L.L.C.: NEBULA RESTAURANT OPERATIONS, INC.
   (Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: AYAKO OF TOKYO, SCOTTSDALE
   (Exactly as it appears on the exterior of premises)
4. Business Address: 7042 E. INDIAN SCHOOL RD (Do not use PO Box Number) SCOTTSDALE (City) MARICOPA (COUNTY) 85251 (Zip)
5. Business Phone: (480) 675-0808 Residence Phone: [redacted]
6. Is the business located within the incorporated limits of the above city or town? ☒YES ☐NO
7. Mailing Address: [redacted] (City) (State) (Zip)
8. Enter the amount paid for a 06, 07, or 09 license: $ _____.____ (Price of License ONLY)

DEPARTMENT USE ONLY

Accepted by: AE Date: 3/31/03 Lic. # 12075467

Fees:	Application	Interim Permit	Agent Change	Club	F. Prints	$ TOTAL
	100.00	100.00			48.00	248.00

PROCESSING APPLICATIONS TAKES APPROXIMATELY 90 DAYS, AND CIRCUMSTANCES OFTEN RESULT IN A LONGER WAITING PERIOD. YOU ARE CAUTIONED REGARDING PLANS FOR A GRAND OPENING, ETC., BEFORE FINAL APPROVAL AND ISSUANCE OF THE LICENSE.

LIC 0100 11/2000

*Disabled individuals requiring special accommodation, please call (602) 542-9027.

SECTION 5 Interim Permit:

1. If you intend to operate business while your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There MUST be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. 12074045
4. Is the license currently in use? ☒ YES ☐ NO If no, how long has it been out of use? _____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, SHIGEHISA ITEMATSU, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, STOCKHOLDER OR LICENSEE of the stated license and location.
(Print full name)

X _____ (Signature)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 28 day of March, 2003.
Day of Month Month Year

OFFICIAL SEAL
YOSHIKO BOWEN
NOTARY PUBLIC - State of Arizona
MARICOPA COUNTY
My Comm. Expires Nov. 11, 2005

My commission expires on: _____

_____ (Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Residence Address	City State Zip
			%		

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Residence Address	City State Zip
☐ ☐	[redacted]					
☐ ☐	[redacted]				[redacted]	
☐ ☐						
☐ ☐				%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☐ NO

STATE OF ARIZONA

DEPARTMENT OF LIQUOR LICENSES AND CONTROL

ALCOHOLIC BEVERAGE LICENSE

License 12074045

2003 MAR 31 A 11:52

DLLC

Issue Date: 1/12/1999

Expiration Date: 3/31/2002

Restaurant

Issued To:
SHIGEHISA IKEMATSU, Agent
CONSTELLATION RESTAURANT OPERATIONS INC, Owner

Location:
AYAKO OF TOKYO, SCOTTSDALE
7042 E INDIAN SCHOOL RD
SCOTTSDALE, AZ 85251

Mailing Address:
SHIGEHISA IKEMATSU
CONSTELLATION RESTAURANT OPERATIONS IN
AYAKO OF TOKYO, SCOTTSDALE
2564 E CAMELBACK RD
PHOENIX, AZ 85016

GOVERNOR

GREAT SEAL OF THE STATE OF ARIZONA
DITAT DEUS
1912

DIRECTOR

POST THIS LICENSE IN A CONSPICUOUS PLACE

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

☒ CORPORATION *Complete questions 1, 2, 3, 5, 6, 7, 8.*
☐ L.L.C. *Complete questions 1, 2, 4, 5, 6, 7 and attach copy of Articles of Org. and Operation Agreement.*

DLLC

1. Name of Corporation/L.L.C.: NEBULA RESTAURANT OPERATIONS, INC
(Exactly as it appears on Articles of Inc. or Articles of Org.)

2003 MAR 31 A 11:57

2. Date Incorporated/Organized: 2-12-03 State where Incorporated/Organized: ARIZONA
3. AZ Corporation Commission File No. 1064810-2 Date authorized to do business in AZ: 2-12-03
4. AZ L.L.C. File No: _____ Date authorized to do business in AZ: _____
5. Is Corp./L.L.C. non-profit? ☐ YES ☒ NO If yes, give IRS tax exempt number: _____
6. List all directors/officers in Corporation/L.L.C.:

Last	First	Middle	Title	Residence Address	City State Zip
BOWEN	YOSHIKO		PRESIDENT	[redacted]	
SUZUKI	TOSHISUKE		SECRETARY	[redacted]	
SUZUKI	TOSHISUKE		TREASURER	[redacted]	

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders or controlling members owning 10% or more:

Last	First	Middle	% Owned	Residence Address	City State Zip
SUZUKI	TOSHISUKE		% 100	[redacted]	
			%		
			%		
			%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach an ownership, and director/officer/members disclosure for the parent entity. Attach additional sheets as necessary in order to disclose real people.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
(Exactly as it appears on Club Charter) (Attach a copy of Club Charter)
2. Is club non-profit? ☐ YES ☐ NO If yes, give IRS tax exempt number: _____
3. List officer and directors:

Last	First	Middle	Title	Residence Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

SECTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store:

1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle

2. Assignee's Name: _____
Last First Middle

DLLC

2003 MAR 31 A 11:57

3. License Type: _____ License Number: _____ Date of Last Renewal: _____

4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 Government: (for cities, towns, or counties only)

1. Person to administer this license: _____
Last First Middle

2. Assignee's Name: _____
Last First Middle

[redacted]CH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

[redacted]

[redacted]and Liquor Stores ONLY).

1. Current Licensee's Name: _____ Entity: _____
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: _____
(Exactly as it appears on license)

3. [redacted] _____
(Exactly as it appears on license)

4. Current Business Address: _____

_____

5. License Type: _____ License Number: _____ Last Renewal Date: _____

6. Current Mailing Address (other than business): _____

_____

7. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☐ YES ☐ NO

8. Does the applicant intend to operate the business while this application is pending? ☐ YES ☐ NO If yes, complete section 5, attach fee, and current license to this application.

9. I hereby relinquish my rights to the above described license to the applicant named in this application and hereby declare that the statements made in this section are true, correct and complete.

I, _____, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER,
(Print full name)
STOCKHOLDER or LICENSEE of the stated license. I have read this section and the contents and all statements are true, correct and complete.

X_____
(Signature of CURRENT LICENSEE)

State of _____ County of _____.
The foregoing instrument was acknowledged before me this
_____ day of _____, _____.
Day of Month Month Year

My commission expires on: _____

_____
(Signature of NOTARY PUBLIC)

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

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

1. Current Business Name and Address: DLLC
(Exactly as it appears on license)

2003 MAR 31 A 11:57

2. New Business Name and Address:
(Do not use PO Box Number)

3. License Type: _____ License Number: _____ Last Renewal Date: _____

4. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants:

1. Distance to nearest school: 3960 ft. - 3600 Name/Address of school: OUR LADY OF PERPETUAL HELP
(Regardless of distance)
7655 E. MAIN ST. SCOTTSDALE AZ.

2. Distance to nearest church: 3100 ft. - 2900 Name/Address of church: SCOTTSDALE UNITED METHODIST CHURCH
(Regardless of distance)
4140 N. MILLER RD SCOTTSDALE, AZ.

3. I am the: ☒ LESSEE ☐ SUBLESSEE ☐ OWNER ☐ PURCHASER (of premises)

4. If the premises is leased give lessors name and address: DEE ANN SKIPTON
10902 E. INDIAN BEND RD PARADISE VALLEY, AZ 85258

4a. Monthly rental/lease rate $ 10,447.10. What is the remaining length of the lease? 8 yrs. _____ mos.

4b. What is the penalty if the lease is not fulfilled? $_____ or other PAY OFF LEASE.
(give details - attach additional sheet if necessary)

5. What is the total business indebtedness of the applicant for this license/location excluding lease? $ -0-

Does any one creditor represent more than 10% of that sum? ☐ YES ☒ NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City	State	Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) RESTAURANT.

7. Has a license, or a transfer license for the premises on this application been denied by the state within the past one (1) year?
☐ YES ☒ NO If yes, attach explanation.

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

9. Is the premises currently licensed with a liquor license? ☒ YES ☐ NO If yes, give license number and licensee's name:
License # 12074045 (Exactly as it appears on license) Name SHIGEHISA IKEMATSU.

SECTION 14 Restaurant, or Hotel-Motel Applicants:

1. Is there a valid restaurant or hotel-motel liquor license at the proposed location? ☒ YES ☐ NO If yes, give licensee's name:

   IKEMATSU SHIGEHISA and license #: 12074045
   Last First Middle

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

3. All restaurant applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor.

4. Do you understand that **40% of your annual gross revenue** must be from food sales? ☒ YES ☐ NO

DILG
2003 MAR 31 A 11:51

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

1. Check ALL boxes that apply to your licensed premises:

   ☒ Entrances/Exits ☒ Liquor storage areas
   ☐ Drive-in windows ☒ Patio enclosures
   ☐ Service windows ☐ Under construction: estimated completion date _____

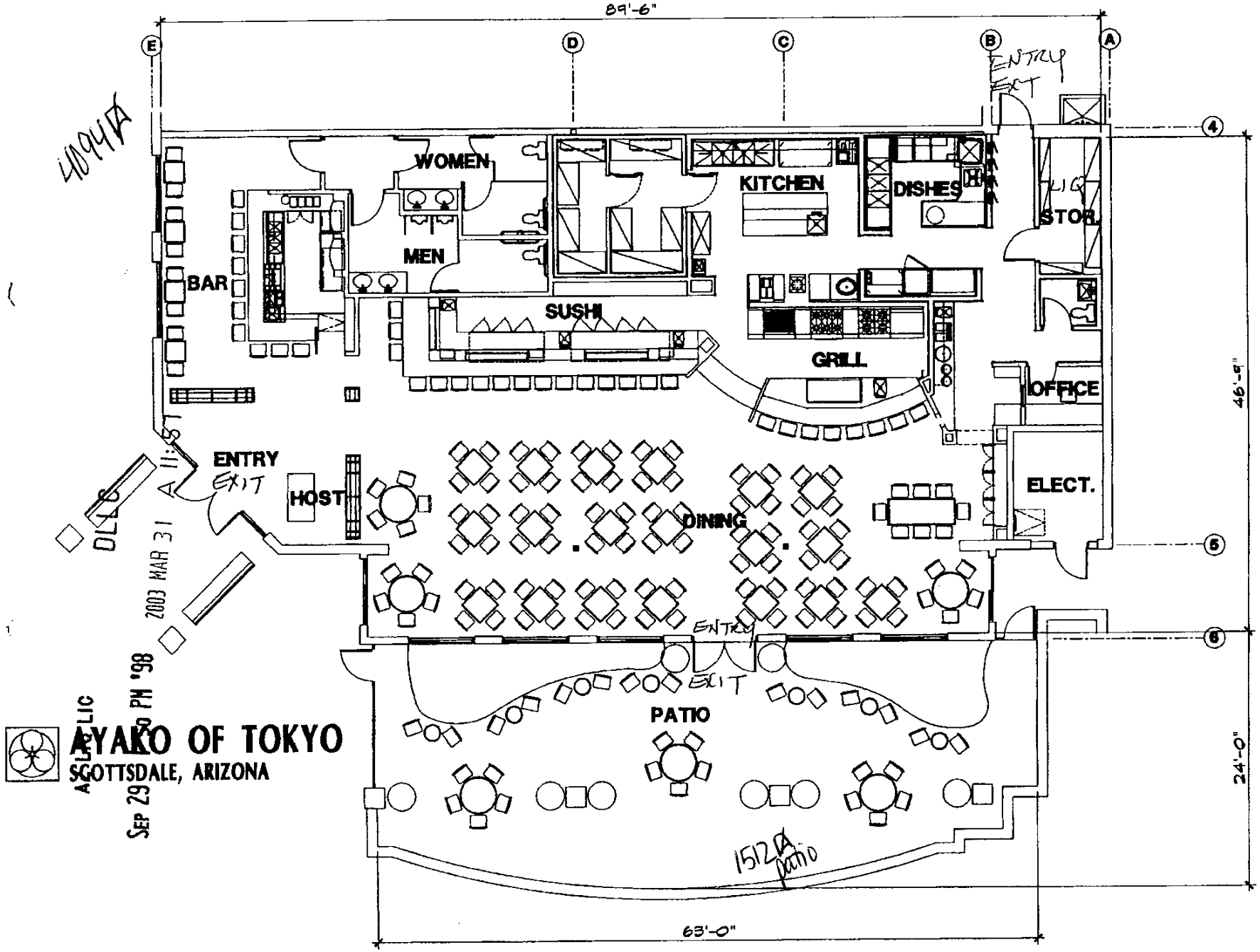
2. Restaurants and Hotel/Motel applicants must explicitly depict kitchen equipment and dining facilities.

3. The diagram below is the only area where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored. Give the square footage or outside dimensions of the licensed premises.

   DO NOT INCLUDE PARKING LOTS, LIVING QUARTERS, ETC.

   See attached

YOU MUST NOTIFY THE DEPARTMENT OF LIQUOR OF ANY CHANGES OF BOUNDARIES, ENTRANCES, EXITS, OR SERVICE WINDOWS MADE AFTER SUBMISSION OF THIS DIAGRAM.


89'-6"
E
D
C
B
A
4
5
6
ENTRY
EXIT
WOMEN
MEN
BAR
KITCHEN
DISHES
STOR.
SUSHI
GRILL
OFFICE
ELECT.
ENTRY
EXIT
HOST
DINING
ENTRY
EXIT
PATIO
46'-9"
24'-0"
63'-0"
4094A
1512A patio
DLLC
2003 MAR 31 A 11:51
AYAKO OF TOKYO
SCOTTSDALE, ARIZONA
SEP 29 PM '98

SECTION 16 Geographical Data: **A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.**

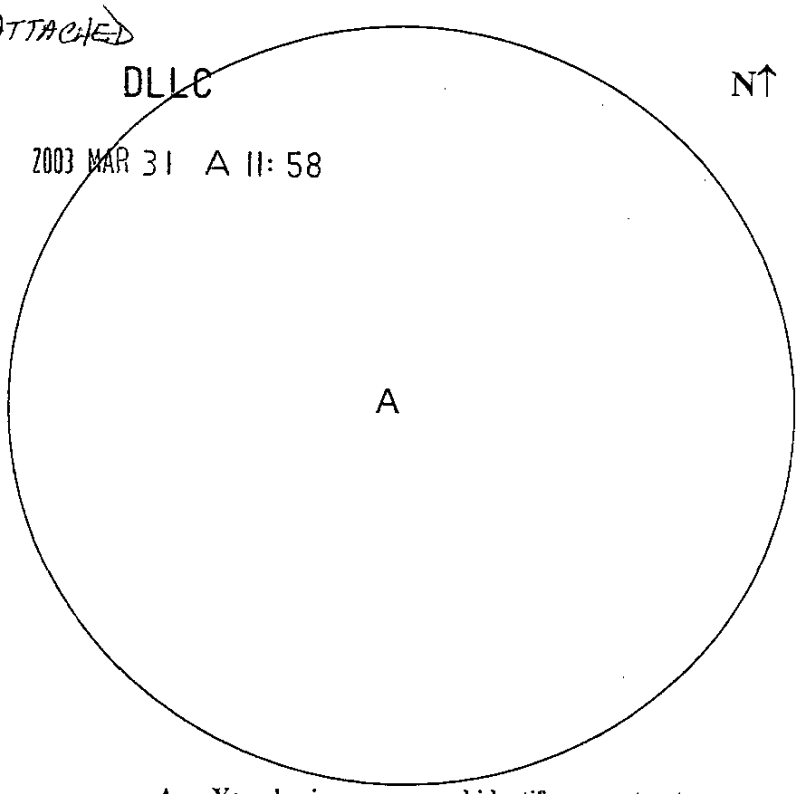
List below the exact names of all churches, schools, and spirituous liquor outlets within a one half mile radius of your proposed location.

1. _____ SEE ATTACHED
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____

(ATTACH ADDITIONAL SHEET IF NECESSARY)

DLLC

2003 MAR 31 A 11:58



A = Your business name and identify cross streets.

SECTION 17 Signature Block:

I, YOSHIKO BOWEN, declare that: 1) I am the APPLICANT (Agent/Club Member/Partner), making this
(Print name of APPLICANT/AGENT listed in Section 4 Question 1)
application; 2) I have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

X _____ (Signature)

TANNIE TAYLOR
Notary Public - Arizona
Maricopa County
My Commission Expires
April 13, 2003

State of AZ County of Maricopa
The foregoing instrument was acknowledged before me this 31 day of March, 2003
Day of Month Month Year

My commission expires on: _____

(Signature of NOTARY PUBLIC)

SAMPLE

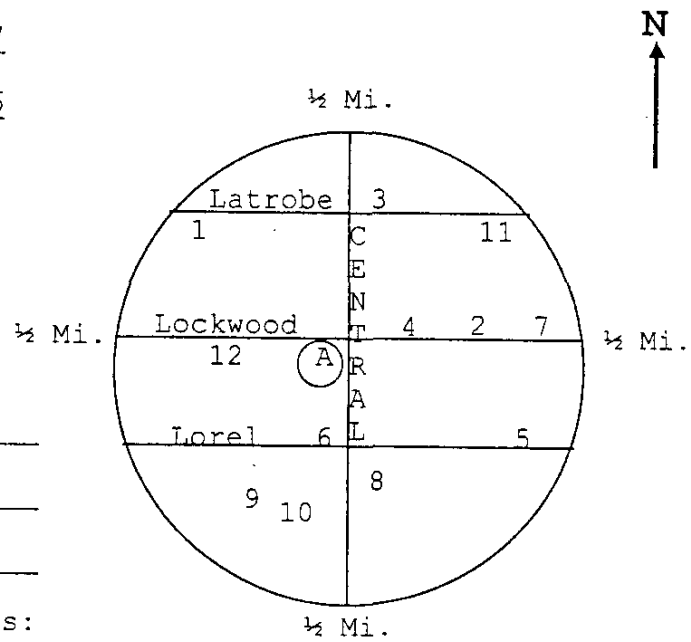
GEOGRAPHICAL DATA

In the area adjacent to the map provided below indicates your proposed location and the exact names of all churches, schools, and alcoholic beverage outlets within a 1/2 mile radius of your proposed location.
(See example below)

DLLC

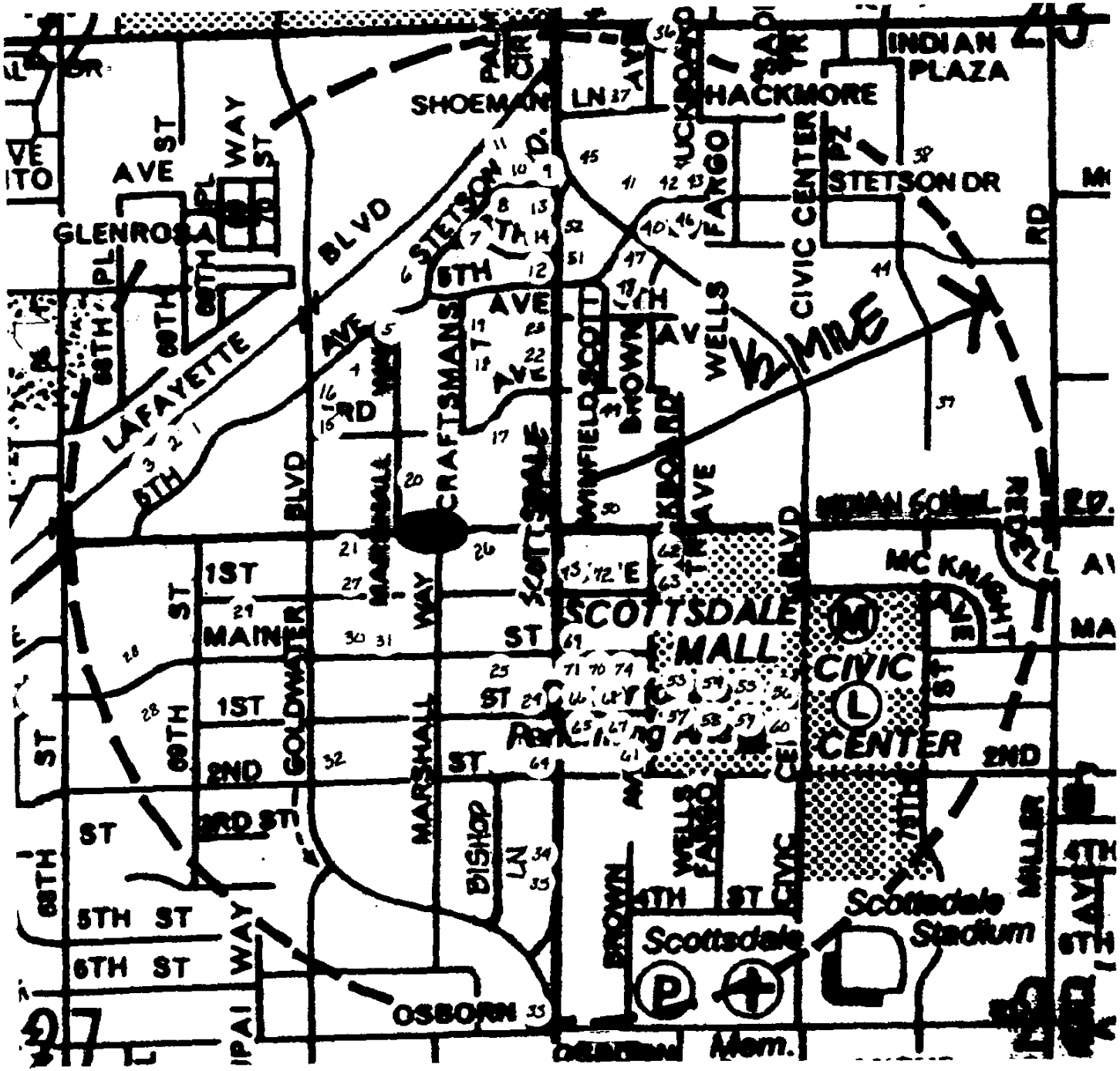
2003 MAR 31 A 11:58

A = Applicant	Series 12
01 Pink Elephants	Series 06
02 Mama's Rest.	Series 12
03 Corner Liquors	Series 09
04 Joe's Groceries	Series 10
05 Lions Club	Series 14
06 Burgers R Us	Series 07
07 Pizza Perfect	Series 07
08 Billy Bobs Bar	Series 06
09 St. Anthonys Church	
10 St. Anthonys School	
11 Burbank Middle School	
12 First United Baptist Church	
13	
14	
15	



A.R.S. Section 4-207.A reads as follows:

A. No retailers license shall be issued for any premises which are. at the time the license application is received by the Director, within three hundred(300) horizontal feet of a church, within three hundred(300) horizontal feet of a public or private school building with kindergarten programs or any of grades one(1) through twelve(12). or within three hundred(300) horizontal feet of a fenced recreational area adjacent to such school building.



AZ LIQ LIC

SEP 29 1 50 PM '98

NORTH

AYAKO of TOYKO

SCOTTSDALE

300'

AZ LIQ LIC

SEP 29 1 50 PM '98

The attached map indicates the proposed location of Ayako of Toyko, Scottsdale, 7042 East Indian School Road. All churches, schools, and alcoholic beverage outlets within ½ mile radius of our proposed location.

A=	Proposed Ayako of Toyko, Scottsdale location 7042 E. Indian School Rd.	12
01	Sugar Shack 6830 E. 5th St.	12
02	Anderson's 5th Estate 6820 E. 5th Ave.	06
03	Tapa's Papa Frita 6810 E. 5th Ave.	12
04	Novecento Café 7027 E. 5th Ave.	12
05	Al Fresco Patio Café 7051 E. 5th Ave.	12
06	Madison's 7108 E. Stetson Dr.	12
07	Cowboy Ciao 7133 E. Stetson Dr.	12
08	Craig's Place 7137 E. Stetson Dr.	06
09	Un-Bacio 4400 N. Scottsdale Rd.	12
10	Kyoto 7170 E. Stetson Dr.	12
11	Cat Eye Lounge 7164 E. Stetson Dr.	12
12	Mr. C's 4302 N. Scottsdale Rd.	12
13	6th Avenue Bistro 6150 E. 6th Ave.	?
14	6th Avenue Petit Marche- 6150 E. 6th Ave.	?
15	Tutto 4175 N. Goldwater Blvd.	12
16	Tequila 4175 N. Goldwater Blvd. Suite B	12
17	Cajun House 7117 E. 3rd. Ave.	06
18	Dos Gringos 4209 N. Craftsman Ct.	12
19	Acme Bar and Grille 4245 N. Craftsman Ct.	?
20	Frank and Lupe's old Mexico 4121 N. Marshall Wy.	12
21	Circle K 6901 E. Indian School Rd.	9
22	Voo Doo the Grille 4228 N. Scottsdale Rd.	12
23	Tony Roma's 4218 N. Scottsdale Rd.	12
24	Buca di Beppo 3828 N. Scottsdale Rd.	12
25	Malee's Thai on Main 7131 E. Main	?
26	Fuddruckers	12

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	7145 East Indian School Rd.	
27	Arcadia Farms Market and Café/Wine/Bar	07
	7014 E. 1st Ave.	
28	Ramada Valley Ho	06
	6833 E. Main	
29	Old Town Tortilla Factory	12
	6910 E. Main	
30	Mable Muphery's	06
	7018 E. Main	
31	Café Forte	07
	7032 E. Main	
32	Stage Brush Theatre	?
	7020 E. 2nd St.	
33	Walgreen's	09
	3420 N. Scottsdale Rd.	
34	Austins Steakhouse	12
	363 N. Scottsdale Rd.	
35	Oregano'sPizza Bistro	07
	3622 N. Scottsdale Rd.	
36	Roarin Fork	12
	7243 E. Camelback Rd.	
37	Baby Kay'sCajun Kitchen	12
	7216 E. Shoeman Ln.	
38	Blarney Pub and Grille	12
	4341 N. 75th St.	
39	Scottsdale United Methodist Church	
	4140 N. Miller Road	
40	Martini Ranch	06
	7295 E. Stetson Dr.	
41	Rockin Horse Saloon	06
	7316 E. Stetson Dr.	
42	Maloney's Tavern	06
	7318 E. Stetson Dr.	
43	D. J.'s Bar and Grille	06
	7320 E. Stetson	
44	The Kamikazi Coast	06
	7443 E. 6th Ave.	
45	TGI Friday's	12
	4343 N. Scottsdale Rd.	
46	Christian Science Reading Room	
	4310 N. Brown	
47	Cactus Valley Coffee and Pub	07
	4312 N. Brown	
48	Gilligan's	?
	4251 N Winfield Scott Dr.	
49	Marroitt Hotel American Grille	11
	7325 E. 3rd Ave.	
50	Jewel of the Crown	12
	4141 N. Scottsdale Rd. #100	
51	Landry's Steak House	12
	4321 N. Scottsdale Rd.	
52	Bravo Bistro	12
	4327 N. Scottsdale Rd.	
53	AZ88	?
	7353 E. Scottsdale Mall	
54	Pepin	12

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	7363 E. Scottsdale Mall	
55	Backstage	12
	7373 E. Scottsdale Mall	
56	Bola's Grille	11
	7353 E. Indian School Rd.	
57	Mafia Factory	12
	7373 E. Scottsdale Mall #1	
58	Blue Moose	06
	7373 E. Scottsdale Mall #6	
59	Scottsdale Center for the Atrs	05
	7380 E. 2nd St.	
60	J. Chew	?
	7320 E. Scottsdale Mall	
61	Los Olivos	12
	7328 E. 2nd St.	
62	Jacqueline's Marketplace and Café	07
	7303 E. Indian School Rd.	
63	The Grapevine	06
	4013 N Brown	
64	Billet Bar	06
	3752 N Scottsdale Rd.	
65	Ra-Sushi	?
	3815 N. Scottsdale Rd.	
66	Bandera	12
	3821 N. Scottsdale Rd.	
67	Pischke's Paradise	12
	7217 E. 1st St.	
68	Karsen's Grille	?
	7246 E. 1st St.	
69	Pink Pony	06
	3831 N. Scottsdale Rd.	
70	Stan's Deli	12
	7121 E. Main	
71	Italian Grotto	12
	3915 N. Scottsdale Rd.	
72	Emporer's Garden	12
	7228 E. 1st Ave.	
73	Patti's 1st Avenue Lounge	06
	7220 E. 1st Ave.	
74	The Rusty Spur Saloon	06
	7245 E Main	

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

DLLC

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

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RESTAURANT OPERATION PLAN

LICENSE # 12075467

1. List by Make, Model and Capacity of your :

Grill	CHAR-BROILER "U.S. RANGE" #0836-336A
Oven	6 BURNER "U.S. RANG" #836-6 4 BURNER "US RANGE" # 836-7
Freezer	WALK IN "KOLPAK" CUSTOM 450 C.F.
Refrigerator	WALK IN "KOLPAK" CUSTOM 670 C.F.
Sink	3 COMP STAINLESS STEEL CUSTOM, 2 COMP STAINLESS STEEL CUSTOM
Dish Washing Facilities	DISHWASHER "HOBART" AM 14C
Food Preparation Counter (Dimensions)	60 LINEAL FEET +/- AVERAGE 28" DEPTH
Other	KITCHEN EQUIPMENT FLOOR PLAN ATTACHED

2. Print the name of your restaurant: Ayako of Tokyo, Scottsdale

3. Attach a copy of your menu (Breakfast, Lunch and Dinner including prices).

4. List the seating capacity for:

   a. Restaurant area of your premises [113]

   b. Bar area of your premises [+ 18]

   c. Total area of your premises [131]

5. What type of dinnerware and utensils are utilized within your restaurant?
   ☒ Reusable ☐ Disposable

6. Does your restaurant have a bar area that is distinct and separate from the restaurant seating? (If yes, what percentage of the public floor space does this area cover). ☒ Yes 20 % ☐ No

7. What percentage of your public premises is used primarily for restaurant dining? (Does not include kitchen, bar, cocktail tables or game area.) 80 %

*Disabled individuals requiring special accommodations, please call the Department.

8. Does your restaurant Contain any games or television? ☐ Yes ☒ No
(If yes, what types and how many? Pool tables, Video Games, Darts, etc.)

9. Do you have live entertainment or dancing? ☐ Yes ☒ No
(If yes, what type and how often?)

10. Use space below or attach a list of employee positions and their duties to fully staff your business.

GEN. MGR RESPONSIBLE FOR ALL ASPECT OF RUNNING BUSINESS + HIRING/FIRING CHEF
ASST G. MGR ASSIST G. MGR HIRING, SERVER, HOSTESS + BARTENDER
HEAD CHEF PURCHASE ALL GOODS MAKE SCHEDULE CHEFF + CREATE A NEW DISH
CHEF COOK FOR THE CUSTOMER
SUSHI CHEF PREPARE SUSHI FOR CUSTOMER
KITCHEN HELPER PREPARE FOOD FOR CHEF TO COOK
HOSTESS GREET + SEAT CUSTOMER TAKE RESERVATIONS
SERVER SERVE FOOD + BEVERAGE TO CUSTOMER
BARTENDER MAKE DRINK + SERVE BEVERAGE TO CUSTOMER
BUS PERSON REMOVE DIRTY DISH, CLEAN TABLE + SETUP
DISH WASHER RUN THE DISHWASHING MACHINE

I, Yoshiko Bowen (Print full name), hereby declare that I am the APPLICANT filing this application. I have read theis application and the contents and all statements true, correct and complete.

x Yoshiko Bowen
(Signature of APPLICANT)

State of ARIZONA County of Maricopa
The foregoing instrument was acknowledged before me this 31 day of March, 2003
Day of Month Month Year

My commission expires on:: OFFICIAL SEAL JUANITA A. ESPARZA NOTARY PUBLIC-ARIZONA MARICOPA COUNTY My Commission Expires July 30, 2006

(Signature of NOTARY PUBLIC)

Lunch

Served between 11:30 a.m. to 2:00 p.m. only.

SELC
2003 MAR 2 A 11:58

Tempura

Deep-fried with light batter.
Served with soup, steamed rice, and tempura sauce.

Tempura ***7.25***
Shrimp and vegetables.

Vegetable Tempura ***5.25***
All vegetables.

Teppanyaki

Stir-fried tabletop cooking.
Served with soup, steamed rice, and teppan vegetables cooked at your table.

Shrimp ***7.75***
Scallops ***7.75***
Chicken ***6.25***
New York Cut ***8.75***
Filet Mignon ***9.25***

Combination

Ayako Ichiban ***12.75***
New York cut and scallops

Ayako Niban ***11.75***
New York cut and chicken

Ayako Special Lunch

Prepared in the kitchen.
Served with soup and steamed rice.

Chicken Teriyaki ***4.75***
Beef Teriyaki ***5.75***

Bento

Japanese-style variety lunch box.
Served with soup, salad, steamed rice tsukemono (pickles), and fruit.

Bento A.	***Chicken Teriyaki and Tempura***	***6.75***
Bento B.	***Beef Teriyaki and Tempura***	***7.75***
Bento C.	***※Sushi and Tempura***	***7.25***
Bento D.	***※Sashimi and Tempura***	***7.75***

No substitutes please. No personal checks accepted..
A 17 % gratuity will be added for parties of 6 or more.
※ Items are served raw or undercooked. Written information is available upon request.

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A la Carte

2003 MAR 3 A 11: 58

Ayako Sunomono *7.25*
Shrimp, octopus and kani kama with thin sliced cucumber marinated in classic Japanese dressing.

Tako Salad *6.50*
Octopus and thin sliced cucumber marinated in classic Japanese dressing.

Sea Vegetable and Squid Salad *5.25*
Marinated sea vegetables and squid with wild vegetables.

Yakitori *4.25*
Barbecued chicken on a bamboo skewer with green onions.

Tsukune Chicken *5.75*
Ground chicken breast on a bamboo skewer basted in yakitori sauce.

Wasabi Chicken *4.75*
Grilled tender chicken coated with wasabi and Japanese seasoning on a bamboo skewer.

Stuffed Shiitake Mushrooms *7.25*
Shiitake mushrooms stuffed with minced shrimp. Served with special sauce.

Baked Green Mussels *4.75*
Large green mussels baked with special house miso sauce.

Fried Seafood *8.75*
Scallop, shrimp and squid deep-fried with Japanese panko.

Kuzu Koromo Shrimp *6.25*
Specially seasoned crispy shrimp.

Tempura *8.50*
Shrimp and vegetables deep-fried in a light batter.

Vegetable Tempura *5.25*
Vegetables deep-fried in a light batter.

Gyoza *3.50*
Pork dumplings.

Age Dashi Tofu *4.25*
Deep-fried tofu in a special tempura sauce.

Jumbo Seafood Chawanmushi *5.25*
Japanese-style custard steamed in a light broth with a variety of seafood.

Soft Shell Crab *6.75*
Soft-shell crab deep-fried. Served with sauce.

Kara Age Chicken *7.25*
Lightly seasoned and battered chicken breast morsels.

Spicy Kara Age Chicken *7.25*
Lightly battered chicken morsels with Japanese chili spices.

**** Sushi Sampler*** *7.75*
California roll, tuna, shrimp and yellowtail.

**** Sashimi Sampler*** *9.75*
Tuna, yellowtail and salmon.

Spider Roll *8.00*
Deep-fried soft-shell crab rolled in seasoned rice and nori. Served with ponzu sauce.

Philadelphia Roll *7.75*
Smoked salmon, avocado and Philadelphia cream cheese rolled in a thinly peeled English cucumber.

Kaisen Miso Yaki Udon *12.50*
Udon noodles, scallops, shrimp, green mussels and vegetables tossed in a special miso sauce.

Isobe Chicken *10.25*
Chicken breast, kani kama, yamagobo, and green onion wrapped in nori. Served with a light miso sauce.

Scallops with Ume Sauce *7.25*
Lightly grilled scallops. Served with special ume sauce.

Edamame *3.25*
Steamed young soybeans.

** Items may be undercooked or raw. Written information regarding safety is available upon request.*

DLLC
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Special Dinners

Served with soup, sunomono salad and steamed rice.

Sea Bass Saikyo-Yaki ***15.75***
Broiled sea bass marinated with saikyo miso.

Seasoned Salmon ***14.75***
Broiled salmon coated with Japanese seasoning.

Isobe Chicken ***13.25***
Chicken breast, kani kama, yama-gobo, and green onion wrapped in nori .
Served with a light miso sauce.

Kara Age Chicken ***12.25***
Chicken breast morsels coated with seasoned flour then deep-fried.

**** Steak with Miso Sauce*** ***17.25***
Grilled New York strip steak served with a special miso sauce.

**** Teriyaki Steak*** ***16.75***
New York strip steak topped with teriyaki sauce and grilled shiitake mushrooms.

Teriyaki Chicken ***11.25***
Chicken breast topped with teriyaki sauce and grilled shiitake mushrooms.

Tempura Dinners

Served with soup, sunomono salad, steamed rice and tempura sauce.

Tempura ***13.50***
Shrimp and Vegetables.

Vegetable Tempura ***9.50***
All vegetables.

Additional a-la-carte items

Shrimp	***2.50 each***	***Vegetables***	***1.50 pcs.***

Side Orders

Rice ***1.50***
Mixed Green Salad ***3.25***
Sunomono ***2.00***
Extra Sauce ***1.00***
Miso Soup ***with Seaweed*** ***1.50***
with Tofu ***2.00***
with Nameko or Enoki mushrooms ***2.50***
Tsukemono *(Assorted picked vegetables)* ***4.25***

** Items may be undercooked or raw. Written information regarding safety is available upon request.*
All meat dishes are cooked to order.

2003 MAR 31 A 10:58

Teppanyaki Dining

Served with soup, sunomono salad, steamed rice, and teppan vegetables, cooked at the teppan table.

Chicken	*11.25*
**New York Cut Steak*	*16.75*
**Filet Mignon*	*19.75*
Shrimp	*18.75*
Scallops	*23.50*
Lobster	*32.50*
Vegetables	*9.75*
**Scallops and N.Y. Steak*	*24.75*
**Scallops and Filet Mignon*	*26.50*
Scallops and Chicken	*21.50*
**Shrimp and N.Y. Steak*	*23.75*
**Shrimp and Filet Mignon*	*25.25*
Shrimp and Chicken	*19.75*
Shrimp and Scallops	*25.25*
**Lobster and N.Y. Steak*	*28.00*
**Lobster and Filet Mignon*	*29.50*
Lobster and Chicken	*25.00*
Lobster and Scallops	*29.50*
**Chicken and N.Y. Steak*	*18.00*
**Chicken and Filet Mignon*	*19.50*

Imperial Dinner

****Lobster with choice of scallops or shrimp and choice of Filet Mignon or New York cut steak.***
35.50

For Teppanyaki dinners, there will be a $2.00 plate charge to split meals.

Sushi and Sashimi Dinners

****Sashimi*** — ***27.50***
Assorted fresh fish slices. Served with soup, sunomono salad, and steamed rice.

****Sushi*** — ***22.50***
Seasoned rice topped with fresh fish. Served with soup and sunomono salad.

****Sushi and Sashimi*** — ***34.50***
Tuna, yellowtail and octopus sashimi, California roll, ebi, shake, unagi, masago, tuna, white fish, and tamago sushi. Served with soup and sunomono salad.

** Items may be undercooked or raw. Written information regarding safety is available upon request.*
All meat dishes are cooked to order.
A 17% gratuity will be added for parties of 6 or more.

DLLC
2003 MAR 31 A

New Menu

Ayako Soba Salad

w/ vegetables *6.75*

w/ beef tataki & vegetables *8.75*

w/ seafood & vegetables *11.75*

Tempura Udon *5.25*

w/ Soboro sushi or ½ California roll *6.75*

Tempura Soba *5.25*

w/ Soboro sushi or ½ California roll *6.75*

Tofu Steak *5.50*

Tofu with beef miso sauce

Tofu Delight *5.75*

Japanese-style tofu lasagna

Tatsuta-Age *5.25*

Deep fried marinated chicken

****Beef Tataki*** *8.25*

Chilled seared beef with Japanese karashi sauce

Shumai *4.75*

Steamed chicken dumplings with sweet rice

** Items may be undercooked or raw. Written information regarding safety is available upon request.*

All meat dishes are cooked to order

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

DLLC
2003 MAR 3 A 11:08

HOTEL-MOTEL AND RESTAURANT LICENSES
RECORDS REQUIRED FOR AUDIT OF SERIES #11 & #12 LICENSES

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

In the event of an audit, you will be asked to provide to the department any documents necessary to determine compliance with A.R.S. 205.02.G. Such documents requested may include however, are not limited to:

1. All invoices and receipts for the purchase of food and spirituous liquor for the licensed premises. If you do not have all food or liquor invoices, please contact your vendors immediately and request copies of missing invoices. These must be available for pick-up at the time of the Audit Interview Appointment. **If all food invoices are not available at that time, you may not be given credit for *all* food sales.**
2. A list of ***all*** food and liquor vendors
3. The restaurant menu used during the audit period
4. A price list for alcoholic beverages during the audit period
5. Mark-up figures on food and alcoholic products during the audit period
6. A recent, ***accurate*** inventory of food and liquor (taken within two weeks of the Audit Interview Appointment)
7. Monthly Inventory Figures - beginning and ending figures for food and liquor
8. Chart of accounts (copy)
9. Financial Statements-Income Statements-Balance Sheets
10. General Ledger
    - A. Sales Journals/Monthly Sales Schedules
      1) Daily sales Reports (to include the name of each waitress/waiter, bartender, etc. with sales for that day)
      2) Daily Cash Register Tapes - Journal Tapes and Z-tapes
      3) Guest Checks
      4) Coupons/Specials
      5) Any other evidence to support income from food and liquor sales
    - B. Cash Receipts/Disbursement Journals
      1) Daily Bank Deposit Slips
      2) Bank Statements and canceled checks
11. Tax Records
    - A. Transaction Privilege Sales, Use and Severance Tax Return (copies)
    - B. Income Tax Return - city, state and federal (copies)
    - C. Any supporting books, records, schedules or documents used in preparation of tax returns

12. Payroll Records

A. Copies of all reports required by the State and Federal Government

B. Employee Log (A.R.S. 4-119)

C. Employee time cards (actual document used to sign in and out each work day)

D. Payroll records for all employees showing hours worked each week and hourly wages

The sophistication of record keeping varies from establishment to establishment. Regardless of each licensee's accounting methods, the amount of gross revenue derived from the sale of food and liquor must be substantially documented.

REVOCATION OF YOUR LIQUOR LICENSE MAY OCCUR IF YOU FAIL TO COMPLY WITH A.R.S. 210.A.7. AND A.R.S. 205.02.G.

A.R.S. 210.A.7. The licensee fails to keep for two years and make available to the department upon reasonable request all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of spirituous liquors and, in the case of a restaurant or hotel-motel licensee, all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of food.

A.R.S. 205.02.G. For the purpose of this section:

1. "Restaurant" means an establishment which derives **at least forty percent (40%)** of its gross revenue from the sale of food.

2. "Gross revenue" means the revenue derived from all sales of food and spirituous liquor on the licensed premises, regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this section or under any other license that has been issued for the premises pursuant to this article.

I, (**print** Licensee/Agent's Name):

BOWEN YOSHIKO

Last First Middle

have read and fully understand all aspects of this statement.

State of ARIZONA County of Maricopa

The foregoing instrument was acknowledged before me this 31 day of March, 2003

x (Signature of Licensee/Agent)

Day of Month Month Year

My commission Expires on: _____

Day of Month Month Year

OFFICIAL SEAL
JUANITA A. ESPARZA
NOTARY PUBLIC-ARIZONA
MARICOPA COUNTY
My Commission Expires July 30, 2006

(Signature of NOTARY PUBLIC)

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully, this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # 12075467
(If the location is currently licensed)

1. Check appropriate box →

☐ Owner ☐ Partner ☒ Stockholder ☐ Member ☒ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager	☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: SUZUKI (Last) TOSHISUKE (First) _____ (Middle) Date of Birth: [redacted]
(This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License #: [redacted] State: HI
(This Will Not Become a Part of Public Records)

4. Place of Birth: FUKUOKA, JAPAN (City, State) Country (not county) Height: 5'-6" Weight: 150# Eyes: BRN Hair: BLK

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: SUZUKI (Last) LORNA (First) ANNE (Middle) HUNTER (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? HAWAII If Arizona, date of residency: _____

8 Telephone number to contact you during business hours for any questions regarding this document. (808) 988-2145

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: AYAKO OF TOKYO SCOTTSDALE Premises Phone: (480) 675-0808

11. Licensed Premises Address: 7044 E. INDIAN SCHOOL RD. (Street Address) SCOTTSDALE (City) MARICOPA (County) 85251 (Zip)
(Do not use PO Box #)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
10/82	CURRENT	ARCHITECT/OWNER	T. SUZUKI ARCHITECTS, INC.
			2752 WOODLAWN DRIVE, #5-203 HONOLULU, HAWAII 96822

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
7/90	CURRENT	OWN	[redacted]	[redacted]	[redacted]	

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☒ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? ☐ YES ☒ NO

20. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director, or manager on *any other liquor license* in this or any other state? ☐ YES ☒ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, TOSHISUKE SUZUKI (Print full name of Applicant), hereby declare that I am the APPLICANT filing this questionnaire.
I have read this questionnaire and the contents and all statements are true, correct and complete.

X _____ (Signature of Applicant)

State of HAWAII County of HONOLULU
The foregoing instrument was acknowledged before me this 27th day of March, 2003.
(Day of Month, Month, Year)

My commission expires on: 19th 09 2005 (Day of Month, Month, Year)

_____ (Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____ (Last, Middle, First)
Hereby authorize the applicant to act as manager for the named liquor license.

State of _____ County of _____
The foregoing instrument was acknowledged before me this _____ day of _____, _____ (Day of Month, Month, Year)

X _____ (Signature of LICENSEE/AGENT)

My commission expires on: _____ (Day of Month, Month, Year)

_____ (Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

MC 10/13/04

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully , this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # 12075467
(If the location is currently licensed)

1. Check appropriate box → ☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☒ Officer ☒ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager | ☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: BOWEN (Last) YOSHIKO (First) "NONE" (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License # [redacted] State: ARIZONA
(This Will Not Become a Part of Public Records)

4. Place of Birth: TOKYO (City) JAPAN (State) Country (not county) Height: 5 Weight: 103 Eyes: BROWN Hair: GREY

5. Marital Status ☐ Single ☐ Married ☐ Divorced ☒ Widowed Residence (Home) Phone: ([redacted]

6. Name of Current or Most Recent Spouse: _____ Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? ARIZONA If Arizona, date of residency: 1-1-99

8 Telephone number to contact you during business hours for any questions regarding this document. ([redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: AYAKO OF TOKYO SCOTTSDALE Premises Phone: (480) 675-0808

11. Licensed Premises Address: 7042 E INDIAN SCHOOL RD (Street Address (Do not use PO Box #)) SCOTTSDALE (City) MARICOPA (County) 85251 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
3/95	CURRENT	PRESIDENT	AYAKO OF TOKYO 7042 E. INDIAN SCHOOL RD SCOTTSDALE AZ 85251

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
1/79	CURRENT	OWN	[redacted]	[redacted]		

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day? 10 , **answer #14a below**. If NO, skip to #15. ☒ YES ☐ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☒ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you **EVER** been *detained, cited, arrested, indicted or summoned* into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

16. Have you **EVER** been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☒ NO

19. Has anyone **EVER** *filed suit or obtained a judgment against you* in a civil action, the subject of which [redacted] *representation of a business, professional or liquor license*? ☐ YES ☒ NO

20. Are you **NOW** or have you **EVER** held ownership, been a controlling person , been an officer, member, director, or manager on *any other liqu*[redacted]her state? [redacted] YES ☒ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

[redacted]**nager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24**

[redacted]

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☒ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? [redacted] ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is [redacted] contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Yoshiko Bowen, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X Yoshiko Bowen
(Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 21 day of March, 2003.
(Day of Month) (Month) (Year)

BRENDA E. EARLY
Notary Public - Arizona
Maricopa County
My Commission Expires
April 22, 2005

My commission expires on: April 22 2005
(Day of Month) (Month) (Year)

Brenda Early
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name):_____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted] State of _____ County of _____
The foregoing instrument was acknowledged before me this

X_____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) (Day of Month) (Month) (Year)

My commission expires on:_____
(Day of Month) (Month) (Year)

_____
(Signature of NOTARY PUBLIC)

PASSPORT

United States
of America

DLLC

The Secretary of State of the United States of America hereby requests all whom it may concern to permit safely and freely the bearer, a national of the United States named herein to pass without delay or hindrance and in case of need to give all lawful aid and protection.

2013 MAR 31 A 11: 59

Le Secrétaire d'Etat des Etats-Unis d'Amérique prie par les presentes toutes autorités compétentes de laisser passer le citoyen ou ressortissant des Etats-Unis titulaire du présent passeport, sans délai ni difficulté et, en cas de besoin, de lui accorder toute aide et protection légitimes.

El Secretario de Estado de los Estados Unidos de América por el presente solicita a las autoridades competentes permitir el paso del ciudadano o nacional de los Estados Unidos aquí nombrado, sin demora ni dificultades, y en caso de necesidad, prestarle toda la ayuda y protección lícitas

SIGNATURE OF BEARER/SIGNATURE DU TITULAIRE/FIRMA DEL TITULAR

NOT VALID UNTIL SIGNED

PASSPORT
PASSEPORT
PASAPORTE

UNITED STATES OF AMERICA

Type / Type / Tipo: **P**
Code / Code / Código: **USA**
Passport No. / No. du Passeport / No. de Pasaporte: [redacted]

Surname / Nom / Apellidos: **BOWEN**
Given names / Prénoms / Nombres: **YOSHIKO**
Nationality / Nationalité / Nacionalidad: UNITED STATES OF AMERICA
Date of birth / Date de naissance / Fecha de nacimiento: [redacted]
Sex / Sexe / Sexo: **F**
Place of birth / Lieu de naissance / Lugar de nacimiento: **JAPAN**
Date of issue / Date de délivrance / Fecha de expedición: [redacted]
Authority / Autorité / Autoridad: **National Passport Center**
Date of expiration / Date d'expiration / Fecha de caducidad: [redacted]
Amendments / Modifications / Enmiendas: **See Page 24**

P<USABOWEN<<YOSHIKO<<<<<<<<<<<<<<<<<<<<<<<<<<
[redacted]<<<<<<<<<<<<<<<04

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

DLLC

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

CERTIFICATION OF COMPLETED ALCOHOL TRAINING PROGRAM(S)

OBTAIN ORIGINALS OF THIS FORM FROM DLLC-DO NOT PHOTOCOPY, DOCUMENT IS COMPUTER SCANNED. TYPE OR PRINT WITH BLACK INK.

ALCOHOL TRAINING PROGRAM INDIVIDUAL INFORMATION

Yoshiko Bowen
Individual Name (Print)

Individual Signature

September 3, 1998
Date Training Completed

TYPE OF TRAINING COMPLETED

- [ ] ~~BASIC~~
- [x] ON SALE
- [ ] ~~MANAGEMENT~~
- [ ] ~~OFF SALE~~
- [x] BOTH
- [ ] ~~OTHER~~ _____

IF TRAINEE IS EMPLOYED BY A LICENSEE:

NAME OF THE LICENSEE	BUSINESS NAME	LIQUOR LICENSE NUMBER
	Ayako of Tokyo	

ALCOHOL TRAINING PROGRAM PROVIDER INFORMATION

Bartending Academy
Company or Individual Name

2108 E. Thomas Rd., Suite 100
Address

City	State	Zip	Phone
Phoenix	**Arizona**	**85016**	**602-957-3771**

I Certify the above named individual has successfully completed the specified program(s).

Michael Burns
Trainer Name (Print)

Trainer Signature

September 3, 1998
Date

Trainer give original of completed form to trainee, photocopy and maintain completed document for your records.

Mandatory Liquor Law Training for all new applications submitted after Nov. 1, 1997. A.R.S. Section 4-112(G)(2).
Completion of the Liquor License Training Courses is required at the issuance of a license.
The person(s) required to attend both the Basic Liquor Law and Management Training, (either on-sale or off-sale), will include all of the following owner(s), licensee/agent or manager(s) WHO ARE ACTIVELY INVOLVED IN THE DAY TO DAY OPERATION OF THE BUSINESS.
Proof of attendance within the last five years for the required courses must be submitted to the Department before the license application is considered complete.
Before acceptance of a Manager's Questionnaire and/or Agent Change for an existing license, proof of attendance for the Basic Liquor Law and Management Training (either on-sale or off-sale) will be required.

Disabled individuals requiring special accommodations please call (602) 542-9051

STATE OF ARIZONA
ACC/FAX
DATE FILED
FEB 1 2 2003
DATE APPR 2-12-03
TERM
BY Dyuke
F064810:2

DLLC

ARTICLES OF INCORPORATION

OF

NEBULA RESTAURANT OPERATIONS, INC.

(An Arizona Business Corporation)

The undersigned incorporator hereby forms a business corporation pursuant to the Arizona Corporate Code (the "Act"), and does hereby make and file these Articles of Incorporation declaring and certifying that the facts herein stated are true.

1. The name of the corporation is Nebula Restaurant Operations, Inc. (the "Corporation"). OK/B

2. The purpose for which this Corporation is organized include the transaction of any and all lawful business for which a corporation may be incorporated under the laws of the State of Arizona, as presently existing or hereafter amended. The character of business, which this Corporation initially intends to conduct in the State of Arizona, is the operation of a restaurant business.

3. The Corporation is authorized to issue 1,000 shares of stock, all of one class, designated as Common Stock.

4. The street address of the initial registered office of the Corporation is 7042 East Indian School Road, Scottsdale, Arizona 85251.

5. The Corporation does hereby appoint BG Service Corporation, whose address is 4800 North Scottsdale Road, Suite 6000, Scottsdale, Arizona 85251, its initial Statutory Agent in and for the State of Arizona, for and on behalf of this Corporation, to accept any acknowledged service of and upon whom may be served all necessary process or processes in any action, suit, or proceeding that may be brought against said Corporation in any of the courts of the said State of Arizona, such service of process or notice, and the acceptance thereof by said agent, to have the same effect as if served upon the Corporation.

6. The number of Directors of the Corporation shall be fixed by the Bylaws.

The initial Board of Directors shall consist of one (1) Director and the name and address of the person who is to serve as the sole Director until the first meeting of the shareholders or until their successors are duly elected and qualified is:

Toshisuke Suzuki
2752 Woodlawn Drive
Suite 5-203
Honolulu, Hawaii 96822

DLLC

7. To the fullest extent permitted under the Act, the Board of Directors of this Corporation shall have the power, without the assent or vote of the shareholders, to make, alter, amend and rescind the Bylaws of this Corporation.

8. The name and address of the incorporator is:

Toshisuke Suzuki
2752 Woodlawn Drive
Suite 6-203
Honolulu, Hawaii 96822

All powers, duties and responsibilities of the incorporator shall cease at the time of delivery of these Articles of Incorporation to the Arizona Corporation Commission.

9. To the fullest extent permitted by applicable law, no Director of the Corporation shall have any personal liability arising out of any action whether by or in the right of the Corporation or otherwise for monetary damages for breach of any duty as a Director. This Article shall not impair any right to indemnity from the Corporation that any Director may now or hereafter have. Any repeal or modification of this Article shall be prospective only and shall not adversely affect any limitation hereunder on the personal liability of a Director with respect to acts or omissions occurring prior to such repeal or modification.

10. The Corporation shall indemnify any person who incurs expenses or liabilities by reason of the fact that he or she is or was an officer, director, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law.

IN WITNESS WHEREOF, the Incorporator has executed these Articles of Incorporation as of the 7th day of February, 2003.

Toshisuke Suzuki
Incorporator

ACCEPTANCE OF APPOINTMENT

BY STATUTORY AGENT

2003 FEB 13 A 11:59

The undersigned, having been designated to act as Statutory Agent for Nebula Restaurant Operations, Inc., hereby consents to act in that capacity until removed or resignation is submitted in accordance with the Arizona Revised Statutes.

Effective this 11th day of February, 2003.

BG SERVICE CORPORATION

By: Paul E. Gilbert

Paul E. Gilbert, Vice President

H:\1004\Nebula\Acceptance of Appointment.doc

CITY COUNCIL REPORT

MEETING DATE: June 3, 2003 ITEM NO. 3 GOAL: Preserve Character and Environment

SUBJECT

Restaurant Liquor License Request for The Moody Brew
26-LL-2003

REQUEST

To consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for a new coffee shop/restaurant location.

OWNER

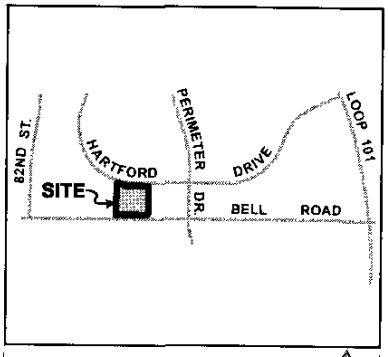
The Moody Brew, Inc.

APPLICANT CONTACT

Craig R. Conners
480-513-0639

LOCATION

8445 E. Hartford Drive



General Location Map N.T.S. N

BACKGROUND

This site is zoned I-1 PCD (Industrial Park District/Planned Community Development). The applicant has obtained a conditional use permit (9-UP-2002 approved 8/27/02) in order to operate a restaurant in this zoning district.

This request is for a new series 12 (restaurant) liquor license for a new coffee shop/restaurant location. The coffee shop/restaurant will be oriented towards the Perimeter Center and is intended to mainly serve the businesses within that center.

The distance to the nearest school, Notre Dame Academy, is 1.6 miles.
The distance to the nearest church, New Covenant Lutheran Church, is 1.7 miles.
There is 1 liquor license within a one half mile radius of this location.

APPLICANT'S PROPOSAL

Goal/Purpose of Request.
The applicant is seeking a favorable recommendation on a series 12 liquor license. The applicant has maintained the required posting notice for the State mandated 20-day period.

(Continued)

IMPACT ANALYSIS

Police/Fire. The Police Department has conducted a review and recommends approval of this case.

Financial Services. Revenue Collection has reported that the applicant has met City licensing requirements and all fees have been paid.

Parking. Planning and Development Services has conducted a review of the parking requirements. Parking is in compliance with the zoning ordinance.

Development Information. This establishment is 4500 sq. ft. Public floor area is approximately 2200 sq. ft. with the remaining square footage being used for storage and office uses.

Maricopa County. Maricopa County Environmental Health has reviewed this application and reported no opposition to this case.

Community involvement. No petitions or protests have been filed with the City Clerk during the 20 (twenty) day posting period.

OPTIONS AND STAFF RECOMMENDATION

City Council has the option of recommending approval or denial to the Arizona Department of Liquor Licenses and Control.

Recommended Approach: The review of this application has shown that it meets zoning, parking, and public safety requirements.
Staff recommends approval.

Proposed Next Steps: The City Council's recommendation of approval or denial will be forwarded to the Department of Liquor Licenses and Control for their consideration. If the application is approved by the Department of Liquor Licenses and Control, the applicant should receive their license from the State within 15 days.

RESPONSIBLE DEPT(S)

Planning and Development Services Department

STAFF CONTACT(S)

Jeff Fisher
Plan Review and Permit Services Director
480-312-7619
E-mail: Jfisher@ScottsdaleAZ.Gov

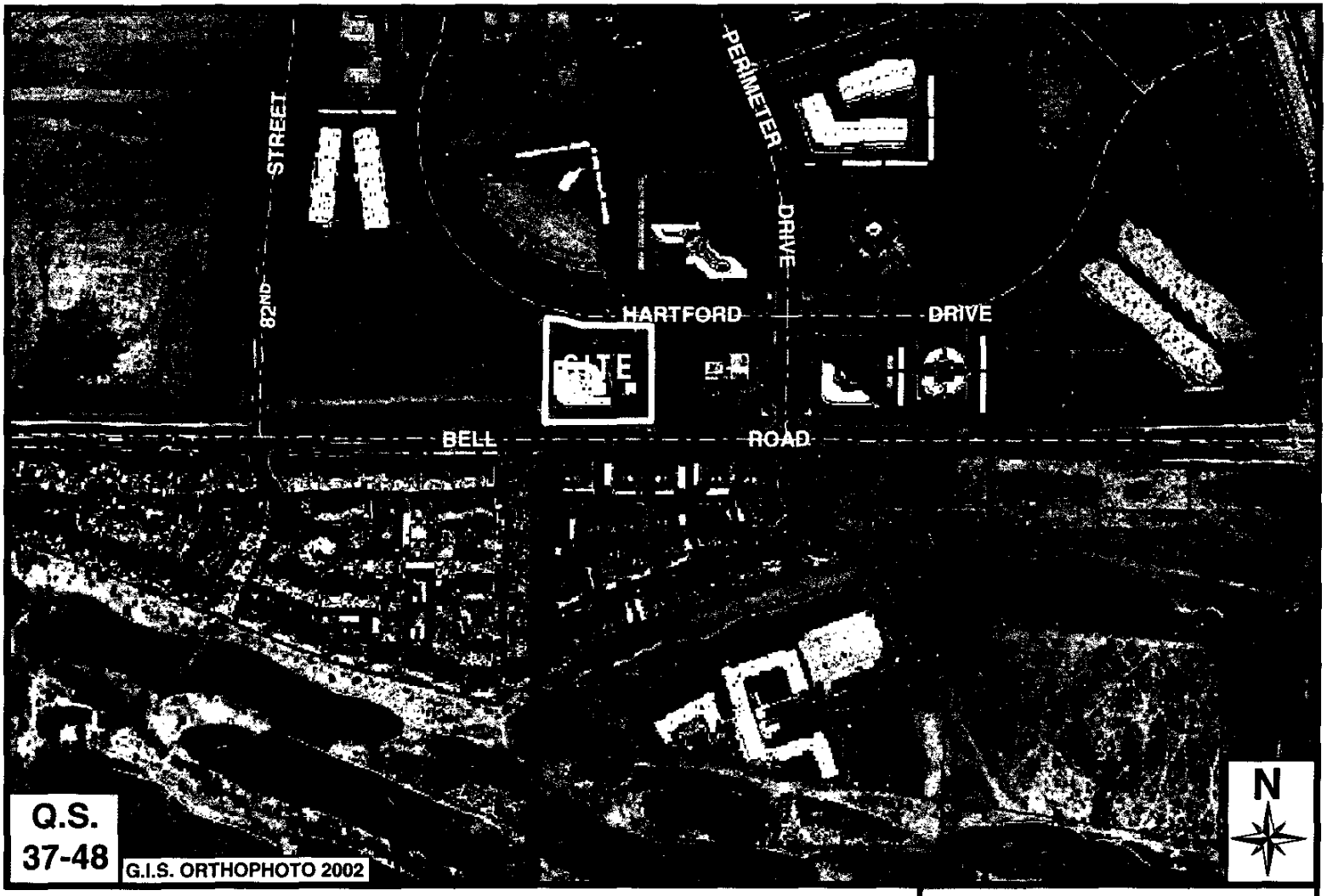
APPROVED BY

Kroy Ekblaw — Date
Planning and Development Services General Manager

Ed Gawf — 5/15/03 Date
Deputy City Manager

ATTACHMENTS

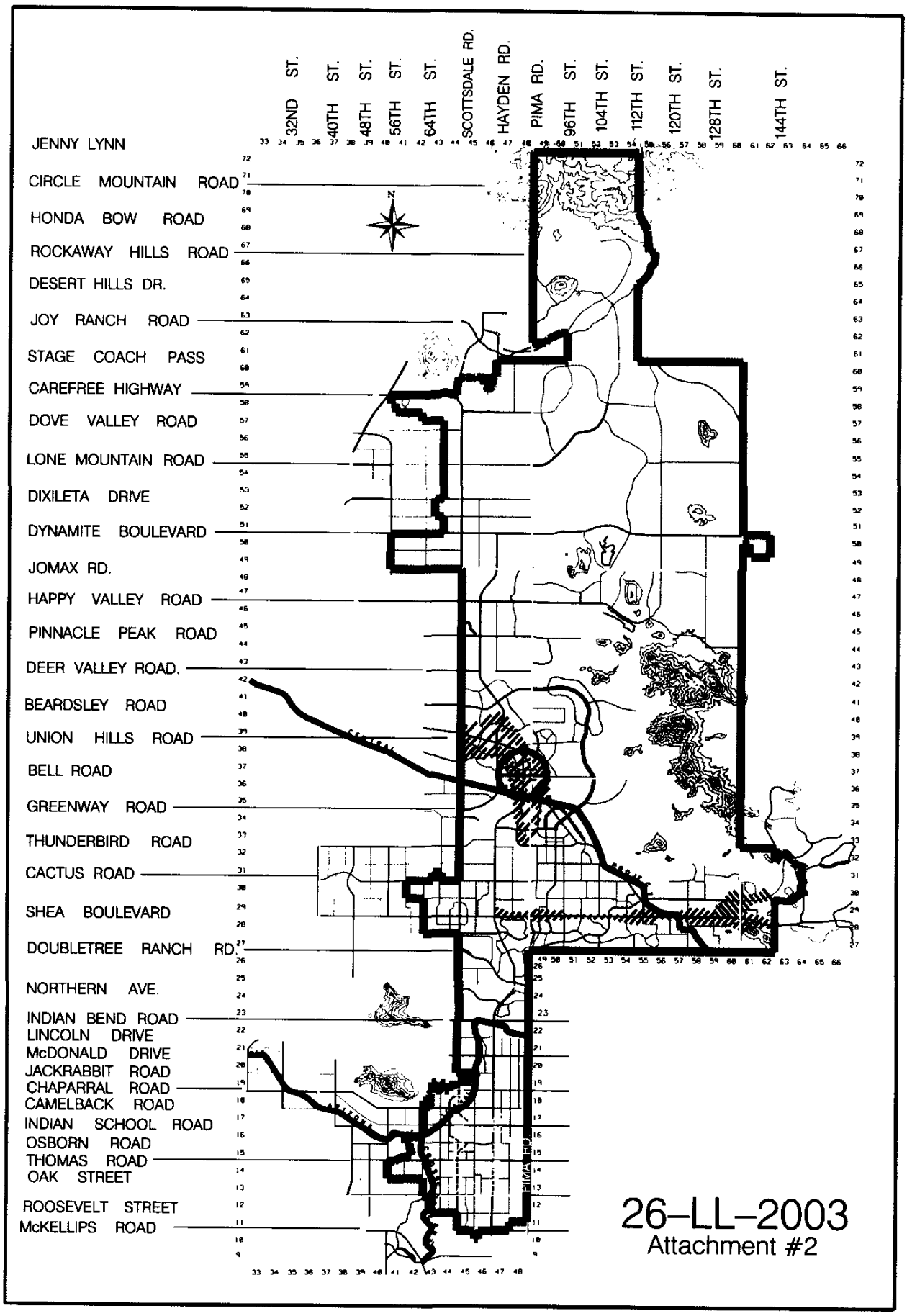
#1: Aerial Map
#2: Vicinity Map
#3 Graphic – Liquor license locations within ½ mile
#4: Application



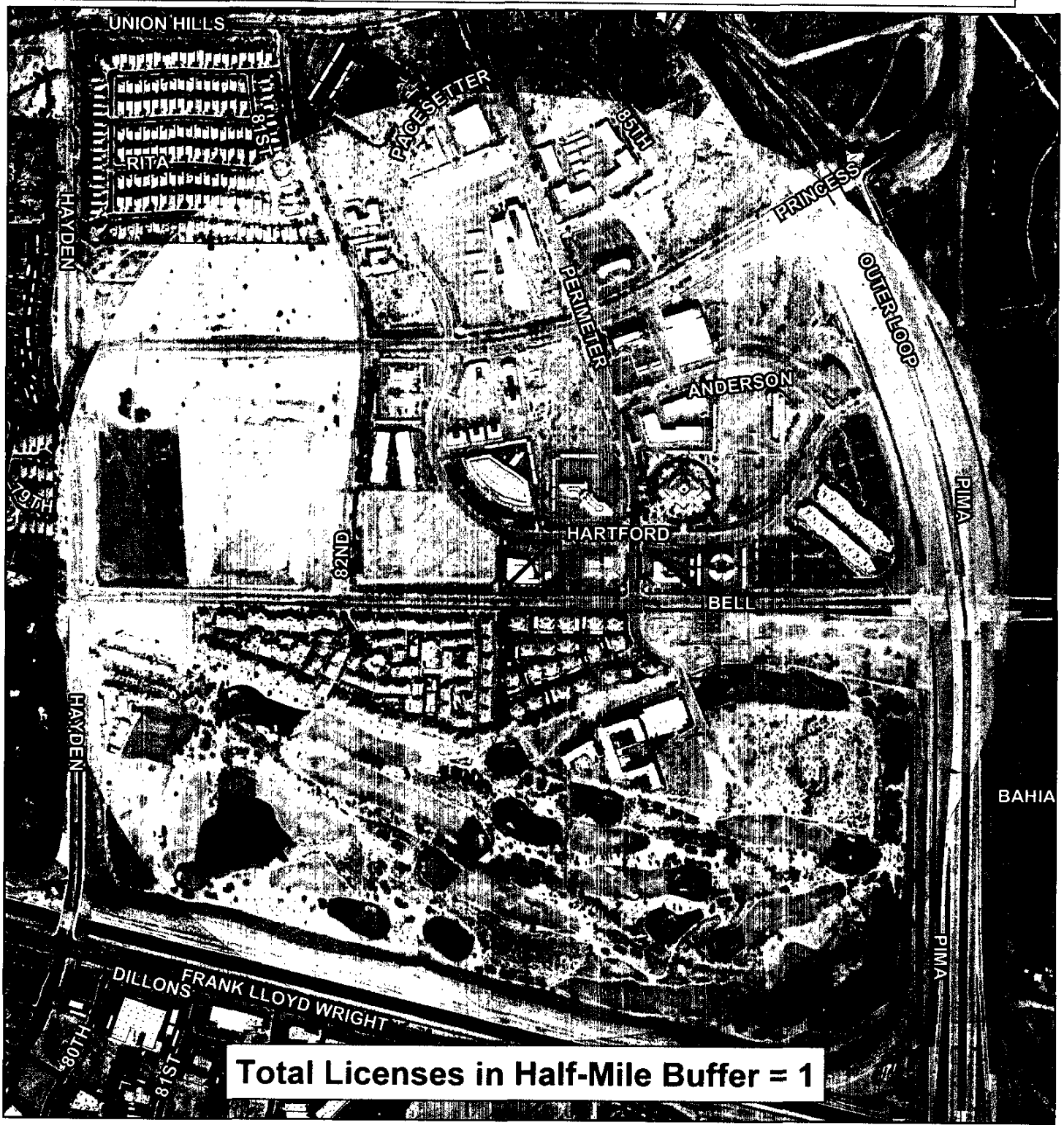
The Moody Brew

26-II-2003

ATTACHMENT #1


32ND ST.
40TH ST.
48TH ST.
56TH ST.
64TH ST.
SCOTTSDALE RD.
HAYDEN RD.
PIMA RD.
96TH ST.
104TH ST.
112TH ST.
120TH ST.
128TH ST.
144TH ST.
JENNY LYNN
CIRCLE MOUNTAIN ROAD
HONDA BOW ROAD
ROCKAWAY HILLS ROAD
DESERT HILLS DR.
JOY RANCH ROAD
STAGE COACH PASS
CAREFREE HIGHWAY
DOVE VALLEY ROAD
LONE MOUNTAIN ROAD
DIXILETA DRIVE
DYNAMITE BOULEVARD
JOMAX RD.
HAPPY VALLEY ROAD
PINNACLE PEAK ROAD
DEER VALLEY ROAD.
BEARDSLEY ROAD
UNION HILLS ROAD
BELL ROAD
GREENWAY ROAD
THUNDERBIRD ROAD
CACTUS ROAD
SHEA BOULEVARD
DOUBLETREE RANCH RD.
NORTHERN AVE.
INDIAN BEND ROAD
LINCOLN DRIVE
McDONALD DRIVE
JACKRABBIT ROAD
CHAPARRAL ROAD
CAMELBACK ROAD
INDIAN SCHOOL ROAD
OSBORN ROAD
THOMAS ROAD
OAK STREET
ROOSEVELT STREET
McKELLIPS ROAD
N
26-LL-2003
Attachment #2

Liquor Licenses Within A Half-Mile Radius of 8445 E Hartford Dr.



Total Licenses in Half-Mile Buffer = 1

0 275 550 1,100 1,650 2,200 Feet

1 inch equals 780.83 feet

Liquor Licenses.mxd
Printed: 04/14/2003
Created By: Brian Hancock
Source: City of Scottsdale, State of Arizona Dept. of Liquor Licenses and Control.

CITY OF SCOTTSDALE

N

26-LL-2003

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

26-CC-2003

APPLICATION FOR LIQUOR LICENSE

DLLC

TYPE OR PRINT WITH BLACK INK

2003 MAR 28 P 3:17

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:

- ☐ INTERIM PERMIT *Complete Section 5*
- ☒ NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16, 17*
- ☐ PERSON TRANSFER (Bars & Liquor Stores ONLY) *Complete Sections 2, 3, 4, 11, 13, 15, 16, 17*
- ☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY) *Complete Sections 2, 3, 4, 12, 13, 15, 16, 17*
- ☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREE *Complete Sections 2, 3, 4, 9, 13, 15, 17* (fee not required)
- ☐ GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16, 17*

SECTION 2 Type of ownership:

- ☐ J.T.W.R.O.S. *Complete Section 6*
- ☐ INDIVIDUAL *Complete Section 6*
- ☐ PARTNERSHIP *Complete Section 6*
- ☒ CORPORATION *Complete Section 7*
- ☐ LIMITED LIABILITY CO. *Complete Section 7*
- ☐ CLUB *Complete Section 8*
- ☐ GOVERNMENT *Complete Section 10*
- ☐ TRUST *Complete Section 6*
- ☐ OTHER Explain _____

SECTION 3 Type of license and fees: LICENSE #: 120754466

1. Type of License: Restaurant 2. Total fees attached: $ 2000

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

SECTION 4 Applicant: (All applicants must complete this section)

1. Applicant/Agent's Name: ~~Ms.~~ Mr. Connors (Last) Craig (First) R (Middle)
(Insert one name ONLY to appear on license)
2. Corp./Partnership/L.L.C.: Moody Brew Inc. B1028805
(Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: The Moody Brew B1028806
(Exactly as it appears on the exterior of premises)
4. Business Address: 8445 E Hartford Dr. (Do not use PO Box Number) Scottsdale (City) Maricopa (COUNTY) 85255 (Zip)
5. Business Phone: (480) 513-0639 Residence Phone: [redacted]
6. Is the business located within the incorporated limits of the above city or town? ☒YES ☐NO
7. Mailing Address: [redacted] (City) [redacted] (State) [redacted] (Zip)
8. Enter the amount paid for a 06, 07, or 09 license: $ _____ (Price of License ONLY)

DEPARTMENT USE ONLY

Accepted by: [illegible] Date: 3/28/03 Lic. # 120754466

Fees:	Application	Interim Permit	Agent Change	Club	F. Prints	$ TOTAL
	100—				48—	148—

PROCESSING APPLICATIONS TAKES APPROXIMATELY 90 DAYS, AND CIRCUMSTANCES OFTEN RESULT IN A LONGER WAITING PERIOD. YOU ARE CAUTIONED REGARDING PLANS FOR A GRAND OPENING, ETC., BEFORE FINAL APPROVAL AND ISSUANCE OF THE LICENSE.

LIC 0100 11/2000

*Disabled individuals requiring special accommodation, please call (602) 542-9027.

SECTION 5 Interim Permit:

1. If you intend to operate business while your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There MUST be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. _____
4. Is the license currently in use? ☐ YES ☐ NO If no, how long has it been out of use? _____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, MARY SULLIVAN, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, STOCKHOLDER OR LICENSEE of the stated license and location.
(Print full name)

State of Arizona County of Maricopa

X Mary Sullivan
(Signature)

The foregoing instrument was acknowledged before me this 20 day of March, 2003
Day Month Month Year

LINDA TELLES
Notary Public - Arizona
Maricopa County
My Commission Expires
June 6, 2004

My commission expires on: 6/6/04

Linda Telles
(Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Residence Address	City State Zip
			%		

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Residence Address	City State Zip
☐ ☐	[redacted]					
☐ [redacted]						
☐ ☐						
☐ ☐				%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☐ NO

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

☒ CORPORATION *Complete questions 1, 2, 3, 5, 6, 7, 8.*
☐ L.L.C. *Complete questions 1, 2, 4, 5, 6, 7 and attach copy of Articles of Org. and Operation Agreement.*

1. Name of Corporation/L.L.C.: Moody Brew Inc.
(Exactly as it appears on Articles of Inc. or Articles of Org.)

2. Date Incorporated/Organized: Feb/2002 State where Incorporated/Organized: ARIZONA

3. AZ Corporation Commission File No.: 1018147-7 Date authorized to do business in AZ: _____

4. AZ L.L.C. File No: _____ Date authorized to do business in AZ: _____

5. Is Corp./L.L.C. non-profit? ☐ YES ☒ NO If yes, give IRS tax exempt number: _____

6. List all directors/officers in Corporation/L.L.C.:

Last	First	Middle	Title	Residence Address	City State Zip
Connors	Craig	R	President	[redacted]	
Sullivan	MARY	E	Vice President	[redacted]	

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders or controlling members owning 10% or more:

Last	First	Middle	% Owned	Residence Address	City State Zip
Connors	Craig	R	50 %	[redacted]	
Sullivan	MARY	E	50 %	[redacted]	
			%		
			%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach an ownership, and director/officer/members disclosure for the parent entity. Attach additional sheets as necessary in order to disclose real people.

2003 MAR 28 P 3:17 LLC

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
(Exactly as it appears on Club Charter) (Attach a copy of Club Charter)

2. Is club non-profit? ☐ YES ☐ NO If tax exempt, give IRS tax exempt number: _____

3. List officer and directors:

Last	First	Middle	Title	Residence Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

SECTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store:

1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle

2. Assignee's Name: _____
Last First Middle

3. License Type: _____ License Number: _____ Date of Last Renewal: _____

4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 Government: (for cities, towns, or counties only)

1. Person to administer this license: _____
Last First Middle

2. Assignee's Name: _____
First Middle

[redacted] A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11 Person to Person Transfer:

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY).

1. Current Licensee's Name: _____ Entity: _____
Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: _____
[redacted] (Exactly as it appears [redacted]

3. Current Business Name: _____
[redacted] (Exactly as it appears on license) [redacted]

4. Current Business Address: _____

5. License Type: _____ License Number: _____ Last Renewal Date: _____

6. Current Mailing Address (other than business): _____

7. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☐ YES ☐ NO

8. Does the applicant intend to operate the business while this application is pending? ☐ YES ☐ NO If yes, complete section 5, attach fee, and current license to this application.

I hereby relinquish my rights to the above described license to the applicant named in this application and hereby declare that the statements made in this section are true, correct and complete.

I, MARY SULLIVAN, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, STOCKHOLDER or LICENSEE of the stated license. I have read this section and the contents and all statements are true, correct and complete.
(Print full name)

X Mary Sullivan
(Signature of CURRENT LICENSEE)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 20 day of March, 2003
Day of Month Month Year

LINDA TELLES
Notary Public - Arizona
Maricopa County
My Commission Expires
June 6, 2004

My commission expires on: 6/6/04

Linda Telles
(Signature of NOTARY PUBLIC)

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

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

1. Current Business Name and Address: _____
(Exactly as it appears on license)

2. New Business Name and Address: DLLC
(Do not use PO Box Number)

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3. License Type: _____ License Number: _____ Last Renewal Date: _____

4. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants:

1. Distance to nearest ~~school~~ church: 35,000 ft. (6 or 7 miles) Name/Address of ~~school~~ church: ST. Patricks Scottsdale AZ 84th Street + Shea Blvd. 85253
(Regardless of distance)

2. Distance to nearest ~~church~~ School: 35,000 ft. Name/Address of ~~church~~ School: Chaparral High School, Scottsdale Gold Dust + Scottsdale Rd. AZ 8525
(Regardless of distance)

3. I am the: ☐ LESSEE ☐ SUBLESSEE ☒ OWNER ☐ PURCHASER (of premises)

4. If the premises is leased give lessors name and address: _____

4a. Monthly rental/lease rate $ _____. What is the remaining length of the lease? _____ yrs. _____ mos.

4b. What is the penalty if the lease is not fulfilled? $ _____ or other _____
(give details - attach additional sheet if necessary)

5. What is the total business indebtedness of the applicant for this license/location excluding lease? $ Ø

Does any one creditor represent more than 10% of that sum? ☐ YES ☐ NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City	State	Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) Restaurant -

7. Has a license, or a transfer license for the premises on this application been denied by the state within the past one (1) year?
☐ YES ☒ NO If yes, attach explanation.

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

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

License # _____ (Exactly as it appears on license) Name _____

SECTION 14 **Restaurant, or Hotel-Motel Applicants:**

1. Is there a valid restaurant or hotel-motel liquor license at the proposed location? ☐ YES ☒ NO If yes, give licensee's name:

   _____ and license #: _____
   Last First Middle

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

3. All restaurant applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor.

4. Do you understand that 40% of your annual gross revenue must be from food sales? ☒ YES ☐ NO

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

1. Check ALL boxes that apply to your licensed premises:

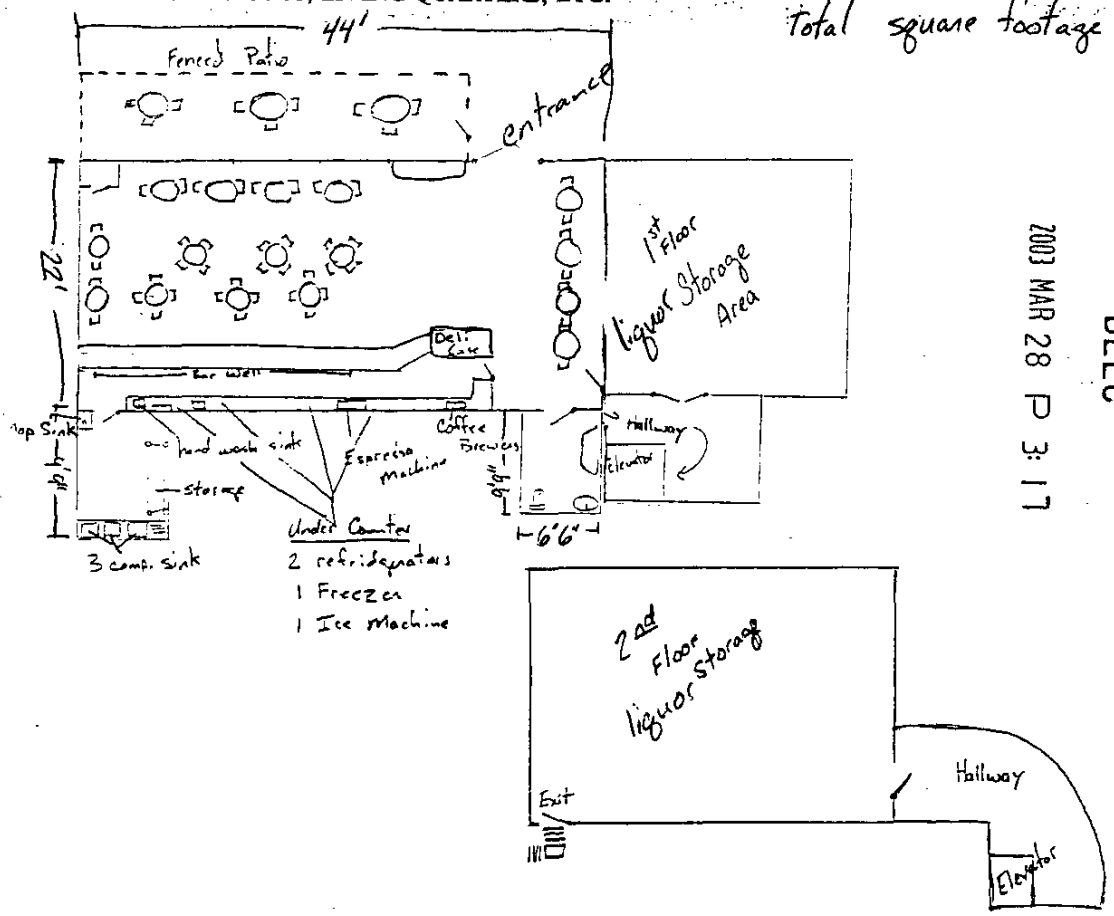
   ☒ Entrances/Exits ☒ Liquor storage areas
   ☐ Drive-in windows ☒ Patio enclosures
   ☐ Service windows ☐ Under construction: estimated completion date _____

2. Restaurants and Hotel/Motel applicants must explicitly depict kitchen equipment and dining facilities.

3. The diagram below is the only area where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored. Give the square footage or outside dimensions of the licensed premises.

DO NOT INCLUDE PARKING LOTS, LIVING QUARTERS, ETC.

Total square footage = ~4500 sq.ft.



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DLLC

YOU MUST NOTIFY THE DEPARTMENT OF LIQUOR OF ANY CHANGES OF BOUNDARIES, ENTRANCES, EXITS, OR SERVICE WINDOWS MADE AFTER SUBMISSION OF THIS DIAGRAM.

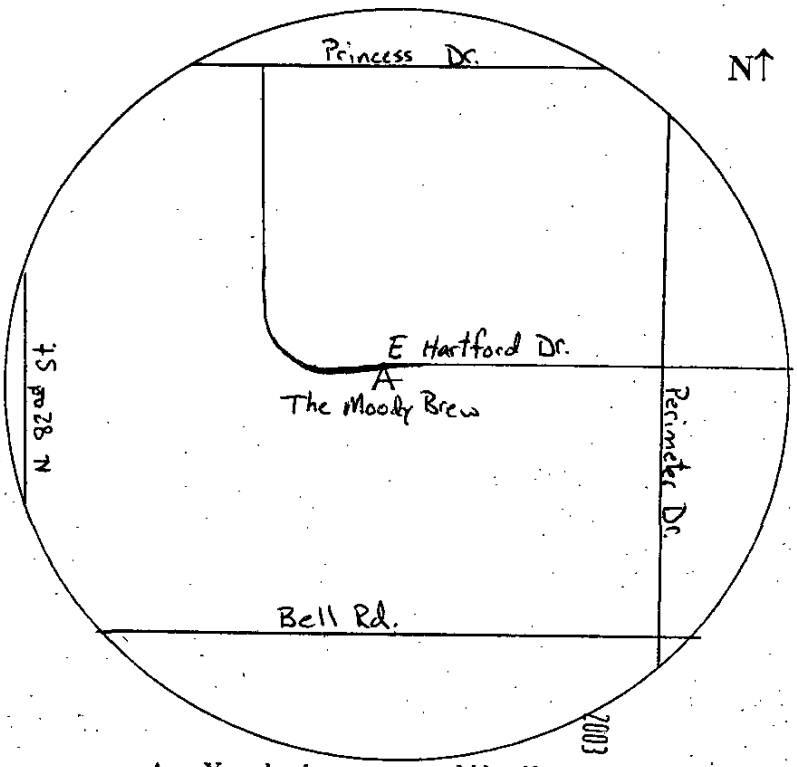
SECTION 16 **Geographical Data:** **A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.**

List below the exact names of all churches, schools, and spirituous liquor outlets within a one half mile radius of your proposed location.

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____

NONE

(ATTACH ADDITIONAL SHEET IF NECESSARY)



A = Your business name and identify cross streets.

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SECTION 17 **Signature Block:**

I, MARY SULLIVAN, declare that: 1) I am the APPLICANT (Agent/Club Member/Partner), making
(Print name of APPLICANT/AGENT listed in Section 4 Question 1)
this application; 2) I have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that to the best of my knowledge and belief, none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

X Mary Sullivan
(Signature)

LINDA TELLEZ
Notary Public - Arizona
Maricopa County
My Commission Expires
June 6, 2004

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 28 day of March, 2003
Day Month Month Year

My commission expires on: 6/6/04

Linda Tellez
(Signature of NOTARY PUBLIC)

SAMPLE

GEOGRAPHICAL DATA

In the area adjacent to the map provided below indicates your proposed location and the exact names of all churches, schools, and alcoholic beverage outlets within a 1/2 mile radius of your proposed location.(See example below)

A = Applicant _____ Series 12

01 Pink Elephants _____ Series 06

02 Mama's Rest. _____ Series 12

03 Corner Liquors _____ Series 09

04 Joe's Groceries _____ Series 10

05 Lions Club _____ Series 14

06 Burgers R Us _____ Series 07

07 Pizza Perfect _____ Series 07

08 Billy Bobs Bar _____ Series 06

09 St. Anthonys Church _____

10 St. Anthonys School _____

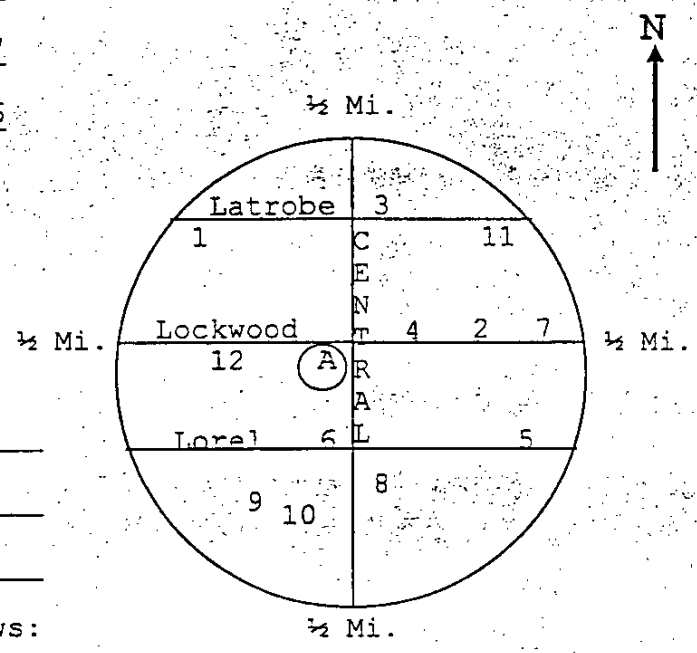
11 Burbank Middle School _____

12 First United Baptist Church _____

13 _____

14 _____

15 _____



A.R.S. Section 4-207.A reads as follows:

A. No retailers license shall be issued for any premises which are. at the
B. time the license application is received by the Director, within three hundred(300) horizontal feet of a church, within three hundred(300) horizontal feet of a public or private school building with kindergarten programs or any of grades one(1) through twelve(12).
C. or within three hundred(300) horizontal feet of a fenced recreational area adjacent to such school building.

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

RESTAURANT OPERATION PLAN

LICENSE # _____

1. List by Make, Model and Capacity of your :

Grill	
Oven	
Freezer	McCall (1) F-10DE 9ft³
Refrigerator	(2) McCall (1) R-10-12 9ft³ (1) R-10DE 9ft³
Sink	2 18" Handwashing sinks
Dish Washing Facilities	R&J Fabricators 18" 3-bin sink
Food Preparation Counter (Dimensions)	3'9" x 1'1"
Other	

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DLLC

2. Print the name of your restaurant: The Moody Brew

3. Attach a copy of your menu (Breakfast, Lunch and Dinner including prices).

4. List the seating capacity for:

a. **Restaurant area** of your premises [65]

b. **Bar area** of your premises [+ —]

c. **Total area** of your premises [65]

5. What type of dinnerware and utensils are utilized within your restaurant?
☐ Reusable ☒ Disposable

6. Does your restaurant have a bar area that is distinct and separate from the restaurant seating? (If yes, what percentage of the public floor space does this area cover). ☐ Yes _____ % ☒ No

7. What percentage of your public premises is used primarily for restaurant dining? (Does not include kitchen, bar, cocktail tables or game area.) 100 %

***Disabled individuals requiring special accommodations, please call the Department.**

Lic0114 05/1999

8. Does your restaurant Contain any games or television? ☒ Yes ☐ No
(If yes, what types and how many? Pool tables, Video Games, Darts, etc.)

(1) television

9. Do you have live entertainment or dancing? ☐ Yes ☒ No
(If yes, what type and how often?)

10. Use space below or attach a list of employee positions and their duties to fully staff your business.

Manager → Oversee daily business; manage cash flow; oversee product ordering; Work behind counter; serve customers

Asst Manager → Manage inventory; Work behind counter; use cash register; serve customers

Barista → Make and prepare all food & drink items; serve customers

I, MARY SULLIVAN, hereby declare that I am the APPLICANT filing this application. I have
(Print full name)
read theis application and the contents and all statements true, correct and complete.

x Mary Sullivan
(Signature of APPLICANT)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
20 day of March, 2003
Day of Month Month Year

My commission expires on::

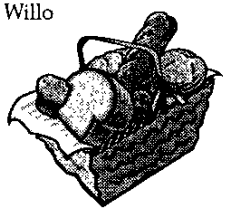
LINDA TELLES
Notary Public - Arizona
Maricopa County
My Commission Expires
June 6, 2004

Linda Telles
(Signature of NOTARY PUBLIC)

The Moody Brew Lunch

DLLC

All of our salads are made fresh daily and served with choice of bread on a bed of fresh romaine lettuce. Our bread is made fresh every morning by the Award Winning Willo Bread Company.



We use only premium grade, extra virgin olive oil in all of our salads.

New and different salad platters will be available every week!

Tortellini Artichoke Salad

Side $4.95 *Platter* $7.95

A delicious combination of tri-colored tortellini pasta, whole black olives, sliced red onion and fresh vegetables including red, yellow and green bell peppers. Dressed with extra virgin olive oil, a hint of balsamic vinegar and spices. Platter served with bread of choice.

Greek Pasta Salad

Side $4.95 *Platter* $6.95

A traditional Greek salad featuring perfectly cooked pasta accompanied by feta cheese, ripe tomatoes, black olives and marinated artichoke hearts. Dressed with our secret blend of spices and extra virgin olive oil. Platter served with bread of choice.

White Albacore Tuna Salad

Side $4.95 *Platter* $7.95

The perfect blend of ingredients makes our tuna salad unique and delicious. We use only white albacore tuna combined with fresh mayonnaise, finely chopped onions and celery, pine nuts and a hint of dill. Platter served with bread of choice.

Spanacopita

Single $2.95 *Platter* $6.95

Delicate layers of filo dough filled with spinach and feta cheese. Great by themselves or in addition to one of our salad platters. Served Warm.

Chicken Salad

Side $4.95 *Platter* $7.95

Fresh white chicken breast combined with a medley of spices and low-fat mayonnaise to give this chicken salad its creamy and tasty flavor. Not your average chicken salad! Platter served with bread of choice.

Sonoran Chicken Salad

Side $4.95 *Platter* $7.95

Just the right amount of Southwestern spices including green onion, cilantro, fresh garlic and cayenne are added to big chunks of grilled chicken breast, fresh bell peppers, jicama and corn to create the perfect chicken salad that delivers an added kick of spice. Platter served with bread of choice.

Cucumber Salad

Side $2.95

If you're looking for a light and healthy salad, this one's for you. Fresh cucumbers and onions are combined with red wine vinegar, salad oil, salt, pepper and a subtle hint of spice that brings out the sweetness in these two healthy vegetables. Great on it's own or as a side to a sandwich.

Fruit Cup

Side $2.95

Fresh chunks of watermelon, cantaloupe, honeydew and pineapple are combined with ripe red grapes and orange slices for the perfect combination of tasty fruits. A healthy treat that tastes good and is good for you.

Caesar Salad

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Salad Only $3.95 *with Chicken* $6.95

Chopped romaine lettuce and fresh ripe tomatoes tossed with Caesar dressing. A healthy and tasty lunch choice. Served with bread of choice. Also available with a generous portion of white chicken breast.

Organic Spring Salad

Salad Only $3.95 *with Chicken* $6.95

Fresh greens with choice of salad dressing. Served with bread of choice. Also available with a generous portion of white chicken breast.

White Albacore Tuna Salad Sandwich

Sandwich $4.95

Served on choice of bread.

Chicken Salad Sandwich

Sandwich $4.95

Served on choice of bread.

Homemade Chili

Cup $4.50 *Bowl* $5.95

Our own recipe. Available daily by the cup or bowl sprinkled with a combination of jack and cheddar cheese. Served with bread of choice.

Soup du Jour

Our own homemade soup recipes. Two different homemade soups available daily by the cup or bowl. Served with bread of choice and/or crackers.

Cup $4.50 *Bowl* $5.95

Monday	Tuesday	Wednesday	Thursday	Friday
Soup & Chicken Salad with Iced Tea & Bread $6.95	Tuna Salad Platter with Iced Tea & Bread $6.95	Soup & Tortellini Artichoke Salad with Iced Tea & Bread $6.95	Greek Salad & Spanacopita with Iced Tea $5.95	Homemade Chili $1.95 per cup Caffé Latté 99¢ 12 oz.

** NO SUBSTITUTIONS ON SPECIALS **

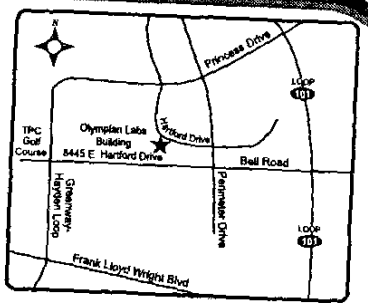
The Moody Brew

Featuring
"The Smoothest Coffee You'll Ever Taste!"

Located inside the Olympian Labs building.
8445 E. Hartford Drive

Phone 480-513-0639

Open Weekdays
7:00am - 4:00pm



Fresh Brewed Awakenings

MOODY BREW HOUSE BLEND — 12oz. 1.65 / 16oz. 1.85
Our premium, house blend. A medium-bodied blend that will excite the senses with its' intense aroma and rich taste.

MOODY BREW HOUSE DECAF BLEND — 12oz. 1.65 / 16oz. 1.85
Our premium, house decaffeinated blend. A *delightful medium bodied decaf that retains a rich, lively taste.*

MOODY BREW METRO — 12oz. 1.65 / 16oz. 1.85
A full-bodied, dark roast blend. Coffee connoisseurs will enjoy the rich, smoky, dark chocolate flavor of this blend without any of *the bitterness that often accompanies these types of dark roasts.*

MOODY BREW GLACIER — 12oz. 1.65 / 16oz. 1.85
A combination of light and dark beans offers the best from two distinct roasting profiles. The even, smooth flavor from a light roast combined with the smoothness and dark chocolate notes of a darker roast gives you a well balanced and intense drip coffee.

VARIETAL BREWS — 12oz. 1.75 / 16oz. 2.05
Choose from a variety of regional brewed coffees daily.

Espresso Based Drinks

ESPRESSO — Single 1.45 / Double 1.65
Espresso is a strong coffee brewed quickly by forcing hot water through darkly roasted, finely-ground coffee beans. Our espresso blend is the smoothest coffee you'll ever taste!

Additional Espresso Shot 55¢
Additional Flavor Shot 30¢

AMERICANO — 12oz. 1.75 / 16oz. 2.05
For serious coffee drinkers. The Americano is a shot of espresso with 6 to 8 ounces of hot water added.

HAMMERHEAD — 12oz. 1.75 / 16oz. 2.05
A shot of espresso in a coffee cup that is then filled with drip coffee. Highly recommended for rich taste with a kick!

MACCHIATO — 12oz. 1.45 / 16oz. 1.65
A shot of espresso with a spoonful of velvet foam.

Espresso Based Drinks

CAPPUCCINO — 12oz. 2.50 / 16oz 3.05
The best tasting Cappuccino is always made with equal parts espresso, steamed milk and frothed milk.

CAFFE BREVE — 12oz. 2.50 / 16oz. 3.05
Espresso with steamed half & half milk.

CAFFE LATTE — 12oz. 2.50 / 16oz. 3.05
Caffé Latté is simply espresso with steamed (never frothed) milk. Add your own sugar and sprinkle with cinnamon and/or chocolate and enjoy!

VANILLA LATTE — 12oz. 2.80 / 16oz. 3.35
Espresso with steamed milk and vanilla flavored syrup.

CARAMEL LATTE — 12oz. 2.80 / 16oz 3.35
Espresso with steamed milk and caramel flavored syrup.

HAZELNUT LATTE — 12oz 2.80 / 16oz. 3.35
Espresso with steamed milk and hazelnut flavored syrup.

ENGLISH TOFFEE LATTE — 12oz. 2.80 / 16oz. 3.35
Espresso with steamed milk and english toffee flavored syrup.

ALMOND ROCA LATTE — 12oz. 2.85 / 16oz 3.40
Espresso with steamed milk and butter crunch *flavored syrup.*

CAFFE MOCHA — 12oz. 2.95 / 16oz. 3.45
Real, premium quality chocolate syrup added to either a *Cappuccino or a Cafe Latte.*

WHITE CHOCOLATE MOCHA — 12oz. 3.25 / 16oz. 4.05
Real, premium quality white chocolate syrup added to either a *Cappuccino or a Caffé Latté.*

KIERSTEN'S MOCHA MINT — 12oz. 2.95 / 16oz. 3.45
Real, premium quality chocolate syrup and peppermint flavor added to either a Cappuccino or a Caffé Latté.

RASPBERRY MOCHA — 12oz. 2.95 / 16oz. 3.45
Real, premium quality chocolate syrup and raspberry flavor added to either a Cappuccino or a Caffé Latté.

Hot Drinks

HOT CHOCOLATE — 12oz. 2.00 / 16oz. 2.25
Real, premium quality chocolate syrup added to steamed milk.

HOT WHITE CHOCOLATE — 12oz. 2.25 / 16oz. 2.50
Real, premium quality white chocolate syrup added to steamed milk.

Iced Drinks

ICED COFFEE FRAPPE — 24oz. 2.40
Moody Brew House Blend coffee, ice-cubes, whole milk to taste. Shaken, not stirred.

ICED BREWED COFFEE — 24oz. 2.40
Your choice of any espresso based or drip coffee over ice.

ICED TEA — 24oz. 2.25
Your choice of a Moody Brew tea over ice.

Tea Selections

ORGANIC CHAI TEA LATTE — 12oz. 3.25 / 16oz. 3.95
Made with your choice of skim, whole or soy milk.

HOT TEA — 16oz. 1.65
Choose any Moody Brew loose tea.

Acklins' - Chai Tea
Amigo de Noche - *Maté Tea*
Cherry Blueberry - *Fruit Tea*
Herbal Surrender - *Herbal Tea*
Japan Green - *Genmaicha*
Organic Earl Grey - Black Tea
Organic Green Sunrise - Green Tea
Organic Gunpowder w/Peppermint - *Green Tea*
Organic Jasmine - Green Tea
Organic Orange Cinnamon Spice - *Black Tea*

Bottled Beverages

CALISTOGA WATER — 1.50
SPARKLING MINERAL WATER
Original, Black Cherry, Lemon, Lime

GENUINE HANK'S PREMIUM SODA — 2.25
Black Cherry, Orange Cream, Root Beer

ORANGE JUICE — 1.50
Premium orange juice.

Bakery & Deserts

Assorted bakery items including: Bagels, Muffins, Pastries, Desserts and More! New bakery items and desserts every week. Come sample all the treats!

Fruit Smoothies & Protein Smoothies Available! Join us for lunch! Homemade Soups & Huge Gourmet Salad Platters!

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with black ink.
An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # P1043899 (If the location is currently licensed)

1. Check appropriate box →
☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☒ Officer ☐ Agent
☐ Other _____ (Complete Questions 1-20 & 24)
Licensee or Agent must complete # 25 for a Manager

☐ Manager (Only)
(Complete All Questions *except* # 14, 14a & 25)
Licensee or Agent must complete # 25

2. Name: CONNORS (Last) CRAIG (First) RAYMOND (Middle) Date of Birth: [redacted]
(This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License #: [redacted] State: AZ
(This Will Not Become a Part of Public Records)

4. Place of Birth: Flushing (City) N Y (State) U.S.A (Country) (not county) Height: 6'3 Weight: 235 Eyes: Grn. Hair: Brown

5. Marital Status ☒ Single ☐ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: _____ Date of Birth: _____
(List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? AZ If Arizona, date of residency: 02/85

8 Telephone number to contact you during business hours for any questions regarding this document: [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: The Moody Brew Premises Phone: (480) 513-0639

11. Licensed Premises Address: 8445 E Hartford Dr. (Street Address (Do not use PO Box #)) Scottsdale (City) AZ (County) 85258 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
5/92	CURRENT	Pres & CEO	Olympian Labs Inc 8445 E. Hartford Dr. Scottsdale AZ 85258

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
6/98	CURRENT	Own	[redacted]	[redacted]		

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day? 8, answer #14a below. If NO, skip to #15. ☒YES ☐NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☒YES ☐NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐YES ☒NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐YES ☒NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐YES ☒NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? [redacted] ☐YES ☒NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? [redacted] ☐YES ☒NO

20. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director, or manager on *any other liquor license* in this or any other state? ☐YES ☒NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete [redacted] *details. Please be sure to include dates, agencies involved and dispositions.*

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐YES ☐NO
[redacted] O" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, CRAIG R. CONNORS, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X [signature] State of Arizona County of Maricopa
(Signature of Applicant)

LINDA TELLES
Notary Public - Arizona
Maricopa County
My Commission Expires
June 6, 2004

The foregoing instrument was acknowledged before me this 10 day of March, 2003
(Day of Month) (Month) (Year)

My commission expires on: 6/6/04
Day of Month Month Year

[signature]
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____ [redacted] _____
Last First

Hereby authorize the applicant to act as manager for the named liquor license.

State of _____ County of _____
The foregoing instrument was acknowledged before me this

X _____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

CERTIFICATION OF COMPLETED ALCOHOL TRAINING PROGRAM(S)

OBTAIN ORIGINALS OF THIS FORM FROM DLLC-DO NOT PHOTOCOPY, DOCUMENT IS COMPUTER SCANNED. TYPE OR PRINT WITH BLACK INK.

ALCOHOL TRAINING PROGRAM INDIVIDUAL INFORMATION

Craig Connors
Individual Name (Print)

Craig Connors
Individual Signature

2/25/2003
Date Training Completed

TYPE OF TRAINING COMPLETED

- ■ BASIC
- ☒ ON SALE
- ■ MANAGEMENT
- ■ OFF SALE
- ☒ BOTH
- ■ OTHER: _____

IF TRAINEE IS EMPLOYED BY A LICENSEE:

NAME OF THE LICENSEE | BUSINESS NAME | LIQUOR LICENSE NUMBER

ALCOHOL TRAINING PROGRAM PROVIDER INFORMATION

JENNIFER WILSON
Company or Individual Name

8445 E Hartford Drive
Address

Scottsdale | AZ | | |
City | State | Zip | Phone

2003 MAR 28 P 3:08 DLLC

I Certify the above named individual has successfully completed the specified program(s).

Jennifer Wilson
Trainer Name (Print)

Trainer Signature

2.24.03
Date

Trainer give original of completed form to trainee, photocopy and maintain completed document for your records.

Mandatory Liquor Law Training for all new applications submitted after Nov. 1, 1997. A.R.S. Section 4-112(G)(2).
Completion of the Liquor License Training Courses is required at the issuance of a license.
The person(s) required to attend both the Basic Liquor Law and Management Training, (either on-sale or off-sale), will include all of the following : owner(s), licensee/agent or manager(s) **WHO ARE ACTIVELY INVOLVED IN THE DAY TO DAY OPERATION OF THE BUSINESS**.
Proof of attendance within the last five years for the required courses must be submitted to the Department before the license application is considered complete
Before acceptance of a Manager's Questionnaire and/or Agent Change for an existing license, proof of attendance for the Basic Liquor Law and Management Training (either on-sale or off-sale) will be required.

Disabled individuals requiring special accommodations please call (602) 542-9051

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with black ink. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # P1043900 (If the location is currently licensed)

1. Check appropriate box → [X] Owner [ ] Partner [ ] Stockholder [ ] Member [ ] Officer [ ] Agent [ ] Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager

[ ] Manager (Only) Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: SULLIVAN (Last) MARY (First) ELLEN (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] (This Will Not Become a Part of Public Records) Drivers License #: [redacted] State: AZ

4. Place of Birth: BRIGHTON (City) MA (State) U.S.A. (Country (not county)) Height: 5'5" Weight: 135# Eyes: HZL Hair: LT BRN

5. Marital Status [X] Single [ ] Married [ ] Divorced [ ] Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: _____ Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? AZ If Arizona, date of residency: 1/20/91

8 Telephone number to contact you during business hours for any questions regarding this document. (480) 221-5446

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: The Moody Brew Premises Phone: (480) 513-0639

11. Licensed Premises Address: 8445 E. Hartford Drive (Street Address (Do not use PO Box #)) Scottsdale (City) AZ (County) 85255 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
5/1992	CURRENT	Exec. VP	Olympian Labs Inc 8445 E. Hartford Dr Scottsdale AZ 85255

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
6/98	CURRENT	OWN	[redacted]	[redacted]		

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day? 8, answer #14a below. If NO, skip to #15. ☑YES ☐NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☑YES ☐NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐YES ☒NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐YES ☒NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐YES ☒NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐YES ☒NO

19. Has any [redacted] *ed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? ☐YES ☒NO

20. Are you NOW or have yo[redacted] been a controlling person [redacted] an officer, member, director, or manager on *any other liquor license* in this or any other state? ☐YES ☒NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

[redacted]

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☑YES ☐NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Mary E. Sullivan (Print full name of Applicant), hereby declare that I am the APPLICANT filing this questionnaire.
I have read this questionnaire and the contents and all statements are true, correct and complete.

X Mary Sullivan (Signature of Applicant)

LINDA TELLES
Notary Public - Arizona
Maricopa County
My Commission Expires
June 6, 2004

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 20 day of March, 2003
(Day of Month, Month, Year)

My commission expires on: 6/6/04 (Day of Month, Month, Year)

Linda Telles (Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____ Last _____ First
[redacted] applicant to act as manager for the named liquor license.

State of _____ County of _____
The foregoing instrument was acknowledged before me this

X _____ (Signature of LICENSEE/AGENT) _____ day of _____, _____ (Day of Month, Month, Year)

My commission expires on: _____ (Day of Month, Month, Year) _____ (Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

CERTIFICATION OF COMPLETED ALCOHOL TRAINING PROGRAM(S)

OBTAIN ORIGINALS OF THIS FORM FROM DLLC-DO NOT PHOTOCOPY, DOCUMENT IS COMPUTER SCANNED. TYPE OR PRINT WITH BLACK INK.

ALCOHOL TRAINING PROGRAM INDIVIDUAL INFORMATION

Mary Sullivan
Individual Name (Print)

Mary Sullivan
Individual Signature

2/24/03
Date Training Completed

TYPE OF TRAINING COMPLETED

- ■ BASIC
- ☒ ON SALE
- ■ MANAGEMENT
- ■ OFF SALE
- ☒ BOTH
- ■ OTHER _____

2003 MAR 28 P 3:37 DLLC

IF TRAINEE IS EMPLOYED BY A LICENSEE:

NAME OF THE LICENSEE | BUSINESS NAME | LIQUOR LICENSE NUMBER

ALCOHOL TRAINING PROGRAM PROVIDER INFORMATION

JENNIFER WILSON
Company or Individual Name

8445 E Hartford Drive
Address

Scottsdale
City

AZ
State

Zip

Phone

I Certify the above named individual has successfully completed the specified program(s).

Jennifer Wilson
Trainer Name (Print)

Trainer Signature

2-24-03
Date

Trainer give original of completed form to trainee, photocopy and maintain completed document for your records.

Mandatory Liquor Law Training for all new applications submitted after Nov. 1, 1997. A.R.S. Section 4-112(G)(2).
Completion of the Liquor License Training Courses is required at the issuance of a license.
The person(s) required to attend both the Basic Liquor Law and Management Training, (either on-sale or off-sale), will include all of the following : owner(s), licensee/agent or manager(s) WHO ARE ACTIVELY INVOLVED IN THE DAY TO DAY OPERATION OF THE BUSINESS.
Proof of attendance within the last five years for the required courses must be submitted to the Department before the license application is considered complete
Before acceptance of a Manager's Questionnaire and/or Agent Change for an existing license, proof of attendance for the Basic Liquor Law and Management Training (either on-sale or off-sale) will be required.

LIC 1021 01/1999

Disabled individuals requiring special accommodations please call (602) 542-9051

CITY COUNCIL REPORT

MEETING DATE: June 3, 2003 ITEM NO. 4 GOAL: Preserve Character and Environment

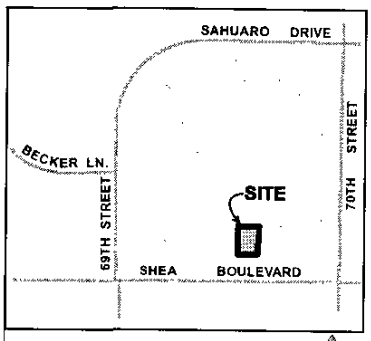
SUBJECT **Restaurant Liquor License Request for Pasta Bene**
28-LL-2003

REQUEST To consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) State liquor license for an existing location.

OWNER T.C. Taylor, LLC

APPLICANT CONTACT Todd Taylor
480-922-3474

LOCATION 6990 E. Shea Blvd., Suite 101



General Location Map N.T.S. N

BACKGROUND This site is zoned C-2 (Central Business District).
This request is for a new series 12 (restaurant) liquor license for an existing location, which is currently operating with a series 12 (restaurant) liquor license. This establishment is located within Agua Caliente Shopping Center. This request is the result of a change in business ownership. The business will continue to operate under the business name Pasta Bene.
The distance to the nearest school, Chaparral High School, is 1375 ft.
The distance to the nearest church, Chaparral Christian Church, is 3400 ft.
There are 52 liquor licenses within a one half mile radius of this location.

APPLICANT'S PROPOSAL **Goal/Purpose of Request.**
The applicant is seeking a favorable recommendation on a series 12 liquor license. The applicant has maintained the required posting notice for the State mandated 20-day period.

IMPACT ANALYSIS **Police/Fire.** The Police Department has conducted a review and recommends approval of this case.

Financial Services. Revenue Collection has reported that the applicant has met City licensing requirements and all fees have been paid.

(Continued)

Parking. Planning and Development Services has conducted a review of the parking requirements. There are no interior modifications or changes intended for this establishment. Parking is in compliance with the zoning ordinance.

Development Information. This establishment is 5500 sq. ft.

Maricopa County. Maricopa County Environmental Health has reviewed this application and reported no opposition to this case.

Community involvement. No petitions or protests have been filed with the City Clerk during the 20 (twenty) day posting period.

OPTIONS AND STAFF RECOMMENDATION

City Council has the option of recommending approval or denial to the Arizona Department of Liquor Licenses and Control.

Recommended Approach: The review of this application has shown that it meets zoning, parking, and public safety requirements.
Staff recommends approval.

Proposed Next Steps: The City Council's recommendation of approval or denial will be forwarded to the Department of Liquor Licenses and Control for their consideration. If the application is approved by the Department of Liquor Licenses and Control, the applicant should receive their license from the State within 15 days.

RESPONSIBLE DEPT(S)

Planning and Development Services Department

STAFF CONTACT(S)

Jeff Fisher
Plan Review and Permit Services Director
480-312-7619
E-mail: Jfisher@ScottsdaleAZ.Gov

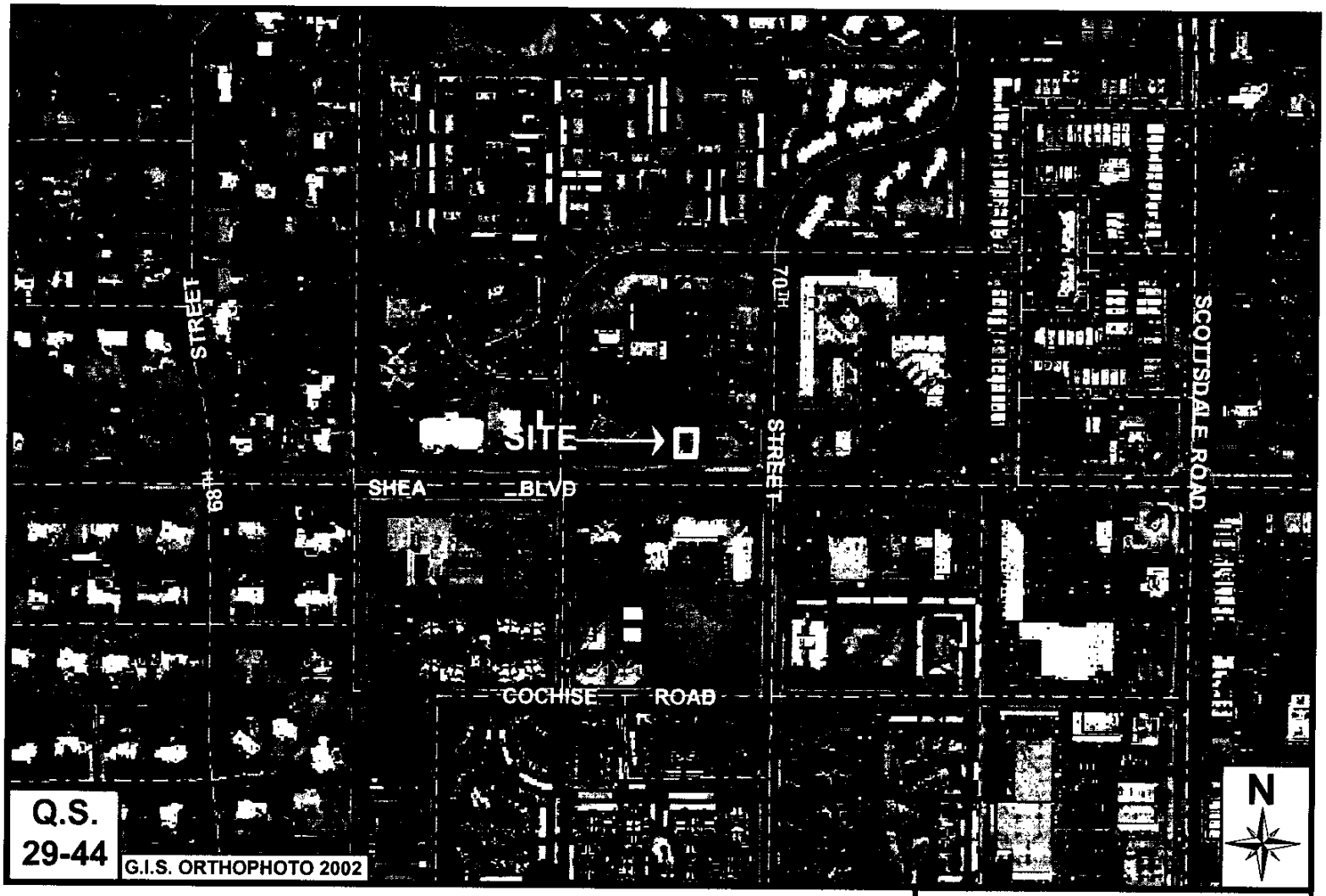
APPROVED BY

5/13/03
Kroy Ekblaw — Date
Planning and Development Services General Manager

Ed Gawf — 5/14/03
Ed Gawf — Date
Deputy City Manager

ATTACHMENTS

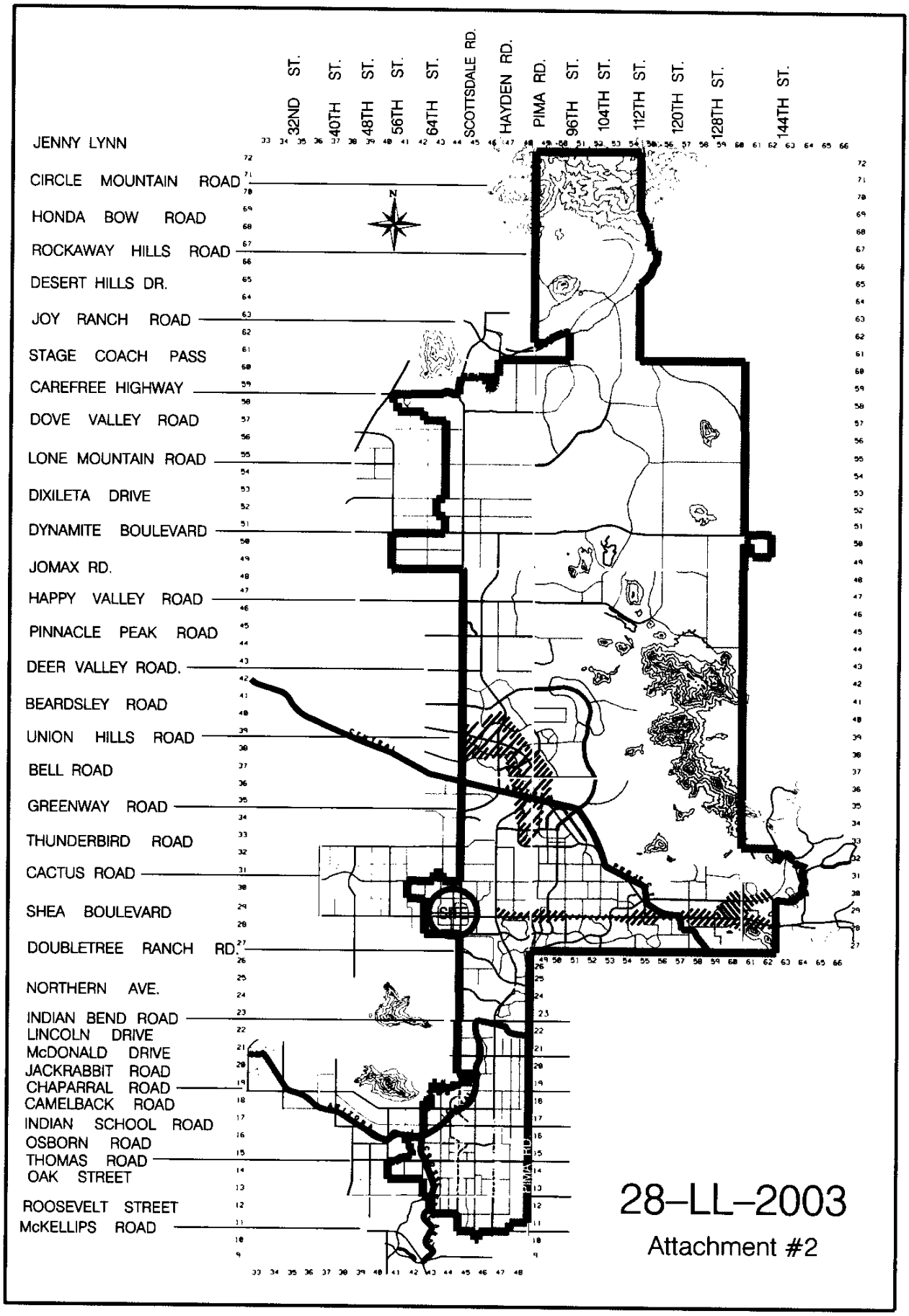
#1: Aerial Map
#2: Vicinity Map
#3 Graphic – Liquor license locations within ½ mile
#4: Application



Pasta Bene

28-LL-2003

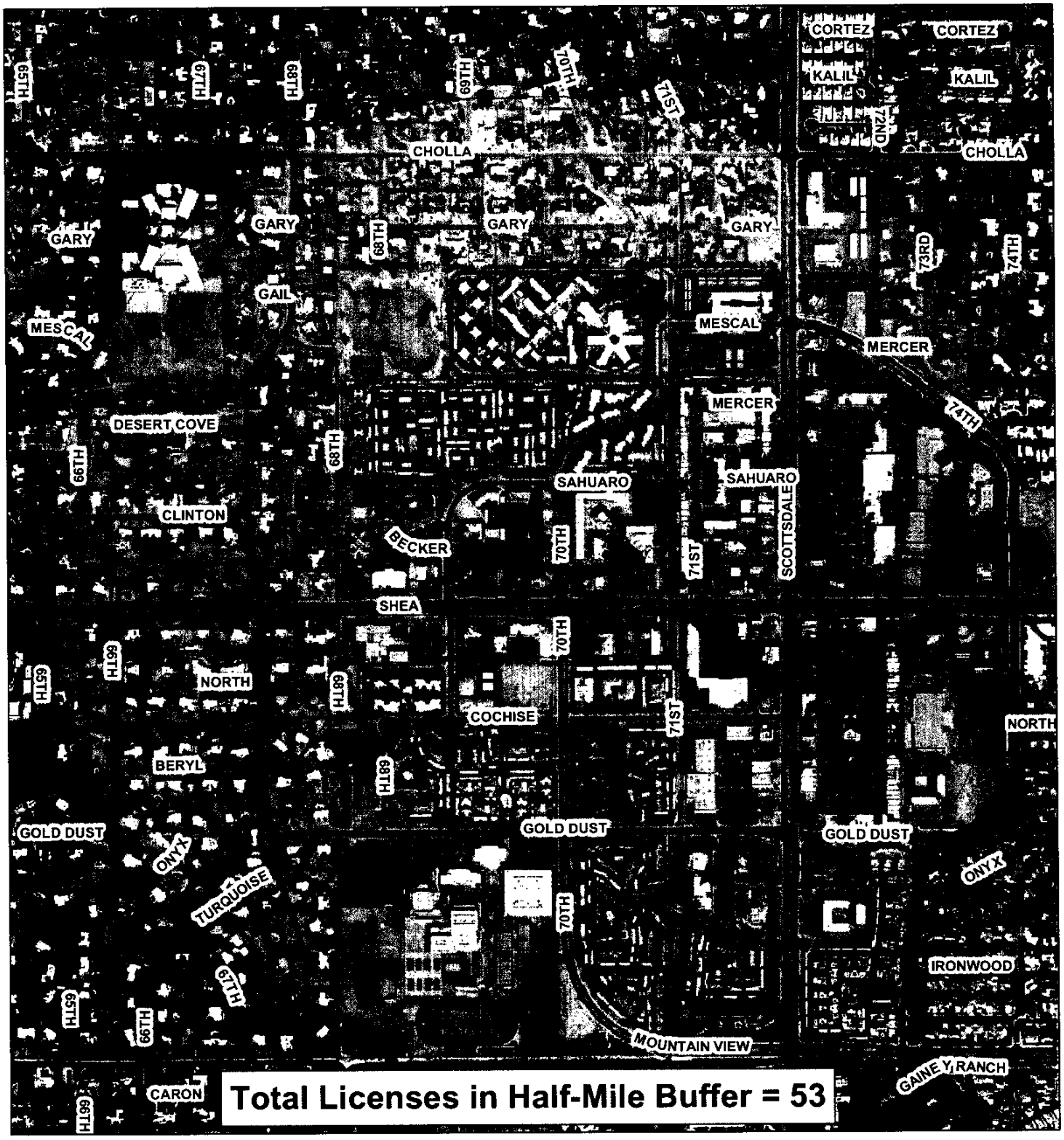
ATTACHMENT #1



28–LL–2003

Attachment #2

Liquor Licenses Within A Half-Mile Radius of 6990 E Shea Blvd.



Liquor Licenses.mxd
Printed: 04/30/2003
Created By: Brian Hancock
Source: City of Scottsdale, State of Arizona Dept. of Liquor Licenses and Control.

0 600 1,200 2,400 Feet

1 inch equals 746.30 feet

28-LL-2003

Attachment #3

CITY OF SCOTTSDALE

N

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

28-LL-2003

APPLICATION FOR LIQUOR LICENSE

TYPE OR PRINT WITH BLACK INK

2003 APR -9 A 9:10

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

APR 1 [illegible]

SECTION 1 This application is for a:

- ☐ INTERIM PERMIT *Complete Section 5*
- ☒ NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16, 17*
- ☐ PERSON TRANSFER (Bars & Liquor Stores ONLY) *Complete Sections 2, 3, 4, 11, 13, 15, 16, 17*
- ☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY) *Complete Sections 2, 3, 4, 12, 13, 15, 16, 17*
- ☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREE *Complete Sections 2, 3, 4, 9, 13, 15, 17* (fee not required)
- ☐ GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16, 17*

SECTION 2 Type of ownership:

- ☐ J.T.W.R.O.S. *Complete Section 6*
- ☐ INDIVIDUAL *Complete Section 6*
- ☐ PARTNERSHIP *Complete Section 6*
- ☐ CORPORATION *Complete Section 7*
- ☒ LIMITED LIABILITY CO. *Complete Section 7*
- ☐ CLUB *Complete Section 8*
- ☐ GOVERNMENT *Complete Section 10*
- ☐ TRUST *Complete Section 6*
- ☐ OTHER Explain _____

SECTION 3 Type of license and fees: LICENSE #: ~~[illegible]~~ 12075481

1. Type of License: Series #12 2. Total fees attached: $ _____

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

SECTION 4 Applicant: (All applicants must complete this section)

1. Applicant/Agent's Name: Mr. Taylor (Last) Todd (First) Clinton (Middle)
(Insert one name ONLY to appear on license)
2. Corp./Partnership/L.L.C.: T.C. Taylor, LLC B1028852
(Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: Pasta Bene B1011530
(Exactly as it appears on the exterior of premises)
4. Business Address: 6990 E. Shea BLVD Suite #101 Scottsdale Mar. 85254
(Do not use PO Box Number) City COUNTY Zip
5. Business Phone: (480) 922-3474 Residence Phone: [redacted]
6. Is the business located within the incorporated limits of the above city or town? ☒YES ☐NO
7. Mailing Address: [redacted]
City State Zip
8. Enter the amount paid for a 06, 07, or 09 license: $ _____.____ (Price of License ONLY)

DEPARTMENT USE ONLY

Accepted by: [illegible] Date: 4/9/03 Lic. # 12075481

Fees:	Application	Interim Permit	Agent Change	Club	F. Prints	TOTAL
	100	100			48	$ 248

PROCESSING APPLICATIONS TAKES APPROXIMATELY 90 DAYS, AND CIRCUMSTANCES OFTEN RESULT IN A LONGER WAITING PERIOD. YOU ARE CAUTIONED REGARDING PLANS FOR A GRAND OPENING, ETC., BEFORE FINAL APPROVAL AND ISSUANCE OF THE LICENSE.

IC 0100 11/2000

*Disabled individuals requiring special accommodation, please call (602) 542-9027.

ECTION 5 Interim Permit:

If you intend to operate business while your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.

There MUST be a valid license of the same type you are applying for currently issued to the location.

Enter the license number currently at the location. 12073131

Is the license currently in use? ☑ YES ☐ NO If no, how long has it been out of use? _____

TTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

Edward LaCapra, declare that I am the CURRENT LICENSEE of the stated license and
(Print full name)
cation . I have read this application and the contents and all statements are true, correct and complete.

[signature]
(Signature)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
[illegible] day of April, 2003
Day of Month Month Year

OFFICIAL SEAL
V. LA RITCHIE
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires March 10, 2006

y commission expires on: March [illegible]

[signature]
(Signature of NOTARY PUBLIC)

ECTION 6 Individual or Partnership Owners:

ACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

Individual:

ast	First	Middle	% Owned	Residence Address	City State Zip
			%		

Partnership Name: (Only the first partner listed will appear on license) _____

neral-Limited	Last	First	Middle	% Owned	Residence Address	City State Zip
☐ ☐	[redacted]					
☐ ☐	[redacted]					
☐ ☐						
☐ ☐				%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☐ NO

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

☐ CORPORATION *Complete questions 1, 2, 3, 5, 6, 7, 8.*
☐ L.L.C. *Complete questions 1, 2, 4, 5, 6, 7 and attach copy of Articles of Org. and Operation Agreement.*

DLLC

AMENDMENT

2003 APR -9 A 9:

1. Name of Corporation/L.L.C.: _____
(Exactly as it appears on Articles of Inc. or Articles of Org.)

2. Date Incorporated/Organized: _____ State where Incorporated/Organized: _____

3. AZ Corporation Commission File No.: _____ Date authorized to do business in AZ: _____

4. AZ L.L.C. File No: _____ Date authorized to do business in AZ: _____

5. Is Corp./L.L.C. non-profit? ☐ YES ☐ NO If yes, give IRS tax exempt number: _____

6. List all directors/officers in Corporation/L.L.C.:

Last	First	Middle	Title	Residence Address	City State Zip
Taylor	Todd	Clinton	Murray	[redacted]	

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders or controlling members owning 10% or more:

Last	First	Middle	% Owned	Residence Address	City State Zip
Taylor	Todd	Clinton	100 %	[redacted]	
			%		
			%		
			%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach an ownership, and director/officer/members disclosure for the parent entity. Attach additional sheets as necessary in order to disclose real people.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
(Exactly as it appears on Club Charter) (Attach a copy of Club Charter)

2. Is club non-profit? ☐ YES ☐ NO If yes, give IRS tax exempt number: _____

3. List officer and directors:

Last	First	Middle	Title	Residence Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

TRANSCRIPT

[redacted]

[redacted]

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

☐ CORPORATION *Complete questions 1, 2, 3, 5, 6, 7, 8.*
☒ L.L.C. *Complete questions 1, 2, 4, 5, 6, 7 and attach copy of Articles of Org. and Operation Agreement.*

1. Name of Corporation/L.L.C.: T.C. Taylor, LLC
(Exactly as it appears on Articles of Inc. or Articles of Org.)

2. Date Incorporated/Organized: 3/14/2003 State where Incorporated/Organized: State of Arizona

3. AZ Corporation Commission File No.: _____ Date authorized to do business in AZ: _____

4. AZ L.L.C. File No: L-1069055-0 Date authorized to do business in AZ: 3/14/2003

5. Is Corp./L.L.C. non-profit? ☐ YES ☒ NO If yes, give IRS tax exempt number: _____

6. List all directors/officers in Corporation/L.L.C.:

Last	First	Middle	Title	Residence Address	City State Zip
Taylor	Todd	Clinton	Owner/	[redacted]	
Karr	Zach	Benjamin	Member	[redacted]	

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders or controlling members owning 10% or more:

Last	First	Middle	% Owned	Residence Address	City State Zip
Karr	Zach	Benjamin	25 %	[redacted]	
Taylor	Todd	Clinton	75 %	[redacted]	
			%		
			%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach an ownership, and director/officer/members disclosure for the parent entity. Attach additional sheets as necessary in order to disclose real people.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
(Exactly as it appears on Club Charter) (Attach a copy of Club Charter)

2. Is club non-profit? ☐ YES ☐ NO If yes, give IRS tax exempt number: _____

3. List officer and directors:

Last	First	Middle	Title	Residence Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

ECTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store:

. Current Licensee's Name: _____
(xactly as it appears on license) Last First Middle

. Assignee's Name: _____
Last First Middle

. License Type: _____ License Number: _____ Date of Last Renewal: _____

. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

ECTION 10 Government: (for cities, towns, or counties only)

. Person to administer this license: _____
Last First Middle

. Assignee's Name: _____
Last First Middle

[redacted] MUS[redacted] CH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

[redacted]

uestions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY).

. Current Licensee's Name: _____ Entity: _____
(xactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

. Corporation/L.L.C. Name: _____
(Exactly as it appears on license)

[redacted] _____
(Exactly as it appears on lic[redacted])

[redacted] _____

_____

License Type: _____ License Number: _____ Last Renewal Date: _____

Current Mailing Address (other than business): _____

_____

Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☐ YES ☐ NO

Does the applicant intend to operate the business while this application is pending? ☐ YES ☐ NO If yes, complete section 5, attach fee, and current license to this application.

I hereby relinquish my rights to the above described license to the applicant named in this application and hereby declare that the statements made in this section are true, correct and complete.

_____, declare that I am the CURRENT LICENSEE of the stated license. I have read this
(Print full name)
plication and the contents and all statements are true, correct and complete.

_____
(Signature of CURRENT LICENSEE)

State of _____ County of _____
The foregoing instrument was acknowledged before me this
_____ day of _____, _____.
Day of Month Month Year

y commission expires on: _____

_____
(Signature of NOTARY PUBLIC)

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

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

1. Current Business Name and Address: (Exactly as it appears on license) _____

   DLLC

2. New Business Name and Address: (Do not use PO Box Number) _____

   2003 APR -9 A 9:11

3. License Type: _____ License Number: _____ Last Renewal Date: _____

4. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants:

1. Distance to nearest school: 2600 ft. (Regardless of distance) Name/Address of school: Chapparal High School, Secoya Elementary
2. Distance to nearest church: 2500 ft. (Regardless of distance) Name/Address of church: Chapparal Catholic Church, LDS Church
3. I am the: ☒ LESSEE ☐ SUBLESSEE ☐ OWNER ☐ PURCHASER (of premises)
4. If the premises is leased give lessors name and address: Case, Huff & Sanchez, Inc. 340 East Palm Lane, Suite #304 PHX, AZ 85004

4a. Monthly rental/lease rate $ 5,304.50. What is the remaining length of the lease? 6 yrs. _____ mos.

4b. What is the penalty if the lease is not fulfilled? $_____ or other Put Lien on Use Security Deposit (give details - attach additional sheet if necessary)

5. What is the total business indebtedness of the applicant for this license/location excluding lease? $ 250,000

   Does any one creditor represent more than 10% of that sum? ☒ YES ☐ NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City	State	Zip
Walker	Linda	Jean	100%	19777 N 76th St Suite 3333			
				Scottsdal	Arizona		85255

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) Restaurant / Bar.
7. Has a license, or a transfer license for the premises on this application been denied by the state within the past one (1) year? ☐ YES ☒ NO If yes, attach explanation.
8. Does any spirituous liquor manufacturer, wholesaler, or employee, have any interest in your business? ☐ YES ☒ NO
9. Is the premises currently licensed with a liquor license? ☒ YES ☐ NO If yes, give license number and licensee's name: License # 12073131 (Exactly as it appears on license) Name Edward La Capra.

ECTION 14 **Restaurant, or Hotel-Motel Applicants:**

Is there a valid restaurant or hotel-motel liquor license at the proposed location? ☐ YES ☒ NO If yes, give licensee's name:

La Cayra (Last) Eddie (First) E (Middle) and license #: 12073131

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

All restaurant applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor.

Do you understand that 40% of your annual gross revenue must be from food sales? ☒ YES ☐ NO

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

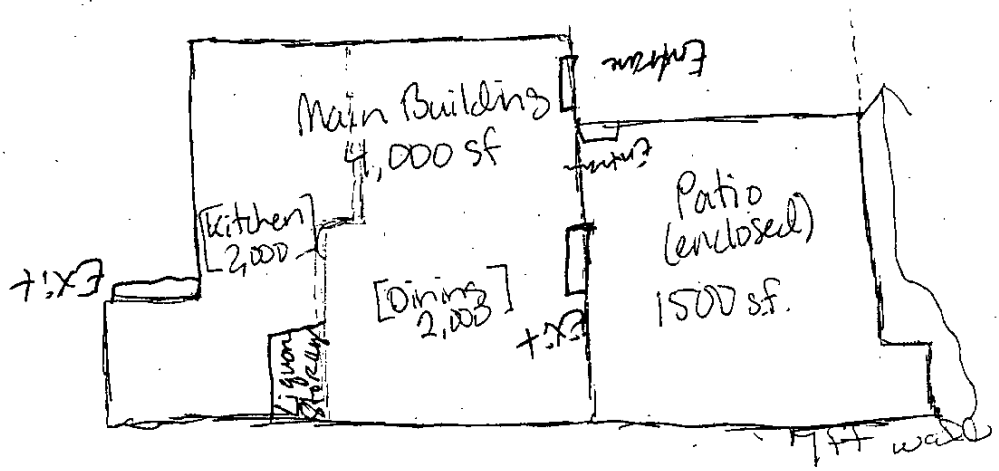
Check ALL boxes that apply to your licensed premises:

- ☒ Entrances/Exits
- ☐ Drive-in windows
- ☐ Service windows
- ☒ Liquor storage areas
- ☒ Patio enclosures
- ☐ Under construction: estimated completion date _____

Restaurants and Hotel/Motel applicants must explicitly depict kitchen equipment and dining facilities.

The diagram below is the only area where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored. Give the square footage or outside dimensions of the licensed premises.

DO NOT INCLUDE PARKING LOTS, LIVING QUARTERS, ETC.



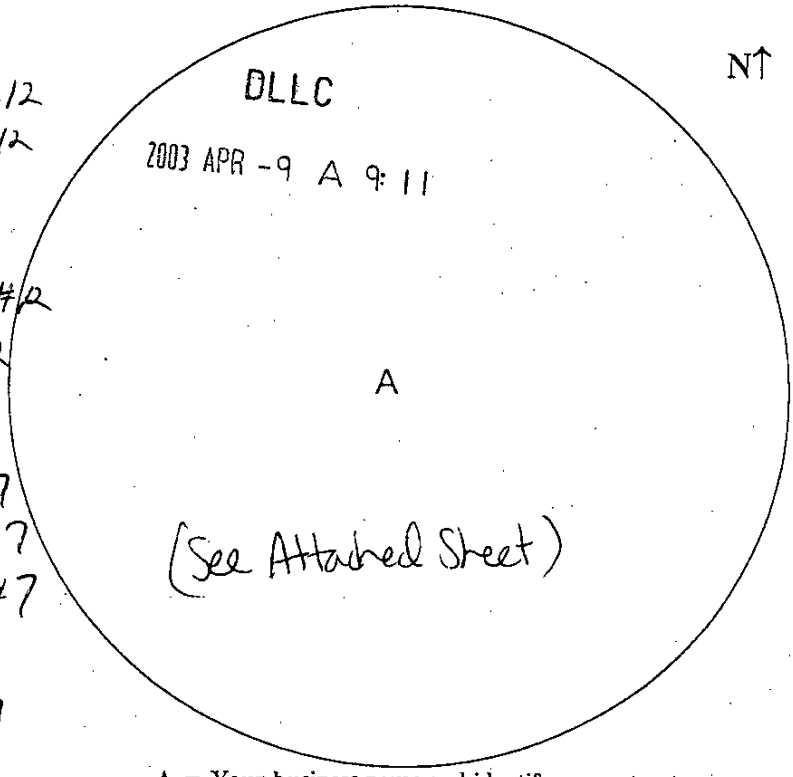
OU MUST NOTIFY THE DEPARTMENT OF LIQUOR OF ANY CHANGES OF BOUNDARIES, NTRANCES, EXITS, OR SERVICE WINDOWS MADE AFTER SUBMISSION OF THIS DIAGRAM.

SECTION 16 Geographical Data: A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.

List below the exact names of all churches, schools, and spirituous liquor outlets within a one half mile radius of your proposed location.

1. Parrot Bay Series #12
2. Ajo Als Series #12
3. Uptown Brewery Series #12
4. Claim Jumpers Series #12
5. Eli's Series 6
6. Sushi on Shea Series #12
7. Marin When in Naples Series #12
8. Caspian Rest. Series #12
9. Walgreens Series #10
10. Handle Bar Series #12
11. (K) Conv. Store Series #7
12. ARCO gas Station Series #7
13. Chevron gas St. Series #7
14. Wild Oats Series #10
15. Drink waters Lqr Series 9

(ATTACH ADDITIONAL SHEET IF NECESSARY)



A = Your business name and identify cross streets.

SECTION 17 Signature Block:

I, TODD Taylor, declare that: 1) I am the APPLICANT (Agent/Club Member/Partner), making this
(Print name of APPLICANT/AGENT listed in Section 4 Question 1)
application; 2) I have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

X Todd Taylor
(Signature)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
9 day of April, 2003
Day of Month Month Year

My commission expires on OFFICIAL SEAL JUANITA A. ESPARZA NOTARY PUBLIC-ARIZONA MARICOPA COUNTY My Commission Expires July 30, 2006

Juanita A. Esparza
(Signature of NOTARY PUBLIC)

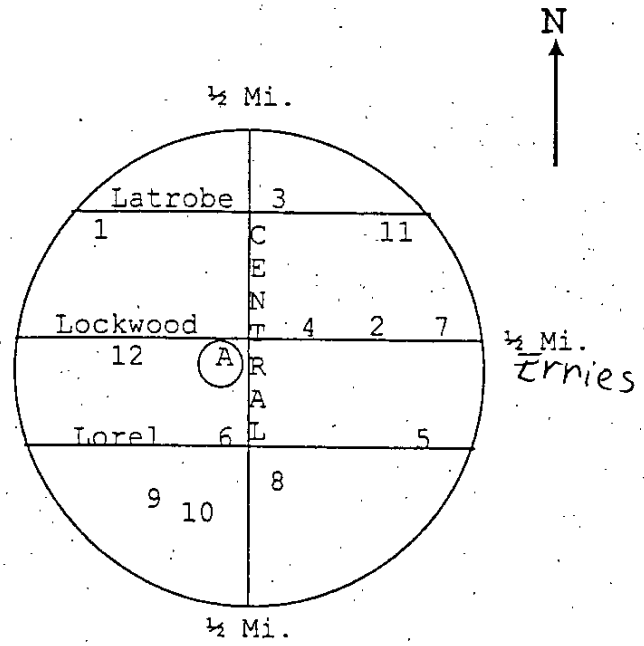
SAMPLE

GEOGRAPHICAL DATA

n the area adjacent to the map provided below indicates your proposed location nd the exact names of all churches, schools, and alcoholic beverage outlets ithin a 1/2 mile radius of your proposed location.
See example below)

. = Applicant	Series 12
1 Pink Elephants	Series 06
2 Mama's Rest.	Series 12
3 Corner Liquors	Series 09
4 Joe's Groceries	Series 10
5 Lions Club	Series 14
6 Burgers R Us	Series 07
7 Pizza Perfect	Series 07
8 Billy Bobs Bar	Series 06
9 St. Anthonys Church	
0 St. Anthonys School	
1 Burbank Middle School	
2 First United Baptist Church	
3	
4	
5	

64

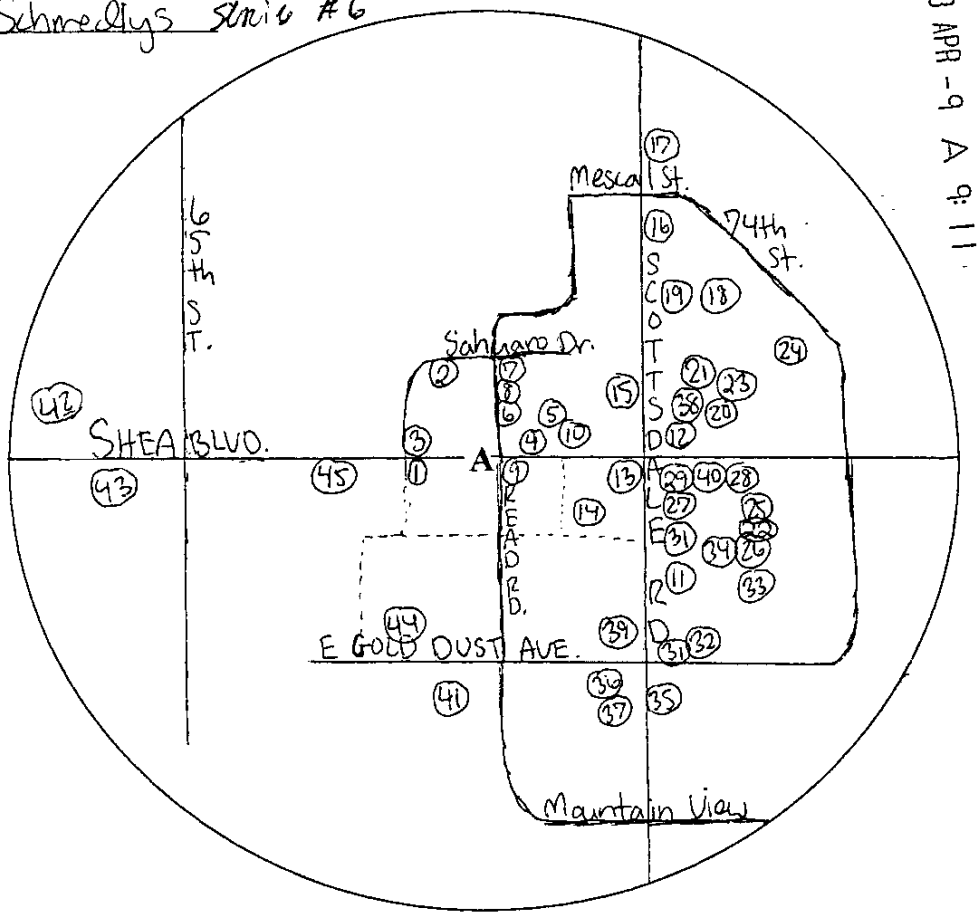


Ernies

.R.S. Section 4-207.A reads as follows:

. No retailers license shall be issued for any premises which are. at the time he license application is received by the Director, within three hundred(300) orizontal feet of a church, within three hundred(300) horizontal feet of a ublic or private school building with kindergarten programs or any of rades one(1) through twelve(12). or within three hundred(300) horizontal eet of a fenced recreational area adjacent to such school building.

16) Lone Star Series #12
17) Macayos Mexican S. #12
18) Guidos Series #7
19) Smoky O's Series #6
20) Peking Palace Series #12
21) Safeway Series #10
22) Razz's Series #6
23) Blue Burrito Series #7
24) Long Wongs Series #7
25) Ernies } Series #6
26) Hacker's }
27) NYPD Series #7
28) La Fonda Del Sol }
29) Rio Brazilian } Series #12
30) El Camino }
31) Swamp Stomp Series #6
32) La Iolanda Series #12
33) Schmedlys Series #6
34) Buzz Series #6
35) Macaroni Grill Series #12
36) Jetz Series #12
37) California Pizza Kitchen Series #12
38) Osco Drug Series #
39) Mobile Gas Series #7
40) Chuckbox Series #12
41) Chaparral High school
42) Sequoya Elementary
43) Catholic Church (64th St)
44) Church (67th St) LDS
45) YMCA
46)
47)
48)
49)



DLLC
2003 APR -9 A 9:11

12. Payroll Records

A. Copies of all reports required by the State and Federal Government

B. Employee Log (A.R.S. 4-119)

C. Employee time cards (actual document used to sign in and out each work day)

D. Payroll records for all employees showing hours worked each week and hourly wages

The sophistication of record keeping varies from establishment to establishment. Regardless of each licensee's accounting methods, the amount of gross revenue derived from the sale of food and liquor must be substantially documented.

REVOCATION OF YOUR LIQUOR LICENSE MAY OCCUR IF YOU FAIL TO COMPLY WITH A.R.S. 210.A.7. AND A.R.S. 205.02.G.

A.R.S. 210.A.7. The licensee fails to keep for two years and make available to the department upon reasonable request all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of spirituous liquors and, in the case of a restaurant or hotel-motel licensee, all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of food.

A.R.S. 205.02.G. For the purpose of this section:

1. "Restaurant" means an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

2. "Gross revenue" means the revenue derived from all sales of food and spirituous liquor on the licensed premises, regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this section or under any other license that has been issued for the premises pursuant to this article.

2003 APR -9 A 9:11 DLLC

I, (print Licensee/Agent's Name):

Taylor TODD Clinton
Last First Middle

have read and fully understand all aspects of this statement.

State of Arizona County

of Maricopa

The foregoing instrument was acknowledged before me this

X Todd Taylor
(Signature of Licensee/Agent)

8th day of April 2003
Day of Month Month Year

My commission Expires: 10 [illegible] 2006
Day of Month Month Year

OFFICIAL SEAL
V. LA RITCHIE
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires March 10, 2006

[signature]
(Signature of NOTARY PUBLIC)

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

HOTEL-MOTEL AND RESTAURANT LICENSES
RECORDS REQUIRED FOR AUDIT OF SERIES #11 & #12 LICENSES

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

In the event of an audit, you will be asked to provide to the department any documents necessary to determine compliance with A.R.S. 205.02.G. Such documents requested may include however, are not limited to:

1. All invoices and receipts for the purchase of food and spirituous liquor for the licensed premises. If you do not have all food or liquor invoices, please contact your vendors immediately and request copies of missing invoices. These must be available for pick-up at the time of the Audit Interview Appointment. **If all food invoices are not available at that time, you may not be given credit for *all* food sales.**
2. A list of *all* food and liquor vendors
3. The restaurant menu used during the audit period
4. A price list for alcoholic beverages during the audit period
5. Mark-up figures on food and alcoholic products during the audit period
6. A recent, *accurate* inventory of food and liquor (taken within two weeks of the Audit Interview Appointment)
7. Monthly Inventory Figures - beginning and ending figures for food and liquor
8. Chart of accounts (copy)
9. Financial Statements-Income Statements-Balance Sheets
10. General Ledger
    - A. Sales Journals/Monthly Sales Schedules
      1) Daily sales Reports (to include the name of each waitress/waiter, bartender, etc. with sales for that day)
      2) Daily Cash Register Tapes - Journal Tapes and Z-tapes
      3) Guest Checks
      4) Coupons/Specials
      5) Any other evidence to support income from food and liquor sales
    - B. Cash Receipts/Disbursement Journals
      1) Daily Bank Deposit Slips
      2) Bank Statements and canceled checks
11. Tax Records
    - A. Transaction Privilege Sales, Use and Severance Tax Return (copies)
    - B. Income Tax Return - city, state and federal (copies)
    - C. Any supporting books, records, schedules or documents used in preparation of tax returns

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

RESTAURANT OPERATION PLAN

LICENSE # [redacted]

1. List by Make, Model and Capacity of your :

Grill	Wolf Grill 4', Garland 8 Burner, Star 4 Burner, Jade 6 Burner Frymaster Pasta Cooker, (2) Frymaster 30lb. Deep Fryers
Oven	Bakers Pride 2 Deck pizza oven Star 6 Burner w/ oven on bottom
Freezer	(1) walk in Frezzer 8x6' (1) Hobart undercounter Frezzer 4'
Refrigerator 72" mccall undercounter	walk in refer 15x8', (1) mccall 4' undercounter, (2) mccall sandwich tables 4', (1) Bevair Pizza table
Sink	2 compartment s/s 4' (2) Hand sinks s/s 2'
Dish Washing Facilities	Proclean Low temp dishmachine, 3 comp. s/s sink for Pots + pa (2) dish sprayers, (3) s/s Dish tables. 4'
Food Preparation Counter (Dimensions)	(2) 4' s/s tables (1) 10' s/s table (1) 6' s/s table (1) 15' s/s table
Other	(4) microwave oven, (1) Hobart Dough mixer,

2. Print the name of your restaurant: Pasta Bene

3. Attach a copy of your menu (Breakfast, Lunch and Dinner including prices).

4. List the seating capacity for:

   a. **Restaurant area** of your premises [120]

   b. **Bar area** of your premises [+ 17]

   c. **Total area** of your premises [137]

5. What type of dinnerware and utensils are utilized within your restaurant?
   ☒ Reusable ☐ Disposable

6. Does your restaurant have a bar area that is distinct and separate from the restaurant seating? (If yes, what percentage of the public floor space does this area cover): ☒ Yes 18 % ☐ No

7. What percentage of your public premises is used primarily for restaurant dining? (Does not include kitchen, bar, cocktail tables or game area.) 82 %

*Disabled individuals requiring special accommodations, please call the Department.

Lic0114 05/1999

8. Does your restaurant Contain any games or television? ☒ Yes ☐ No
(If yes, what types and how many? Pool tables, Video Games, Darts, etc.)
Includes 8 television sets

9. Do you have live entertainment or dancing? ☐ Yes ☒ No
(If yes, what type and how often?)

10. Use space below or attach a list of employee positions and their duties to fully staff your business.

Fernando navertarete (cook)	Steve simenek (server)
Raul medina (cook)	Chris sosa (server)
Ivan Lopez (cook)	Anthony Sziklay (server)
Maclario Rios (cook)	Julie Thayer (server)
Juan Valodez (cook)	Robert Sladek (Bartender)
Alvero Cubbens (cook)	Hollie young (Hostess)
Agripino Bora (Dishwasher)	Dan Lopez (Busboy)
Adib Hanna (prep cook)	Aaron manzo (Busboy)
Tyler Arnett (Host)	
Stella Alvarez (server)	
Justin warner (server)	
Joann Damico (server)	
Kim Johnson (server)	
Kim marszowski (server)	

I, Todd Taylor (Print full name), hereby declare that I am the APPLICANT filing this application. I have read theis application and the contents and all statements true, correct and complete.

X [signature] (Signature of APPLICANT)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 8 day of April, 2003
Day of Month Month Year

My commission expires on:: March 10, 2006

[signature] (Signature of NOTARY PUBLIC)

OFFICIAL SEAL
V. LA RITCHIE
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires March 10, 2006

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

801,241

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully , this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # 12075481
P 1043957 (If the location is currently licensed)

1. Check appropriate box →
   - ☐ Owner ☒ Partner ☐ Stockholder ☐ Member ☐ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) — Licensee or Agent must complete # 25 for a Manager
   - ☒ Manager (Only) (Complete All Questions *except* # 14, 14a & 25) — Licensee or Agent must complete # 25

2. Name: Taylor (Last) Todd (First) Clinton (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License # [redacted] State: Arizona
   (This Will Not Become a Part of Public Records)

4. Place of Birth: Tucson (City) AZ (State) US (Country) (not county) Height: 5-10 Weight: 190 Eyes: Blue Hair: Br

5. Marital Status ☒ Single ☐ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: _____ Date of Birth: _____
   (List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: 3/24/76

8. Telephone number to contact you during business hours for any questions regarding this document. [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Pasta Bene Premises Phone: (480) 922-3474

11. Licensed Premises Address: 6990 E. Shea Blvd Suite 101 (Street Address (Do not use PO Box #)) Scottsdale (City) AZ (County) 85254 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
10/97	CURRENT	Manager	Canine Country Club 2332 E. Washington Phx, AZ 85034

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
3/98	4/03 ~~CURRENT~~	[redacted]	[redacted]	[redacted]	[redacted]
4/03	CURRENT	1320 W. Elliot Rd. #103-153	Tempe	AZ	85284

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day? 12, answer #14a below. If NO, skip to #15. ☒ YES ☐ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☒ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☒ YES ☐ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☒ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? ☐ YES ☒ NO

20. Are you NOW or have you EVER h[redacted] been a controlling person [redacted] been an officer, member, director, or manager on *any other* [redacted] other state? [redacted] ☐ YES ☒ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

[redacted] **If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24**

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☒ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☒ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. [redacted] or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☒ NO If "yes", attach a copy of such agreement

24. I, Todd Clinton Taylor, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X Todd Taylor
(Signature of Applicant)

OFFICIAL SEAL
LA RITCHIE
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires March 10, 2006

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 8 day of April 2003
(Day of Month) (Month) (Year)

My commission expires on: 3 10 06
Day of Month Month Year

(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license [redacted] County of _____

The foregoing instrument was acknowledged before me this

X _____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

(Signature of NOTARY PUBLIC)

Explanation of Offense:

Date: 11/1996 Tempe Police Department
Location: Priest and Elliot in Tempe, AZ.

I made a U-turn at the red light to head westbound on Elliot. My gas light was on, so I entered Circle K. I pulled up to a pump, shut off the car, and began to walk towards the store. A motorcycle cop then pulled up next to me and asked why I was in such a hurry. I said I was low on gas. He then said he smelled beer on my breath. I took the field sobriety test and the hand-held breathalyzer. The officer then brought in the breath test van. There were inconsistencies in the test results – one said I was low, the other said I was above .10. That officer didn't know how to work it, so another had to do the testing.

I hired a lawyer to fight it. The case never went to court, and was dropped down to a 'minor in consumption while in a vehicle'. I paid a fine, did not serve time, got 2 points against my license, and took an Alcohol Awareness Class.

Todd Taylor

Todd Taylor

DLLC
2003 APR -9 A 9:11

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

CERTIFICATION OF COMPLETED ALCOHOL TRAINING PROGRAM(S)

OBTAIN ORIGINALS OF THIS FORM FROM DLLC-DO NOT PHOTOCOPY, DOCUMENT IS COMPUTER SCANNED. TYPE OR PRINT WITH BLACK INK.

ALCOHOL TRAINING PROGRAM INDIVIDUAL INFORMATION

Todd Taylor
Individual Name (Print)

Todd Taylor
Individual Signature

3/29/2003
Date Training Completed

TYPE OF TRAINING COMPLETED
TRAINER MUST CHECK YES OR NO FOR EACH TYPE

☒ YES	☐ NO	BASIC	☒ YES	☐ NO	ON SALE
☒ YES	☐ NO	MANAGEMENT	☐ YES	☒ NO	OFF SALE
☒ YES	☐ NO	BOTH	☐ YES	☒ NO	OTHER

IF TRAINEE IS EMPLOYED BY A LICENSEE:

NAME OF THE LICENSEE | BUSINESS NAME | LIQUOR LICENSE NUMBER

ALCOHOL TRAINING PROGRAM PROVIDER INFORMATION

A B C, ALCOHOL AWARNESS TASK FORCE
Company or Individual Name

5032 S. Ash Ave., Suite 116
Address

Tempe, Az., 85282 **(480) 777-2333**
City State Zip Phone

I Certify the above named individual has successfully completed the specified program(s).

JARED REPINSKI
Trainer Name (Print)

Trainer Signature

3-29-03
Date

Trainer give original of completed form to trainee, photocopy and maintain completed document for your records.

Mandatory Liquor Law Training for all new applications submitted after Nov. 1, 1997. A.R.S. Section 4-112(G)(2).
Completion of the Liquor License Training Courses is required at the issuance of a license.

The person(s) required to attend both the Basic Liquor Law and Management Training, (either on-sale or off-sale), will include all of the following : owner(s), licensee/agent or manager(s) WHO ARE ACTIVELY INVOLVED IN THE DAY TO DAY OPERATION OF THE BUSINESS.
Proof of attendance within the last five years for the required courses must be submitted to the Department before the license application is considered complete.
Before acceptance of a Manager's Questionnaire and/or Agent Change for an existing license, proof of attendance for the Basic Liquor Law and Management Training (either on-sale or off-sale) will be required.

LIC 1021 10/2001 Disabled individuals requiring special accommodations please call (602) 542-9051

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

801, 241

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully , this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # 12075481 P1043958 (If the location is currently licensed)

1. Check appropriate box → ☐ Owner ☒ Partner ☐ Stockholder ☐ Member ☐ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager | ☒ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Karr (Last) Zachary (First) Benjamin (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] (This Will Not Become a Part of Public Records) Drivers License #: [redacted] State: AZ

4. Place of Birth: Salt Lake City (City) Utah (State) USA (Country (not county)) Height: 5'10" Weight: 220 Eyes: BLU Hair: BLD

5. Marital Status ☒ Single ☐ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: _____ Date of Birth: _____
(List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? AZ If Arizona, date of residency: 06/16/1994

8 Telephone number to contact you during business hours for any questions regarding this document. [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Pasta Bene Premises Phone: (480) 922-3474

11. Licensed Premises Address: 6990 E Shea Blvd #101 (Street Address (Do not use PO Box #)) Scottdale (City) Maricopa (County) 85254 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
11/2001	CURRENT	Student	ASU 5302 N. 7th St. #163 Phoenix AZ 85014
11/1996	11/2001	Manager	Island Kinetics 6002 S. Ash Ave Tempe AZ 85283

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
2/1/03	CURRENT	[redacted]	[redacted]	[redacted]	[redacted]
2/01/00	2/01/03	750 W Baseline Rd. #2138	Tempe	AZ	85283
7/27/97	2/1/03	11 E Bell Rd. #137	Phoenix	AZ	85022

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day? 8 , answer #14a below. If NO, skip to #15. ☒ YES ☐ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☒ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☑ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☑ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☑ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☑ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? [redacted] ☐ YES ☑ NO

20. Are you NOW or have you EVER held ownership, been a controlling person , been an officer, member, director, or manager on *any other liquor li*[redacted] other state? [redacted] ☐ YES ☑ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. [redacted] or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Zachary Benjamin Karr (Print full name of Applicant), hereby declare that I am the APPLICANT filing this questionnaire.
I have read this questionnaire and the contents and all statements are true, correct and complete.

X Zachary Benjamin Karr (Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 31st day of March 2003.
(Day of Month) (Month) (Year)

OFFICIAL SEAL ANTOINETTE SANDOVAL Notary Public - State of Arizona MARICOPA COUNTY My Commission Expires July 27, 2006

My commission expires on: 7-27-06 (Day of Month, Month, Year)

Antoinette Sandoval (Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): Taylor (Last) Clinton (Middle) Todd (First)

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted]

X [signature] (Signature of LICENSEE/AGENT)

[redacted]nty of Maricopa
The foregoing instrument was acknowledged before me this [illegible] day of April, 2003
(Day of Month) (Month) (Year)

My commission expires on: [illegible] (Day of Month, Month, Year)

OFFICIAL SEAL JUANITA A ESPARZA NOTARY PUBLIC-ARIZONA MARICOPA COUNTY My Commission Expires July 30, 2006

[signature] (Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

2003 APR -9 A 9:11

CERTIFICATION OF COMPLETED ALCOHOL TRAINING PROGRAM(S)

OBTAIN ORIGINALS OF THIS FORM FROM DLLC-DO NOT PHOTOCOPY. DOCUMENT IS COMPUTER SCANNED. TYPE OR PRINT WITH BLACK INK.

ALCOHOL TRAINING PROGRAM INDIVIDUAL INFORMATION

Zach Karr
Individual Name (Print)

Zach Karr
Individual Signature

2-15-03
Date Training Completed

TYPE OF TRAINING COMPLETED
TRAINER MUST CHECK YES OR NO FOR EACH TYPE

☒ YES ☐ NO	BASIC	☒ YES ☐ NO	ON SALE
☐ YES ☒ NO	MANAGEMENT	☐ YES ☒ NO	OFF SALE
☐ YES ☒ NO	BOTH	☐ YES ☒ NO	OTHER

IF TRAINEE IS EMPLOYED BY A LICENSEE:

NAME OF THE LICENSEE | BUSINESS NAME | LIQUOR LICENSE NUMBER

ALCOHOL TRAINING PROGRAM PROVIDER INFORMATION

A B C, ALCOHOL AWARNESS TASK FORCE
Company or Individual Name

5032 S. Ash Ave., Suite 116
Address

Tempe, Az., 85282 | **(480) 777-2333**
City | State | Zip | Phone

I Certify the above named individual has successfully completed the specified program(s).

JARED REPENDORF
Trainer Name (Print)

Trainer Signature

2-15-03
Date

Trainer give original of completed form to trainee, photocopy and maintain completed document for your records.

Mandatory Liquor Law Training for all new applications submitted after Nov. 1, 1997. A.R.S. Section 4-112(G)(2).
Completion of the Liquor License Training Courses is required at the issuance of a license.

The person(s) required to attend both the Basic Liquor Law and Management Training, (either on-sale or off-sale), will include all of the following : owner(s), licensee/agent or manager(s) WHO ARE ACTIVELY INVOLVED IN THE DAY TO DAY OPERATION OF THE BUSINESS.
Proof of attendance within the last five years for the required courses must be submitted to the Department before the license application is considered complete.
Before acceptance of a Manager's Questionnaire and/or Agent Change for an existing license, proof of attendance for the Basic Liquor Law and Management Training (either on-sale or off-sale) will be required.

UC 1021 10/2001

Disabled individuals requiring special accommodations please call (602) 542-9051

COMMISSIONERS
MARC SPITZER - Chairman
JIM IRVIN
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON

ARIZONA CORPORATION COMMISSION

BRIAN C. MCNEIL
Executive Secretary

JOANNE C. MACDONNELL
Director, Corporations Division

March 15, 2003

MICHAEL E. DUCKWORTH, P.C.
7500 E. BUTHERUS DR.
SUITE 101
SCOTTSDALE, AZ 85260

2003 APR -9 DLLC

RE: T.C. TAYLOR, LLC
File Number: L-1069035-0

We are pleased to notify you that your Articles of Organization were filed on March 14, 2003.

You must publish a notice of the filing of your Articles of Organization OR alternatively, you may publish the Articles of Organization in their entirety. The publication must be in a newspaper of general circulation in the county of the known place of business, in Arizona as filed with the Commission, for three (3) consecutive publications.

For your convenience we have provided a Notice of Publication form. Please complete this form, in its entirety, and submit to the newspaper of your choice. An affidavit from the newspaper, evidencing such publication, must be delivered to the Commission for filing WITHIN NINETY (90) DAYS from the date of this letter.

The Commission strongly recommends that you periodically check Commission records regarding the corporation. The Commission web site www.cc.state.az.us/corp contains information specific to each Limited Liability Company of record and is a good general source of information.

If you have any questions or need further information, please contact us at (602) 542-3135 in Phoenix, (520) 628-6560 in Tucson, or Toll Free (Arizona residents only) at 1-800-345-5819.

Sincerely,

RATIB MASIC
Examiner
Corporations Division

LL:13
Rev: 01/2003

STATE OF ARIZONA
ACC/FAX
DATE FILED
L-1069055-0
MAR 14 2003

DATE APPR 03-14-03
TERM
BY

ARTICLES OF ORGANIZATION

T. C. Taylor, LLC

KNOW ALL MEN BY THESE PRESENTS:

That we, the below-named, do hereby associate ourselves together for the purpose of forming a limited liability company under the laws of the State of Arizona, and do hereby adopt the following Articles of Organization:

2003 APR -9 A 11:
DLLC

1. The name of this limited liability company shall be: T.C. Taylor, LLC (the "Company")

2. The Company is organized to transact any and all lawful business for which a limited liability company may be organized pursuant to ARS §§ 29-601 et seq.

3. The name and business address of the initial Statutory Agent of the Company is:

   Michael E. Duckworth, Esq.
   7500 E. Butherus Dr., Suite 101
   Scottsdale, AZ 85260

4. The Company's registered office address and known place of business is:

   6990 E. Shea Blvd.
   Suite 101
   Scottsdale, AZ 85254

5. Management of the Company is vested in the Manager(s). The name and address of the initial Manager of the Company is:

   Todd Taylor
   6990 E. Shea Blvd.
   Suite 101
   Scottsdale, AZ 85254

6. The Company shall continue in existence in perpetuity, unless and until it is dissolved voluntarily or involuntarily in accordance with Arizona law.

7. Except as specifically provided for in the Arizona Limited Liability Company Act, A.R.S. § 29-601 et. seq., the private property of the organizers, members, managers, employees, officers or agents of the Company shall not be liable, solely by reason of

being an organizer, member, manager, employee, officer or agent, for the debts, obligations and liabilities of the Company, whether arising out of contract or tort, under a judgment, decree or order of a court, or otherwise.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Organization this 13th day of March, 2003.

Todd Taylor
Organizer

2003 APR -9 PM 3:11
DLLC

ACCEPTANCE BY STATUTORY AGENT:

I, Michael E. Duckworth, having been designated to act as Statutory Agent for the Company, hereby consent to act in that capacity until removal or resignation is submitted in accordance with Arizona Revised Statutes.

Michael E. Duckworth
Statutory Agent

Dated: March 13, 2003

STATE OF ARIZONA

DEPARTMENT OF LIQUOR LICENSES AND CONTROL

RESTAURANT

ALCOHOLIC BEVERAGE LICENSE

License 12073131

Issue Date: 1/4/1996

Expiration Date: 3/31/2004

Restaurant

Issued To:
EDWARD LA CAPRA, Agent
ARIZONA SEAFOOD INC, Owner

Location:
PASTA BENE
6990 E SHEA BLVD
SCOTTSDALE, AZ 85254

Mailing Address:
EDWARD LA CAPRA
ARIZONA SEAFOOD INC
PASTA BENE
6990 E SHEA BLVD
SCOTTSDALE, AZ 85254

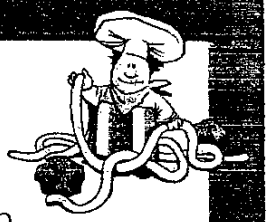
2003 APR -9 A 9:11

EXP 3/31/2004

GREAT SEAL OF THE STATE OF ARIZONA
DITAT DEUS
1912

POST THIS LICENSE IN A CONSPICUOUS PLACE

Lunch Menu



Pasta

Fettuccini Alfredo *Fettuccini pasta in our creamy alfredo sauce.*	$5.99
Penne Alla Vodka *Prosuitto, onions & a splash of vodka in a pink cream sauce.*	$6.99
Capellini Pomadoro *Angelhair pasta in our fresh and light tasting tomato sauce.*	$5.99
Ravioli Formaggio *Cheese ravioli, with our marinara sauce & melted mozzarella.*	$5.99
Spinach Ravioli *Spinach ravioli, in a gorganzolla cream sauce.*	$5.99
Linguini con Meatballs or Sausage Ragú *Linguini in a meat flavored tomato sauce.* *Choose meatballs <u>or</u> Italian sweet pork sausage <u>or</u> a combo.*	$5.99
Linguini Bolognese *Linguini pasta in our beef and pork meat sauce.*	$5.99
Capellini Di Mare *Angelhair pasta, shrimp, clams, mussels, & calamari in a seafood infused red sauce.*	$11.99
Linguini con Vongole *Tender clams in a white <u>or</u> red clam broth.*	$9.99

Pollo & Vitello

	Veal	Chicken
Marsala *Chicken or veal in a rich mushroom & marsala wine sauce.*	$9.99	$7.99
Piccata *Chicken or veal scallopine in a lemon & caper sauce.*	$9.99	$7.99
Parmigiana *Breaded chicken or veal with melted mozzarella & tomato sauce.* *Served with linguini marinara.*	$9.99	$7.99
Chicken Franchese *Battered & lightly sautéed in a lemon & butter sauce.*	$7.99	

2003 APR -9 A 9:1
DLLC

Insalata

		Small	Large
Bené Salad	$1.99		
Mixed greens, with choice of dressing.			
Caesar Classico		$4.99	$7.99
Romaine lettuce, special dressing, croutons & parmesean.			
Add grilled chicken.	*$2.00*		
Add grilled shrimp.	*$3.00*		
Sicilian Chopped Salad		$5.99	$8.99
Chopped greens, mixed garden vegetables, salami, pepperoni, prosuitto, fresh mozzarella, & provolone cheese. In an Italian vinegrette.			
Pollo Balsamico		$6.99	$9.99
Balsamic marinated chicken, mixed greens, gorgonzolla cheese, walnuts, cranberries & garden vegetables with a balsamic vinigrette.			
Gamberi Caldo		$6.99	$9.99
Warm jumbo shrimp, mixed greens & garden vegetables with a roasted garlic vinegrette.			

Panini Caldo

Hot Sandwiches

Chicken Parmesan Panini	$7.99
Breaded chicken, tomato sauce & mozzarella cheese.	
Meatball Parmesan Panini	$7.99
Beef & pork meatballs, melted mozzarella, & tomato sauce.	
Veal Parmesan Panini	$8.99
Breaded veal, tomato sauce & mozzarella cheese.	
Pollo Panini	$8.99
Grilled chicken, sliced tomato, roasted peppers & melted mozzarella cheese. Balsamic dressing.	

Panini Fredo

Cold Sandwiches

Rustico	$8.99
Prosuitto, fresh mozzarella, tomato, roasted peppers & basil. Balsamic dressing.	
Palermo	$7.99
Genoa salami, cappocolo & provelone. Balsamic dressing.	

Panini served with a side salad or penne marinara

Pasta della Casa

Fettuccini Alfredo $9.99
Fettuccini pasta in our alfredo sauce.

Gnocchi $10.99
Potato pasta in a pink alfredo sauce.

Penne Alla Vodka $9.99
Proscuitto, onions & a splash of vodka in a pink cream sauce.

Capellini Pomadoro $9.99
Angel hair pasta in our fresh and light tasting tomato sauce.

Linguini con Vongole $13.99
Tender whole clams in a white or red sauce.

Ravioli Formaggio $9.99
Cheese ravioli, with our marinara sauce & melted mozzarella.

Spinach Ravioli $9.99
Spinach ravioli, in a gorgonzola cream sauce.

Linguini con Meatballs or Sausage Ragú $9.99
Linguini in a meat flavored tomato sauce.
Choose meatballs or Italian sweet pork sausage or a combo.

Shrimp Romano $14.99
Romano crusted shrimp in a pink cream sauce over fettuccini.

Tri Color Tortellini Alfredo $9.99
Three cheese tortellini pasta in our alfredo sauce.

Linguini Bolognese $9.99
Linguini pasta in our beef and pork meat sauce.

Capellini Di Mare $14.99
Angel hair pasta, shrimp, clams, mussels, & calamari in a seafood infused red sauce.

Penne Sinatra $14.99
Penne pasta topped with our Chicken Romano in a spicy pink cream sauce.

Meat Lasagna $9.99
Beef & pork within layers of ricotta cheese & red sauce.

Bené Baked Ziti $12.99
Penne pasta baked with ricotta, mozzarella, parmesan cheeses & a touch of marinara sauce with meatballs.

Pizza

Margherita $8.99
Pomadoro sauce, fresh mozzarella, olive oil & basil.

Quattro Formaggio $9.99
Four cheese. Fresh mozzarella, fontina, parmesan & provolone.

Mediterranean $9.99
Kalamata olives, sundried tomato, feta cheese, spinach, red onion, pizza sauce & mozzarella cheese.

Ti Piacere $8.99
Create your own pizza. You pick the toppings. Toppings additional.

2003 APR -9 A 9:11
DLLC

Antipasti

Calamari Fritti — $7.99
Lightly fried & served with marinara & roasted red pepper aioli.

Fried Fresh Mozzarella — $5.99
Homemade whole-milk cheese breaded & fried.

Oysters on the half shell — $6.99 a dozen

Soup of The Day — Cup $2.99 — Bowl $3.99

Mussels Fra' Diavolo — $7.99
Prince Edward Island black mussels in a spicy tomato sauce.

Hot Spinach & Artichoke Dip — $5.99
Blended with Italian cheeses & served with toasted garlic rounds.

Mozzarella Caprese — $6.99
Fresh mozzarella, roma tomato & basil with balsamic.

Pasta Bené — $6.99
Sautéed shrimp and mushrooms in a balsamic buerre blanc sauce on toasted flat bread with pasta.

Cold Antipasto for Two: — $8.99
Imported Italian meats & cheeses, roasted peppers, fresh mozzarella, roma tomato, marinated mushrooms, olives & basil.

Insalata

Bene Salad — $1.99
Mixed greens, with choice of dressing.
Balsamic, ranch, blue cheese, house, low fat roasted red pepper, roasted garlic, thousand island.

	Small	Large
Caesar Classico	$4.99	$7.99
Romaine lettuce, special dressing, croutons & parmesean.		
Add grilled chicken. $2.00		
Add grilled shrimp. $3.00		
Sicilian Chopped Salad	$5.99	$8.99
Chopped greens, mixed garden vegetables, salami, pepperoni, proscuitto, fresh mozzarella, & provolone cheese. In an Italian vinaigrette.		
Pollo Balsamico	$6.99	$9.99
Balsamic marinated chicken, mixed greens, gorgonzola cheese, walnuts, cranberries & garden vegetables with a balsamic vinaigrette.		
Gamberi Caldo	$6.99	$9.99
Warm jumbo shrimp, mixed greens & garden vegetables with a roasted garlic vinaigrette.		

Secondi Piatti

	Chicken	Veal
Marsala *Chicken or veal in a rich mushroom & marsala wine sauce.*	$12.99	$14.99
Piccatta *Chicken or veal scallopine in a lemon & caper sauce.*	$12.99	$14.99
Parmesan *Breaded chicken or veal with melted mozzarella & tomato sauce. Served with linguini.*	$12.99	$14.99
Chicken Franchese *Battered & lightly fried in a lemon & butter sauce.*	$12.99	
Chicken Romano *Romano & parmesan crusted chicken in our picatta sauce.*	$14.99	
Veal Saltimbocca *Veal scallopine with spinach, prosciutto & melted mozzarella with marsala sauce.*		$14.99
Shrimp Scampi *Jumbo shrimp in our butter & lemon scampi sauce with linguini.*	$13.99	
Shrimp Parmesan *Jumbo shrimp breaded & topped with tomato sauce & mozzarella cheese over linguini.*	$13.99	
Grilled Salmon *Basted in our Italian marinade or sundried tomato piccatta*	*$14.99*	
Eggplant Parmesan *Breaded eggplant with parmesan & mozzarella cheeses & marinara.*	$10.99	

CITY COUNCIL REPORT

MEETING DATE: June 3, 2003 ITEM NO. 5 GOAL: Preserve Character and Environment

SUBJECT

Beer/Wine Store Liquor License Request for Circle K #6347
29-LL-2003

REQUEST

To consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a series 10 (beer/wine store) State liquor license for the former Kicks 66 convenience store, which also operated under a series 10 (beer/wine store) liquor license.

OWNER

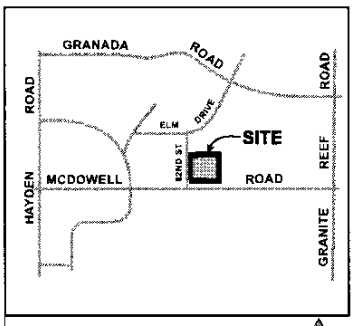
Circle K Stores Inc.

APPLICANT CONTACT

Kim Kenneth Kwiatkowski
480-874-4114

LOCATION

8202 E. McDowell Rd.



General Location Map N.T.S. N

BACKGROUND

This site is zoned C-S (Shopping Center District).
This request is for a new series 10 (beer/wine store) liquor license for an existing convenience store location. This request is due to a change of business ownership. The establishment previously operated with a series 10 (beer/wine store) liquor license under the business name Kicks 66.
The distance to the nearest school, Hohokam Elementary, is 2000 ft.
The distance to the nearest church, Mosaic Bible Church, is 1100 ft.
There are 11 liquor licenses within a one half mile radius of this location.

APPLICANT'S PROPOSAL

Goal/Purpose of Request.
The applicant is seeking a favorable recommendation on a series 10 liquor license. The applicant has maintained the required posting notice for the State mandated 20-day period.

IMPACT ANALYSIS

Police/Fire. The Police Department has conducted a review and recommends approval of this case.

Financial Services. Revenue Collection has reported that the applicant has met City licensing requirements and all fees have been paid.

(Continued)

Parking. Planning and Development Services has conducted a review of the parking requirements. There are no interior modifications or changes intended for this establishment. Parking is in compliance with the zoning ordinance.

Development Information. This establishment is 3885 sq. ft.

Maricopa County. Maricopa County Environmental Health has reviewed this application and reported no opposition to this case.

Community involvement. No petitions or protests have been filed with the City Clerk during the 20 (twenty) day posting period.

OPTIONS AND STAFF RECOMMENDATION

City Council has the option of recommending approval or denial to the Arizona Department of Liquor Licenses and Control.

Recommended Approach: The review of this application has shown that it meets zoning, parking, and public safety requirements.
Staff recommends approval.

Proposed Next Steps: The City Council's recommendation of approval or denial will be forwarded to the Department of Liquor Licenses and Control for their consideration. If the application is approved by the Department of Liquor Licenses and Control, the applicant should receive their license from the State within 15 days.

RESPONSIBLE DEPT(S)

Planning and Development Services Department

STAFF CONTACT(S)

Jeff Fisher
Plan Review and Permit Services Director
480-312-7619
E-mail: Jfisher@ScottsdaleAZ.Gov

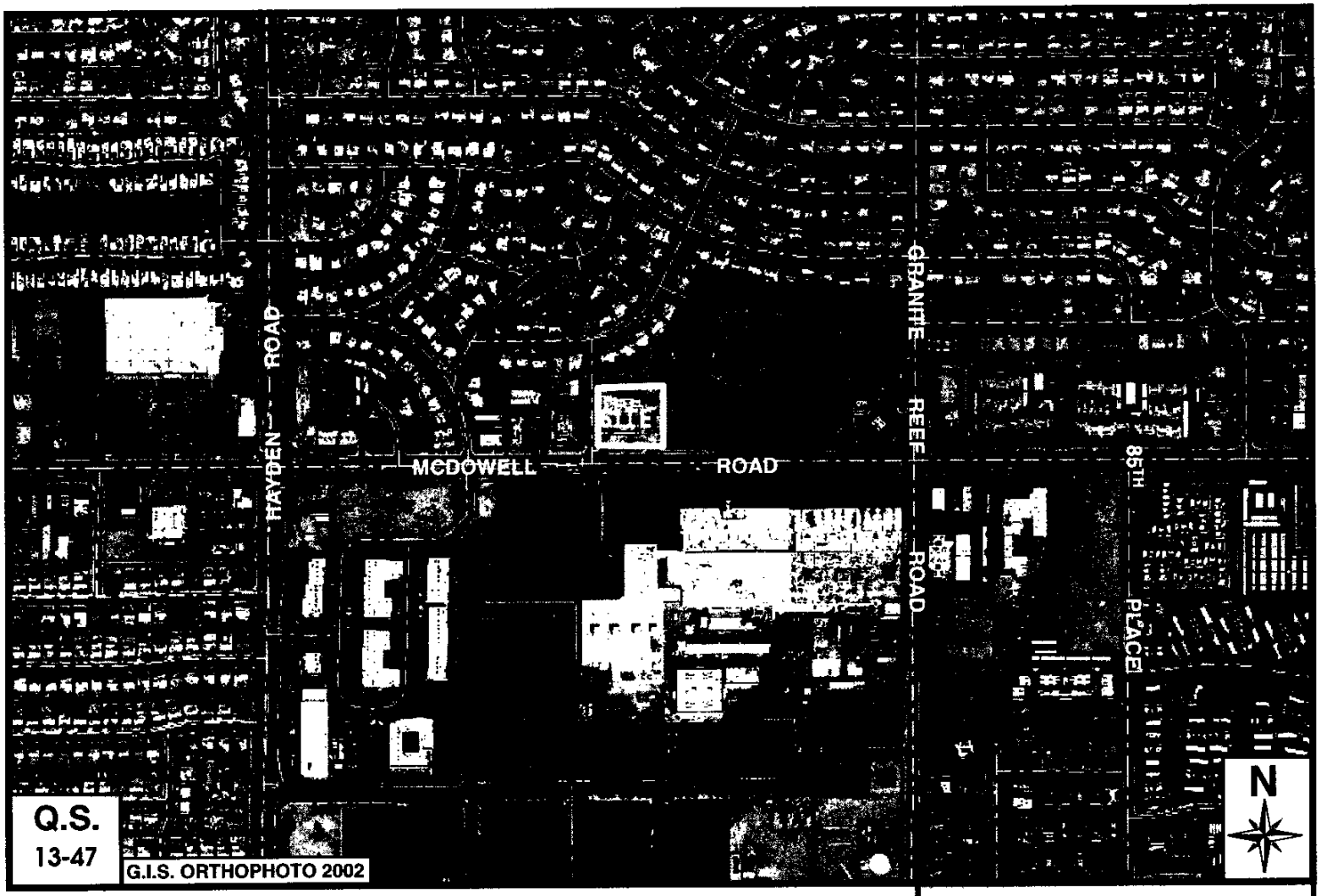
APPROVED BY

Kroy Ekblaw — Date
Planning and Development Services General Manager

Ed Gawf — 5/14/03
Ed Gawf — Date
Deputy City Manager

ATTACHMENTS

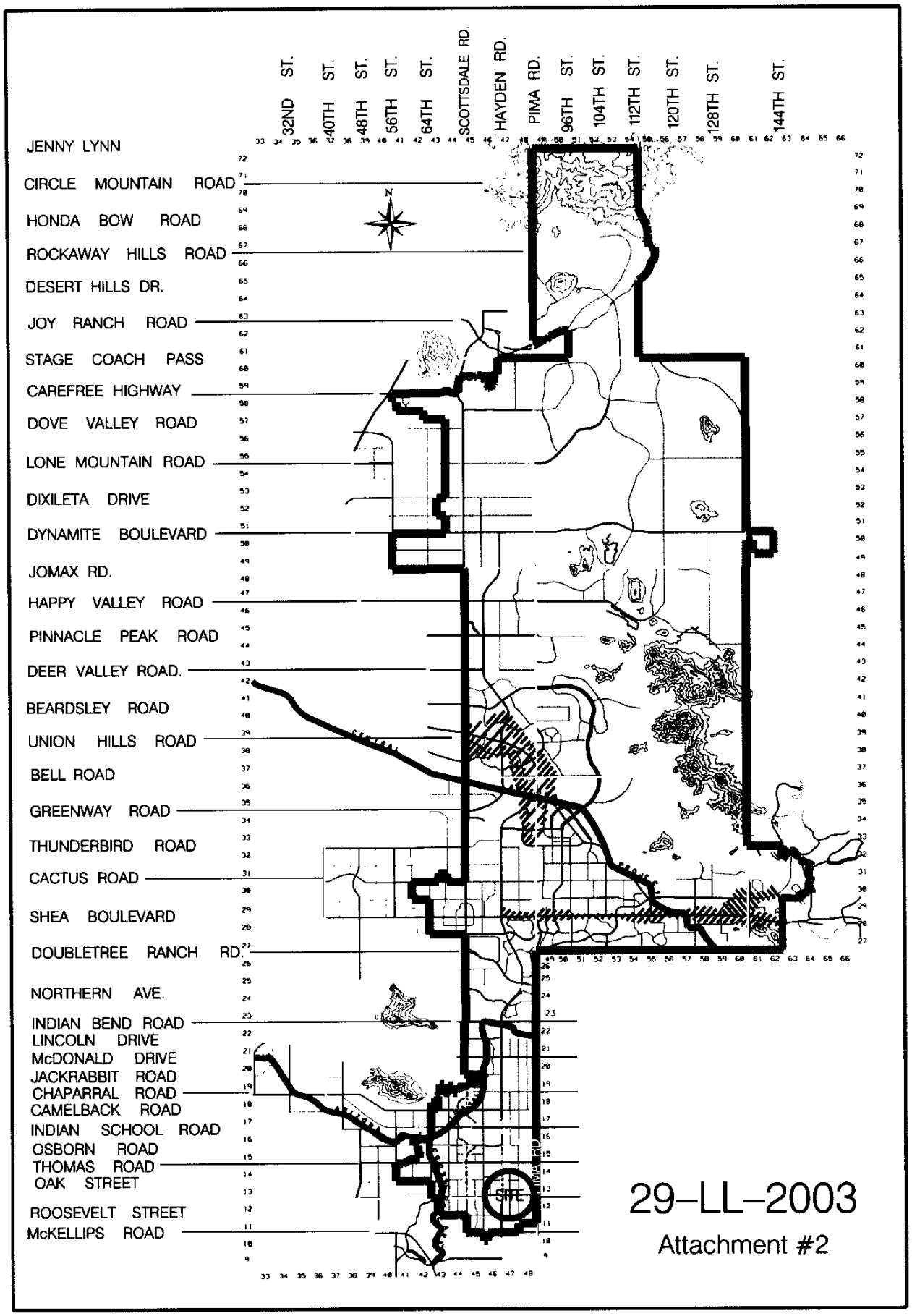
#1: Aerial Map
#2: Vicinity Map
#3 Graphic – Liquor license locations within ½ mile
#4: Application



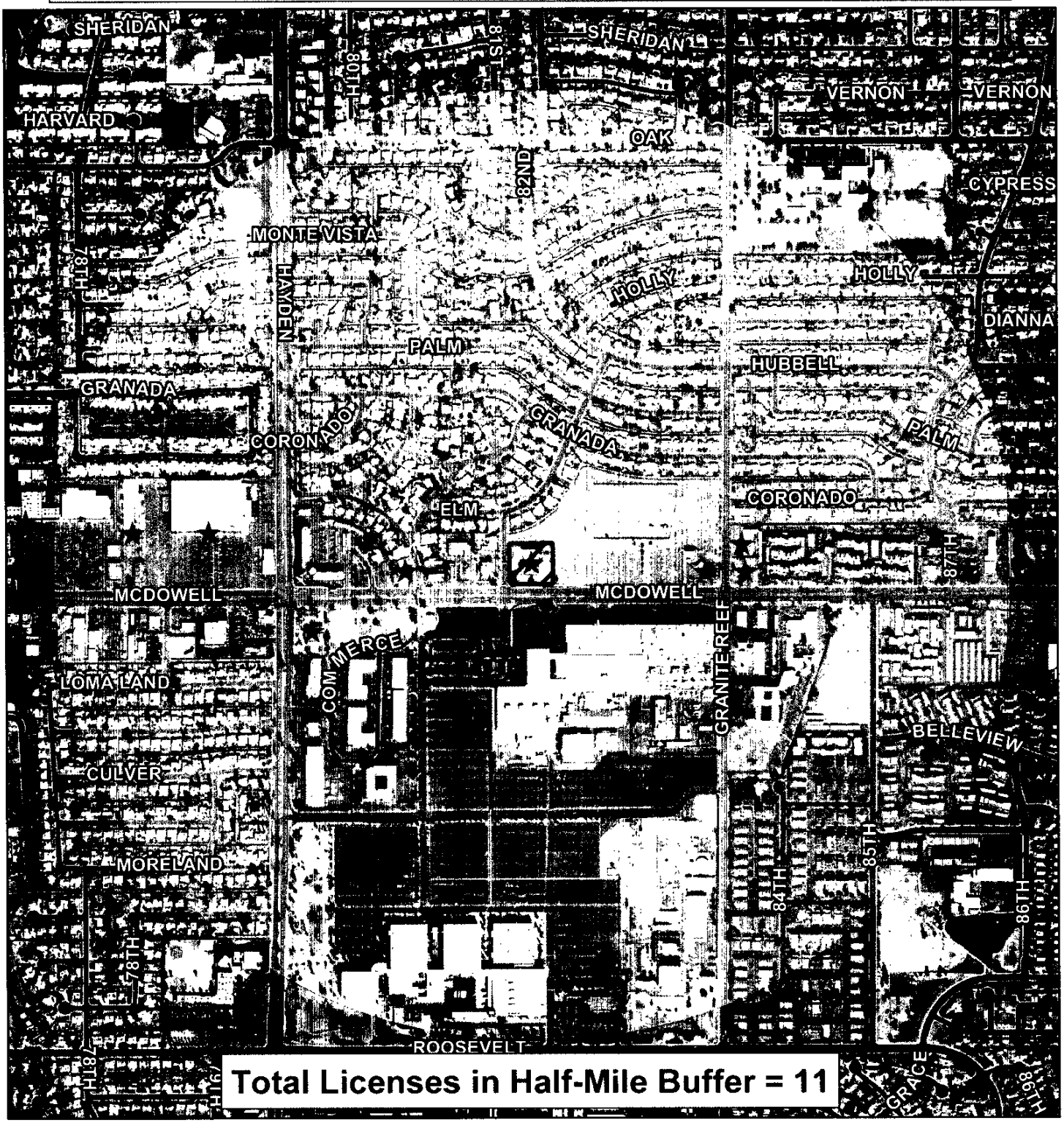
Circle K Store # 6347

29-LL-2003

ATTACHMENT #1


32ND ST.
40TH ST.
48TH ST.
56TH ST.
64TH ST.
SCOTTSDALE RD.
HAYDEN RD.
PIMA RD.
96TH ST.
104TH ST.
112TH ST.
120TH ST.
128TH ST.
144TH ST.
JENNY LYNN
CIRCLE MOUNTAIN ROAD
HONDA BOW ROAD
ROCKAWAY HILLS ROAD
DESERT HILLS DR.
JOY RANCH ROAD
STAGE COACH PASS
CAREFREE HIGHWAY
DOVE VALLEY ROAD
LONE MOUNTAIN ROAD
DIXILETA DRIVE
DYNAMITE BOULEVARD
JOMAX RD.
HAPPY VALLEY ROAD
PINNACLE PEAK ROAD
DEER VALLEY ROAD.
BEARDSLEY ROAD
UNION HILLS ROAD
BELL ROAD
GREENWAY ROAD
THUNDERBIRD ROAD
CACTUS ROAD
SHEA BOULEVARD
DOUBLETREE RANCH RD.
NORTHERN AVE.
INDIAN BEND ROAD
LINCOLN DRIVE
McDONALD DRIVE
JACKRABBIT ROAD
CHAPARRAL ROAD
CAMELBACK ROAD
INDIAN SCHOOL ROAD
OSBORN ROAD
THOMAS ROAD
OAK STREET
ROOSEVELT STREET
McKELLIPS ROAD
PIMA RD.
SITE
29–LL–2003
Attachment #2

Liquor Licenses Within A Half-Mile Radius of 8202 E McDowell Road.



0 312.5 625 1,250 1,875 2,500 Feet

1 inch equals 767.80 feet

N

Liquor Licenses.mxd
Printed: 04/30/2003
Created By: Brian Hancock
Source: City of Scottsdale, State of Arizona Dept. of Liquor Licenses and Control.

CITY OF SCOTTSDALE

29-LL-2003

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

29-LC 2003 APR -2 P 2:17 DEPT OF LIQUOR

APPLICATION FOR LIQUOR LICENSE

TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

RECEIVED APR 1 2003 CITY OF SCOTTSDALE DEVELOPMENT SERVICES

SECTION 1 This application is for a:

- ☐ INTERIM PERMIT *Complete Section 5*
- ☒ NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16, 17*
- ☐ PERSON TRANSFER (Bars & Liquor Stores ONLY) *Complete Sections 2, 3, 4, 11, 13, 15, 16, 17*
- ☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY) *Complete Sections 2, 3, 4, 12, 13, 15, 16, 17*
- ☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREE *Complete Sections 2, 3, 4, 9, 13, 15, 17* (fee not required)
- ☐ GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16, 17*

SECTION 2 Type of ownership:

- ☐ J.T.W.R.O.S. *Complete Section 6*
- ☐ INDIVIDUAL *Complete Section 6*
- ☐ PARTNERSHIP *Complete Section 6*
- ☒ CORPORATION *Complete Section 7*
- ☐ LIMITED LIABILITY CO. *Complete Section 7*
- ☐ CLUB *Complete Section 8*
- ☐ GOVERNMENT *Complete Section 10*
- ☐ TRUST *Complete Section 6*
- ☐ OTHER Explain _____

SECTION 3 Type of license and fees: LICENSE #: 10074536

1. Type of License: BEER/WINE 2. Total fees attached: $ 100.00

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

SECTION 4 Applicant: (All applicants must complete this section)

1. Applicant/Agent's Name: Mr. Ms. Kwiatkowski (Last) Kim (First) Kenneth (Middle)
(Insert one name ONLY to appear on license)
2. Corp./Partnership/L.L.C.: Circle K Stores Inc.
(Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: Circle K Store # 6347 B10238162
(Exactly as it appears on the exterior of premises)
4. Business Address: 8202 E. McDowell Rd (Do not use PO Box Number) Scottsdale (City) Maricopa (COUNTY) 85257 (Zip)
5. Business Phone: (480) 874-4114 Residence Phone: ([redacted])
6. Is the business located within the incorporated limits of the above city or town? ☒YES ☐NO
7. Mailing Address: P.O. Box 52085 DC-36 Phoenix (City) AZ (State) 85072-2085 (Zip)
8. Enter the amount paid for a 06, 07, or 09 license: $ _____.____ (Price of License ONLY)

DEPARTMENT USE ONLY

Accepted by: CB Date: 4-10-03 Lic. # 10074536

Fees:	Application	Interim Permit	Agent Change	Club	F. Prints	$ TOTAL
	100-					100-

PROCESSING APPLICATIONS TAKES APPROXIMATELY 90 DAYS, AND CIRCUMSTANCES OFTEN RESULT IN A LONGER WAITING PERIOD. YOU ARE CAUTIONED REGARDING PLANS FOR A GRAND OPENING, ETC., BEFORE FINAL APPROVAL AND ISSUANCE OF THE LICENSE.

LIC 0100 11/2000

***Disabled individuals requiring special accommodation, please call (602) 542-9027.**

SECTION 5 Interim Permit:

1. If you intend to operate business while your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There MUST be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. _____
4. Is the license currently in use? ☐ YES ☐ NO If no, how long has it been out of use? _____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, _____ (Print full name), declare that I am the CURRENT LICENSEE of the stated license and location . I have read this application and the contents and all statements are true, correct and complete.

X_____ (Signature)

State of _____ County of _____
The foregoing instrument was acknowledged before me this

_____ day of _____, _____.
Day of Month Month Year

My commission expires on: _____

_____ (Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Residence Address	City State Zip
			%		

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Residence Address	City State Zip
☐ ☐				%		
☐ ☐				%		
☐ ☐				%		
☐ ☐				%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☐ NO

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

☒ CORPORATION *Complete questions 1, 2, 3, 5, 6, 7, 8.*
☐ L.L.C. *Complete questions 1, 2, 4, 5, 6, 7 and attach copy of Articles of Org. and Operation Agreement.*

1. Name of Corporation/L.L.C.: Circle K Stores Inc.
(Exactly as it appears on Articles of Inc. or Articles of Org.)

2. Date Incorporated/Organized: 5/4/51 State where Incorporated/Organized: Texas

3. AZ Corporation Commission File No.: F-006598-0 Date authorized to do business in AZ: 5/4/51

4. AZ L.L.C. File No: _____ Date authorized to do business in AZ: _____

5. Is Corp./L.L.C. non-profit? ☐ YES ☒ NO If yes, give IRS tax exempt number: _____

6. List all directors/officers in Corporation/L.L.C.:

Last	First	Middle	Title	Residence Address	City State Zip
Holthe	David	Brian	Pres.	[redacted]	
Murphy	Paul	F	V Pres	[redacted]	[redacted]
Waldschmidt	David	Alan	V Pres/ Asst Sec	[redacted]	[redacted]
Kwiatkowski	Kim	Kenneth	Asst Sec	[redacted]	[redacted]

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders or controlling members owning 10% or more:

Last	First	Middle	% Owned	Residence Address	City State Zip
SEE ATTACHED BELOW CHART			%		
			%		
			%		
			%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach an ownership, and director/officer/members disclosure for the parent entity. Attach additional sheets as necessary in order to disclose real people.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
(Exactly as it appears on Club Charter) (Attach a copy of Club Charter)

2. Is club non-profit? ☐ YES ☐ NO If yes, give IRS tax exempt number: _____

3. List officer and directors:

Last	First	Middle	Title	Residence Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

SECTION 9 **Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store:**

1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle

2. Assignee's Name: _____
Last First Middle

3. License Type: _____ License Number: _____ Date of Last Renewal: _____

4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 **Government: (for cities, towns, or counties only)**

1. Person to administer this license: _____
Last First Middle

2. Assignee's Name: _____
Last First Middle

A SEPARATE LICENSE MUST BE [redacted] PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION [redacted] Transfer: [redacted]

Questions [redacted] or Stores ONLY).

1. Current [redacted] _____ Entity: _____
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: _____
(Exactly as it appears on license)

3. Current Business Name: _____
(Exactly as it appears on license)

4. Current Business Address: _____

_____

5. License Type: _____ License Number: _____ Last Renewal Date: _____

6. Current Mailing Address (other than business): _____

_____

7. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☐ YES ☐ NO

8. Does the applicant intend to operate the business while this application is pending? ☐ YES ☐ NO If yes, complete section 5, attach fee, and current license to this application.

9. I hereby relinquish my rights to the above described license to the applicant named in this application and hereby declare that the statements made in this section are true, correct and complete.

I, _____, declare that I am the CURRENT LICENSEE of the stated license. I have read this
(Print full name)
application and the contents and all statements are true, correct and complete.

X_____
(Signature of CURRENT LICENSEE)

State of _____ County of _____
The foregoing instrument was acknowledged before me this
_____ day of _____, _____.
Day of Month Month Year

My commission expires on: _____

_____
(Signature of NOTARY PUBLIC)

2003 APR -2 P 2:11

DEPT OF LIQUOR

CIRCLE K STORES INC.

Corporate Structure as of January 01, 2003

ConocoPhillips (Delaware 11/16/2001)
TIN 01-0562944
Publicly Traded (NYSE "COP") — David Holthe V.P
No ownership of stock greater than 5%
Created by ConocoPhillips merger on August 30, 2002

ConocoPhillips Company (Delaware 06/13/1917)
(formerly PHILLIPS PETROLEUM COMPANY, name changed 12/31/2002)
TIN 73-0400345 David Holthe VP
100 % owned by ConocoPhillips
Merged with Conoco on August 30, 2002, creating new ConocoPhillips

THE CIRCLE K CORPORATION (Delaware 02/26/1993)
(formerly "Circle K Holdings", name changed 01/25/1995)
TIN 13-3721829 David Holthe Pres.
100 % owned by ConocoPhillips Company
Purchased by Tosco on May 30, 1996 (Tosco merged into ConocoPhillips 01/01/2003)

CIRCLE K STORES INC. (Texas 06/08/1951)
TIN 74-1149540 David Holthe Pres
100 % owned by The Circle K Corporation
Circle K Stores Inc. operates retail convenience markets with gasoline sales.
These operations will continue under Circle K Stores Inc.

#6

Circle K Stores Inc.
Texas 6/8/51
Charter No. 001069772
FIN# 74-1149540

additional Officers of Circle K Stores Inc

Name	OFFICE	ADDRESS
Kathryn A. Krecke	Vice President and Secretary	11215 N. 27th Pl, Phoenix, AZ 85028
Charles M. Parker	Vice President	10735 E Mark Ln., Scottsdale, AZ 85255

SECRETARY'S CERTIFICATE

I, the undersigned, Kim Kwiatkowski, Assistant Secretary of Circle K Stores Inc.,, a corporation organized and existing under and by virtue of the laws of the state of Texas (the "Corporation"), hereby certify as follows:

1. As Assistant Secretary, I am authorized to execute and deliver this Certificate on behalf of the Corporation.

2. The following persons have been elected to the offices set opposite their names to serve until their successors shall be elected and qualified:

David B. Holthe	President
Paul F. Murphy	Vice President & Treasurer
Kathryn A Krecke	Vice President & Secretary
Charles M. Parker	Vice President
David A. Waldschmidt	Vice President & Assistant Secretary
Kim Kwiatkowski	Assistant Secretary

3. The following persons have been elected as directors until their successors shall be elected and qualified:

David B. Holthe	Director
Paul F. Murphy	Director
Charles M. Parker	Director

IN WITNESS WHEREOF, I have hereunto set my hand as Assistant Secretary and affixed the corporate seal of said Corporation this 2nd day of December 2002.

Assistant Secretary
Circle K Stores Inc.

CIRCLE K STORES INC. SEAL TEXAS

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

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

1. Current Business Name and Address: _____
(Exactly as it appears on license)

2. New Business Name and Address: _____
(Do not use PO Box Number)

03 APR -2 P 2:17
DEPT OF LIQUOR

3. License Type: _____ License Number: _____ Last Renewal Date: _____

4. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants:

1. Distance to nearest school: .6 mi ft. Name/Address of school: Hohokam Elementary School
(Regardless of distance) 8457 E. Oak St Scottsdale 85257

2. Distance to nearest church: .2 mi ft. Name/Address of church: Mosaic Bible Church
(Regardless of distance) 8010 E. McDowell Rd Scottsdale 85257

3. I am the: ☐ LESSEE ☐ SUBLESSEE ☒ OWNER ☐ PURCHASER (of premises)

4. If the premises is leased give lessors name and address: —

4a. Monthly rental/lease rate $ —. What is the remaining length of the lease? — yrs. ____ mos.

4b. What is the penalty if the lease is not fulfilled? $ — or other —
(give details - attach additional sheet if necessary)

5. What is the total **business** indebtedness of the applicant for this license/location excluding lease? $ —

Does any one creditor represent more than 10% of that sum? ☐ YES ☒ NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City	State	Zip
—							

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) retail convenience store.

7. Has a license, or a transfer license for the premises on this application been denied by the state within the past one (1) year?
☐ YES ☒ NO If yes, attach explanation.

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

9. Is the premises currently licensed with a liquor license? ☒ YES ☐ NO If yes, give license number and licensee's name:
License # 10073935 (Exactly as it appears on license) Name Kenneth Joseph Zarnowiec.

SECTION 14 Restaurant, or Hotel-Motel Applicants:

1. Is there a valid restaurant or hotel-motel license at the proposed location? ☐ YES ☐ NO If yes, give licensee's name:

   _____ and license #: _____
   Last First Middle

2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. Section 4-203.01; and complete Section 5 of this application.
3. All restaurant applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor.
4. Do you understand that **40% of your annual gross revenue** must be from food sales? ☐ YES ☐ NO

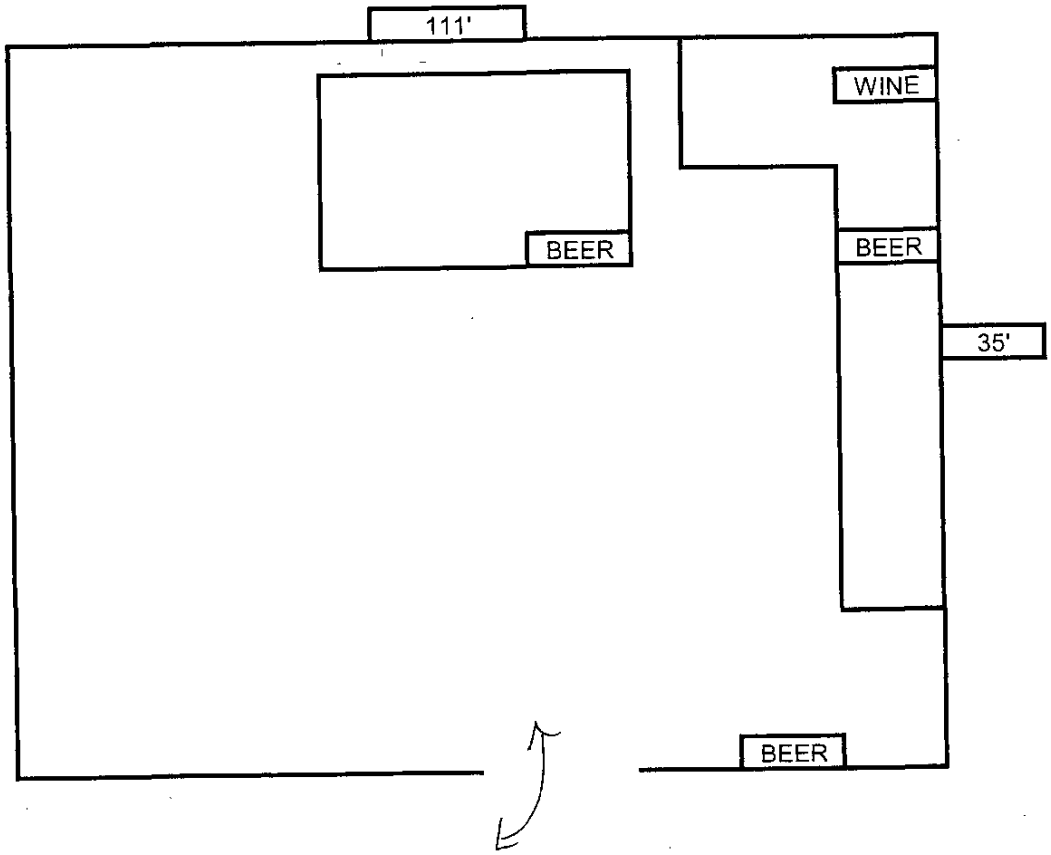
SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

1. Check ALL boxes that apply to your licensed premises:

   ☒ Entrances/Exits ☒ Liquor storage areas
   ☐ Drive-in windows ☐ Patio enclosures
   ☐ Service windows ☐ Under construction: estimated completion date _____

2. Restaurants and Hotel/Motel applicants must explicitly depict kitchen equipment and dining facilities.
3. The diagram below is the only area where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored. Give the square footage or outside dimensions of the licensed premises.

DO NOT INCLUDE PARKING LOTS, LIVING QUARTERS, ETC.



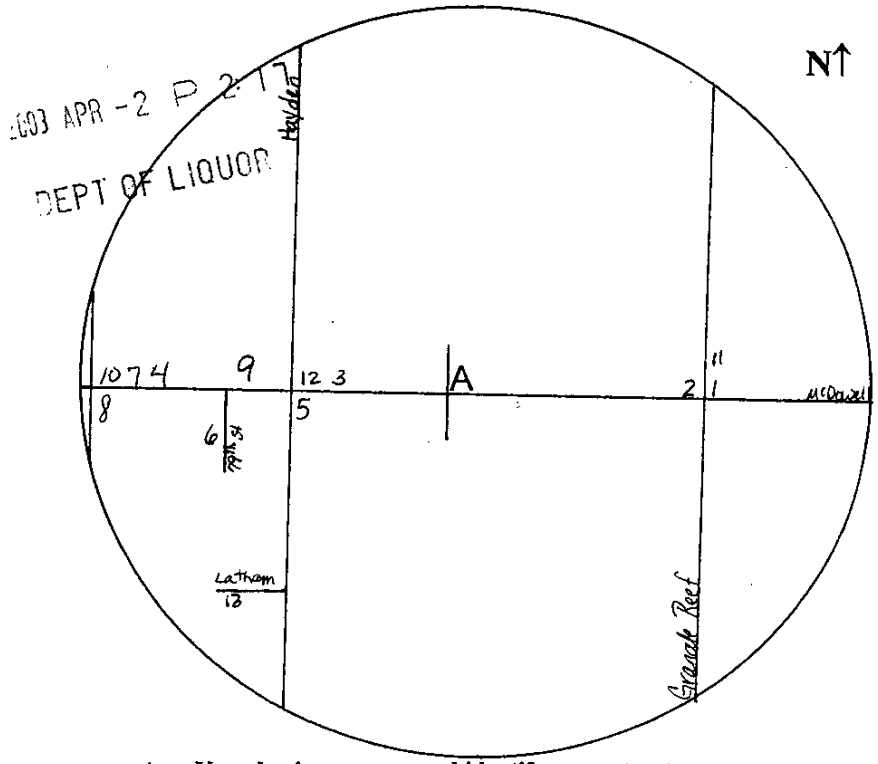
YOU MUST NOTIFY THE DEPARTMENT OF LIQUOR OF ANY CHANGES OF BOUNDARIES, ENTRANCES, EXITS, OR SERVICE WINDOWS MADE AFTER SUBMISSION OF THIS DIAGRAM.

SECTION 16 **Geographical Data:** **A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.**

List below the exact names of all churches, schools, and spirituous liquor outlets within a one half mile radius of your proposed location.

1. 7-Eleven
2. AM/PM ARCO
3. Bogie's
4. China Gate Restaurant
5. Circle K #8557
6. DAV #22
7. Fry's Food & Drug
8. INNSuITES Hotels
9. K-Mart
10. New China Gate
11. Plaza III
12. Mosaic Bible Church
13. St. Daniel's Catholic Church
14.
15.

(ATTACH ADDITIONAL SHEET IF NECESSARY)



A = Your business name and identify cross streets.

SECTION 17 **Signature Block:**

I, Kim K. Kwiatkowski, declare that: 1) I am the APPLICANT (Agent/Club Member/Partner), making this
(Print name of APPLICANT/AGENT listed in Section 4 Question 1)
application; 2) I have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

X _____ (Signature)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
10 day of March, 2003.
Day of Month Month Year

My commission expires on: _____

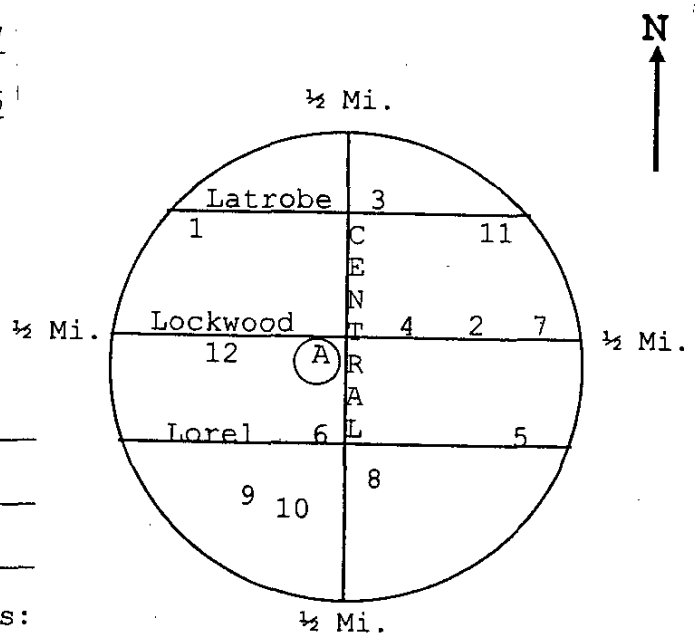
_____ (Signature of NOTARY PUBLIC)

SAMPLE

GEOGRAPHICAL DATA

In the area adjacent to the map provided below indicates your proposed location and the exact names of all churches, schools, and alcoholic beverage outlets within a 1/2 mile radius of your proposed location.
(See example below)

A = Applicant	Series 12
01 Pink Elephants	Series 06
02 Mama's Rest.	Series 12
03 Corner Liquors	Series 09
04 Joe's Groceries	Series 10
05 Lions Club	Series 14
06 Burgers R Us	Series 07
07 Pizza Perfect	Series 07
08 Billy Bobs Bar	Series 06
09 St. Anthonys Church	
10 St. Anthonys School	
11 Burbank Middle School	
12 First United Baptist Church	
13	
14	
15	



A.R.S. Section 4-207.A reads as follows:

A. No retailers license shall be issued for any premises which are. at the time the license application is received by the Director, within three hundred(300) horizontal feet of a church, within three hundred(300) horizontal feet of a public or private school building with kindergarten programs or any of grades one(1) through twelve(12). or within three hundred(300) horizontal feet of a fenced recreational area adjacent to such school building.

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

2003 APR -2 P 2:17

Read Carefully, this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

DEPT OF LIQUOR

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

1. Check appropriate box →

☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☒ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager	☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Kwiatkowski (Last) Kim (First) Kenneth (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Numb[redacted] Drivers License #[redacted] State: AZ
(This Will Not Become a Part of Public Records)

4. Place of Birth: Mesa (City) AZ (State) USA (Country) Height: 5'11" Weight: 200 Eyes: Brn Hair: Brn

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: ([redacted]

6. Name of Current or Most Recent Spouse: Kwiatkowski (Last) Janie (First) H. (Middle) Noga (Maiden) Date of Birt[redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? AZ If Arizona, date of residency: 7/1/52

8 Telephone number to contact you during business hours for any questions regarding this document. ([redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Circle K #6347 Premises Phone: (480) 874-4114

11. Licensed Premises Address: 8202 E. McDowell Rd (Street Address) Scottsdale (City) Maricopa (County) 85257 (Zip) Liquor License # _____ (If this location is currently licensed)
(Do not use PO Box #)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. **List most recent 1st.**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
4/94	CURRENT	Licensing Manager	Circle K Stores Inc. 1500 N. Priest Dr. Tempe AZ 85281

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↕

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
9/90	CURRENT	[redacted]	[redacted]	[redacted]	

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, **answer #14a below**. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you **EVER** been ***detained, cited, arrested, indicted or summoned*** into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

16. Have you **EVER** been ***convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole*** for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor ***APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined*** in this or any other state? ☒ YES ☐ NO
See Attached

19. Has anyone **EVER** ***filed suit or obtained a judgment against you*** in a civil action, the subject of which involved ***fraud or misrepresentation of a business, professional or liquor license***? ☐ YES ☒ NO

20. Are you **NOW** [redacted] **EVER** held ownership, been a controlling person , been an officer, member, director, or manager on ***any other liquor license*** in this or any other state? ☒ YES ☐ NO
Only as an officer of Circle K Stores Inc.

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. [redacted]nded a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business?
[redacted] ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Kim Kenneth Kwiatkowski, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X_____
(Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
29 day of January 2003.
Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (**Print** Licensee/Agent's Name): _____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted]

X_____
(Signature of LICENSEE/AGENT)

State of_____ County of_____
The foregoing instrument was acknowledged before me this
_____ day of _____, _____
Day of Month Month Year

My commission expires on:_____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

READ CAREFULLY, THIS INSTRUMENT IS A SWORN DOCUMENT — TYPE OR PRINT WITH BLACK INK

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

1. **Check appropriate box** ☒ **Owner, Agent, Partner, Stockholder, Member or Officer** (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager ☐ **Manager(Only)** (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Murphy (Last) Paul (First) F. (Middle) Date of Birth: [redacted] (This will not become a part of Public Records)

3. Social Security Number [redacted] (This Will Not Become a Part of Public Records) Drivers License #: [redacted] State: AZ

4. Place of Birth: Gander (City) NewFoundland (State) Canada (Country) Height: 6'2" Weight: 195 Eyes: Brn Hair: Brn

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: ([redacted]

6. Name of Current or Most Recent Spouse: Murphy (Last) Lynette (First) A. (Middle) Neukirch (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: 12/79

8 Telephone number to contact you during business hours for any questions regarding this document. ([redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Circle K #6347 Premises Phone: [redacted]4114

11. Licensed Premises Address: 8202 E. McDowell Rd (Street Address) Scottsdale (City) Maricopa (County) 85257 (Zip) Liquor License # (If this location is currently licensed)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. **List most recent 1st.**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
1/00	CURRENT	Vice President	Circle K Stores Inc. 1500 N. Priest Dr., Tempe, AZ 85281
7/97	1/00	Controller	Circle K Stores Inc. 1500 N. Priest Dr., Tempe, AZ 85281
11/93	7/97	Director of Financial Reporting	Circle K Stores Inc. 1500 N. Priest Dr., Tempe, AZ 85281

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↕

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
4/87	CURRENT	[redacted]	[redacted]	[redacted]	[redacted]

Disabled individuals requiring special accommodations please call (602) 542-9051

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, **answer #14a below**. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you **EVER** been ***detained, cited, arrested, indicted or summoned*** into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

16. Have you **EVER** been ***convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole*** for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor ***APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined*** in this or any other state? See Attached List ☒ YES ☐ NO

19. Has anyone **EVER** ***filed suit or obtained a judgment against you*** in a civil action, the subject of which involved ***fraud or misrepresentation of a business, professional or liquor license***? ☐ YES ☒ NO

20. Are you **NO[redacted]** you **EVER** held ownership, been a controlling person , been an officer, member, director, or manager on ***any other liquor license*** in this or any other state? Only as an officer of Circle K Stores Inc. ☒ YES ☐ NO

If any answer to Questions 15 throu[redacted]" YOU MUST attach a sign[redacted]ing complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If[redacted]o #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

[redacted]

24. I, Paul F. Murphy, hereby declare that I am the APPLICANT filing this questionnaire.
([redacted] Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X Paul F. Murphy
(Signature of Applicant)

OFFICIAL SEAL
LINDA HODGINS
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires April 26, 2004

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 24th day of January, 2003.
(Day of Month) (Month) (Year)

My commission expires on: 26 April 2004
(Day of Month) (Month) (Year)

Linda Hodgins
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (**Print** Licensee/Agent's Name): _____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted]

State of_____ County of_____
The fore[redacted]knowledged before me this

X_____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) (Day of Month) (Month) (Year)

My commission expires on:_____ _____
(Day of Month) (Month) (Year) (Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully, this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

1. Check appropriate box →

☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☒ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager	☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Holthe (Last) David (First) Brian (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License #: [redacted] State: AZ
(This Will Not Become a Part of Public Records)

4. Place of Birth: Hopkins (City) MN (State) USA (Country) Height: 5'10" Weight: 170 Eyes: Hzl Hair: Blnd

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: Holthe (Last) Colleen (First) Michelle (Middle) Gray (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? AZ If Arizona, date of residency: 7/86

8 Telephone number to contact you during business hours for any questions regarding this document. [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Circle K #6347 Premises Phone: (480) 874-4114

11. Licensed Premises Address: 8202 E. McDowell Rd (Street Address (Do not use PO Box #)) Scottsdale (City) Maricopa (County) 85257 (Zip) Liquor License # _____ (If this location is currently licensed)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. **List most recent 1st.**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
7/01	CURRENT	President	Circle K Stores Inc. 1500 N. Priest Dr. Tempe AZ 85281
1/00	7/01	Vice President of Company Operations	Circle K Stores Inc. 1500 N. Priest Dr. Tempe AZ 85281
2/93	1/00	V.P. Finance & Planning Budgeting & Fin. Analysis	Circle K Stores Inc. 1500 N. Priest Dr. Tempe AZ 85281

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↕

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
4/98	CURRENT	[redacted]	[redacted]		
3/95	3/98	15431 S. 16th Ave.	Phoenix	AZ	85045
5/90	3/95	12231 N. 19th St.	Phoenix	AZ	85292

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, **answer #14a below**. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO

If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you **EVER** been ***detained, cited, arrested, indicted or summoned*** into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** Received DUI citation from Phoenix PD in 1992 Charges were dropped before any appearance date. ☒ YES ☐ NO

16. Have you **EVER** been ***convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole*** for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor ***APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined*** in this or any other state? See Attached ☒ YES ☐ NO

19. Has anyone **EVER** ***filed suit or obtained a judgment against you*** in a civil action, the subject of which involved ***fraud or misrepresentation of a business, professional or liquor license***? ☐ YES ☒ NO

20. Are you **NOW** or have you **EVER** held ownership, been a controlling person , been an officer, member, director, or manager on ***any other liquor license*** in this or any other state? Only as an officer of Circle K Stores Inc. ☒ YES ☐ NO

If any answer to Questions 15 thro[redacted] "YES" YOU MUST attach a si[redacted] giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO

[redacted] to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? [redacted] ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, David Brian Holthe, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X David B. Holthe
(Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 12th day of February, 2003.
(Day of Month, Month, Year)

OFFICIAL SEAL
LINDA HODGINS
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires April 26, 2004

Linda Hodgins
(Signature of NOTARY PUBLIC)

My commission expires on: _____
(Day of Month, Month, Year)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (**Print** Licensee/Agent's Name): _____
(Last, Middle, First)

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted]

X_____
(Signature of LICENSEE/AGENT)

State of_____ County of_____
[redacted] acknowledged before me this _____ day of _____, _____
(Day of Month, Month, Year)

My commission expires on:_____
(Day of Month, Month, Year)

_____
(Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully; this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

1. Check appropriate box →

☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☒ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager	☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Waldschmidt (Last) David (First) Alan (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] (This Will Not Become a Part of Public Records) Drivers License #: [redacted] State: AZ

4. Place of Birth: Ada (City) OK (State) USA (Country) Height: 6'2" Weight: 205 Eyes: Blue Hair: Grey

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: ([redacted]

6. Name of Current or Most Recent Spouse: Waldschmidt (Last) Ann (First) Margaret (Middle) Quinlan (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? AZ If Arizona, date of residency: 8/96

8 Telephone number to contact you during business hours for any questions regarding this document. ([redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Circle K #6347 Premises Phone: (480) 874-4114

11. Licensed Premises Address: 8202 E. McDowell Rd (Street Address (Do not use PO Box #)) Scottsdale (City) Maricopa (County) 85257 (Zip) Liquor License # _____ (If this location is currently licensed)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. **List most recent 1st.**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
6/94	CURRENT	Vice President and Assistant Secretary	Circle K Stores Inc. 1500 N. Priest Dr. Tempe AZ 85281
5/80	6/94	Attorney	Pacific Northern Oil Corporation 100 W. Harrison, Ste. 208, Seattle WA 98121

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↕

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
11/99	CURRENT	[redacted]	[redacted]	[redacted]	[redacted]
8/96	11/99	8265 E. Del Cadena Dr.	Scottsdale	AZ	85258
5/77	8/96	930 31st Ave. S	Seattle	WA	98144

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, **answer #14a below**. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you **EVER** been ***detained, cited, arrested, indicted or summoned*** into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

16. Have you **EVER** been ***convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole*** for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor ***APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined*** in this or any other state? ☒ YES ☐ NO
See Attached

19. Has anyone **EVER** ***filed suit or obtained a judgment against you*** in a civil action, the subject of which involved ***fraud or misrepresentation of a business, professional or liquor license***? ☐ YES ☒ NO

20. Are you [redacted] you **EVER** held ownership, been a controlling person , been an officer, member, director, or manager on ***any other liquor license*** in this or any other state? ☒ YES ☐ NO
Only as an officer of Circle K Stores Inc.

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. [redacted] attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? [redacted] ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, David Alan Waldschmidt, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X David Waldschmidt
(Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
28th day of January, 2003.
Day of Month Month Year

OFFICIAL SEAL
BARBARA A. HUNTER
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Aug. 11, 2005

My commission expires on: 8-11-2005
Day of Month Month Year

Barbara A. Hunter
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (**Print** Licensee/Agent's Name): _____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted]

State of [redacted] County of _____
[redacted] The foregoing instrument was acknowledged before me this

X_____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) Day of Month Month Year

My commission expires on:_____ _____
Day of Month Month Year (Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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QUESTIONNAIRE

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Read Carefully, this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # _____
(If the location is currently licensed)

1. Check appropriate box →

☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☒ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager	☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Krecke (Last) Kathryn (First) A (Middle) Date of Birth: [redacted]
(This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License #: [redacted] State: AZ
(This Will Not Become a Part of Public Records)

4. Place of Birth: Pontiac (City) MI (State) USA (Country) Height: 5'5" Weight: 125 Eyes: Gr Hair: Brn

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: Boundy (Last) Mark (First) N (Middle) _____ (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? AZ If Arizona, date of residency: 6/87

8 Telephone number to contact you during business hours for any questions regarding this document. ([redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Circle K #6347 Premises Phone: (480) 874-4114

11. Licensed Premises Address: 8202 E. McDowell Rd. (Street Address (Do not use PO Box #)) Scottsdale (City) Maricopa (County) 85257 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. **List most recent 1st.**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
3/95	CURRENT	V.P. & Sec. & Attorney	Circle K Stores Inc. 1500 N. Priest Dr. Tempe AZ 85281

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↕

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
10/88	CURRENT	[redacted]	[redacted]	[redacted]	[redacted]

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, **answer #14a below**. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you **EVER** been ***detained, cited, arrested, indicted or summoned*** into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

16. Have you **EVER** been ***convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole*** for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor ***APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined*** in this or any other state? see attached ☒ YES ☐ NO

19. Has anyone **EVER** ***filed suit or obtained a judgment against you*** in a civil action, the subject of which involved ***fraud or misrepresentation of a business, professional or liquor license***? ☐ YES ☒ NO

20. Are you **NOW** o[redacted]**EVER** held ownership, been a controlling person , been an officer, member, director, or manager on ***any other liquor license*** in this or any other state? Only as an officer of Circle K ☒ YES ☐ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. [redacted]nded a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? [redacted] ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Kathryn A. Krecke, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X [signature] (Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 7th day of March, 2003.
(Day of Month) (Month) (Year)

OFFICIAL SEAL
JOANNE R. MORGAN
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires Dec. 19, 2003

My commission expires on: 12-19-03
(Day of Month) (Month) (Year)

[signature] (Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (**Print** Licensee/Agent's Name): _____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted]

State of_____ County of_____
The [redacted]wledged before me this

X_____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) (Day of Month) (Month) (Year)

My commission expires on:_____
(Day of Month) (Month) (Year)

_____
(Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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QUESTIONNAIRE

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Liquor License # _____ (If the location is currently licensed)

1. Check appropriate box →

☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☒ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager	☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Parker (Last) Charles (First) M (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number [redacted] (This Will Not Become a Part of Public Records) Drivers License #: [redacted] State: AZ

4. Place of Birth: Las Cruces (City) NM (State) USA (Country) Height: 6'1" Weight: 200 Eyes: Bl Hair: Brn

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: Parker (Last) Barbara (First) R (Middle) O'Brien (Maiden) Date of Birth [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? AZ If Arizona, date of residency: 5/99

8 Telephone number to contact you during business hours for any questions regarding this document. [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Circle K #6347 Premises Phone: (480) 874-4114

11. Licensed Premises Address: 8202 E. McDowell Rd (Street Address) Scottsdale (City) Maricopa (County) 85257 (Zip)
(Do not use PO Box #)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. **List most recent 1st.**

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
6/01	CURRENT	V.P. & General Manager Company Operations	Circle K Stores Inc. 1500 N Priest Dr. Tempe AZ 85281
4/98	6/01	Director of Retail Mktg.	Circle K Stores Inc. 1500 N. Priest Dr. Tempe AZ 85281
5/96	4/98	Central Regional V.P.	Circle K Stores Inc. 1500 N. Priest Dr. Tempe AZ 85281

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↕

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
5/99	CURRENT	[redacted]	[redacted]	[redacted]	[redacted]
6/94	5/99	6417 Aden Lane	Austin	TX	78739

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, **answer #14a below**. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO

If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you **EVER** been ***detained, cited, arrested, indicted or summoned*** into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

16. Have you **EVER** been ***convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole*** for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? ***For traffic violations, include only those that were alcohol and/or drug related.*** ☐ YES ☒ NO

17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor ***APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined*** in this or any other state? see attached ☒ YES ☐ NO

19. Has anyone **EVER** ***filed suit or obtained a judgment against you*** in a civil action, the subject of which involved ***fraud or misrepresentation of a business, professional or liquor license***? ☐ YES ☒ NO

20. Are you **NOW** [redacted] **EVER** held ownership, been a controlling person , been an officer, member, director, or manager on ***any other liquor license*** in this or any other state? Only as an officer of Circle K ☒ YES ☐ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. Have [redacted] a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO

If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? [redacted] ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Charles M. Parker, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X_____ (Signature of Applicant)

OFFICIAL SEAL ELAINE NAGAI NOTARY PUBLIC MARICOPA COUNTY My Comm Expires August 22, 2004

State of Arizona County of Maricopa

The foregoing instrument was acknowledged before me this 18th day of March 2003.
(Day of Month, Month, Year)

My commission expires on: 22nd August 2004
(Day of Month, Month, Year)

Elaine Nagai
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (**Print** Licensee/Agent's Name): _____
(Last, Middle, First)

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted]

State of_____ County of_____

The fo[redacted]wledged before me this

X_____ (Signature of LICENSEE/AGENT)

_____ day of _____, _____
(Day of Month, Month, Year)

My commission expires on:_____
(Day of Month, Month, Year)

_____
(Signature of NOTARY PUBLIC)

#18

2002 12 AZ LIQUOR VIOLATIONS 2002

6 Involved CUB Operations (4 asked for ID - 2 did not)

6 Non-CUB Violations

Beginning with 2001, violation year will reflect AZ DOL year, the year they received the notice.

											Missing			
			Violations:	Dismissed	1st	2nd	3rd	4th	Total		Tams			
			Number of:	0	9	2	1	0	12		0	(@ $1,000.00 each)		
	10=B/W													
	09=L/B/W					12,125.00		count=	12					
MTH	LICENSE-NO.	STORE	ZONE	CITY	ST	AMT	1st,2nd...4th	TAM	V-DATE	AGENCY	CUB	ASK-ID	VIOLATION	EMPLOYEE
01-02	10-110012	2910	Z3123	Casa Grande	AZ	500.00	1st	Yes	12/09/2001	AZ DPS	CUB	Yes-ckd	Sold to minor	Lorena A Cazarez
03-02	09-030015	5922	Z3124	Flagstaff	AZ	500.00	1st	Yes	01/27/2002	Flagstaff PD	Observed	Yes-ckd	Sold to minor	Austin Harley Middleswart
03-02	09-070178	8696	Z3113	Phoenix	AZ	500.00	1st	Yes	02/28/2002	AZ DPS	CUB	Yes-ckd	Sold to minor	Gilbert M Paz
03-02	10-071106	8872	Z3113	Tolleson	AZ	2,250.00	2nd	na	02/28/2002	AZ DPS	CUB	NO	Sold to minor	Arlene Mura Frith
05-02	10-100078	785	Z3183	Tucson	AZ	2,000.00	2nd	na	03/14/2002	AZ DPS	CUB	Yes-ckd	Sold to minor	Steven E Santucci
07-02	09-020020	2946	Z3187	Sierra Vista	AZ	625.00	1st	Yes	05/17/2002	Cochise County	CUB	Yes-ckd	Sold to minor	Christopher Lee Portz
07-02	10-070250	2870	Z3151	Phoenix	AZ	250.00	1st	Yes	06/13/2002	AZ DOL	Observed	na	Consumption on premi	Harold Thompson (not cited)
07-02	09-070166	2889	Z3147	Phoenix	AZ	250.00	1st	Yes	06/30/2002	AZ DOL	Observed	na	Unsupervised clerk (18	Criselda Nunez (not cited)
07-02	10-073399	5547	Z3142	Phoenix	AZ	1,250.00	1st	NO	05/01/2002	AZ DPS	CUB	NO	Sold to minor	Travis Cory Berridge
07-02	10-110012	2910	Z2910	Casa Grande	AZ	750.00	1st	Yes	06/22/2002	AZ DOL	Observed	na	Intoxicated person	Paul Martinez (not cited)
09-02	10-071031	8841	Z3147	Phoenix	AZ	250.00	1st	?	07/26/2002	AZ DOL	Observed	na	Consumption on premi	Mandeep Singh
09-02	10.071538	5307	Z3163	Gilbert	AZ	3,000.00	3rd	na	07/26/2002	Gilbert PD	Observed	Yes-ckd	Sold to minor	Kylan Arnow Smith

RECEIVED FEB 27 2003 8:12 PM

2001 16 AZ LIQUOR VIOLATIONS 2001

10 Involved CUB Operations (4 asked for ID - 6 did not)

6 Non-CUB Violations

Beginning with 2001, violation year will reflect AZ DOL year, the year they received the notice.

											Missing			
		Violations:		Dismissed	1st	2nd	3rd	4th	Total		Tams			
		Number of:		1	5	8	2	0	16		0	(@ $1,000.00 each)		
	10=B/W													
	09=L/B/W					27,625.00		count=	16					
MTH	LICENSE-NO.	STORE	ZONE	CITY	ST	AMT	1st,2nd...4th	TAM	V-DATE	AGENCY	CUB	ASK-ID	VIOLATION	EMPLOYEE
01-01	10-101132	8648	Z3188	Tucson	AZ	500.00	1st	Yes	10/12/2000	Tucson PD	CUB	Yes-ckd	Sold to minor	Christopher Robin Adams
03-01	10-071538	5307	Z3161	Gilbert	AZ	625.00	1st	Yes	01/13/2001	Gilbert PD	CUB	Yes-none	Sold to minor	Ryan James White
03-01	09-070735	2803	Z3142	Phoenix	AZ	2,500.00	2nd	na	02/27/2001	AZ DPS	CUB	NO	Sold to minor	Jose Manuel Ramos
03-01	10-140017	1756	Z2671	Yuma	AZ	2,000.00	2nd	na	02/09/2001	AZ DPS	CUB	Yes-ckd	Sold to minor	Sulma Veronica Izabal & Edgar N
03-01	10-070177	828	Z3114	Phoenix	AZ	1,500.00	1st	Yes	04/13/2001	AZ DOL/PhxPD	Observed	na	Intoxicated person	Jennifer L Nieto & Jaime A Madrig
03-01	09-070077	5282	Z3167	Phoenix	AZ	2,500.00	2nd	na	12/06/2000	AZ DPS	CUB	NO	Sold to minor	James Ross Camp
03-01	09-070226	3735	Z3111	Phoenix	AZ	2,250.00	2nd	na	11/02/2000	AZ DPS	CUB	NO	Sold to minor	Donna Loraine Reed
05-01	**10-070124**	**153**	**Z3118**	**Phoenix**	**AZ**	**Dismissed**	**Dismissed**	**Dismissed**	**05/02/2001**	**AZ DOL**	**Observed**	**na**	**Intoxicated person**	**Johnette Hughes (Dismissed)**
07-01	09-070219	2872	Z3147	Phoenix	AZ	1,000.00	3rd	Protested	05/25/2001	AZ DOL	Observed	na	Intoxicated person	Cited wrong employee
07-01	10-070092	67	Z3144	Phoenix	AZ	2,500.00	2nd	na	06/01/2001	AZ DPS	CUB	NO	Sold to minor	Tine Marie Dunegan
07-01	10-070069	14	Z3147	Phoenix	AZ	750.00	1st	Yes	07/20/2001	Phx PD	Observed	na	Intoxicated person	Geneievere Marilo Garcia
09-01	09-070148	8652	Z3146	Phoenix	AZ	2,500.00	2nd	na	06/08/2001	AZ DPS	CUB	NO	Sold to minor	Hilena Abay Demssie
09-01	10-071149	8696	Z3113	Phoenix	AZ	4,000.00	3rd	na	08/15/2001	AZ DPS	CUB	NO	Sold to minor	Cynthia Marie Hernandez
09-01	10-070760	1859	Z3146	Phoenix	AZ	500.00	1st	Yes	07/20/2001	Phx PD	Observed	na	Intoxicated person	Ara Begum Khursida
12-01	10-071538	5307	Z3161	Gilbert	AZ	2,500.00	2nd	na	10/13/2001	AZ DOL	Observed	na	Sold to minor	Scott Blake
12-01	09-070201	5573	Z3112	Peoria	AZ	2,000.00	2nd	na	09/06/2001	AZ DPS	CUB	Yes	Sold to minor	Gentry Daved Adams

1999 79 AZ LIQUOR VIOLATIONS 1999

69 Involved CUB Operations (44 asked for ID - 25 did not)

10 Non-CUB Violations

										Missing			
		Violations:	Dismissed	1st	2nd	3rd	4th	Total		Tams			
		Number of:	1	66	11	1	0	79		4	(@ $1,000.00 each)		
	10=B/W												
	09=L/B/W				76,125.00		count=	79					
MTH	LICENSE-NO.	STORE	CITY	ST	AMT	1st,2nd...4th	TAM	V-DATE	AGENCY	CUB	ASK-ID	VIOLATION	EMPLOYEE
99-02	10-070747	1938	Phx	AZ	500.00	1st	Yes	01/08/1999	AZ DPS	CUB	No	Sold to minor	Walker, Robert Aaron
99-02	09-070549	5308	Phx	AZ	500.00	1st	Yes	01/08/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Cartagena, Jose Luis
99-02	09-070217	8556	Phx	AZ	500.00	1st	Yes	01/08/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Basir Radjabi Abdul
99-03	09-100043	8772	Tucson	AZ	500.00	1st	Yes	01/21/1999	AZ DPS	CUB	No	Sold to minor	Lopez, Joann J
99-03	10-101120	556	Tucson	AZ	500.00	1st	Yes	02/02/1999	Oro Valley PD	Observed	Yes-ckd	Sold to minor	Greil, Derek R
99-04	09-070193	599	Phx	AZ	500.00	1st	Yes	02/06/1999	Phx PD	CUB	No	Sold to minor	Carlos S Lugo Esclavon
99-04	10-070202	1193	Mesa	AZ	500.00	1st	Yes	02/11/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Raeann Soohafyan
99-03	09-030011	163	Flagstaff	AZ	1,000.00	1st	NO	02/12/1999	Flagstaff PD	Observed	No	Sold to minor	Saganey, Gerald
99-04	09-100055	483	Tucson	AZ	500.00	1st	Yes	02/18/1999	AZ DPS	CUB	No	Sold to minor	Rosemary Clark
99-04	10-100092	1204	Tucson	AZ	1,000.00	1st	NO	02/18/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	John Mark Geist
99-08	09-100054	8511	Oro Valley	AZ	1,500.00	2nd	na	03/13/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Nathan Robert Raulston
99-08	09-080012	420	Bullhead City	AZ	1,500.00	2nd	na	03/16/1999	Bullhead City PD	CUB	No	Sold to minor	Judith Rae Murphy
99-07	09-100065	8838	Tucson	AZ	500.00	1st	Yes	03/17/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Alfonso Mendez
99-05	10-073119	5322	Phx	AZ	2,000.00	1st	NO	03/25/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Debra Jean Woolsey
99-05	10-070147	453	Phx	AZ	1,750.00	2nd	na	04/09/1999	Phx PD	CUB	No	Sold to minor	Leslie V Bates
99-06	10-070149	502	Cave Creek	AZ	1,000.00	1st	Yes	04/09/1999	AZ DPS	CUB	No	Sold to minor	Theodore James Pfaff
99-05	09-070176	1929	Phx	AZ	1,125.00	1st	Yes	04/09/1999	Phx PD	CUB	Yes-ckd	Sold to minor	Jacqueline Downs
99-05	10-071089	8600	Phx	AZ	1,750.00	2nd	na	04/09/1999	Phx PD	CUB	No	Sold to minor	Matthew James Wright
99-06	10-111040	867	Casa Grande	AZ	3,500.00	3rd	na	05/19/1999	CG PD	CUB	Yes-none	Sold to minor	Susane McKeal
99-06	10-110012	2910	Casa Grande	AZ	1,500.00	2nd	na	05/19/1999	CG PD	CUB	Yes-ckd	Sold to minor	Kimberly S Myrick
99-07	10-100073	728	Tucson	AZ	1,500.00	2nd	na	06/01/1999	Tucson PD	CUB	Yes-ckd	Sold to minor	Marrilyn Rose Harmon
99-07	10-111012	8746	Apache Jct	AZ	1,500.00	2nd	na	06/09/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Lawrence Allen Dressler
99-08	10-100122	1737	Tucson	AZ	500.00	1st	Yes	06/18/1999	AZ DPS	CUB	No	Sold to minor	John M Apalategui
99-08	10-100130	1796	Tucson	AZ	500.00	1st	Yes	06/18/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	David Acevedo
99-08	09-140028	212	Yuma	AZ	625.00	1st	Yes	07/01/1999	Yuma PD	Observed	na	Sold to minor	Alma Gloria Castanoa
99-08	09-140010	1736	Yuma	AZ	750.00	1st	Yes	07/07/1999	Yuma PD	Observed	na	Gave to minor	Robert Gordon Furfuro
99-08	09-070490	7963	Glendale	AZ	500.00	1st	Yes	07/14/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	James M Allen
99-08	10-130020	235	Prescott	AZ	1,125.00	1st	Yes	07/30/1999	Prescott PD	Observed	na	1) Intox & 2) minor	Ellaine Perrone (Hagestad)
99-11	10-133016	5326	Chino Valley	AZ	1,000.00	1st	NO	08/03/1999	Chino Valley PD	Observed	na	Sold to Intoxicated	Alphonse Lucier
99-08	10-070204	1202	Mesa	AZ	500.00	1st	Yes	08/06/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Dean Rozella
99-09	10-130015	1576	Prescott	AZ	1,000.00	1st	Yes	08/13/1999	Prescott PD	CUB	No	Sold to minor	Terry Eugene Warren
99-09	10-070298	1667	Phx	AZ	500.00	1st	Yes	08/13/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Michael Roy Spear
99-09	10-070296	1758	Phx	AZ	625.00	1st	Yes	08/13/1999	AZ DPS	CUB	No	Sold to minor	Mario A Gomez
99-09	10-071504	2862	Phx	AZ	500.00	1st	Yes	08/13/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Stephanie L Sapp
99-09	09-070150	100	Phx	AZ	1,000.00	1st	Yes	08/14/1999	AZ DPS	CUB	No	Sold to minor	Ernestina Parrilla
99-09	09-070141	238	Glendale	AZ	1,000.00	1st	Yes	08/19/1999	AZ DPS	CUB	No	Sold to minor	Lester E Opei
99-09	10-070768	1954	Glendale	AZ	1,000.00	1st	Yes	08/19/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Shannon Marie Griese
99-09	10-103097	66	Tucson	AZ	500.00	1st	Yes	08/26/1999	Tucson PD	CUB	Yes-ckd	Sold to minor	Doris Rauch
99-09	09-030011	163	Flagstaff	AZ	1,500.00	2nd	na	08/26/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Debbie Denise Johns
99-09	10-030017	164	Flagstaff	AZ	625.00	1st	Yes	08/26/1999	AZ DPS	CUB	No	Sold to minor	Else Richelle Hanniford

99-09	09-030015	840	Flagstaff	AZ	1,000.00	1st	Yes	08/26/1999	AZ DPS	CUB	Yes-none	Sold to minor	James M Bell
99-09	09-030012	8853	Flagstaff	AZ	500.00	1st	Yes	08/27/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Lonnette K Nutumya
99-09	10-070752	8830	Peoria	AZ	2,500.00	2nd	na	09/01/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Lorraine Lynn Kurittky
99-12	09-100063	865	Tucson	AZ	1,000.00	1st	Yes	09/15/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Marcos Francisco Baltazar
99-12	09-100046	1606	Tucson	AZ	1,000.00	1st	Yes	09/15/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Zoranda June Newman
99-11	09-070196	1308	Phx	AZ	1,000.00	1st	Yes	09/21/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Michael Curtiss McDonald
99-11	09-070226	3735	Phx	AZ	2,000.00	2nd	na	09/27/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Edward Warren Gilmore
99-11	09-140027	1384	Yuma	AZ	1,000.00	1st	Yes	10/16/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	John Albert Ernst
99-11	09-140016	1394	Yuma	AZ	1,125.00	1st	Yes	10/16/1999	AZ DPS	CUB	No	Sold to minor	Keeny Lashawanda Chislom
99-11	10-140017	1756	Yuma	AZ	1,000.00	1st	Yes	10/16/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Erin Louise Chadaris
99-11	09-140006	1847	Yuma	AZ	1,000.00	1st	Yes	10/16/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Juan M Gutierrez
99-11	09-140048	1948	Yuma	AZ	1,000.00	1st	Yes	10/16/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Matthew Christoble Emerson
99-11	10-070065	1574	Mesa	AZ	1,000.00	1st	Yes	11/03/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Stephen K Kirby
99-12	10-100087	1011	Tucson	AZ	625.00	1st	Yes	11/04/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Howard Bruce Ruyle
99-12	10-100091	1140	Tucson	AZ	625.00	1st	Yes	11/04/1999	AZ DPS	CUB	No	Sold to minor	Melinda Jo Daniels
99-12	10-071277	5032	Chandler	AZ	500.00	1st	Yes	11/10/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Cesar Mendez-Guerrero
99-12	09-070077	5282	Phx	AZ	1,000.00	1st	Yes	11/10/1999	AZ DPS	CUB	No	Sold to minor	Danielle Lynn Walters
99-12	09-070556	5299	Phx	AZ	625.00	1st	Yes	11/10/1999	AZ DPS	CUB	No	Sold to minor	Rudy Braendle
00-01	09-100059	719	Tucson	AZ	500.00	1st	Yes	11/18/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Julius Michael David
00-01	10-103030	5318	Tucson	AZ	500.00	1st	Yes	11/18/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Adrian Morales Martinez
00-01	10-070092	67	Phx	AZ	1,000.00	1st	Yes	11/23/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Terri Lee Stem
99-12	09-070735	2803	Phx	AZ	1,125.00	1st	Yes	11/23/1999	AZ DPS	CUB	No	Sold to minor	Sue M Harvey
99-12	09-070139	41	Glendale	AZ	1,000.00	1st	Yes	11/24/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Robert Gregory O'Connor
00-01	10-070129	165	Phx	AZ	625.00	1st	Yes	11/24/1999	AZ DPS	CUB	No	Sold to minor	Marvin Coe Barnes
99-12	09-070207	2820	Phx	AZ	1,000.00	1st	Yes	11/24/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Joseph Robert Yenkala
99-12	09-070211	5069	Phx	AZ	2,500.00	2nd	na	11/24/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Joely Rael Martin
00-01	10-070132	175	Phx	AZ	Dismissed	1st	Yes	11/26/1999	**Phx PD**	Call	na	Clerk involved in fight	**James Haddock**
00-01	10-070250	2870	Phx	AZ	1,000.00	1st	Yes	12/08/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Marilyn Ann Johnson
00-01	09-070189	5024	Phx	AZ	1,125.00	1st	Yes	12/08/1999	AZ DPS	CUB	No	Sold to minor	Marjorie Elizabeth Stairs
00-02	10-070769	1788	Peoria	AZ	1,500.00	1st	Yes	12/09/1999	**AZ DPS**	Called	na	Sold to minor	**Stephanie Hinson**
00-01	10-070181	905	Chandler	AZ	1,000.00	1st	Yes	12/17/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Daniel Lopez
00-01	09-070628	5286	Gilbert	AZ	1,000.00	1st	Yes	12/17/1999	AZ DPS	CUB	Yes-ckd	Sold to minor	Jacquelyn L Johnson
00-01	09-070608	5296	Scottsdale	AZ	625.00	1st	Yes	12/21/1999	AZ DPS	CUB	No	Sold to minor	Robert Allen Collier
00-02	09-100065	8838	Tucson	AZ	625.00	1st	Yes	12/22/1999	AZ DPS	CUB	No	Sold to minor	John Patrie Craven
00-01	10-070239	2853	Tempe	AZ	625.00	1st	Yes	12/27/1999	Tempe PD	Observed	na	Sold to minor	Kevin M O'Conner
00-01	10-130012	1010	Camp Verde	AZ	625.00	1st	Yes	12/29/1999	**Camp Verde MO**	Observed	na	Sold to minor	**Tina Kay Frost**
00-02	09-070224	1054	Peoria	AZ	625.00	1st	Yes	12/30/1999	AZ DPS	CUB	No	Sold to minor	Hieu Cong Phan
00-02	09-050005	1577	Safford	AZ	625.00	1st	Yes	12/30/1999	AZ DPS	CUB	No	Sold to minor	Jesse M Campos
00-02	10-073406	5544	Glendale	AZ	1,125.00	1st	Yes	12/30/1999	AZ DPS	CUB	No	Sold to minor	Eric P Zemke

BWSTR

License 10073935

Issue Date: 10/25/2000

Expiration Date: 12/31/2003

Beer & Wine Store

Issued To:
KENNETH JOSEPH ZARNOWIEC, Agent
PHILLIPS PETROLEUM CO, Owner

Location:
CIRCLE K STORE #6347
8202 E MCDOWELL RD
SCOTTSDALE, AZ 85257

Mailing Address:
KENNETH JOSEPH ZARNOWIEC
PHILLIPS PETROLEUM CO
CIRCLE K STORE #6347
PO BOX52085
DC 36
PHOENIX, AZ 85072

EXP 12/31/2003

CITY COUNCIL REPORT

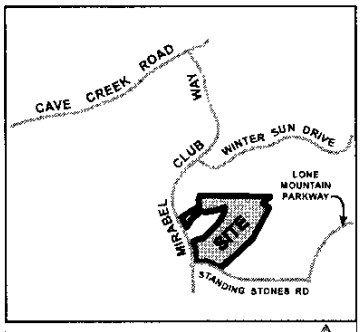
MEETING DATE: June 3, 2003 ITEM NO. 6 GOAL: Preserve Character and Environment

SUBJECT

Bar Liquor License Request for Mirabel Club
30-LL-2003

REQUEST

To consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a series 6 (bar) State liquor license for a new golf course/club location.



General Location Map N.T.S.

OWNER

Marabel Golf Club, Inc.

APPLICANT CONTACT

Amy Nations
480-595-2732

LOCATION

37401 N. Mirabel Club Drive

BACKGROUND

This site is zoned R1-43 ESL (Single Family Residential District / Environmentally Sensitive Lands). The applicant has obtained a conditional use permit (25-UP-1996) to operate a golf course/club in this zoning district.
This request is for a person and location transfer of a series 06 (bar) liquor license for a new golf course/club location.
The distance to the nearest school, Cave Creek Elementary School, is approximately 8 miles.
The distance to the nearest church, Christ the Lord Lutheran Church, is approximately 2 miles.
There are no liquor licenses within a one half mile radius of this location.

APPLICANT'S PROPOSAL

Goal/Purpose of Request.
The applicant is seeking a favorable recommendation on a series 06 liquor license. The applicant has maintained the required posting notice for the State mandated 20-day period.

(Continued)

IMPACT ANALYSIS

Police/Fire. The Police Department has conducted a review and recommends approval of this case.

Financial Services. Revenue Collection has reported that the applicant has met City licensing requirements and all fees have been paid.

Parking. Planning and Development Services has conducted a review of the parking requirements. Parking is in compliance with the zoning ordinance.

Development Information. This establishment is 33,281 sq. ft.

Maricopa County. Maricopa County Environmental Health has reviewed this application and reported no opposition to this case.

Community involvement. No petitions or protests have been filed with the City Clerk during the 20 (twenty) day posting period.

OPTIONS AND STAFF RECOMMENDATION

City Council has the option of recommending approval or denial to the Arizona Department of Liquor Licenses and Control.

Recommended Approach: The review of this application has shown that it meets zoning, parking, and public safety requirements.
Staff recommends approval.

Proposed Next Steps: The City Council's recommendation of approval or denial will be forwarded to the Department of Liquor Licenses and Control for their consideration. If the application is approved by the Department of Liquor Licenses and Control, the applicant should receive their license from the State within 15 days.

RESPONSIBLE DEPT(S)

Planning and Development Services Department

STAFF CONTACT(S)

Jeff Fisher
Plan Review and Permit Services Director
480-312-7619
E-mail: Jfisher@ScottsdaleAZ.Gov

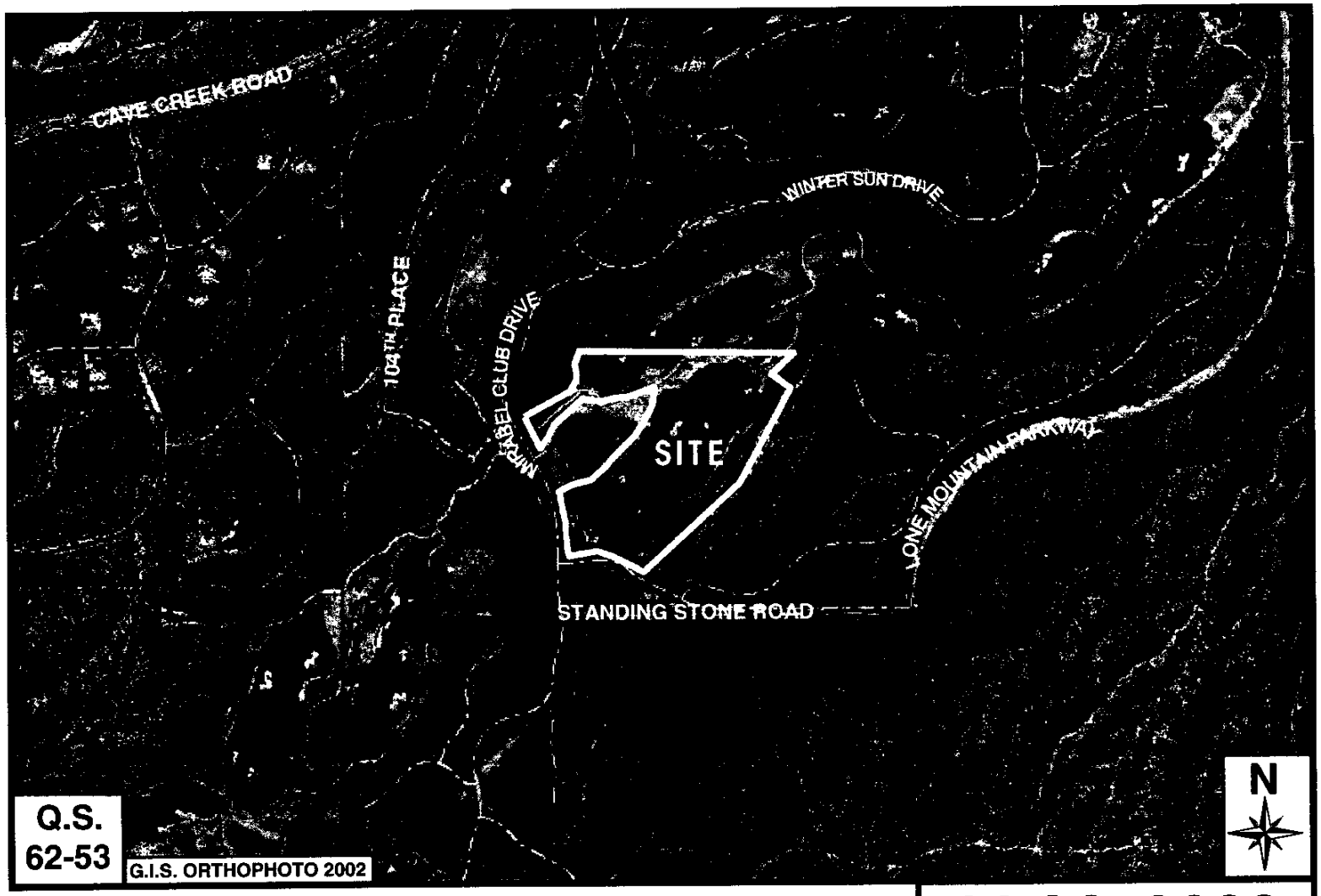
APPROVED BY

Kroy Ekblaw — Date
Planning and Development Services General Manager

Ed Gawf — 5/14/03
Ed Gawf — Date
Deputy City Manager

ATTACHMENTS

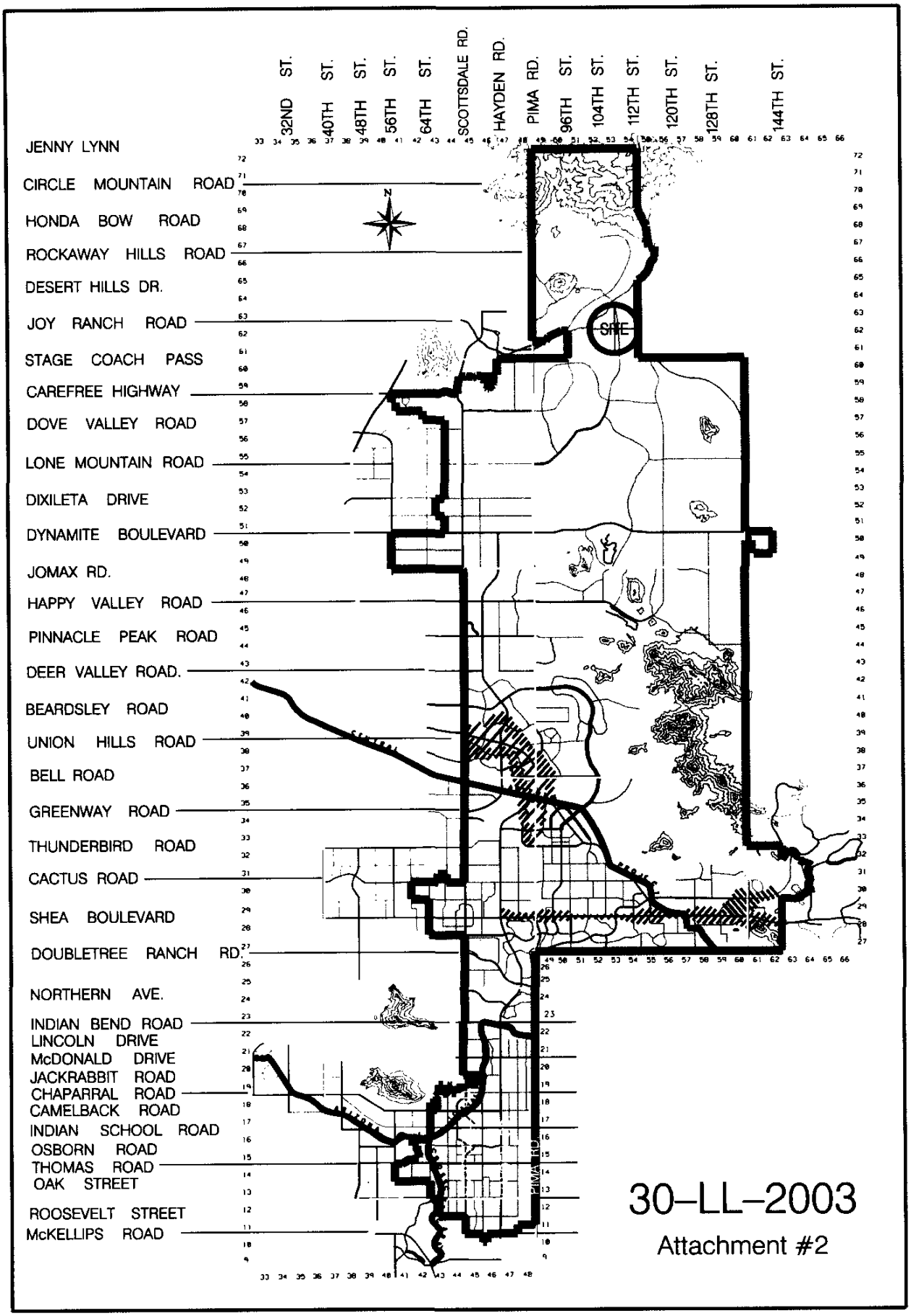
#1: Aerial Map
#2: Vicinity Map
#3 Graphic – Liquor license locations within ½ mile
#4: Application



Mirabel Club

30-LL-2003

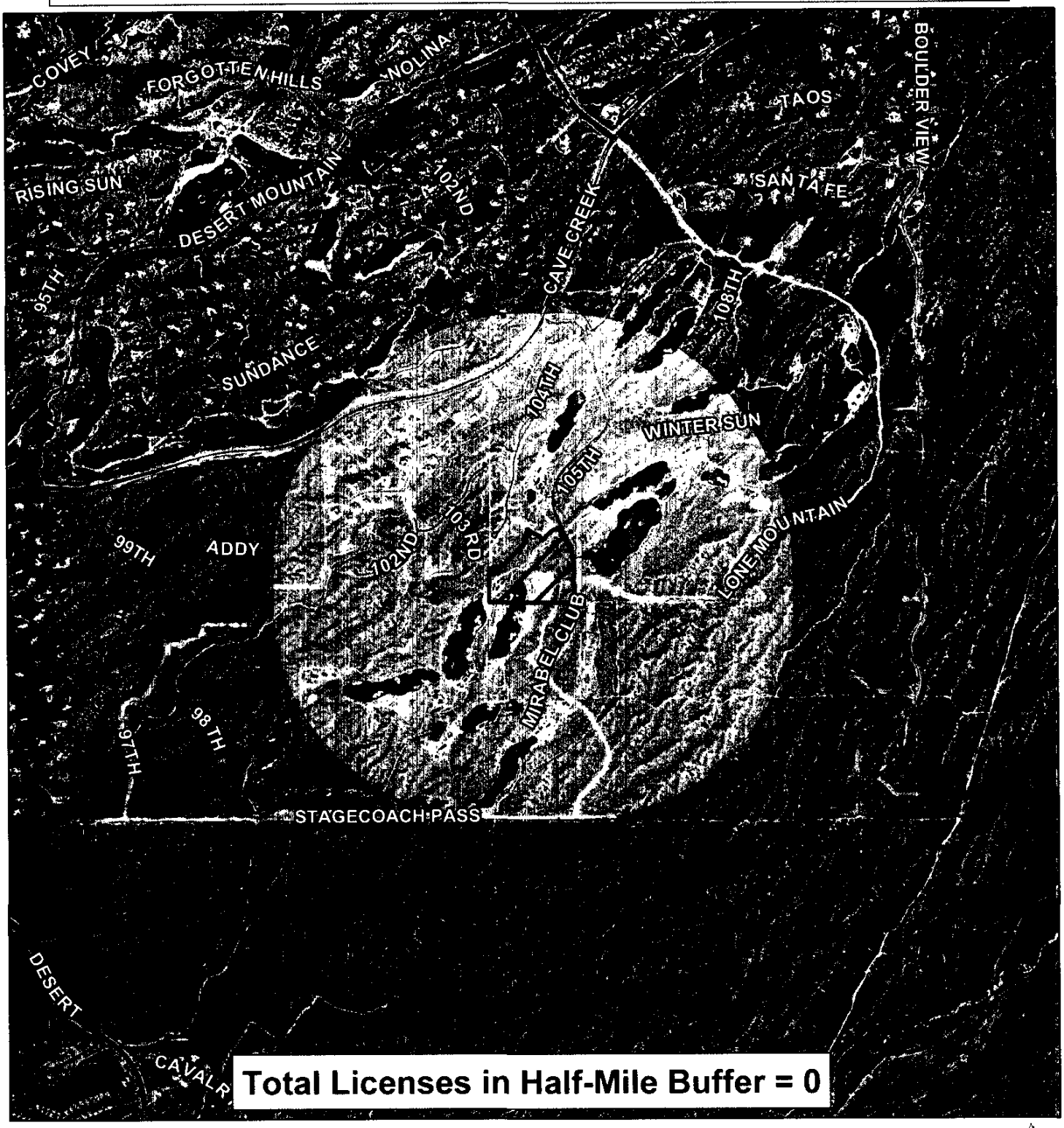
ATTACHMENT #1



30–LL–2003

Attachment #2

Liquor Licenses Within A Half-Mile Radius of 37401 N Mirabel Club Drive



0 600 1,200 2,400 3,600 4,800 Feet

1 inch equals 1,605.99 feet

N

Liquor Licenses.mxd
Printed: 04/30/2003
Created By: Brian Hancock
Source: City of Scottsdale, State of Arizona Dept. of Liquor Licenses and Control.

CITY OF SCOTTSDALE

30-LL-2003

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

DLLC

30-LC-2003 **APPLICATION FOR LIQUOR LICENSE**

2003 APR 18 P 2:54

TYPE OR PRINT WITH BLACK INK

RECEIVED

APR 2 2003

CITY OF SCOTTSDALE
DEVELOPMENT SERVICES

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 **This application is for a:**

- ☐ INTERIM PERMIT *Complete Section 5*
- ☐ NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16, 17*
- ☒ PERSON TRANSFER (Bars & Liquor Stores ONLY) *Complete Sections 2, 3, 4, 11, 13, 15, 16, 17*
- ☒ LOCATION TRANSFER (Bars and Liquor Stores ONLY) *Complete Sections 2, 3, 4, 12, 13, 15, 16, 17*
- ☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREE *Complete Sections 2, 3, 4, 9, 13, 15, 17* (fee not required)
- ☐ GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16, 17*

SECTION 2 **Type of ownership:**

- ☐ J.T.W.R.O.S. *Complete Section 6*
- ☐ INDIVIDUAL *Complete Section 6*
- ☐ PARTNERSHIP *Complete Section 6*
- ☒ CORPORATION *Complete Section 7*
- ☐ LIMITED LIABILITY CO. *Complete Section 7*
- ☐ CLUB *Complete Section 8*
- ☐ GOVERNMENT *Complete Section 10*
- ☐ TRUST *Complete Section 6*
- ☐ OTHER Explain _____

Acc OK

SECTION 3 **Type of license and fees:** LICENSE #: 06070428

1. Type of License: Series #6 2. Total fees attached: $ 320.00

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

SECTION 4 **Applicant: (All applicants must complete this section)** P1041597

1. Applicant/Agent's Name: Mr. Ms. Nations (Last) Amy (First) S. (Middle)
(Insert one name ONLY to appear on license)
2. Corp./Partnership/L.L.C.: Mirabel Golf Club, Inc. B1028875
(Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: Mirabel Club
(Exactly as it appears on the exterior of premises)
4. Business Address: 37401 N. Mirabel Club Dr. (Do not use PO Box Number) Scottsdale (City) Maricopa (COUNTY) 85262 (Zip)
5. Business Phone: (480) 595-2732 Residence Phone: ([redacted]
6. Is the business located within the incorporated limits of the above city or town? ☒YES ☐NO
7. Mailing Address: [redacted] City [redacted] State [redacted] Zip
8. Enter the amount paid for a 06, 07, or 09 license: $ _____.____ (Price of License ONLY)

DEPARTMENT USE ONLY

Accepted by: AE Date: 4/16/03 Lic. # 06070428

Fees:	Application	Interim Permit	Agent Change	Club	F. Prints	$ TOTAL
	200.00				120.00	320.00

PROCESSING APPLICATIONS TAKES APPROXIMATELY 90 DAYS, AND CIRCUMSTANCES OFTEN RESULT IN A LONGER WAITING PERIOD. YOU ARE CAUTIONED REGARDING PLANS FOR A GRAND OPENING, ETC., BEFORE FINAL APPROVAL AND ISSUANCE OF THE LICENSE.

LIC 0100 11/2000

***Disabled individuals requiring special accommodation, please call (602) 542-9027.**

SECTION 5 Interim Permit:

1. If you intend to operate business while your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There **MUST** be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. _____
4. Is the license currently in use? ☐ YES ☐ NO If no, how long has it been out of use? _____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, _____, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER,
(Print full name)
PARTNER, STOCKHOLDER OR LICENSEE of the stated license and location.

X_____
(Signature)

State of _____County of _____
The foregoing instrument was acknowledged before me this

_____ day of _____, _____.
Day of Month Month Year

My commission expires on: _____

_____
(Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Residence Address	City State Zip
			%		

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Residence Address	City State Zip
☐ ☐	[redacted]					
☐ ☐	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	
☐ ☐						
☐ ☐				%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☐ NO

ECTION 7 Corporation/Limited Liability Co.:

ACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH ARD.

☒ CORPORATION *Complete questions 1, 2, 3, 5, 6, 7, 8.*
☐ L.L.C. *Complete questions 1, 2, 4, 5, 6, 7 and attach copy of Articles of Org. and Operation Agreement.*

Name of Corporation/L.L.C.: Mirabel Golf Club, Inc.
(Exactly as it appears on Articles of Inc. or Articles of Org.)

Date Incorporated/Organized: 3-20-01 State where Incorporated/Organized: AZ

AZ Corporation Commission File No.: -0982983-5 Date authorized to do business in AZ: 3-20-01

AZ L.L.C. File No: _____ Date authorized to do business in AZ: _____

Is Corp./L.L.C. non-profit? ☒ YES ☐ NO If yes, give IRS tax exempt number: _____

List all directors/officers in Corporation/L.L.C.:

Last	First	Middle	Title	Residence Address	City State Zip
Meldman	Michael	Scott	Pres.	[redacted]	
Adelson	Steven	Daniel	V.P.	[redacted]	
Joyner	Schuyler	C.	V.P./ Treas.	[redacted]	
Arenson	Joseph	L.	V.P./ Sec.	[redacted]	

(ATTACH ADDITIONAL SHEET IF NECESSARY)

. List stockholders or controlling members owning 10% or more:

Last	First	Middle	% Owned	Residence Address	City State Zip
Mirabel Golf Club, Inc.			% 100	[redacted]	
(NON-PROFIT ORGANIZATION)			%		
			%		
			%		

(ATTACH ADDITIONAL SHEET IF NECESSARY)

. If the corporation/L.L.C. is owned by another entity, attach an ownership, and director/officer/members disclosure for the parent entity. Attach additional sheets as necessary in order to disclose real people.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND $24 FEE FOR EACH CARD.

. Name of Club: _____ Date Chartered: _____
(Exactly as it appears on Club Charter) (Attach a copy of Club Charter)

. Is club non-profit? ☐ YES ☐ NO If yes, give IRS tax exempt number: _____

. List officer and directors:

Last	First	Middle	Title	Residence Address	City State Zip

SECTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store:

1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle

2. Assignee's Name: _____
Last First Middle

3. License Type: _____ License Number: _____ Date of Last Renewal: _____

4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 Government: (for cities, towns, or counties only)

1. Person to administer this license: _____
Last First Middle

2. Assignee's Name: _____
Last First Middle

A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11 Person[redacted]

Questions to be completed by [redacted] and Liquor Stores ONLY).

1. Current Licensee's Name: Mo[redacted] Louis Entity: Agent
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: Mic[redacted]urant & Catering Inc.
(Exactly as it appears on license)

3. Current Business Name: Monti's La Casa Vieja Restaurant
(Exactly as it appears on license)

4. Current Business Address: [redacted] 85281

5. License Type: BAR License Number: 06070428 Last Renewal Date: 1/~~15~~ 21/01

5. Current Mailing Address (other than business): 3 W. 1st St. Tempe Az. 85281

7. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☒ YES ☐ NO

8. Does the applicant intend to operate the business while this application is pending? ☐ YES ☒ NO If yes, complete section 5, attach fee, and current license to this application.

9. I hereby relinquish my rights to the above described license to the applicant named in this application and hereby declare that the statements made in this section are true, correct and complete.

I, Michael Louis Monti, declare that I am the CURRENT LICENSEE of the stated license. I have read this
(Print full name)
application and the contents and all statements are true, correct and complete.

X Michael Louis Monti
(Signature of CURRENT LICENSEE)

State of ARIZONA County of MARICOPA
The foregoing instrument was acknowledged before me this
20th day of July, 2001.
Day of Month Month Year

Carole Lynn Thomack
(Signature of NOTARY PUBLIC)

OFFICIAL SEAL
CAROLE LYNN THOMACK
NOTARY PUBLIC-STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires July 4, 2004

My commission expires on: July 4, 2004

:CTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store:

Current Licensee's Name: _____
actly as it appears on license) Last First Middle

Assignee's Name: _____
Last First Middle

License Type: _____ License Number: _____ Date of Last Renewal: _____

ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

AMENDMENT

ECTION 10 Government: (for cities, towns or counties only)

Person to administer this license: _____
Last First Middle

Assignee's Name: _____
Last First Middle

A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

:ECTION 11 Person to Person Transfer:

)uestions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY).

. Current Licensee's Name: _____ Entity: _____
Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: _____
(Exactly as it appears on license)

3. Current Business Name: _____
(Exactly as it appears on license)

4. Current Business Address: 1 W. Rio Salado Pkwy
Tempe, Az 85281

5. License Type: _____ License Number: _____ Last Renewal Date: _____

6. Current Mailing Address (other than business): _____

7. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☐ YES ☐ NO

8. Does the applicant intend to operate the business while this application is pending? ☐ YES ☐ NO If yes, complete section 5, attach fee, and current license to this application.

9. I hereby relinquish my rights to the above described license to the applicant named in this application and hereby declare that the statements made in this section are true, correct and complete.

I, _____, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER,
(Print full name)

complete.

X_____
(Signature of CURRENT LICENSEE)

State of _____ County of _____
The foregoing instrument was acknowledged before me this
_____ day of _____, _____
Day of Month Month Year

My commission expires on: _____

_____
(Signature of NOTARY PUBLIC)

Bill of Sale

DLLC

2003 JAN 21 P 12:51

IN CONSIDERATION OF THE SUM OF:

Seventy Thousand and 00/100 *********************************DOLLARS**

lawful currency of the United States of America, and other valuable consideration, receipt of which is hereby acknowledged, the SELLER:

Michael Monti's Restaurants & Catering, Inc., an Arizona Corporation

hereby grants, bargains, sells and transfers unto the BUYER:

Terrabrook Mirabel Beverage, L.L.C., a Delaware Limited Liability Company

and his, her or their heirs, personal representatives, or assigns, to have and to hold forever, the following described personal property, goods or chattels:

STATE OF ARIZONA SERIES # 6 LIQUOR LICENSE # 06070428

MB

FURTHERMORE, Seller warrants that he, she or they are the lawful owner of said goods and hereby certifies, under oath, that he, she or they have good right to sell the same as aforesaid, and that the above described property is free and clear of all claims, liens and other encumbrances whatsoever, EXCEPT, as specified herein. Seller further agrees to warrant and defend same against the lawful claims and demands of all persons whomsoever.

DATED THIS 20th day of July, 2001.

Michael Monti's Restaurants & Catering, Inc., an Arizona Corporation

COPY

Michael Monti, President/CEO

STATE OF ARIZONA) ACKNOWLEDGMENT
COUNTY OF MARICOPA)

Acknowledged before me on this 20th day of July, 2001, by
Michael Monti, President/CEO signing on behalf of the corporation.

Carole Lynn Thomack
NOTARY PUBLIC

E# 21-8343

OFFICIAL SEAL
CAROLE LYNN THOMACK
NOTARY PUBLIC-STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires July 4, 2004

STATE OF ARIZONA

DEPARTMENT OF LIQUOR LICENSES AND CONTROL

ALCOHOLIC BEVERAGE LICENSE

License 06070428

Issue Date: 4/21/1997

Expiration Date: 1/31/2004

Bar

Issued To:
MICHAEL LOUIS MONTI, Agent
MICHAEL MONTI'S RESTAURANTS & CATERING INC, Owner

Location:
MONTI'S LA CASA VIEJA RESTAURANT
1 W RIO SALADO PKWY
TEMPE, AZ 85281

Mailing Address:
MICHAEL LOUIS MONTI
MICHAEL MONTI'S RESTAURANTS & CATERING
MONTI'S LA CASA VIEJA RESTAURANT
1 W RIO SALADO PKWY
TEMPE, AZ 85281

EXP 1/31/2004

GREAT SEAL OF THE STATE OF ARIZONA
DITAT DEUS
1912

POST THIS LICENSE IN A CONSPICUOUS PLACE

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

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

2. Current Business Name and Address: (Exactly as it appears on license) Monti's La Casa Vieja Restaurant 1 W. Rio Salado Pkwy Tempe, AZ 85281

3. New Business Name and Address: (Do not use PO Box Number)

5. License Type: _____ License Number: _____ Last Renewal Date: _____

4. What date do you plan to move? _____ What date do you plan to open? _____

AMENDMENT

SECTION 13 Questions for all in-state applicants:

1. Distance to nearest school: _____ ft. (Regardless of distance) Name/Address of school: _____

2. Distance to nearest church: _____ ft. (Regardless of distance) Name/Address of church: _____

3. I am the: ☐ LESSEE ☐ SUBLESSEE ☐ OWNER ☐ PURCHASER (of premises)

4. If the premises is leased give lessors name and address: _____

4a. Monthly rental/lease rate $ _____. What is the remaining length of the lease? _____ yrs. _____ mos.

4b. What is the penalty if the lease is not fulfilled? $ _____ or other _____ (give details - attach additional sheet if necessary)

5. What is the total business indebtedness of the applicant for this license/location excluding lease? $ _____

Does any one creditor represent more than 10% of that sum? ☐ YES ☐ NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City	State	Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) _____

☐ YES ☐ NO If yes, attach explanation.

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

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

License # _____ (Exactly as it appears on license) Name _____

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

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

1. Current Business Name and Address: (Exactly as it appears on license) Monti's La Casa Vieja Restaurant
3 W 1st St.
Tempe, AZ 85281

2. New Business Name and Address: (Do not use PO Box Number) Mirabel Club
37401 N. Mirabel Club Dr.
Scottsdale, AZ 85262

3. License Type: #6 License Number: 06070428 Last Renewal Date: 1-21-2002

4. What date do you plan to move? Asap What date do you plan to open? Asap

SECTION 13 Questions for all in-state applicants:

1. Distance to nearest school: 7.8MI X. (Regardless of distance) Name/Address of school: Cave Creek Elementary School
6424 E. Cave Creek Rd.
Scottsdale, AZ 85262

2. Distance to nearest church: 1.8MI X. (Regardless of distance) Name/Address of church: Christ the Lord Lutheran Church
9205 E. Cave Creek Rd
Scottsdale, AZ 85262

3. I am the: ☐ LESSEE ☐ SUBLESSEE ☒ OWNER ☐ PURCHASER (of premises)

4. If the premises is leased give lessors name and address: _____

4a. Monthly rental/lease rate $ _____. What is the remaining length of the lease? _____ yrs. _____ mos.

4b. What is the penalty if the lease is not fulfilled? $ _____ or other _____
(give details - attach additional sheet if necessary)

5. What is the total business indebtedness of the applicant for this license/location excluding lease? $ 0

Does any one creditor represent more than 10% of that sum? ☐ YES ☒ NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City	State	Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) Golf Course.

7. Has a license, or a transfer license for the premises on this application been denied by the state within the past one (1) year?
☐ YES ☒ NO If yes, attach explanation.

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

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

License # _____ (Exactly as it appears on license) Name _____.

SECTION 14 Restaurant, or Hotel-Motel Applicants:

1. Is there a valid restaurant or hotel-motel liquor license at the proposed location? ☐ YES ☒ NO If yes, give licensee's name:

   _____ and license #: _____
   Last First Middle

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

3. All restaurant applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor.

4. Do you understand that **40% of your annual gross revenue** must be from food sales? ☐ YES ☐ NO

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

1. Check **ALL** boxes that apply to your licensed premises:

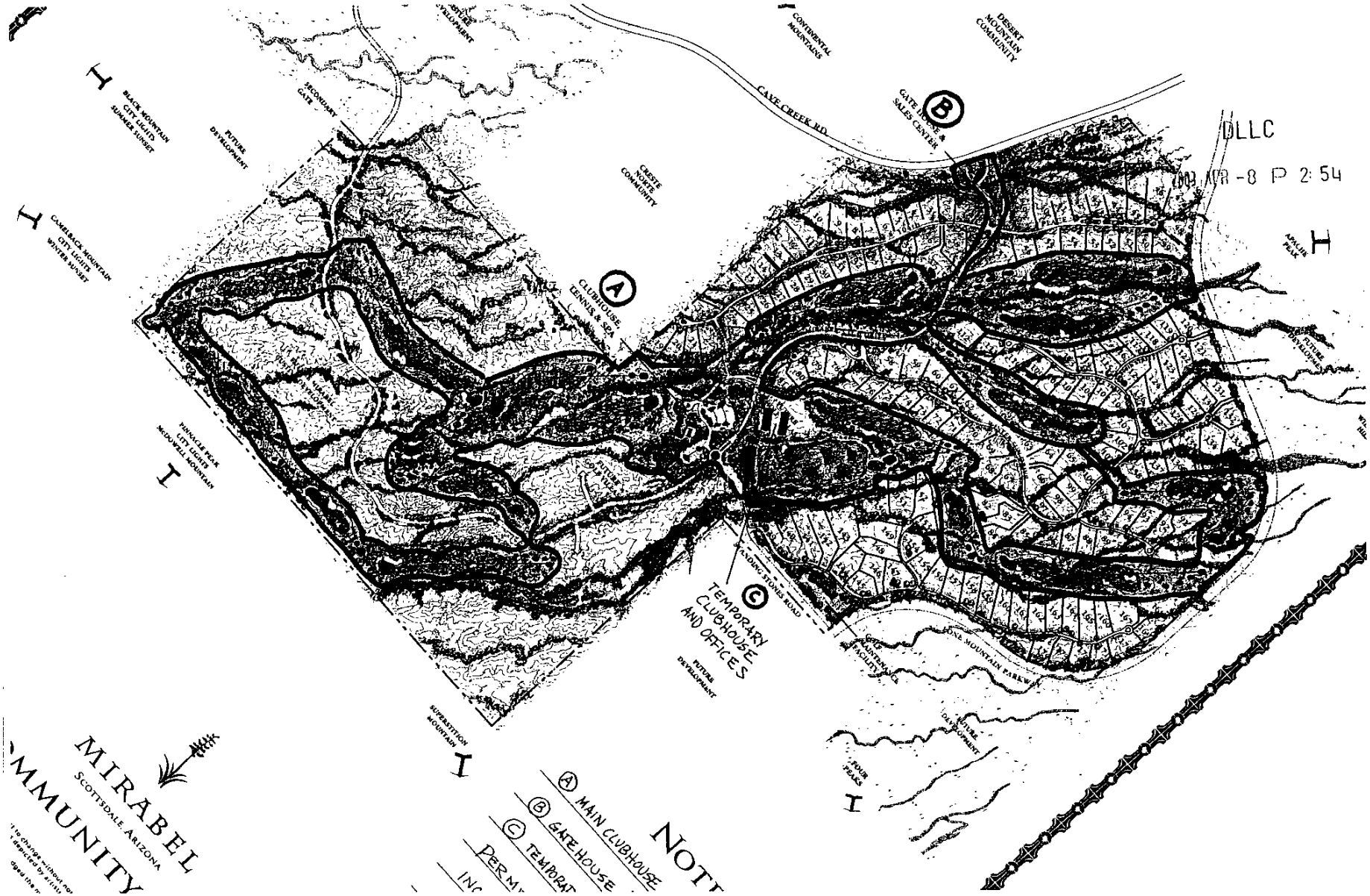
   ☒ Entrances/Exits ☒ Liquor storage areas
   ☐ Drive-in windows ☒ Patio enclosures
   ☐ Service windows ☐ Under construction: estimated completion date _____

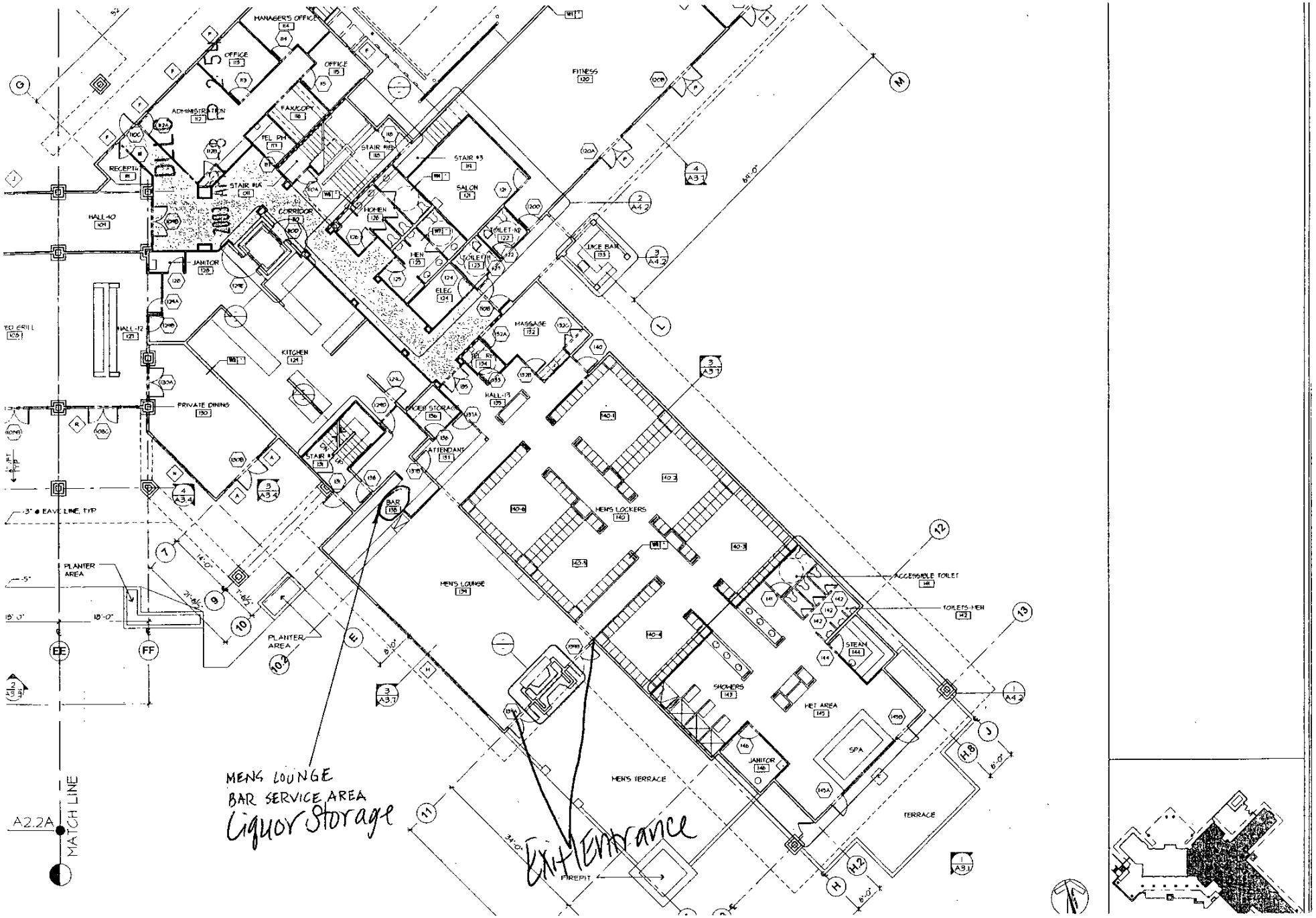
2. Restaurants and Hotel/Motel applicants must explicitly depict kitchen equipment and dining facilities.

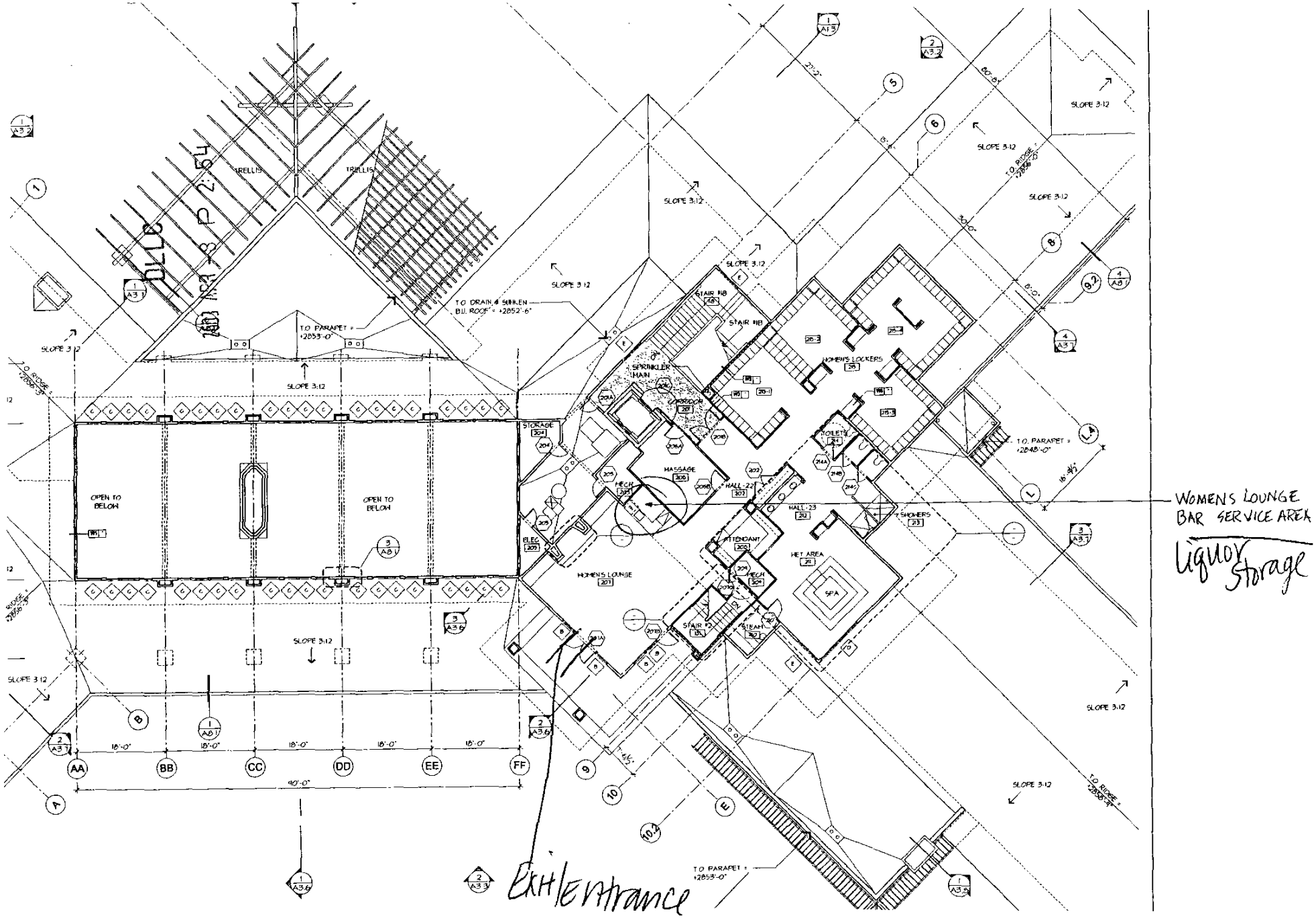
3. The diagram below is the only area where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored. Give the square footage or outside dimensions of the licensed premises.

   DO NOT INCLUDE PARKING LOTS, LIVING QUARTERS, ETC. 33,281 Square feet total
   See Attachments!

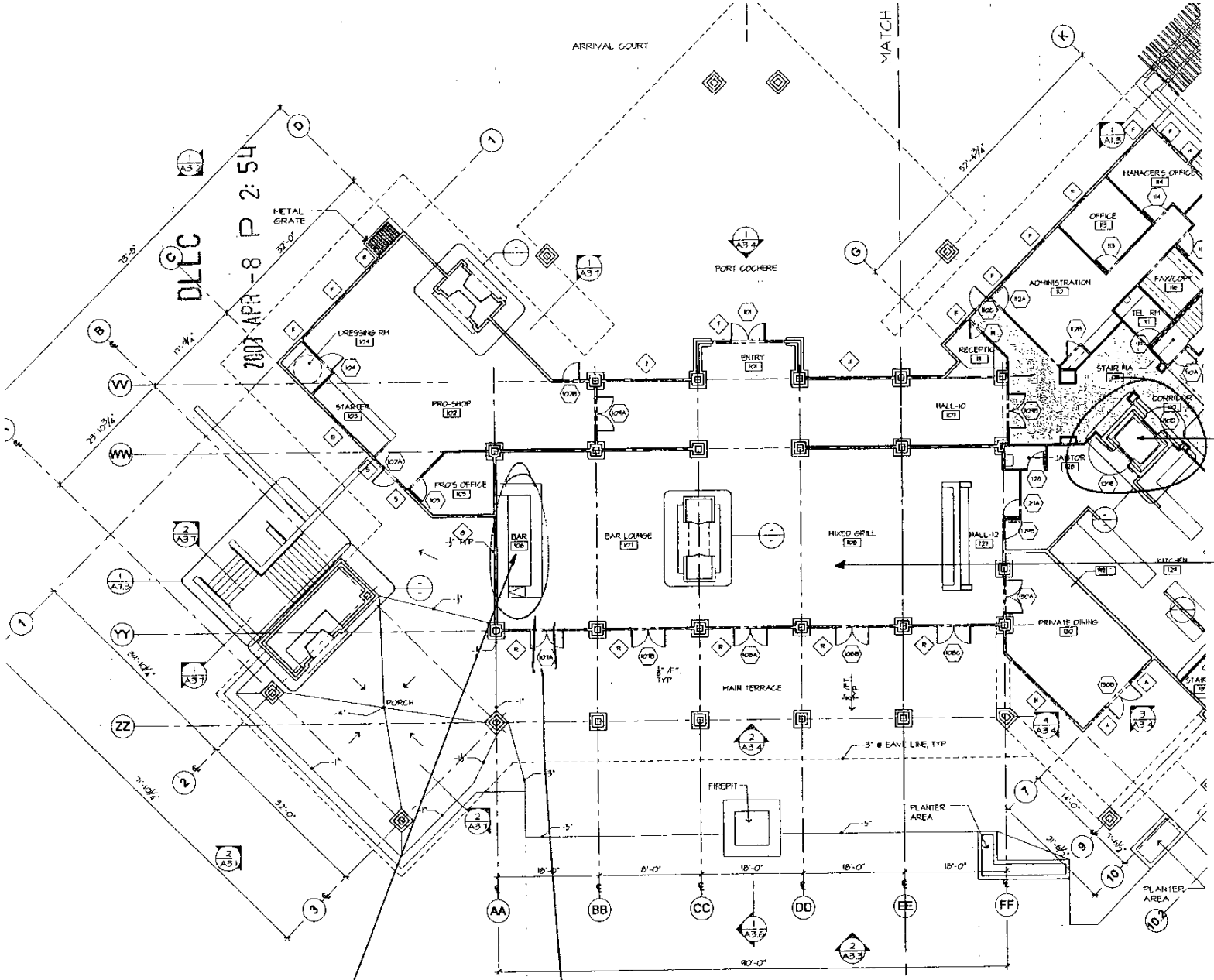
YOU MUST NOTIFY THE DEPARTMENT OF LIQUOR OF ANY CHANGES OF BOUNDARIES, ENTRANCES, EXITS, OR SERVICE WINDOWS MADE AFTER SUBMISSION OF THIS DIAGRAM.


CONTINENTAL MOUNTAINS
DESERT MOUNTAIN COMMUNITY
CAVE CREEK RD.
GATE HOUSE & SALES CENTER
B
DLLC
2001 MAR -8 P 2:54
BLACK MOUNTAIN CITY LIGHTS SUMMER SUNSET
FUTURE DEVELOPMENT
SECONDARY GATE
CRESTE NORTE COMMUNITY
CAMELBACK MOUNTAIN CITY LIGHTS WINTER SUNSET
A
CLUBHOUSE, TENNIS & SPA
PINNACLE PEAK CITY LIGHTS MCDOWELL MOUNTAIN
FUTURE DEVELOPMENT
C
TEMPORARY CLUBHOUSE AND OFFICES
FUTURE DEVELOPMENT
SUPERSTITION MOUNTAIN
FOUR PEAKS
FUTURE DEVELOPMENT
APACHE PEAK
MIRABEL
SCOTTSDALE, ARIZONA
MMUNITY
A MAIN CLUBHOUSE
B GATE HOUSE
C TEMPORAR
PER M
NOTT


MANAGER'S OFFICE
OFFICE
ADMINISTRATION
FAX/COPY
TEL RM
RECEPT
STAIR #1A
STAIR #1B
STAIR #3
SALON
CORRIDOR
HOMEN
MEN
ELEC
TOILET-10
TOILET-11
FITNESS
JUICE BAR
HALL-10
JANITOR
HALL-12
KITCHEN
MASSAGE
TEL RM
HALL-13
PRIVATE DINING
GROEN STORAGE
ATTENDANT
STAIR #2
BAR
MEN'S LOCKERS
MEN'S LOUNGE
ACCESSIBLE TOILET
TOILETS-MEN
STEAM
SHOWERS
WET AREA
SPA
JANITOR
MEN'S TERRACE
TERRACE
FIREPIT
PLANTER AREA
PLANTER AREA
3" ø EAVE LINE, TYP
MATCH LINE
A2.2A
MENS LOUNGE
BAR SERVICE AREA
Liquor Storage
Exit Entrance



TRELLIS
TRELLIS
OPEN TO BELOW
OPEN TO BELOW
SLOPE 3:12
T.O. PARAPET = +2853'-0"
T.O. DRAIN & SUNKEN B.U. ROOF = +2852'-6"
STORAGE
MASSAGE
HALL-22
HALL-23
ATTENDANT
WOMEN'S LOUNGE
WOMEN'S LOCKERS
TOILETS
SHOWERS
WET AREA
SPA
STAIR #2
STEAM
SPRINKLER MAIN
CORRIDOR
ELEC
MECH
T.O. PARAPET = +2848'-0"
T.O. RIDGE = +2856'-3"
T.O. RIDGE = +2856'-3"
T.O. RIDGE = +2856'-3"
18'-0"
18'-0"
18'-0"
18'-0"
18'-0"
90'-0"
AA
BB
CC
DD
EE
FF
WOMENS LOUNGE BAR SERVICE AREA
Liquor Storage
Exit/Entrance



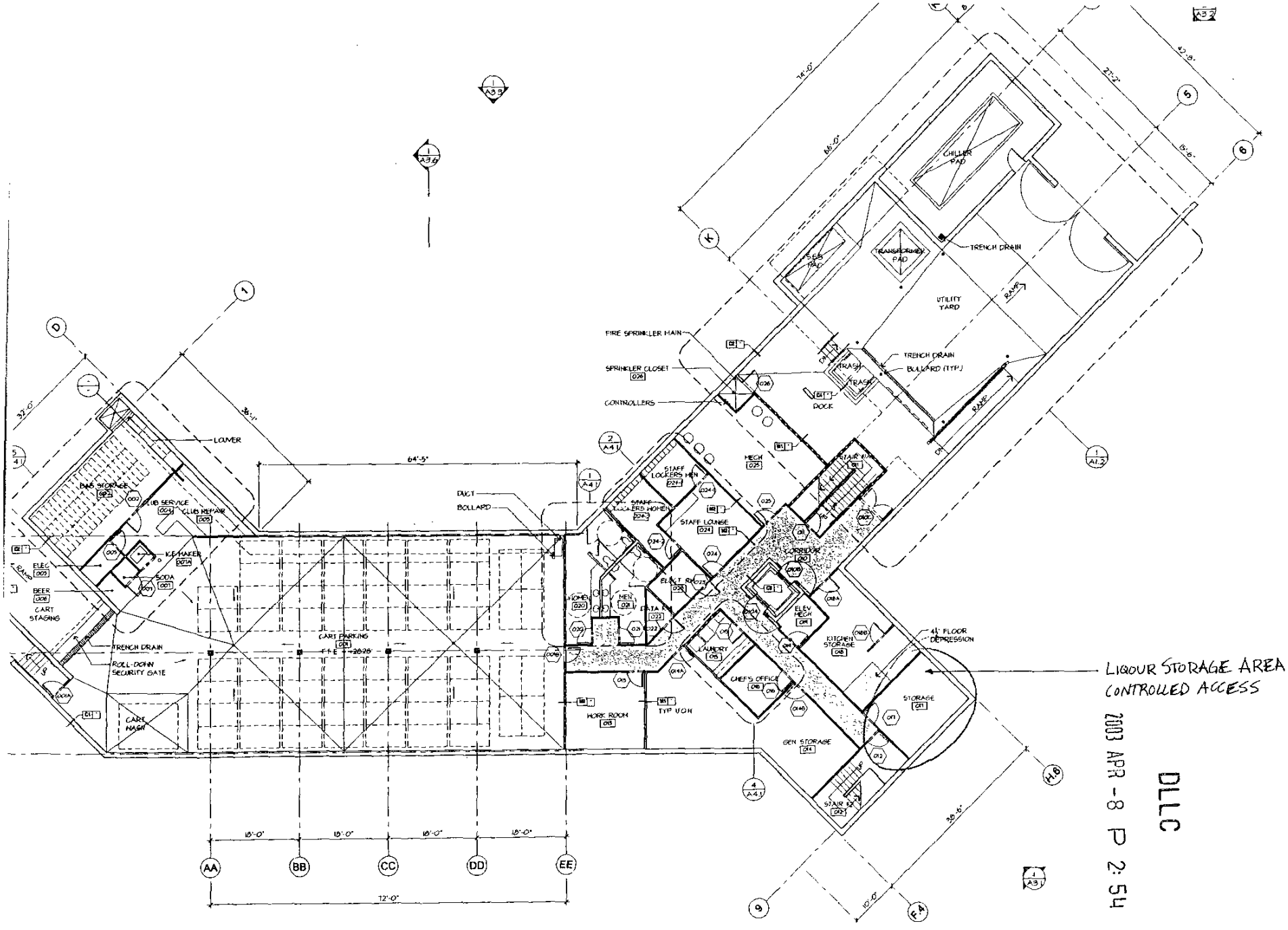
SERVICE ELEVATOR TO LOWER LEVEL LIQUOR STORAGE ROOM

MAIN RESTAURANT SERVICE AREA

MAIN BAR SERVICE AREA

Liquor Storage

Exit/Entrance



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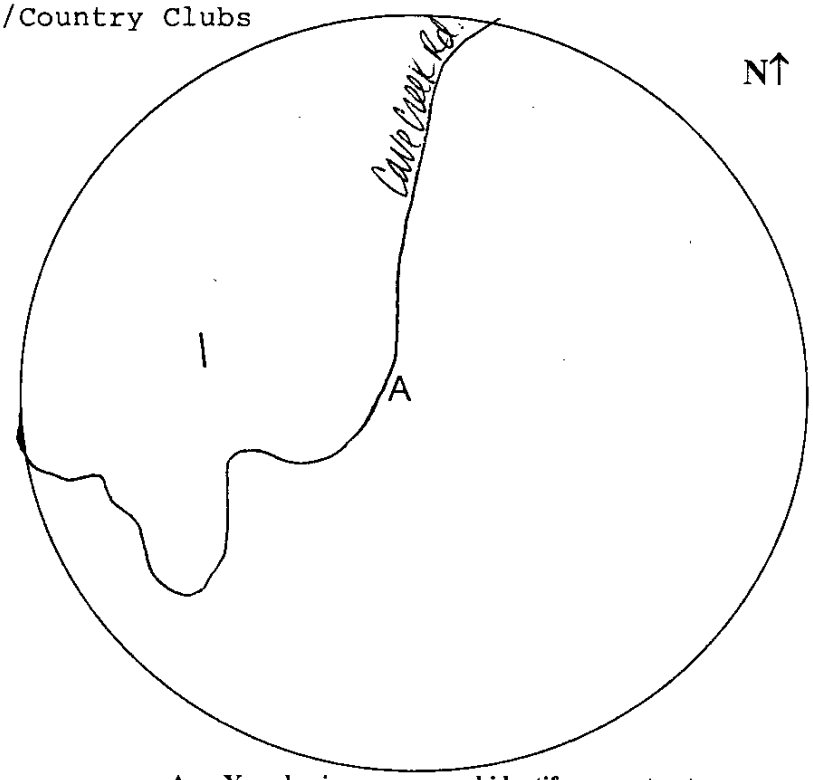
HART

SECTION 16 **Geographical Data:** **A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.**

List below the exact names of all churches, schools, and spirituous liquor outlets within a one half mile radius of your proposed location.

1. Desert Mountain Golf Courses/Country Clubs
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____

(ATTACH ADDITIONAL SHEET IF NECESSARY)



A = Your business name and identify cross streets.

SECTION 17 **Signature Block:**

I, Amy S. Nations, declare that: 1) I am the APPLICANT (Agent/Club Member/Partner), making this
(Print name of APPLICANT/AGENT listed in Section 4 Question 1)
application; 2) I have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

X Amy Nations
(Signature)

CHERYL A GOODWIN
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 07-30-05

My commission expires on _____

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
8th day of April, 03.
Day of Month Month Year

Cheryl A. Goodwin
(Signature of NOTARY PUBLIC)

SAMPLE

GEOGRAPHICAL DATA

In the area adjacent to the map provided below indicates your proposed location and the exact names of all churches, schools, and alcoholic beverage outlets within a 1/2 mile radius of your proposed location.
(See example below)

A = Applicant Series 12

01 Pink Elephants Series 06

02 Mama's Rest. Series 12

03 Corner Liquors Series 09

04 Joe's Groceries Series 10

05 Lions Club Series 14

06 Burgers R Us Series 07

07 Pizza Perfect Series 07

08 Billy Bobs Bar Series 06

09 St. Anthonys Church

10 St. Anthonys School

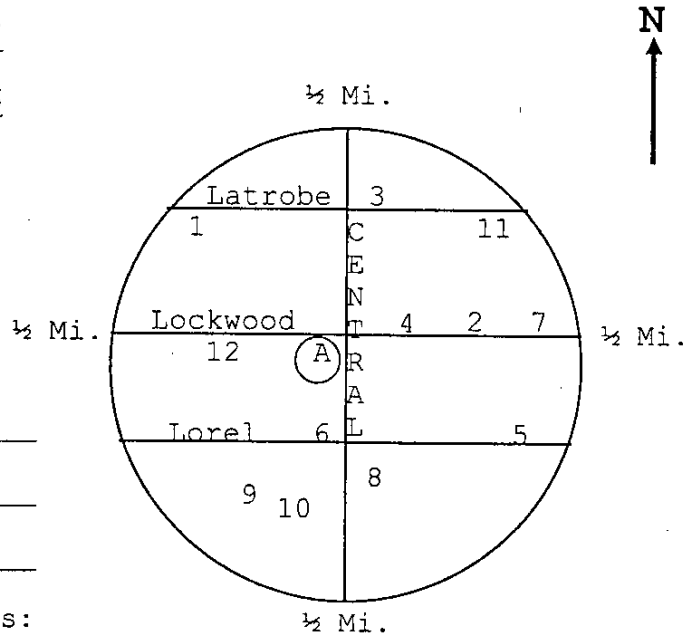
11 Burbank Middle School

12 First United Baptist Church

13

14

15



A.R.S. Section 4-207.A reads as follows:

A. No retailers license shall be issued for any premises which are. at the time the license application is received by the Director, within three hundred(300) horizontal feet of a church, within three hundred(300) horizontal feet of a public or private school building with kindergarten programs or any of grades one(1) through twelve(12). or within three hundred(300) horizontal feet of a fenced recreational area adjacent to such school building.

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

AE P104159

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read Carefully, this instrument is a sworn document. Type or print with black ink
An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

DLLC
2003 APR 8 P 2:55

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted. Liquor License # 06070428
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852) (If the location is currently licensed)

P104159788

1. Check appropriate box → ☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☐ Officer ☒ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager | ☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Nations (Last) Amy (First) S. (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License #: [redacted] State: Arizona
(This Will Not Become a Part of Public Records)

4. Place of Birth: Morenci (City) Arizona (State) USA Country (not county) Height: 5'7 Weight: 165 Eyes: HZL Hair: BRN

5. Marital Status ☒ Single ☐ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: ([redacted]

6. Name of Current or Most Recent Spouse: _____ (Last) (First) (Middle) (Maiden) Date of Birth: _____
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: [redacted]

8 Telephone number to contact you during business hours for any questions regarding this document. [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Mirabel Club Premises Phone: (480) 595-2732

11. Licensed Premises Address: 37401 N. Mirabel Club Dr. (Street Address (Do not use PO Box #)) Scottsdale (City) Maricopa (County) 85262 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
05/99	CURRENT	Member / VP	Arizona Liquor Industry Consultants 1811 S. Alma School #268 Mesa, AZ. 85210
08/96	05/99	Locksmith	Allied Signal Aerospace 3101 E. Airlane Phoenix, AZ.85034

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
12/00	CURRENT	own	[redacted]	[redacted]	[redacted]	
08/00	12/00	mom	623 W. Guadalupe #121	Mesa	AZ	85210
05/95	08/00	own	170 E. Guadalupe #132	Gilbert	AZ	85234

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☒ YES ☐ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☒ YES ☐ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☒ YES ☐ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☒ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved [redacted] *fraud or misrepresentation of a business, professional or liquor license*? ☐ YES ☒ NO

20. Are you NOW or have you EVER held ownership, been a controlling person , been an officer, member, director, or manager on *any other liquor* [redacted] other state? [redacted] ☒ YES ☐ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you [redacted] Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do [redacted] ments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is the [redacted] or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Amy S. Nations, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X Amy Nations
(Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 9th day of July, 2002.
(Day of Month) (Month) (Year)

CHRISSY A. GOODWIN
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 07-30-05

Chrissy A. Goodwin
(Signature of NOTARY PUBLIC)

My commission expires on: _____
Day of Month Month Year

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name):_____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted] [redacted] [redacted] County of_____
The foregoing instrument was acknowledged before me this

X_____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) Day of Month Month Year

My commission expires on:_____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

Question 15

In June of 1983 when I was 13, I was detained by the Mesa Police Department for being drunk in public. I was held at the police department until my mother could come and get me. There were no charges or fines filed against me.

DLLC
2003 APR -8 P 2:55

In September of 1983 when I was 13, I was detained by the Phoenix Police Department for being in a stolen vehicle. I was released because I didn't know the vehicle was stolen. There were no charges or fines filed against me.

In 1985 when I was 16, I was charged with Assault by the Mesa Police Department. I was put on probation until I turned 18 and ordered to do 300 community service hours. I violated my probation by not finishing my community service hours and was ordered by a judge to pay a $50.00 fine. I was released off probation 6 months early for good behavior.

Question 16

Same as above

Question 17

I work for Arizona Liquor Industry Consultants. Because of the number of licenses we work with it is possible that one of them may have a pending action of some kind.

Question 20

I am currently the agent on the following liquor licenses:

Roaring Fork 12075190 4800 N. Scottsdale Rd. Suite 1700 Scottsdale, Arizona 85257
Shady Grove Bar & Grill 06070160 1001 E. 8th Street Tempe, Arizona 85281
Little Guy Distributing 04073074 146 S. Country Club Dr. Mesa, Arizona 85210
Claim Jumper 12075270 7000 E. Shea Blvd. #000K Scottsdale, Arizona 85254
Fleming's Steakhouse 12075292 20753 N. Pima Rd Bldg. R Scottsdale, Arizona 85255
Carrabba's Italian Grill 12075300 5646 W. Bell Rd. Glendale, Arizona 85308
Carrabba's Italian Grill 12075301 1060 N. 54th St. Chandler, Arizona 85226
Carrabba's Italian Grill 12075302 1740 S. Clearview Dr. Mesa, Arizona 85208
Carrabba's Italian Grill 12075310 17007 N. Scottsdale Rd. Scottsdale, Arizona 85255
Super Station Car Wash 10073705 7700 S. Autoplex Loop Tempe, Arizona 85284
Super Station Car Wash 10073704 616 W. Baseline Rd. Tempe, Arizona 85283
Super Station Car Wash 10073283 1560 S. Gilbert Rd. Mesa, Arizona 85204
Library Bar & Grill 06070302 501 S. Mill Ave. #101 Tempe, Arizona 85281
Roy's Desert Ridge 12075313 5350 E. Marriott Dr. Phoenix, Arizona 85054
Kaddy Korner 12075335 2801 N. Central Ave. Phoenix, Arizona 85004
McGrath's Fish House 12075338 1610 S. Stapley Dr. Mesa, Arizona 85204
Chevron 10074460 7730 W. Indian School Rd. Phoenix, Arizona 85033

Sinbad Restaurant 12075344 5004 S. Price Rd. Tempe, Arizona 85282
Los Gringos Loco 12113069 208 S. Phelps Dr. Apache Junction, Arizona 85220
Native New Yorker 12075366 10220 W. McDowell #160 Avondale, Arizona 85323
Roy's Pending 7001 N. Scottsdale Rd. #147 Scottsdale, Arizona 85253
Deemo's 12075169 2501 E. Camelback Rd. #30 Phoenix, Arizona 85016
Best Western 11103039 7060 S. Tucson Blvd. Tucson, Arizona 85706
Piñata Nueva 12075382 14850 N. Frank Lloyd Wright Blvd. #109 Scottsdale, Arizona 85260
Panda Garden Pending 4730 E. Warner Rd. #14 Phoenix, Arizona 85044
Austin's Grill Pending 1339 E. Chandler Blvd. #101 Phoenix, Arizona 85048

DLLC
2003 APR -8 P 2:55

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

AE P1022791

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully, this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

2003 APR -8 P 2:55

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # 06070428
(If the location is currently licensed)

P1022791 gg

1. Check appropriate box → ☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☒ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager | ☐ Manager (Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Meldman (Last) Michael (First) Scott (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License #: [redacted] State: CA
(This Will Not Become a Part of Public Records)

4. Place of Birth: Milw (City) Wis (State) USA (Country) Height: 5'9" Weight: 170 Eyes: Brn Hair: Brn

5. Marital Status ☒ Single ☐ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: Hausman (Last) Teri (First) Lynn (Middle) (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? Ca If Arizona, date of residency: _____

8 Telephone number to contact you during business hours for any questions regarding this document: [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: THE MIRABEL CLUB Premises Phone: (480) 595-2732

11. Licensed Premises Address: 37401 N. MIRABEL CLUB DRIVE SCOTTSDALE, MARICOPA 85262
Street Address (Do not use PO Box #) City County Zip

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
6/89	CURRENT	Chairman DLC	Discovery Land Company
		Real Estate	100 California St. #700
			San Francisco, CA 94111

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↕

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
6/97	CURRENT	[redacted]	[redacted]	[redacted]	[redacted]

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☑ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* A DUI in 1982 ☑ YES ☐ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☑ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☑ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☑ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved fraud or misrepresentation *of a business, professional or liquor license*? [redacted] ☐ YES ☑ NO

20. Are you NOW or have you EVER held ownership, been a controlling person , been an officer, member, director, or manager on *any other liquor* [redacted] state? [redacted] ☑ YES ☑ NO CG

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is [redacted] agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Michael Scott Melman, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

Michael Scott Melman
(Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 22nd day of January, 2003.
Day of Month Month Year

My commission expires on: _____ Day of Month Month Year

KAREN EAKS
Notary Public - Arizona
MARICOPA COUNTY
My Commission Expires
JUNE 11, 2005

Karen Eaks
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted] State [redacted] County of _____
The foregoing instrument was acknowledged before me this

X_____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) Day of Month Month Year

My commission expires on: _____ _____
Day of Month Month Year (Signature of NOTARY PUBLIC)

If you checked the Manager box on the f of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day? _____, answer #14a below. If NO, skip to #15. ☐ YES ☐ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☐ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☐ NO

AMENDMENT

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☐ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☐ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? ☐ YES ☐ NO

20. Are you NOW or have you EVER held ownership, been a controlling person , been an officer, member, director, or manager on *any other liquor license* in this or any other state? #14073003 Estancia Club ☒ YES ☐ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Michael Meldman, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X_____
(Signature of Applicant)

State of_____ County of_____
The foregoing instrument was acknowledged before me this
_____ day of _____, _____.
Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

State of_____ County of_____
The foregoing instrument was acknowledged before me this

X_____
(Signature of LICENSEE/AGENT)

_____ day of _____, _____
Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully, this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # 06070428
(If the location is currently licensed)

1. Check appropriate box →
   - ☐ Owner ☐ Partner ☐ Stockholder ☒ Member ☒ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager
   - ☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Adelson (Last) Steven (First) Daniel (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License # [redacted] State: Arizona
(This Will Not Become a Part of Public Records)

4. Place of Birth: Fargo (City) North Dakota (State) USA (Country) Height: 5'7" Weight: 165 Eyes: Br Hair: Br

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: ([redacted]

6. Name of Current or Most Recent Spouse: Adelson (Last) Shelley (First) L. (Middle) Young (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: 1985

8 Telephone number to contact you during business hours for any questions regarding this document. ([redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: MIRABEL CLUB Premises Phone: (480) 595-2732

11. Licensed Premises Address: 37401 N. MIRABEL CLUB DRIVE (Street Address (Do not use PO Box #)) SCOTTSDALE (City) MARICOPA (County) 85262 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
4/01	CURRENT	Vice President	Terrabrook 4600 N. Scottsdale rd #250 Scottsdale, AZ 85251
7/98	4/01	Sr. Vice President	Intrawest 14646 N. KIERLAND BLVD #210 SCOTTSDALE AZ 85254
8/94	7/98	Sr. Vice President	Rawlins Golf - Sold to Intrawest 9777 E. SABINO CREEK DR TUCSON AZ 85749

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↕

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
JAN 92	CURRENT	[redacted]	[redacted]		

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. [redacted] YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☒ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? [redacted] ☐ YES ☒ NO

20. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director, or manager on *any other liquor license* in this or any other state? [redacted] ☐ YES ☒ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a for[redacted] agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Steven D. Adelson, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)
I have read this questionnaire and the contents and all statements are true, correct and complete.

(Signature of Applicant)

OFFICIAL SEAL
LAURA KRUSHAK
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires May 31, 2003

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 5 day of July, 02
(Day of Month) (Month) (Year)

My commission expires on: 31 5 03
Day of Month Month Year

(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted]

State of [redacted] County of_____
The foregoing instrument was acknowledged before me this

X_____ _____ day of _____, _____
(Signature of LICENSEE/AGENT) Day of Month Month Year

My commission expires on:_____
Day of Month Month Year

(Signature of NOTARY PUBLIC)

If you checked the Manager box on the f of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☐ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☐ NO

16. Have you EVER been *convicted, fined, posted bond, forfeited, ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☐ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☐ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☐ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? ☐ YES ☐ NO

20. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director, or manager on *any other liquor license* in this or any other state? #06100155 Pacific Golf Mngmnt #07100223 murphi ☒ YES ☐ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Steven Adelson (Print full name of Applicant), hereby declare that I am the APPLICANT filing this questionnaire.

I have read this questionnaire and the contents and all statements are true, correct and complete.

X_____
(Signature of Applicant)

State of _____ County of _____
The foregoing instrument was acknowledged before me this
_____ day of _____, _____
Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

State of _____ County of _____
The foregoing instrument was acknowledged before me this

X_____
(Signature of LICENSEE/AGENT)

_____ day of _____, _____
Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully, this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # 06070428
(If the location is currently licensed)

1. Check appropriate box → ☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☐ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager | ☒ Manager (Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: RYAN (Last) MICHAEL (First) PATRICK (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License #: [redacted] State: AZ
(This Will Not Become a Part of Public Records)

4. Place of Birth: DETROIT (City) MICHIGAN (State) USA (Country) Height: 5'11" Weight: 160 Eyes: BR Hair: BR

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: RYAN (Last) JENNIFER (First) BRECKENRIDGE (Middle) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary) Maiden

7. You are a bona fide resident of what state? ARIZONA If Arizona, date of residency: OCTOBER 1986

8 Telephone number to contact you during business hours for any questions regarding this document. (480) 595-2732 x 228

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: MIRABEL CLUB Premises Phone: (480) 595-2732

11. Licensed Premises Address: 37401 N. MIRABEL CLUB DRIVE (Street Address (Do not use PO Box #)) SCOTTSDALE (City) MARICOPA (County) 85262 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
10/01	CURRENT	GENERAL MANAGER	THE MIRABEL CLUB 37401 N. MIRABEL CLUB DRIVE SCOTTSDALE AZ 85262
2/96	9/01	CLUBHOUSE MANAGER	DESERT HIGHLANDS 10040 E HAPPY VALLEY ROAD SCOTTSDALE AZ 85255

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↕

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
JUN 2001	CURRENT	[redacted]	[redacted]	[redacted]	
AUG 1997	JUN 2001	26787 N 73 RD STREET	SCOTTSDALE	AZ	85255
OCT 1995	AUG 1997	10202 E. MEADOW HILL DR.	SCOTTSDALE	AZ	85261

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☐ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☒ YES ☐ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☒ YES ☐ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☒ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? [redacted] ☐ YES ☒ NO

20. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director, or manager on *any other liquor license* [redacted] state? [redacted] ☒ YES ☐ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

[redacted] attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☒ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☒ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☒ NO If "yes", attach a copy of such agreement

24. I, MICHAEL P. RYAN, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X _____ (Signature of Applicant)

OFFICIAL SEAL
LAURA KRUSIAK
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires May 31, 2003

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 5 day of July, 02
(Day of Month, Month, Year)

My commission expires on: 31 5 03
(Day of Month, Month, Year)

_____ (Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): Nations D. Randy
(Last, Middle, First)

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted] Arizona County of Maricopa
[redacted] the foregoing instrument was acknowledged before me this

X _____ (Signature of LICENSEE/AGENT) _____ day of _____, _____
(Day of Month, Month, Year)

My commission expires on: _____
(Day of Month, Month, Year)

_____ (Signature of NOTARY PUBLIC)

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☐ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☐ NO

DLLC
2003 APR -8 P 2:55

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☐ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☐ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☐ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? ☐ YES ☐ NO

20. Are you NOW or have you EVER held ownership, been a controlling person , been an officer, member, director, or manager on *any other liquor license* in this or any other state? ☐ YES ☐ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐YES ☐NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, _____, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X_____
(Signature of Applicant)

State of_____County of_____
The foregoing instrument was acknowledged before me this
_____day of _____, _____.
Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): Nations S. Amy
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

X Amy Nations
(Signature of LICENSEE/AGENT)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this
17th day of March, 03
Day of Month Month Year

CHRISSY A. GOODWIN
Notary Public - Arizona
MARICOPA COUNTY
My Comm. Exp. 07-30-05

My commission expires on: _____
Day of Month Month Year

Chrissy A. Goodwin
(Signature of NOTARY PUBLIC)

If you checked the Manager box on the ! of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☐ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☐ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☐ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☐ NO

AMENDMENT

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☐ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? ☐ YES ☐ NO

20. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director, or manager on *any other liquor license* in this or any other state? #14070006 ☒ YES ☐ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Michael Ryan, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X_____
(Signature of Applicant)

State of_____ County of_____
The foregoing instrument was acknowledged before me this
_____ day of _____, _____.
Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

State of_____ County of_____
The foregoing instrument was acknowledged before me this

X_____
(Signature of LICENSEE/AGENT)

_____ day of _____, _____
Day of Month Month Year

My commission expires on: _____
Day of Month Month Year

_____
(Signature of NOTARY PUBLIC)

DLLC

2003 APR -8 P 2:55

Arizona Department of Liquor Licenses and Control
800 West Washington 5th Floor
Phoenix, AZ 85007-2934

RE: Management Questionnaire Responses
Questions 15, 16

I was cited and plead guilty to a misdemeanor narcotics possession in Windsor, Canada in September 1974, for which I paid a $225.00 fine.

RE: Management Questionnaire Response
Question 20

I did apply to be named as a manager on a liquor license held by The Desert Highlands Association in Scottsdale, Arizona in 1999. I submitted the change request documentation but I am not certain that I was listed as a manager on that license.

Michael Patrick Ryan
12630 N. 70th Street
Scottsdale, AZ 85254
480-905-7361 Home
602-920-7193 Mobile
480-595-2732 x228 Office

OFFICIAL SEAL
LAURA KRUSHAK
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires May 31, 2003

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007
(602) 542-5141

400 W Congress #150
Tucson AZ 85701
(520) 628-6595

CERTIFICATION OF COMPLETED ALCOHOL TRAINING PROGRAM(S)

DLLC
2002 APR -8 P 2:55

OBTAIN ORIGINALS OF THIS FORM FROM DLLC-DO NOT PHOTOCOPY, DOCUMENT IS COMPUTER SCANNED. TYPE OR PRINT WITH BLACK INK.

ALCOHOL TRAINING PROGRAM INDIVIDUAL INFORMATION

MICHAEL PATRICK RYAN
Individual Name (Print)

Individual Signature

7/2/02
Date Training Completed

TYPE OF TRAINING COMPLETED

- [X] BASIC
- [X] ON SALE
- [ ] MANAGEMENT
- [ ] OFF SALE
- [ ] BOTH
- [ ] OTHER _____

IF TRAINEE IS EMPLOYED BY A LICENSEE:

NAME OF THE LICENSEE | BUSINESS NAME | LIQUOR LICENSE NUMBER

ALCOHOL TRAINING PROGRAM PROVIDER INFORMATION

Arizona Liquor Industry Consultants
Company or Individual Name

P.O. Box 2502
Address

Chandler (City) | Az. (State) | 85244 (Zip) | (480) 730-2675 (Phone)

I Certify the above named individual has successfully completed the specified program(s).

Brian Andersen
Trainer Name (Print)

Trainer Signature

7/2/02
Date

Trainer give original of completed form to trainee, photocopy and maintain completed document for your records.

Mandatory Liquor Law Training for all new applications submitted after Nov. 1, 1997. A.R.S. Section 4-112(G)(2).
Completion of the Liquor License Training Courses is required at the issuance of a license.
The person(s) required to attend both the Basic Liquor Law and Management Training, (either on-sale or off-sale), will include all of the following : owner(s), licensee/agent or manager(s) WHO ARE ACTIVELY INVOLVED IN THE DAY TO DAY OPERATION OF THE BUSINESS.
Proof of attendance within the last five years for the required courses must be submitted to the Department before the license application is considered complete.
Before acceptance of a Manager's Questionnaire and/or Agent Change for an existing license, proof of attendance for the Basic Liquor Law and Management Training (either on-sale or off-sale) will be required.

LIC 1021 01/98

Disabled individuals requiring special accommodations please call (602) 542-9051

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007
(602) 542-5141

DLLC

400 W Congress #150
Tucson AZ 85701
(520) 628-6595

2002 JUN -9 P 2:55

CERTIFICATION OF COMPLETED ALCOHOL TRAINING PROGRAM(S)

OBTAIN ORIGINALS OF THIS FORM FROM DLLC-DO NOT PHOTOCOPY, DOCUMENT IS COMPUTER SCANNED. TYPE OR PRINT WITH BLACK INK.

ALCOHOL TRAINING PROGRAM INDIVIDUAL INFORMATION

MICHAEL PATRICK RYAN
Individual Name (Print)

Individual Signature

6/19/02
Date Training Completed

TYPE OF TRAINING COMPLETED

- [ ] BASIC
- [x] ON SALE
- [x] MANAGEMENT
- [ ] OFF SALE
- [ ] BOTH
- [ ] OTHER _____

IF TRAINEE IS EMPLOYED BY A LICENSEE:

NAME OF THE LICENSEE | BUSINESS NAME | LIQUOR LICENSE NUMBER

ALCOHOL TRAINING PROGRAM PROVIDER INFORMATION

ARIZONA LIQUOR INDUSTRY CONSULTANTS
Company or Individual Name

P.O. Box 2502
Address

City	State	Zip	Phone
Chandler	Az.	85244	(602)813-1364

I Certify the above named individual has successfully completed the specified program(s).

Brian Andersen
Trainer Name (Print)

Trainer Signature

Date 6/19/02

Trainer give original of completed form to trainee, photocopy and maintain completed document for your records.

Mandatory Liquor Law Training for all new applications submitted after Nov. 1, 1997. A.R.S. Section 4-112(G)(2).
Completion of the Liquor License Training Courses is required at the issuance of a license.
The person(s) required to attend both the Basic Liquor Law and Management Training, (either on-sale or off-sale), will include all of the following : owner(s), licensee/agent or manager(s) WHO ARE ACTIVELY INVOLVED IN THE DAY TO DAY OPERATION OF THE BUSINESS.
Proof of attendance within the last five years for the required courses must be submitted to the Department before the license application is considered complete.
Before acceptance of a Manager's Questionnaire and/or Agent Change for an existing license, proof of attendance for the Basic Liquor Law and Management Training (either on-sale or off-sale) will be required.

Disabled individuals requiring special accommodations please call (602) 542-9051

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SOCIAL SECURITY AND BIRTHDATE INFORMATION IS CONFIDENTIAL BY LAW AND CANNOT BE DISSEMINATED TO THE PUBLIC

Read Carefully , this instrument is a sworn document. Type or print with black ink

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # _____
If the location is currently licensed)

1. Check appropriate box →
   - ☐ Owner ☐ Partner ☐ Stockholder ☒ Member ☒ Officer ☐ Agent ☐ Other _____ (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager
   - ☐ Manager(Only) (Complete All Questions *except* # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: ARENSON (Last) JOSEPH (First) L (Middle) Date of Birth: [redacted] (This Will Not Become a Part of Public Records)

3. Social Security Number [redacted] (This Will Not Become a Part of Public Records) Drivers License #: [redacted] State: CA

4. Place of Birth: Wilmette (City) IL (State) USA (Country) (not county) Height: 5'10 Weight: 180 Eyes: Blue Hair: Brown

5. Marital Status ☒ Single ☐ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: N/A (Last, First, Middle, Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? IL If Arizona, date of residency: _____

8 Telephone number to contact you during business hours for any questions regarding this document? [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Mirabel Club Premises Phone: (480) 595-2732

11. Licensed Premises Address: 37401 N. Mirabel Club Dr. (Street Address (Do not use PO Box #)) Scottsdale (City) Maricopa (County) 85262 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
9/98	CURRENT	VICE PRESIDENT	DISCOVERY LAND COMPANY 100 California St. #700 San Francisco CA 94

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	RESIDENCE Street Address	City	State	Zip
3/02	CURRENT	[redacted]	[redacted]	[redacted]	
9/98	3/02	346 Montgomery Street	San Francisco	CA	94010

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☒ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which invo[redacted] *srepresentation of a business, professional or liquor license*? ☐ YES ☒ NO

20. Are you NOW or have you EVER held ownership, been a controlling person , b[redacted] director, or manager on *any other liquor* [redacted]y other state? ☐ YES ☒ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

[redacted]nager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you m[redacted]ke payments to the licensee? ☐ YES ☐ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. Is [redacted] formal written con[redacted]act or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, JOSEPH L ARENSON, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

(Signature of Applicant)

State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 14th day of March, 2003.
(Day of Month, Month, Year)

KAREN EAKS
Notary Public - Arizona
MARICOPA COUNTY
My Commission Expires
JUNE 11, 2005

My commission expires on: _____ (Day of Month, Month, Year)

Karen Eaks
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license [redacted] County of _____

The foregoing instrument was acknowledged before me this

X _____ (Signature of LICENSEE/AGENT)

_____ day of _____, _____
(Day of Month, Month, Year)

My commission expires on: _____ (Day of Month, Month, Year)

_____ (Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read Carefully, this instrument is a sworn document. Type or print with black ink
An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

There is a $24.00 processing fee for each fingerprint card submitted.
A service fee of $25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License # 06070428
(If the location is currently licensed)

1. Check appropriate box →
☐ Owner ☐ Partner ☐ Stockholder ☐ Member ☒ Officer ☐ Agent
☐ Other _____ (Complete Questions 1-20 & 24)
Licensee or Agent must complete # 25 for a Manager

☐ Manager (Only)
(Complete All Questions *except* # 14, 14a & 25)
Licensee or Agent must complete # 25

2. Name: Joyner (Last) Schuyler (First) C. (Middle) Date of Birth: [redacted]
(This Will Not Become a Part of Public Records)

3. Social Security Number: [redacted] Drivers License #: [redacted] State: California
(This Will Not Become a Part of Public Records)

4. Place of Birth: Newport Beach, California (City, State) USA (Country) (not county) Height: 5'11" Weight: 210 Eyes: BRN Hair: BRN

5. Marital Status ☐ Single ☒ Married ☐ Divorced ☐ Widowed Residence (Home) Phone: [redacted]

6. Name of Current or Most Recent Spouse: Joyner (Last) Dina (First) M. (Middle) Davies (Maiden) Date of Birth: [redacted]
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? California If Arizona, date of residency: _____

8 Telephone number to contact you during business hours for any questions regarding this document. [redacted]

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Mirabel Club Premises Phone: (480) 595-2732

11. Licensed Premises Address: 37401 N. Mirabel Club Dr. (Street Address (Do not use PO Box #)) Scottsdale (City) Maricopa (County) 85262 (Zip)

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
4/1996	CURRENT	President	Discovery Land Co. / H&H / 1898 Develop.
			100 California St. #700
			San Francisco, CA 94111

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
8/2002	CURRENT	OWN	[redacted]	[redacted]		
5/1999	8/2002	OWN	1456 Cabrillo Ave.	Burlingame	CA	94010
4/1996	5/1999	Rent	3730 Scott St.	San Francisco	CA	94123

Disabled individuals requiring special accommodations please call (602) 542-9027

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises ? If you answered YES, how many hrs/day?_____, answer #14a below. If NO, skip to #15. ☐ YES ☒ NO

14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☐ NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you EVER been *detained, cited, arrested, indicted or summoned* into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

16. Have you EVER been *convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole* for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? *For traffic violations, include only those that were alcohol and/or drug related.* ☐ YES ☒ NO

17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? ☐ YES ☒ NO

18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor *APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined* in this or any other state? ☐ YES ☒ NO

19. Has anyone EVER *filed suit or obtained a judgment against you* in a civil action, the subject of which involved *fraud or misrepresentation of a business, professional or liquor license*? ☐ YES ☒ NO

[redacted]

20. Are you NOW or have you EVER held ownership, been a controlling person , been an officer, member, director, or manager on *any other liquor license* in this or any other state? [redacted] ☐ YES ☒ NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement giving complete details. Please be sure to include dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

[redacted]

Manager Section

[redacted]

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) ☐ YES ☒ NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.

22. Do you make payments to the licensee? ☐ YES ☒ NO If "yes", how much? $_____ per month. Total debt to licensee $_____

23. [redacted] act or agreement between you and the licensee relating to the operation or management of this business? ☐ YES ☐ NO If "yes", attach a copy of such agreement

24. I, Schuyler C. Joyner, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X_____ (Signature of Applicant)

State of California County of San Francisco
The foregoing instrument was acknowledged before me this 3rd day of February, 2003.
Day of Month Month Year

MARIA E. VARGAS
Commission # 1366064
Notary Public - California
San Mateo County
My Comm. Expires Aug 20, 2006

My commission expires on: _____ Day of Month Month Year

Maria E. Vargas
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION

Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name):_____
Last Middle First

Hereby authorize the applicant to act as manager for the named liquor license.

[redacted] County of_____
The foregoing instrument was acknowledged before me this

X_____ (Signature of LICENSEE/AGENT)

_____ day of _____, _____
Day of Month Month Year

My commission expires on:_____ Day of Month Month Year

_____ (Signature of NOTARY PUBLIC)

Item No. _____

CITY COUNCIL REPORT

MEETING DATE: June 3, 2003 ITEM NO. 7 GOAL: Preserve Character and Environment

SUBJECT

Permanent extension of premises for Frank & Lupe's
13-EX-2003

REQUEST

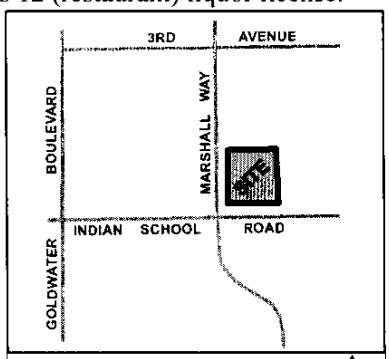
To consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises, which will add an outdoor courtyard area to the existing series 12 (restaurant) liquor license.

OWNER/ APPLICANT CONTACT

Teddy Bernal
480-990-9844

LOCATION

4121 North Marshall Way



General Location Map N.T.S.

BACKGROUND

This site is zoned C-2 (Central Business District). The applicant is requesting approval to add a 1059 square foot courtyard to their currently licensed premises.
The courtyard addition was approved through the staff approval process in case 73-SA-2003.

APPLICANT'S PROPOSAL

Goal/Purpose of Request. This establishment is currently operating with a series 12 (restaurant) liquor license and is requesting approval to add a 1059 square foot courtyard serving area.

IMPACT ANALYSIS

Police/Fire. The Police Department has conducted a review and recommends approval of this case. Rural Metro has reviewed this application and reported no opposition to this case.

Parking. Planning and Development Services has conducted a review of the parking requirements. According to the zoning ordinance, the proposed courtyard adds 4.29 parking spaces to the existing parking requirements for the site. Being a mixed-use project consisting of office, retail, and restaurants, the applicant has submitted a Mixed-Use Shared Parking Plan. The parking plan requires the site to

provide 36 parking spaces. The site has 39 parking spaces to meet the zoning ordinance requirements (29 on-site parking spaces, 8 on-street parking credits, and 2 parking credits from the Scottsdale Acquisition Agreement with the Pink Plaza).

Recommended Approach: The review of this application has shown that it meets zoning, parking, and public safety requirements. Staff recommends approval.

STAFF CONTACT(S)

Jeff Fisher
Plan Review and Permit Services Director
312-7619
E-mail: jfisher@ci.scottsdale.az.us

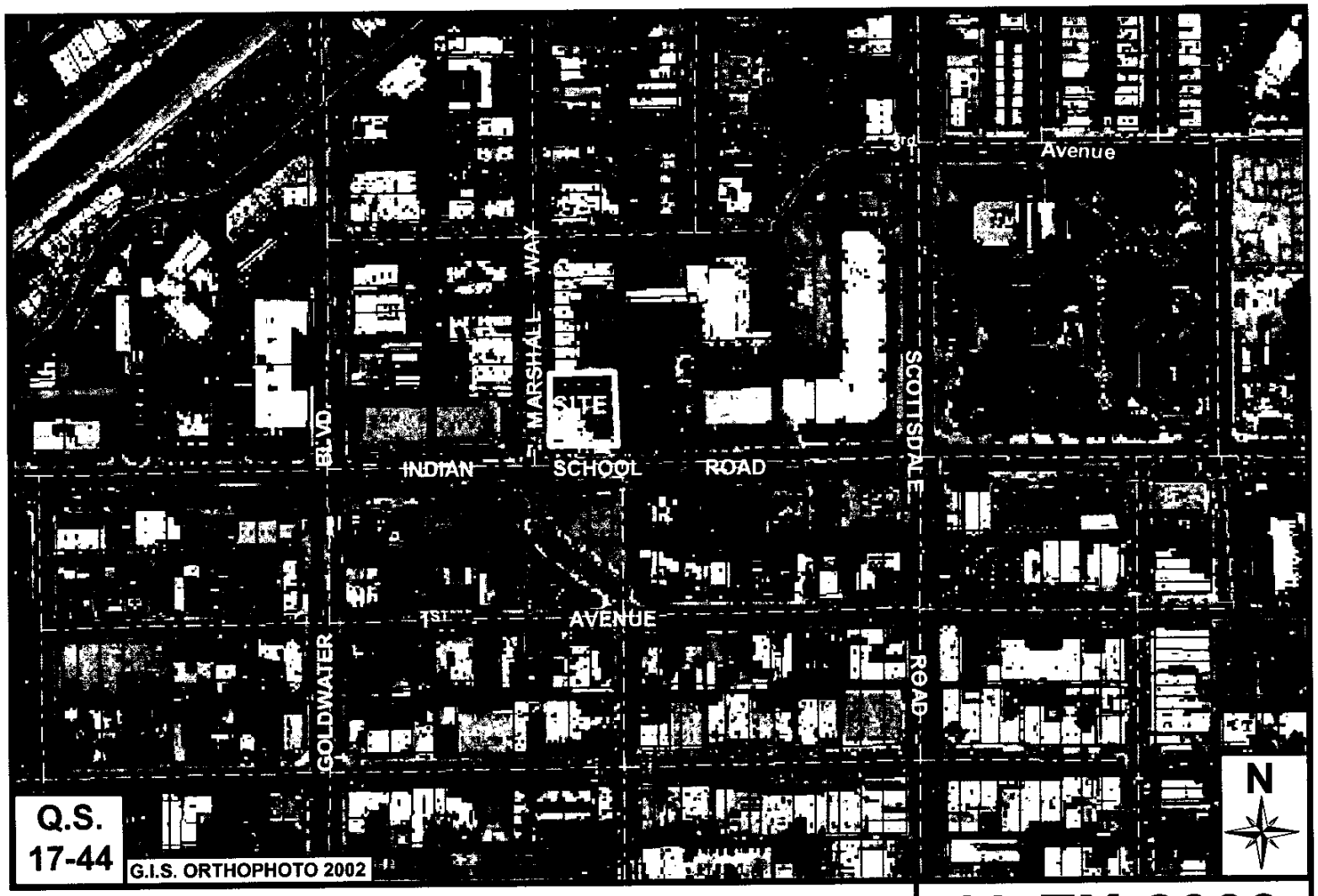
APPROVED BY

Kroy Ekblaw — Date 5/13/03
Planning and Development Services General Manager

Ed Gawf — Date 5/14/03
Deputy City Manager

Attachments:

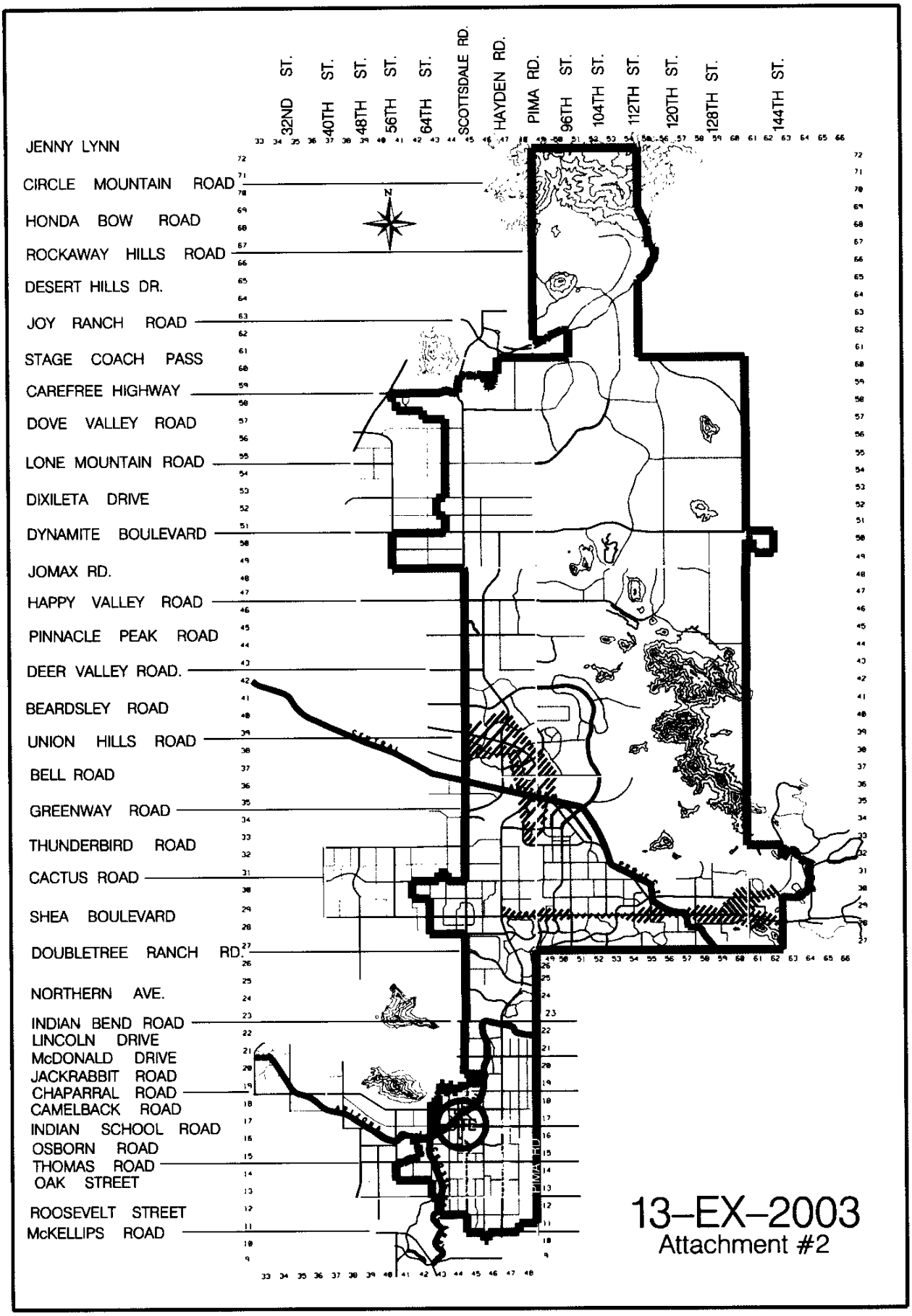
#1 Aerial Map
#2 Vicinity Map
#3 Graphic – Liquor License locations within ½ mile
#4 Application



Frank & Lupes Old Mexico

13-EX-2003

ATTACHMENT #1



13–EX–2003
Attachment #2

Liquor Licenses Within A Half-Mile Radius of 4121 N Marshall Way

0 190 380 760 1,140 1,520 Feet

1 inch equals 751.80 feet

Liquor Licenses.mxd
Printed: 04/09/2003
Created By: Brian Hancock
Source: City of Scottsdale, State of Arizona Dept. of Liquor Licenses and Control.

13-EX-2003

CITY OF SCOTTSDALE

N

City of Scottsdale

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

RECEIVED
APR 07 2003
CITY OF SCOTTSDALE
DEVELOPMENT SERVICES

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

13-EX-2003 APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT

☑ Permanent change of area of service
☐ Temporary change for date(s) of: _____

1. Owner or Agent's Name: BERNAL (Last) TEDDY (First) _____ (Middle)
2. Mailing Address: 4121 N Marshall way (City) Scottsdale (State) AZ (Zip) 85251
3. Business Name: Frank & Lupe's aka Mexico LICENSE #: 12073348
4. Business Address: 4121 N Marshall w (City) Scottsdale (COUNTY) M (State) AZ (Zip) 85251
5. Business Phone: (480) 990 9844 Residence Phone: ([redacted]) [redacted]
6. Are you familiar with Arizona Liquor Laws and Regulations? ☑ YES ☐ NO
7. What security precautions will be taken to prevent liquor violations in the extended area? On Site Manager and Enclosed walls
8. Does this extension bring your premises within 300 feet of a church or school? ☐ YES ☑ NO
9. IMPORTANT: ATTACH THE REVISED FLOOR PLAN CLEARLY DEPICTING YOUR LICENSED PREMISES AND WHAT YOU PROPOSE TO ADD.

After completing sections 1-9, take this application to your local Board of Supervisors, City Council or Designate for their recommendation.

This change in premises is RECOMMENDED by the local Board of Supervisors, City Council or Designate:

_____ (Authorized Signature) _____ (Title) _____ (Agency)

I, Teddy BERNAL (Print full name), hereby declare that I am the APPLICANT filing this application. I have read the application and the contents and all statements are true,correct and complete.

x Teddy BERNAL (Signature of Owner or Agent)

State of AZ County of Maricopa
The foregoing instrument was acknowledged before me this March, 2003 (Month, Year)

ANNIE NEWMAN
Comm. No. 213012
Notary Public State of Arizona
Maricopa County
My Comm. Expires 05-14-2005

My commission expires on: 14th May 2005

(Signature of NOTARY PUBLIC)

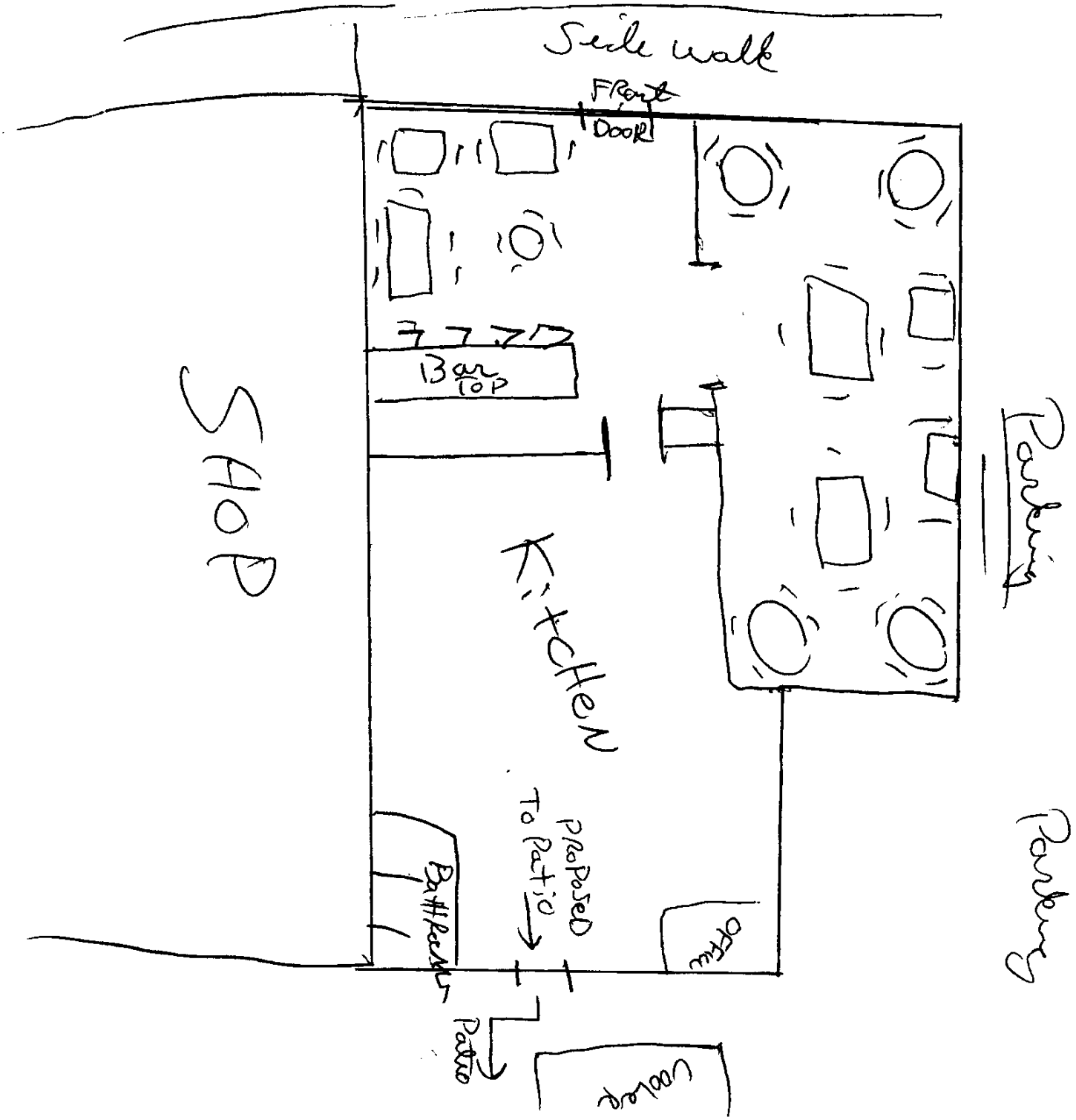
Investigation Recommendation : _____ Date: _____

Licensing Approval: _____ Date: _____

Disabled individuals requiring special accommodation, please (602) 542-9027.

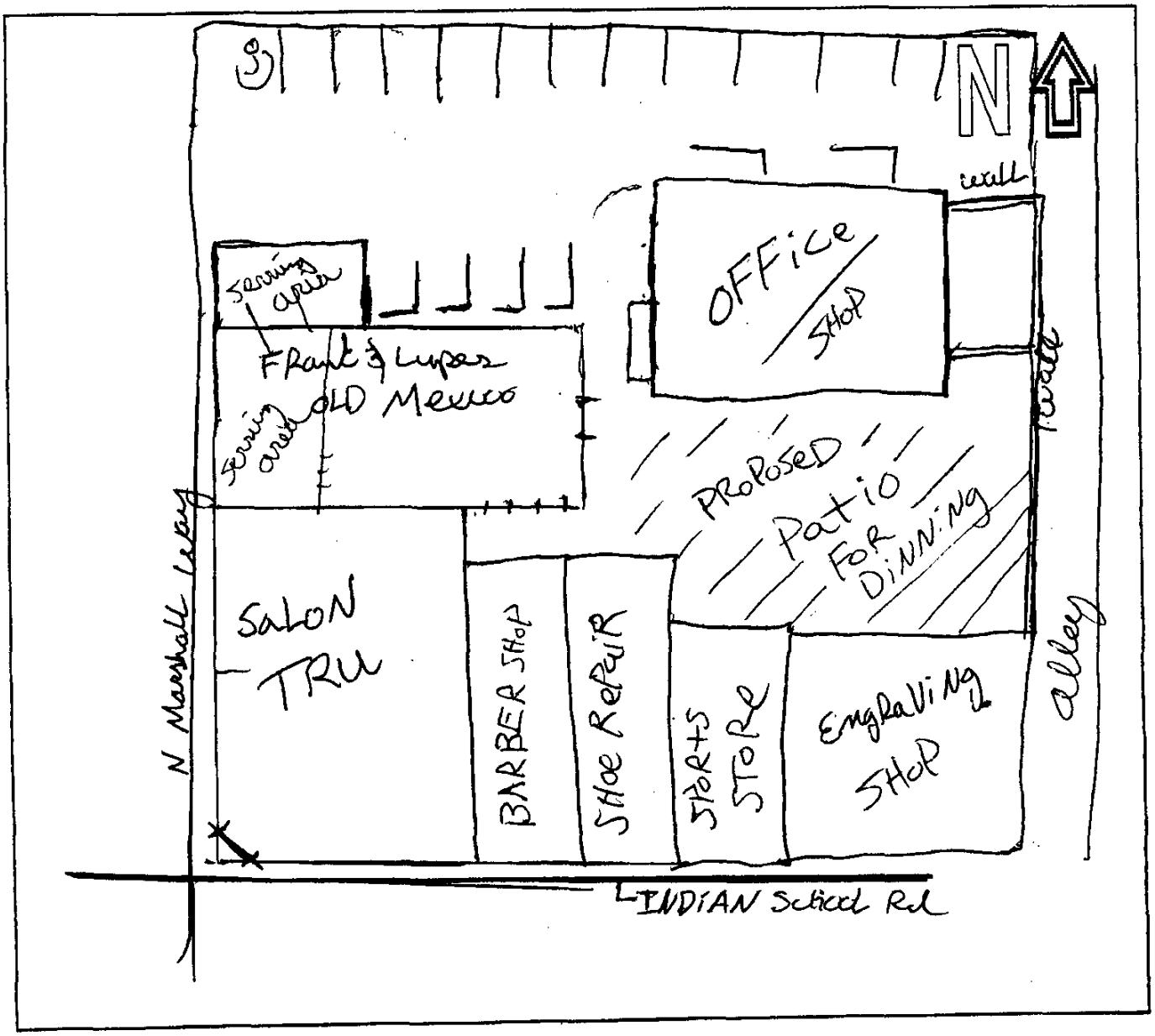
LIC0105 11/2000

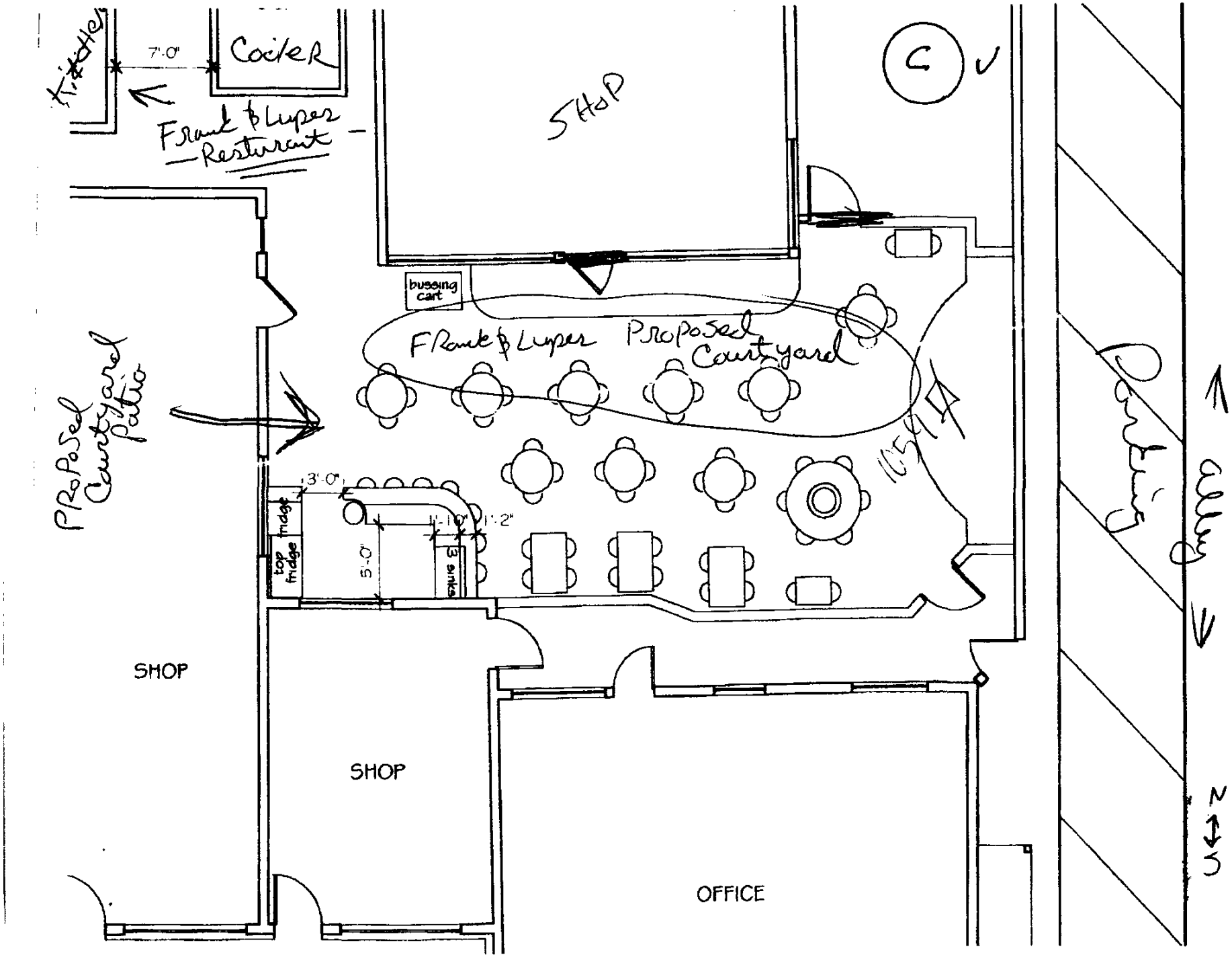
Existing Restaurant

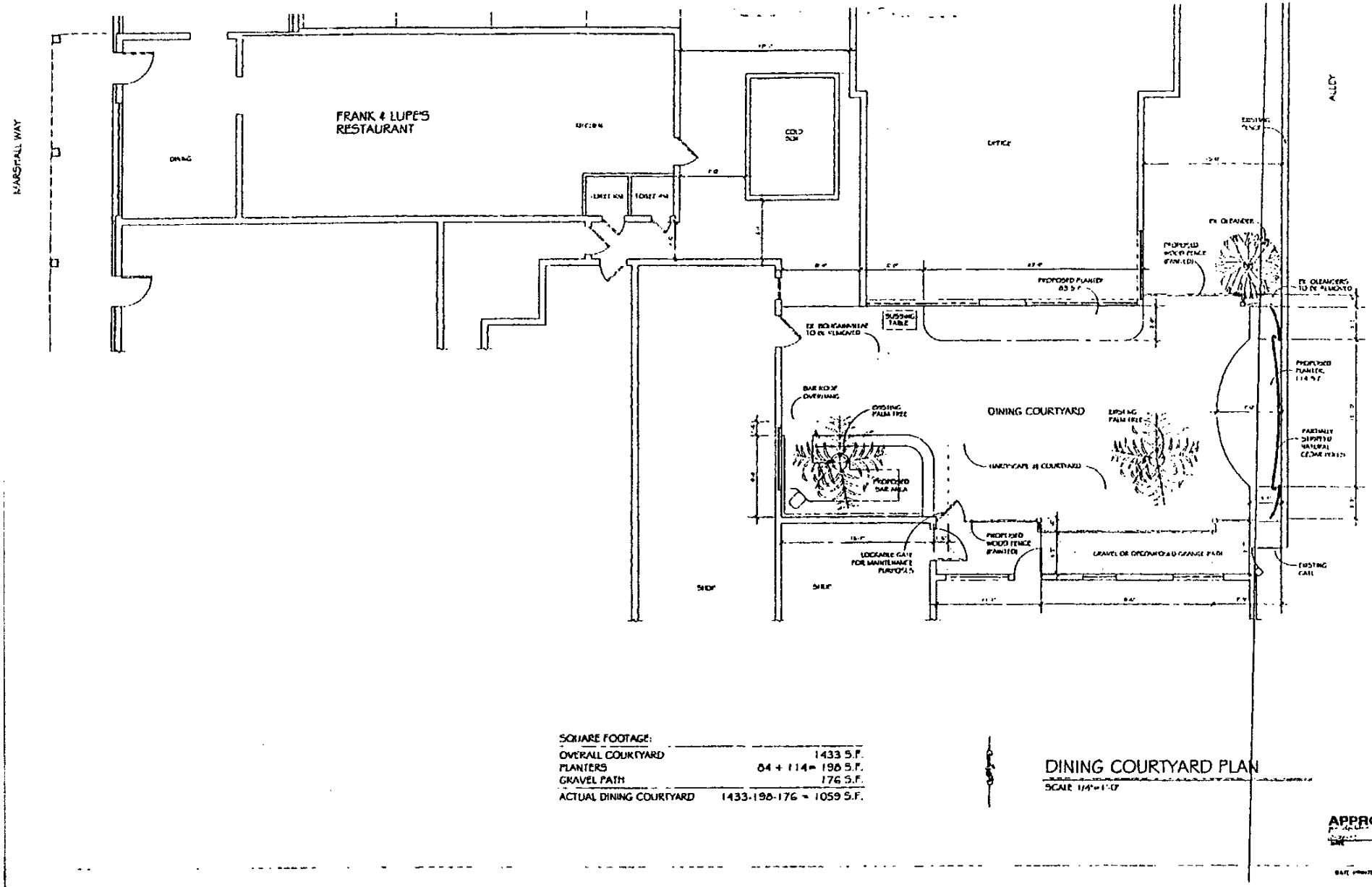


PERMIT PREMISES DIAGRAM

DIAGRAM: (Show nearest cross streets, on-site buildings, event buildings, serving areas, fencing & security positions).




Cooler
7'-0"
Frank & Luper Resturant
SHOP
C
bussing cart
Frank & Luper Proposed Courtyard
Proposed Courtyard Patio
3'-0"
top fridge
fridge
5'-0"
1'-10"
1'-2"
3 sinks
SHOP
SHOP
OFFICE
Parking
N
S



SQUARE FOOTAGE:	
OVERALL COURTYARD	1433 S.F.
PLANTERS	84 + 114 = 198 S.F.
GRAVEL PATH	176 S.F.
ACTUAL DINING COURTYARD	1433-198-176 = 1059 S.F.

DINING COURTYARD PLAN

SCALE 1/4"=1'-0"

APPROVED

DATE PRINTED 1/31/01

STAFF APPROVAL NO. 73-SA-2003

SUBMIT ONE COPY OF THIS APPROVAL LETTER WITH THE FOLLOWING PLAN SETS TO THE ONE-STOP SHOP FOR PLAN REVIEW:

BUILDING:	☒ 2 sets of architectural plans and 1 set of civil improvement plans
FIRE:	☒ 1 set of architectural plans
PLANNING:	☒ 1 set of architectural plans and 2 additional site plans & elevations
CIVIL:	☐ 1 set of civil improvement plans

PROJECT NAME: Dining Courtyard For Frank & Lupes Resturant

LOCATION: 4121 N Marshall Wy

__ __ PARCEL 173-50-114 QUARTER SECTION 17-44

COMPANY NAME: Frank & Lupe li LLC
APPLICANT'S NAME: Teddy Bernal
ADDRESS: 4121 N Marshall Way Scottsdale, AZ 85251
PHONE: 480-990-9844 FAX:

REQUEST Outside patio/courtyard dining

STAFF APPROVAL NOTIFICATION

This letter is notification that your REQUEST is approved conceptually by Community Development staff. Plans shall be submitted for permits as required by the One-Stop Shop. **This approval expires one (1) year from date of approval if a permit is required but has not been issued.**

☐ NO STIPULATIONS PERTAINING TO THIS PROJECT OTHER THAN THOSE IN RELATED CASES.

Reports
Staff Approval Letter/Stips

X	STIPULATIONS:	1. Submit plans as required by the One Stop Shop. 2. Obtain necessary permits as required by the One Stop Shop. 3. With the final plans submittal, the applicant shall revise the site plan to show that the accessible parking stall in the northwest corner of the site is van accessible and that the dimensions are in conformance with the City of Scottsdale and ADA requirements. (The space shall be a minimum 11 feet wide with a 5 foot wide stripped access aisle.) 4. No public indoor seating shall be provided in the area indicated as kitchen on the development plans submitted by Daniel L. Schmitt, Architect and dated 2/21/03. 5. The color of the existing CMU wall that faces the alley (facing east) along the east side of the site/patio shall remain unchanged. 6. This approval is for outdoor courtyard seating, landscaping and fencing only for Frank and Lupe's restaurant. Plans submitted for permits shall match the site plan and elevations submitted by Daniel L. Schmitt, Architect and dated 2/21/03 and the landscape plan submitted by Neill Vecchia and Associates and dated 2/18/03 and approved by the Project Coordinator on 2/28/03.

RELATED CASES 73-SA-2003

SIGNATURE: Keith Niederer

Keith Niederer

DATE: February 28, 2003

STAFF: Please return this letter along with approved plans to Office Coordination for necessary distribution.

c Project File
Applicant
Code Enforcement
Planning Inspectors

Frank & Lupe's Dining Courtyard Narrative

Frank & Lupe's Old Mexico Restaurant has been in its Scottsdale location for more than 6 years and has enjoyed popularity with the lunch time crowd as well as diners for just as long. In order to provide its clientele with the joy of open air dining, Frank & Lupe's Restaurant is proposing to convert an adjoining courtyard into a dining patio.

This patio is located behind the existing Frank & Lupe's Restaurant, with the other buildings and walls in Pink Plaza forming an enclosure around it. The patio has easy access from the Pink Plaza parking lot as well as from Frank & Lupe's kitchen, making the conversion a matter of transforming only the courtyard.

The theme for the new dining patio is a thoughtful mixture of New Mexican and Mexican styles, reflecting the cuisine as well as the traditions and cultural heritages of this family owned restaurant. A New-Mexican inspired picket fence will run east-west along the southern part of the courtyard in order to provide a private back entry to business owners and a backdrop for the patio. A similar fence will run east-west from the north office building to the existing alley block wall in order to give to the courtyard a more regular shape and to provide enclosure and definition. Adjoining the east block wall near the alley will be an in-ground planter 7 feet at its widest point, containing southwestern-themed plantings for the patrons' enjoyment. Along the north office building will be another in-ground planter with Mexican-type vegetation.

In the south-west corner of the courtyard will be a bar/cashier station, with the structure taking advantage of one of two existing mature palm trees: There is an opening in the bar roof to accommodate the palm tree, which would otherwise have to be removed, adding a fun and exotic flair to the bar environment. The other palm tree, which will be free-standing, will have a table built around it to make diners' experience at the patio as unique as possible.

The overall feel of the new dining patio will be festive, intimate, and relaxed, affording our residents and visitors yet another opportunity to enjoy a great part of Downtown Scottsdale.

Application
Narrative

CITY COUNCIL REPORT

MEETING DATE: June 3, 2003 ITEM NO. 8 GOAL: Coordinate Planning to Balance Infrastructure

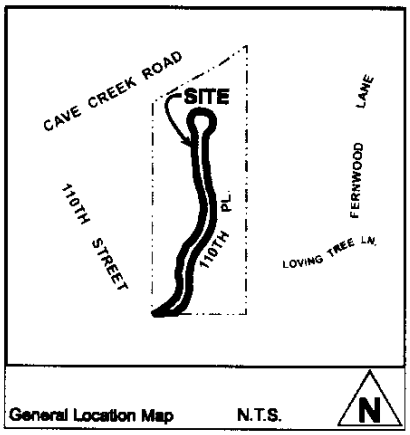
SUBJECT **110th Place Abandonment**

REQUEST

Request to consider the following:

1. Abandon a portion of 110th Place cul-de-sac.
2. Dedicate a new 110th Place cul-de-sac.
3. Adopt Resolution No. 6293 vacating and abandoning a portion of the public right of way.

1-AB-2003



Related Policies, References:
14-LS-2000

OWNERS Larry and Jacqueline Clark

APPLICANT CONTACT Les Zahnow
602-309-1470

LOCATION South of Cave Creek Road and east of 110th Street

BACKGROUND

Background.
The subject cul-de-sac right-of-way was dedicated to the city in 2000 as a requirement for a lot split application. This is a local residential street that provides access to the three newly created parcels.

Zoning.
R1-43 ESL, Single-Family Residential with Environmentally Sensitive Lands overlay.

Context.
The property was originally one parcel and was split into three parcels in 2000 in accordance with our city's lot split process. As part of that process, the subject right-of-way was dedicated in order to serve the three parcels. The current alignment doesn't allow the current property owner or future property owners to take full advantage of the property and still comply with the R1-43 ESL zoning requirements.

APPLICANT'S PROPOSAL

Goal/Purpose of Request.
This is a request to modify the roadway location of 110th Place so that this property may be split in the future to accommodate the existing R1-43 ESL zoning requirements. This modification would move the cul-de-sac approximately four feet to the west of the existing location (See Attachment #4A).

The new alignment would provide approximately 2, 800 additional square feet into parcel three, thus allowing the property owner or future property owners to take full advantage of splitting that parcel under the lot split process and still complying with the R1-43 ESL zoning requirements. Staff has received this new dedication and it will be recorded if the abandonment is approved.

Traffic Impact.
The intersection where 110th Place joins 110th Street remains unaffected by this abandonment. The shifting of 110th Place four feet to the west has no significance to the local street system.

Community Impact.
The realignment of this roadway allows the property to develop in conformance with the existing R1-43 ESL.

IMPACT ANALYSIS

Departmental Responses.
City Department/Division participants concur with this abandonment request. See Department Issues Checklist (Attachment #1).

Community Involvement.
Staff has received input from one citizen regarding this case. The property owner located at the intersection of 110th Street and 110th Way is in support of this abandonment.

Planning Commission.
Recommends approval by a vote of 6-0.

STAFF RECOMMENDATION

Recommended Approach:
Staff recommends approval, subject to the owner dedicating the new cul-de-sac right-of-way. This dedication has been received and will be recorded if the abandonment is approved.

RESPONSIBLE DEPT(S)

Planning and Development Services Department

STAFF CONTACT(S)

Cheryl Sumners
Senior Planner
480-312-7834
E-mail: csumners@ScottsdaleAZ.gov

Jeff Fisher
Plan Review and Permit Services Director
480-312-7619
E-mail: jefisher@ScottsdaleAz.gov

APPROVED BY

5/14/03

Kroy Ekblaw Date
General Manager, Planning & Development Services Department

Ed Gawf 5/14/03

Ed Gawf Date
Deputy City Manager

ATTACHMENTS

1. Departmental Issues Checklist
1A. Property Owner's Narrative
2. Context Aerial
3. Detail Aerial
4. Pre Abandonment
4A. Effect of the Street Modification
5. Post Abandonment
6. Area Trails Plan
7. March 25, 2003 Planning Commission Meeting Minutes
8. Resolution No. 6293
   Exhibit A.
   Exhibit B.

CASE 1-AB-2003

Department Issues Checklist

Transportation

☑ Support

The intersection where 110th Place joins 110th Street remains unaffected. The shifting of the cul-de-sac 4 feet to the west has no significance to the local street system.

Trails

☑ Support

The planned trail system in this area is along the north side of Cave Creek Road. Therefore, no public trails are required.

Public Utilities

☑ Support

Written consent has been granted to abandon the subject rights-of-way without the need for any reservations.

Emergency/Municipal Services

☑ Support

This request does not impact the ability to serve any adjacent properties.

Water/Sewer Services

☑ Support

This request does not impact the ability to serve any properties in the surrounding area.

Drainage

☑ Support

No drainage easements are required over the abandoned area.

ATTACHMENT #1

January 30, 2003

MS. Cheryl Sumners, Staff Coordinator
Planning and Development Department
City of Scottsdale
Scottsdale, AZ

Re: Pre-App Case # 557-PA-2002

Dear Ms. Sumners:

Approximately two years ago, my wife and I executed a Deed of Right of Way Dedication to the City of Scottsdale for an access road and Cul-de-sac for our 7.5 acre parcel located at 110th Street and Cave Creek Road.

We subsequently graded and installed this road. At that time there were almost no neighbors. One man who had built a spec house across from our entrance on 110th Street came over a few times to see what we were doing. He expressed an interest in seeing us complete our work since he thought it would increase property values in the area. Unfortunately our job has not been completed and his house is still for sale.

Since then, Alfred Zanhow of Mill Creek, Washington has completed a residence on the corner of 110th Street and our entrance. He is anxious for us to complete our work since our road will provide him easy access to his four-car garage located at the rear of his property.

We have one neighbor who is adjacent to our parcel on the Cave Creek Road side (N.E. Corner). He is Dr. Samuel Shames from Ohio, I believe. He has the only house along Cave Creek Road for a mile or more who is forced to have his driveway accessible from Cave Creek Road. This is a very dangerous area to enter the highway. He has discussed our project with the idea of using our road to build a new driveway off our Cul-de-sac. We are trying to negotiate something with him subject to approval of our plan from the City of Scottsdale.

You have asked us why it is necessary to vacate the thoroughfare and it is all involved in an error our former engineer made when he surveyed the property. In my mind it is not an "abandonment", it is just the need to move the road 4 feet to the west to correct the error that he made in the size (total square footage) of the property.

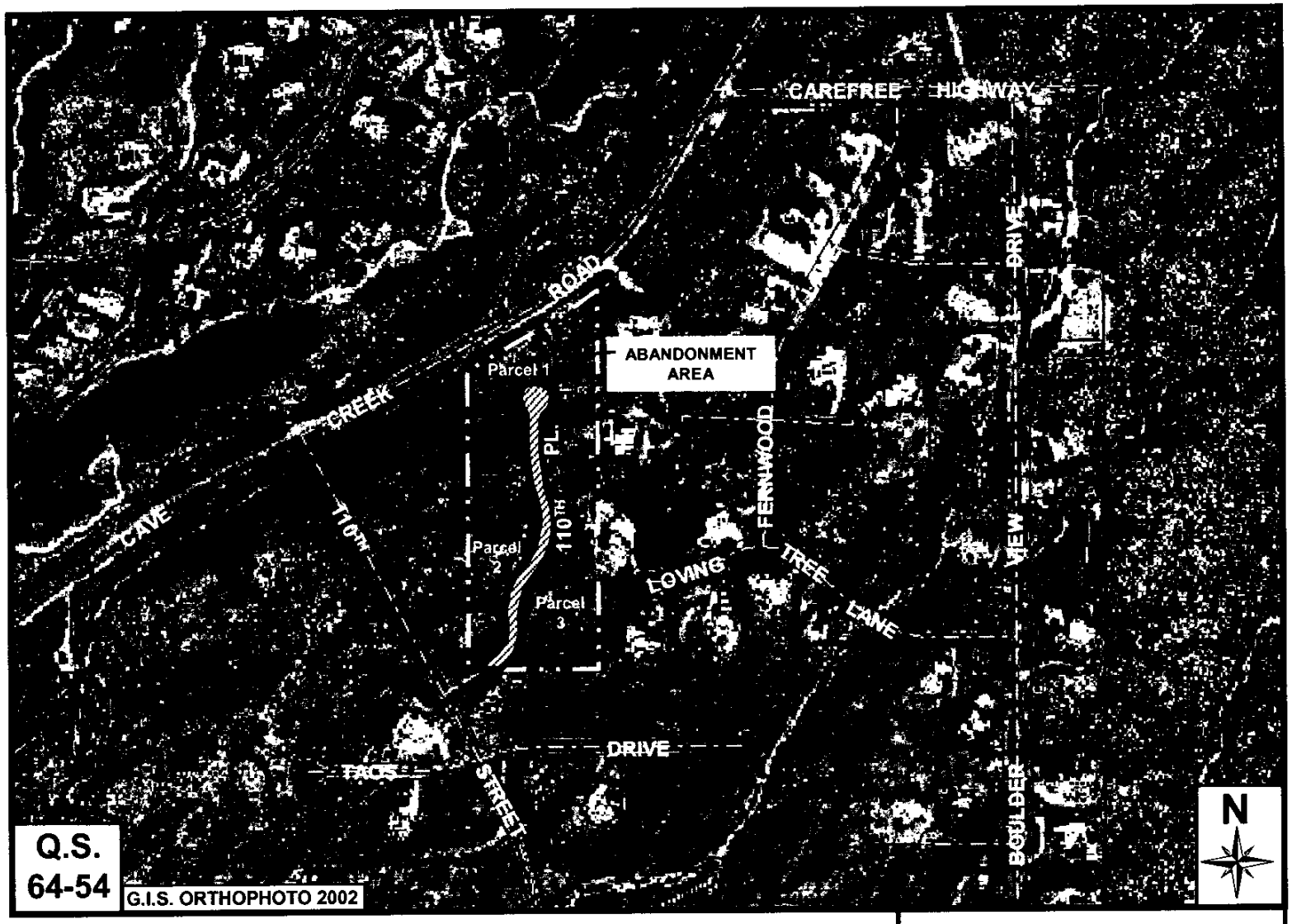
However, I understand why we now need to go through the exercise of vacating the original road plan and subsequently applying for the new legal description to be used in the final roadway.

Sincerely,

Larry E. Clark

LARRY E. CLARK
P.O. BOX 797
CAREFREE, AZ 85377
TELEPHONE: 480-488-8431
FAX: 480-488-3917

ATTACHMENT #1A



Context Aerial

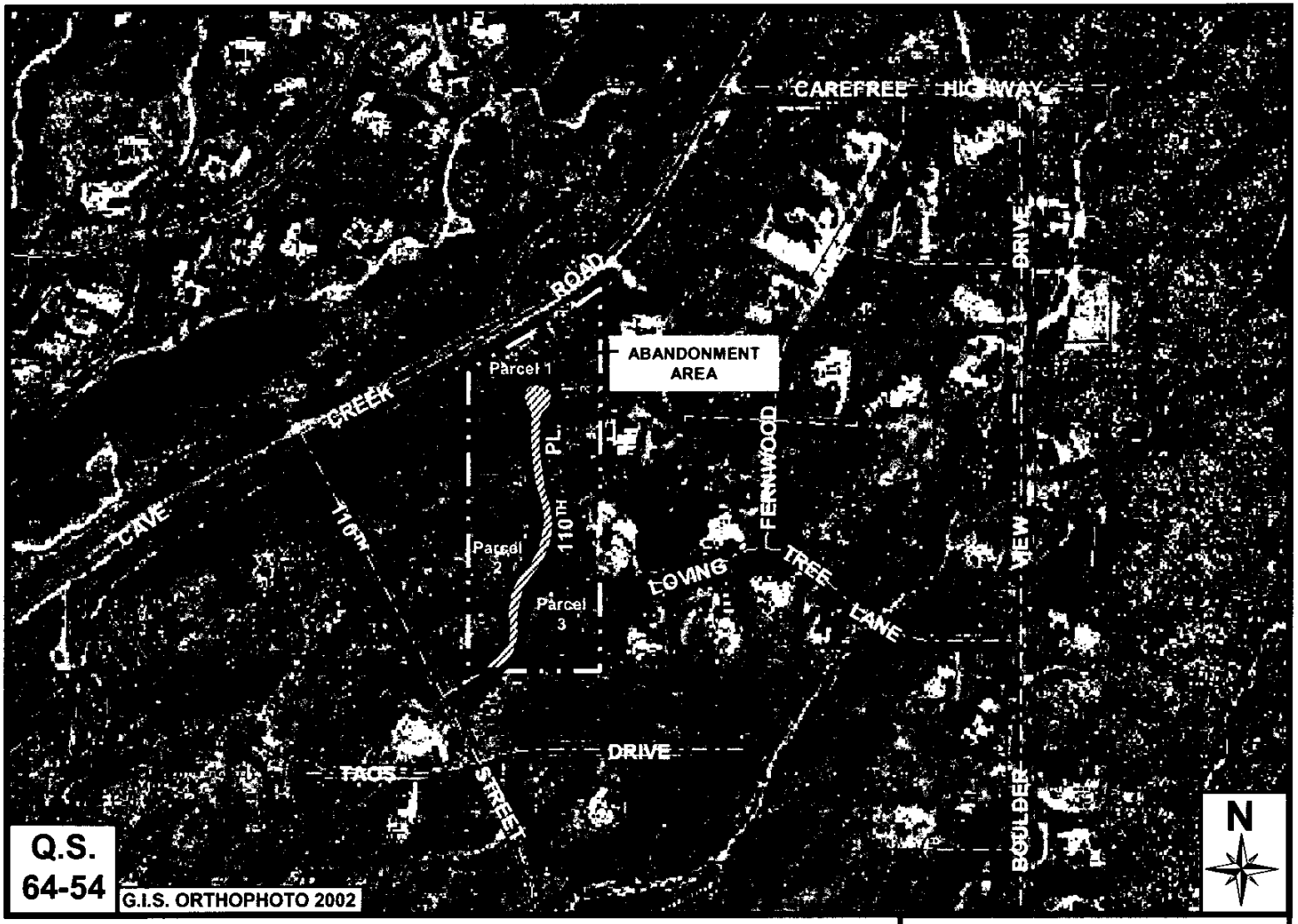
1-AB-2003

ATTACHMENT #2

Detail Aerial

1-AB-2003

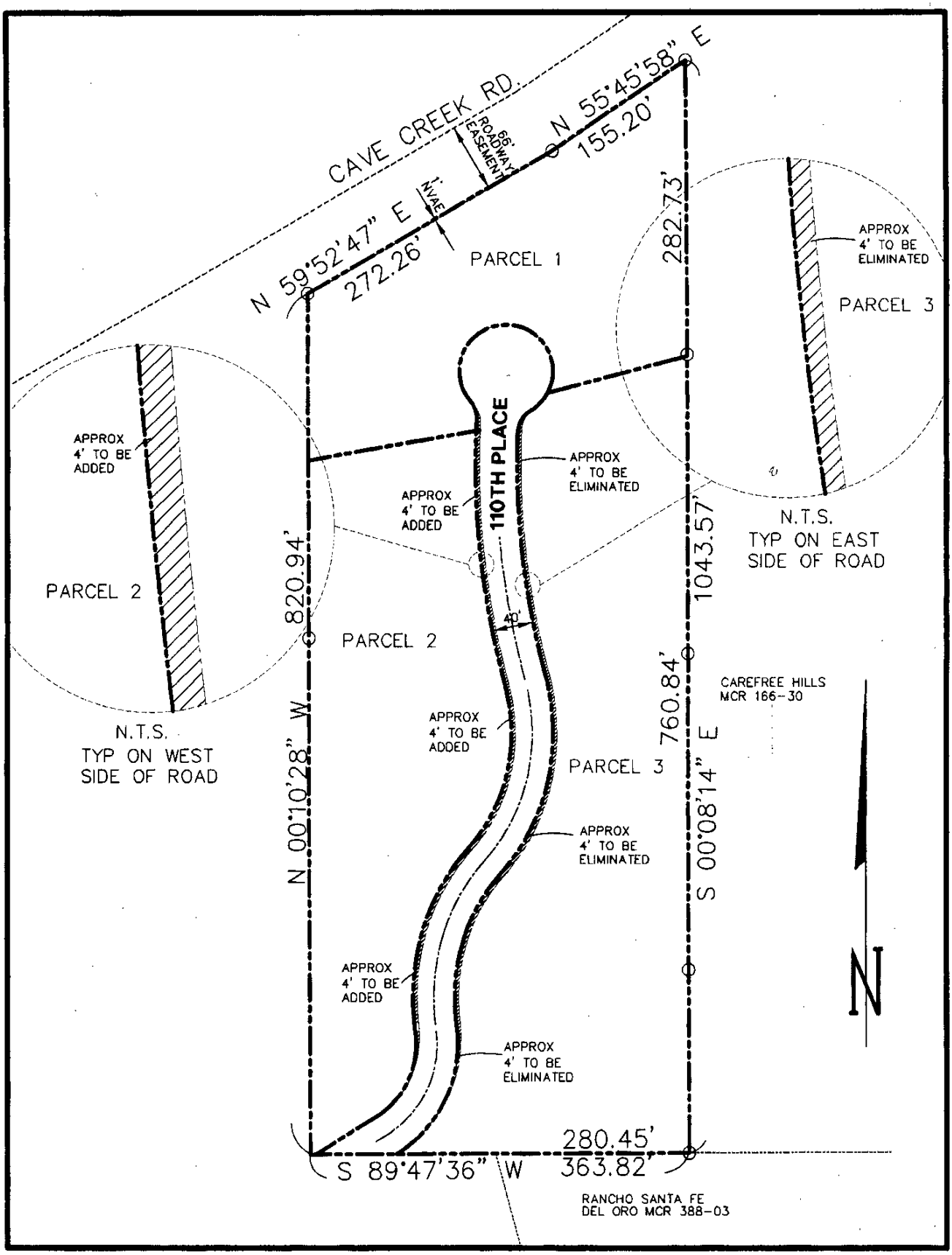
ATTACHMENT #3

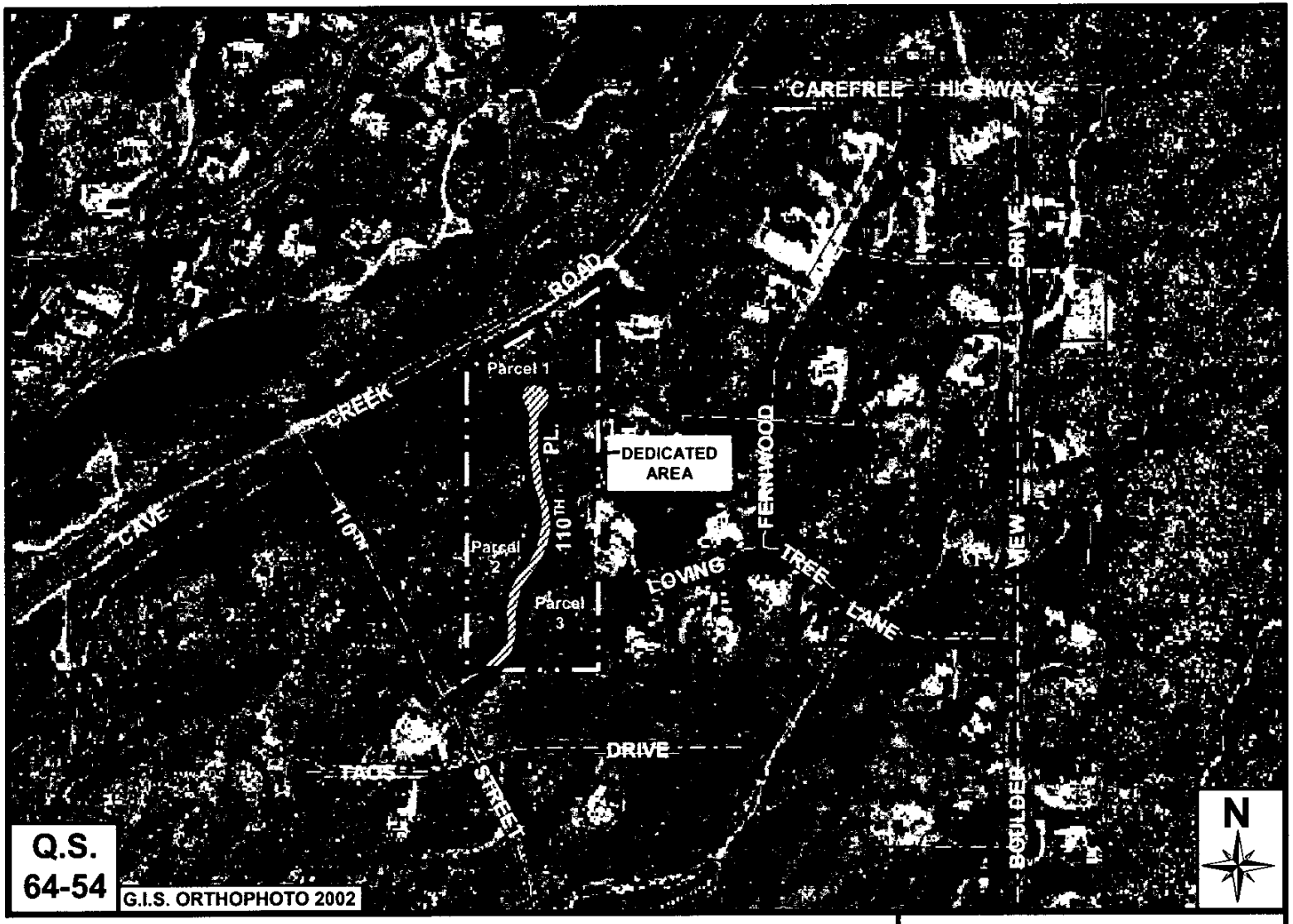


Pre Abandonment

1-AB-2003

ATTACHMENT #4


CAVE CREEK RD.
N 55°45'58" E
155.20'
66' ROADWAY EASEMENT
NVAE
N 59°52'47" E
272.26'
PARCEL 1
282.73'
APPROX 4' TO BE ELIMINATED
PARCEL 3
N.T.S.
TYP ON EAST SIDE OF ROAD
APPROX 4' TO BE ADDED
PARCEL 2
N.T.S.
TYP ON WEST SIDE OF ROAD
110TH PLACE
APPROX 4' TO BE ELIMINATED
APPROX 4' TO BE ADDED
820.94'
1043.57'
40'
PARCEL 2
760.84'
CAREFREE HILLS MCR 166-30
APPROX 4' TO BE ADDED
PARCEL 3
N 00°10'28" W
S 00°08'14" E
APPROX 4' TO BE ELIMINATED
APPROX 4' TO BE ADDED
APPROX 4' TO BE ELIMINATED
N
280.45'
S 89°47'36" W
363.82'
RANCHO SANTA FE DEL ORO MCR 388-03

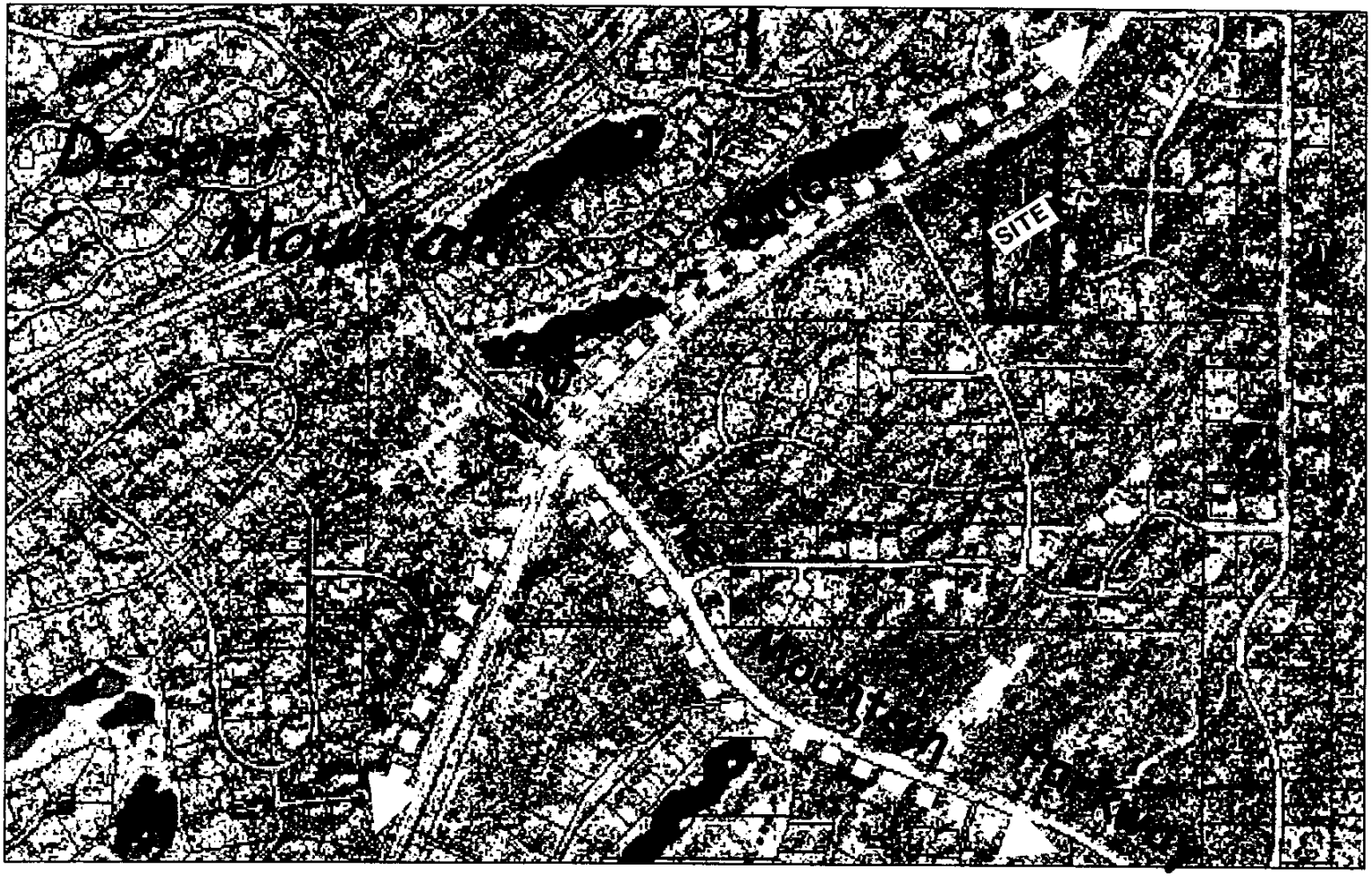


Post Abandonment

1-AB-2003

ATTACHMENT #5

Unpaved Trails near Lone Mountain & Cave Creek Rd.



Unpaved Trails	Not to Scale N

4

ATTACHMENT #6

17-UP-1997#2 (Danny's Car Wash - Shea) request by Deutsch Associates, applicant, Pinnacle & Pima LLC, owner, to amend an existing use permit for a service station on a 2.5+/- acre parcel located at 7373 E Shea Boulevard with Central Business District (C-2) zoning. **Continued to a date to be determined.**

(CHAIRMAN GULINO DECLARED A CONFLICT AND DID NOT PARTICIPATE IN THE VOTE.)

COMMISSIONER OSTERMAN MOVED TO CONTINUE CASES 16-UP-1997#2 AND 17-UP-1997#2 TO A DATE TO BE DETERMINED. SECOND BY COMMISSIONER HEITEL.

THE MOTION PASSED BY A VOTE OF FIVE (5) TO ZERO (0) WITH CHAIRMAN GULINO ABSTAINING.

INITIATION

2-UP-2003 (C.A.P. Basin Park) request to initiate a Municipal Use Master Site Plan for a City Park on 80+/- acres located at the northeast corner of Hayden and Bell Roads with Townhouse Residential, Planned Community Development (R-4 PCD) zoning.

MR. WARD presented this case as per the project coordination packet. Staff recommends the initiation.

VICE CHAIRMAN STEINBERG inquired if they contracted with the Thunderbirds for it to used for parking or is it on a year to year basis. Mr. Ward stated there is an agreement between the City of Scottsdale and the TPC for parking on this site during the Phoenix Open so the park plan would have to recognize during one week of the year there would be parking on this property.

Vice Chairman Steinberg inquired how the surrounding vacant property around the perimeter would be developed. Mr. Ward stated the surrounding property is essentially developed.

COMMISSIONER HEITEL MOVED TO INITIATE CASE 2-UP-2003. SECOND BY COMMISSIONER OSTERMAN.

THE MOTION PASSED BY A VOTE OF SIX (6) TO ZERO (0).

EXPEDITED AGENDA

1-AB-2003 (Modifying 110th Place) request by Zahnow Homes, applicant, Larry Clark, owner, to abandon a cul-de-sac right-of-way and replace with a new cul-de-sac right-of-way located south of Cave Creek Road and East of 110th Street.

MS. SUMNERS presented this case as per the project coordination packet. Staff recommends approval, subject to the owner dedicating the new cul-de-sac right-of-way.

ATTACHMENT #7

COMMISSIONER NELSSEN inquired if there is enough square footage on this parcel for another split will they be required to have a archeological survey if it comes through for another lot split. Ms. Sumners replied in the affirmative stating that is part of the lot-split process to provide that.

CHAIRMAN GULINO inquired who is responsible for improving the little leg that goes from the southern property line to 110th Street. Will the applicant finish his road out to 110th? Ms. Sumners stated that currently the City Code does not require street improvements by single family property owners. Chairman Gulino inquired when was the original lot split done. Ms. Sumners stated in 2000.

VICE CHAIRMAN STEINBERG MOVED TO FORWARD CASE 1-AB-2003 TO THE CITY COUNCIL WITH A RECOMMENDATION FOR APPROVAL SUBJECT TO THE OWNER DEDICATING THE NEW CUL-DE-SAC RIGHT-OF-WAY. SECOND BY COMMISSIONER HENRY.

THE MOTION PASSED BY A VOTE OF (6) TO ZERO (0).

CHAIRMAN GULINO stated he has experience in that area and his research has shown Rancho Santa Fe did not get stipulated to do a lot. He further stated that he does not he expects this guy to make up the difference, but there are some gaps because of Ranch Santa Fe and as other cases come in this area, they might want to keep an eye out for some of those things.

NON-ACTION ITEM

47-PA-2003 (Downtown Ordinance) discussion on the text amendment to create a Downtown Overlay.

MR. STABLEY presented a brief overview of the proposed Downtown Overlay. He stated there have been a lot of unresolved issues in the downtown and the goals are to create a downtown overlay that addresses several of those issues. He presented information on why use an overlay in this area. He discussed the potential topics for the downtown overlay. He reviewed the parking issues in the downtown. He reviewed the issues with tattoo parlors. He discussed goals to allow residential throughout the downtown. He stated staff would come back to the Planning Commission in May with an ordinance and it would go before the City Council in June.

COMMISSIONER NELSSEN requested staff provide the Commission with a list of unintended consequences of the goals. He stated he has concerns regarding allowing 5,000 square foot additions with no additional parking because of the possible unintended consequences. He further stated he felt that area needed to be looked at again.

Commissioner Nelssen stated he felt they should use another word other than body decorations.
COMMISSIONER HENRY stated she would agree with Commissioner Nelssen that there could be problems as a result of allowing the addition of 5,000 square feet without the requirement for additional parking. Maybe not in retail but would definitely create a

RESOLUTION NO. 6293

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, VACATING AND ABANDONING A PORTION OF THE PUBLIC RIGHT-OF-WAY, APPLICATION NO. 1-AB-2003, PURSUANT TO THE PROVISIONS OF THE ARIZONA REVISED STATUTES, ARTICLE 8, CHAPTER 20, TITLE 28.

WHEREAS, application has been made to the Council of the City of Scottsdale for abandonment of a portion of public right-of-way; and

WHEREAS, A.R.S. Sec. 28-7202 provides that a city may dispose of a roadway or portion thereof when said property or portion thereof is no longer necessary for public use; and

WHEREAS, after notice to the public, hearings have been held before the Planning Commission and Council of the City of Scottsdale on the proposed abandonment of a portion of the public right-of-way, described in Application No. 1-AB-2003, within the City of Scottsdale; and

WHEREAS, it is in the opinion of the Council that the portion of public right-of-way described herein below is no longer necessary for public uses as roadway; and

WHEREAS, the City Council finds that consideration and other public benefit commensurate with the value of the property, giving due consideration to its degree of fragmentation and marketability, will be provided by the owner of the abutting property to the city.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Scottsdale, Arizona, as follows:

Attachment #8

That the real property situated within the City of Scottsdale, Maricopa County, Arizona, and described in Exhibit "A" attached hereto and by this reference made a part hereof; be and the same is hereby vacated and abandoned subject to the reservation of easements for all existing utilities, and reservation of such rights as are specified in A.R.S. Sections 28-7210 and 28-7215. A map marked Exhibit "B" disclosing the area vacated is attached hereto and by this reference made a part hereof.

PASSED AND ADOPTED by the Council of the City of Scottsdale this _____ day of _____, 2003.

_____
Mary Manross, Mayor

ATTEST:

Sonia Robertson
City Clerk

By:_____
City Clerk

APPROVED AS TO FORM:

_____
David Pennartz, City Attorney

LEGAL DESCRIPTION
ROAD DEDICATION

That part of Section 28. Township 6 North, Range 5 East of the Gila and Salt River Base and Meridian. City of Scottsdale, Maricopa County. Arizona, as described in Docket 86-215001 and more particularly described as follows:

COMMENCING at Survey Corner #17 of U.S. Exchange Survey #658-B. also being the Northeast corner of Rancho Santa Fe Del Oro subdivision as recorded in Book 388 Map 03 M.C.R.:
Thence S89°47'36"W on an assumed bearing along the North boundary of said subdivision. a distance of 1142.33' to the TRUE POINT OF BEGINNING;

Thence continuing S89°47'36"W a distance of 77.87';
Thence N58°52'58"E a distance of 66.81' to a point of curvature; with a radius point bearing Northwesterly a distance of 87.02';
Thence Northeasterly along said curve through a delta angle of 65°48'51" an arc length of 99.96' to a point of reverse curvature with a radius point bearing Northeasterly a distance of 220.00':
Thence Northeasterly along said curve through a delta angle of 47°31'17" an arc length of 182.47' to a point of reverse curvature with a radius point bearing Northwesterly a distance of 173.00';
Thence Northeasterly along said curve through a delta angle of 56°13'39" an arc length of 169.77' to a point of reverse curvature with a radius point bearing Northeasterly a distance of 763.19':
Thence Northerly along said curve through a delta angle of 18°42'38" an arc length of 249.23' to a point of reverse curvature with a radius point bearing Northwesterly a distance of 25.00';
Thence along said curve through a delta angle of 48°01'00" an arc length of 20.95' to a point of reverse curvature with a radius point bearing Northeasterly a distance of 45.00';
Thence Northwesterly and Southeasterly along said curve through a delta angle of 279°55'37" an arc length of 219.85' to a point of reverse curvature with a radius point bearing Southeasterly a distance of 25.00':
Thence Southerly along said curve through a delta angle of 52°09'40" an arc length of 22.76' to a point of compound curvature with a radius point bearing Southeasterly a distance of 723.19':
Thence Southerly along said curve through a delta angle of 18°27'34" an arc length of 233.00' to a point of reverse curvature with radius point bearing southwesterly a distance of 213.00':
Thence southwesterly along said curve through a delta angle of 56°13'39" an arc length of 209.03' to a point of reverse curvature with radius point bearing southwesterly a distance of 180.00';
Thence southwesterly along said curve through a delta angle of 47°31'17" an arc length of 149.29' to a point of reverse curvature with radius point bearing southwesterly a distance of 127.02':
Thence southwesterly along said curve through a delta angle of 65°48'51" an arc length of 145.90' to the Point of Beginning.

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
19850
CLIFFORD J.
SLYBER
Date Signed 8/31/08
ARIZONA U.S.A.

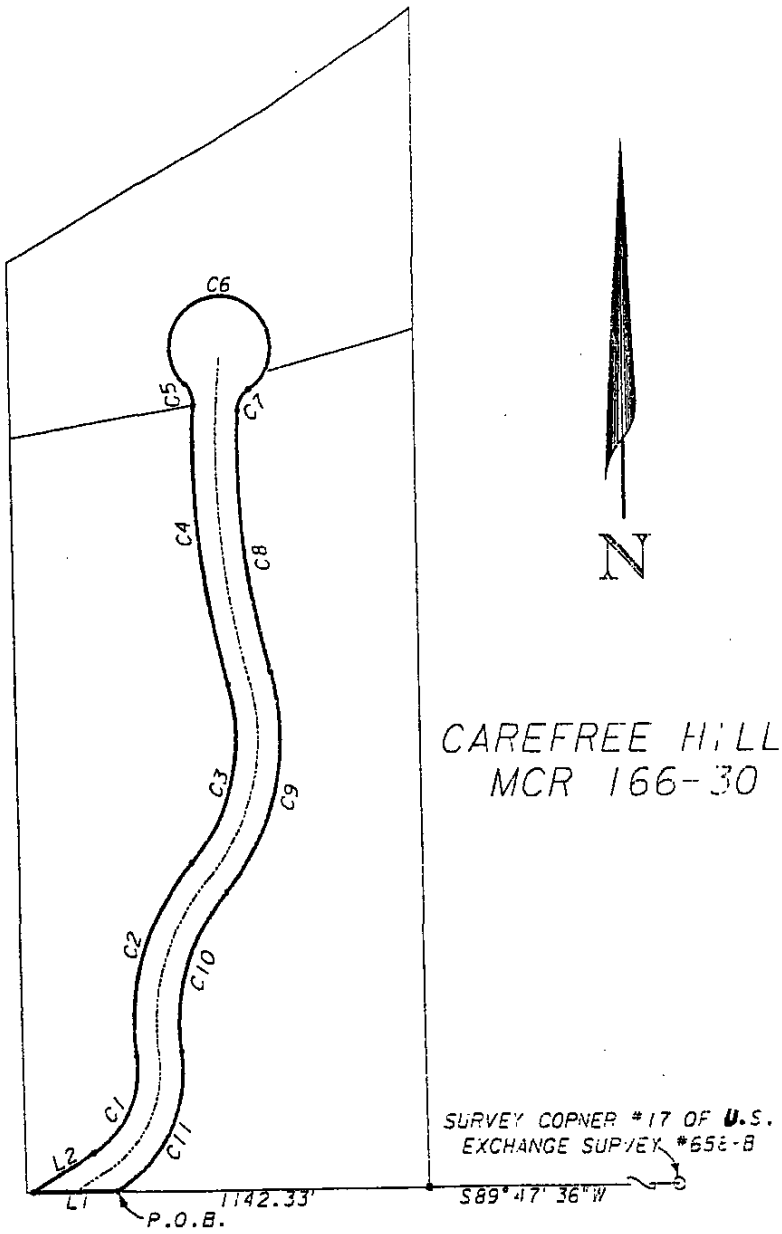
EXHIBIT A

EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION

ROADWAY DEDICATION

CURVE DATA			
#	RADIUS	DELTA	LENGTH
C1	R=87.02'	D=65°48'51"	L=99.96'
C2	R=220.00'	D=47°31'17"	L=182.47'
C3	R=173.00'	D=56°13'39"	L=169.77'
C4	R=763.19'	D=18°42'38"	L=249.23'
C5	R=25.00'	D=48°01'00"	L=20.95'
C6	R=45.00'	D=253°19'44"	L=219.85'
C7	R=25.00'	D=52°09'40"	L=22.76'
C8	R=723.19'	D=18°27'34"	L=233.00'
C9	R=213.00'	D=56°13'39"	L=209.03'
C10	R=180.00'	D=47°31'17"	L=149.29'
C11	R=127.02'	D=65°48'51"	L=145.90'

LINE DATA		
#	BEARING	HORIZONAL DISTANCE
L1	S89°47'36"W	77.87'
L2	N58°52'58"E	66.81'



REGISTERED LAND SURVEYOR
CERTIFICATE NO.
19850
CLIFFORD J.
SLYDER
Date Signed 8/31/08
ARIZONA U.S.A.

EXHIBIT B

CITY COUNCIL REPORT

MEETING DATE: 06/03/2003 ITEM NO. 9 GOAL: Fiscal Management

SUBJECT

Contract for Legal Services in connection with *Scottsdale 275, LLC v. City of Scottsdale, et al,* Case No. CIV02-0041-PHX-MHM, pending in Arizona District Court.

REQUEST

Adopt Resolution No. 6295 authorizing the Mayor to execute Contract No. 2002-032A-COS, legal services contract renewal in a maximum amount of One Hundred Thousand Dollars ($100,000.00), with the law firm of Lewis and Roca, LLP for legal services regarding representation of the City of Scottsdale in the litigation entitled *Scottsdale 275, LLC v. City of Scottsdale, et al.*

Related Policies, References:
Resolution No. 6295; prior contract (No. 2002-032-COS) and Resolution 6043.

BACKGROUND

In early 2001, City of Scottsdale prepared an application to rezone the Scottsdale National Property from R1-43 ESL to R1-70 ESL and R1-190 ESL. The rezoning Ordinance was adopted by the City Council on October 30, 2001.

In response, Plaintiff has brought an action against the City claiming, among other things, that the rezoning violated Plaintiff's constitutional and statutory rights, that the zoning amendment is invalid for failure to provide proper notice, that Scottsdale 275 has vested rights in the prior R1-43 zoning classification, that the City's ESL Ordinance is illegal and that the rezoning consists of an improper taking of property. The City Attorney's Office removed the matter to federal court and answered the Complaint.

As requested by the City Council, an outside law firm was contracted to handle representation of this matter. On April 1, 2003, a contract in the amount of $150,000.00 was entered into with Lewis and Roca, LLP. Under this contract, Lewis and Roca has conducted discovery, taken and defended depositions, drafting and responding to motions, and retained expert consultants. The original contract amount is close to being exhausted; therefore, this renewal is being requested to continue Lewis and Roca's defense of this matter.

ANALYSIS & ASSESSMENT

Recent staff action.
The City Attorney's Office monitors the work performed by Lewis and Roca and have remained in close contact regarding the case status and future considerations for this case.

Action Taken_____

Policy implications.
The lawsuit is being defended to uphold the community's interest in the rezoning of the property.

Community involvement.
Payment of legal fees does not involve a public outreach process.

RESOURCE IMPACTS

Available funding.
This contract for legal services authorizes a maximum amount of $100,000. Funds will be paid out of the City Attorney's Legal Services Account No. 52140.

Future budget implications.
Lewis and Roca estimates that this renewal amount of $100,000 will be sufficient to cover legal fees and expenses through trial, but it will not be sufficient for legal fees and costs associated with any appeal.

Staffing, workload impact.
No significant impact.

Maintenance requirements.
There are no maintenance requirements related to a professional legal services contract.

OPTIONS & STAFF RECOMMENDATION

Description of Option A: The City Council previously directed that outside legal counsel be retained in this matter. The City Council could direct that the matter be brought in-house for the remainder of the litigation. If this option is chosen, it would mean a re-prioritization within the litigation division that would likely require that other litigation matters be sent to outside counsel in order to devote the in-house resources necessary for this litigation.

Description of Option B:
Renew contract as requested

Recommended Approach: Authorize the legal services renewal contract in the amount of $100,000, Option B.

RESPONSIBLE DEPT(S)

General Government, City Attorney's Office – Civil Division

STAFF CONTACT(S)

David A. Pennartz, City Attorney, dpennartz@scottsdaleaz.gov
Deborah W. Robberson, Deputy City Attorney, drobberson@scottsdaleaz.gov

APPROVED BY

Deborah W. Robberson / for — 5/15/03
David A. Pennartz — Date
City Attorney, dpennartz@scottsdaleaz.gov
(480) 312-2405

5/15/03
Jan Dolan — Date
City Manager, jdolan@scottsdaleaz.gov
(480) 312-2422

(Continued)

ATTACHMENTS

1. Resolution Number 6295
2. Legal Services Contract No. 2002-032A-COS

(Continued)

RESOLUTION NO. 6295

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY TO ENTER INTO AGREEMENT NO. 2002–032A-COS, A RENEWAL CONTRACT FOR LEGAL SERVICES WITH THE LAW FIRM OF LEWIS AND ROCA, LLP, FOR THE PURPOSE OF PROVIDING LEGAL ADVICE AND REPRESENTATION IN SCOTTSDALE 275, LLC v CITY OF SCOTTSDALE, ET AL., CAUSE NO. CIV-02-0041-PHX-MHM, PENDING IN ARIZONA DISTRICT COURT.

WHEREAS, Scottsdale 275, LLC has brought a lawsuit against the City of Scottsdale, certain current and former members of the Council and the City Clerk alleging violation of various federal and state constitutional and statutory rights arising from the Council's approval of a zoning ordinance that affects Plaintiff's property, and

WHEREAS, in that this legal action involves complex issues of state and federal law, the City has retained the law firm Lewis and Roca, LLP to provide representation to the City, current and former City Council members and the City Clerk.

NOW, THEREFORE, BE IT RESOLVED by Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. Mary Manross, Mayor, is hereby authorized and directed to execute on behalf of the City of Scottsdale, and individually named Defendants in the above referred to matter, Agreement No. 2002-032A-COS, attached hereto as Exhibit A, a contract for legal services between the City of Scottsdale and the law firm of Lewis and Roca, LLP.

PASSED AND ADOPTED by the City Council of the City of Scottsdale, Maricopa County, Arizona this ____ day of June, 2003.

ATTEST:

CITY OF SCOTTSDALE, an
Arizona municipal corporation

Sonia Robertson, City Clerk

Mary Manross, Mayor

APPROVED AS TO FORM:

David A. Pennartz, City Attorney

29251_2.DOC

CONTRACT FOR LEGAL SERVICES
CITY OF SCOTTSDALE
City Attorney's Office

THIS CONTRACT is made and entered into on this _____ day of June, 2003, by and between the **City of Scottsdale**, a municipal corporation, hereinafter called **CITY**, and the law firm of **Lewis and Roca, LLP,** hereinafter called **COUNSEL.**

CITY having determined it to be in its best interest to contract with attorneys not in its employ who, by experience and training, are qualified to assist in connection with **Scottsdale 275, LLC v. City of Scottsdale.**

CITY having satisfied itself as to the qualifications of COUNSEL as named above.

NOW, THEREFORE, it is agreed between the parties as follows:

1. Scope of Service and Representation. COUNSEL agrees to perform all necessary legal services, including investigation, legal research, preparation of pleadings, legal memoranda and briefs, and appearances in court, in representing the City. Such legal services shall be carried out in cooperation with the City Attorney's Office who shall at all times be apprised of the status of all matters. No major decisions regarding the resolution of the legal issues or litigation, in whole or in part, shall be made without the prior approval of the City Attorney's Office. All offers of compromise made by plaintiff(s) shall be promptly transmitted to CITY through its City Attorney's Office, together with COUNSEL'S recommendations. City will be responsible for obtaining proper authority to accept a compromise or for obtaining authority to make a counter-offer. No appeals will be taken from judgments in any litigation without prior approval of City, acting through its City Attorney's Office.

2. Advice and Status Reporting. COUNSEL shall provide CITY with timely advice of all significant developments arising during performance of their services hereunder orally or in writing, as COUNSEL consider appropriate. COUNSEL shall provide copies of all pleadings and other documents prepared by COUNSEL, including research memoranda prepared by COUNSEL, unless they have been otherwise provided to the City Attorney's Office.

3. Compensation. CITY agrees to pay COUNSEL for services rendered hereunder as follows:

A. Two Hundred and Fifty Dollars ($250.00) per hour for Frank S. Bangs and Scott Bales.

B. One Hundred and Fifty Dollars ($150.00) per hour for Kimberly A. Demarchi.

C. One Hundred and Twenty-Five Dollars ($125.00) per hour for Paralegals.

All services not specified hereinabove shall be billed at actual cost, plus employee related costs, if any. CITY shall not be billed for use of COUNSEL'S "runners", but may be billed for messenger service required when COUNSEL'S runner is not available. Total money paid under this contract **shall not exceed One Hundred Thousand Dollars ($100,000.00).** Fees and expenses shall be billed on a monthly basis and paid by CITY within forty-five (45) days.

4. Travel. Approval for travel shall be obtained through the City Attorney's Office prior to departure. Travel time may be billed to CITY, with the exception of travel time to CITY to meet with CITY representatives or the City Council. "Reasonable expenses" means expenses not exceeding one hundred eighty five dollars ($185.00) per night for hotel rooms, seventy-five dollars ($75.00) per person per day for meals including gratuity, and for the rental charges of the most economical type of rental car available. Where possible, COUNSEL and consultants and experts and subcontractors shall stay at hotels that charge a government rate. When traveling by airplane, whenever possible, reduced fare tickets shall be purchased. Gasoline shall not be billed to CITY except when a rental car is used out-of-state.

5. Reimbursement for Expenses. All costs and other disbursements for outside services not specified hereinabove shall be billed at actual cost, plus employee related costs, if any. All copying charges shall be billed at no more than fifteen cents ($.15) per page. To the extent practical, large photocopying tasks will be sent out to an outside copy service in an effort to further reduce photocopying costs. Outgoing faxes shall be billed for actual long distance charges incurred, not on a per page basis. On-line database retrieval charges (i.e. Lexis, Westlaw, CompuServe, Dialogue, etc.) shall be billed at actual cost.

6. Billing Procedures. In addition to the billing procedures set forth elsewhere in this Contract, COUNSEL shall follow these billing procedures:

A. "Unit billing" shall not be done. COUNSEL shall bill only for actual time spent on a task, and each task shall be itemized (e.g. tel. to opposing counsel (.2); extended tel. to Mr. Smith (.3); prepare motion to continue (.3).

B. Secretarial, word processing or other overtime shall not be billed (e.g., preparation of documents which are computerized or on a form, such as subpoenas, notices of deposition, independent medical examinations, medical authorizations, trial notices, uniform interrogatories, and requests to produce); only the actual time spent by the attorney reviewing, revising or drafting such documents shall be billed.

C. Whenever possible, attorneys shall minimize time spent consulting with one another and agree to use their best efforts to minimize the costs of the legal representation to CITY. Work on this matter billed by attorneys not listed must be approved by the City Attorney's Office in advance.

D. All consultants, experts and subcontractors engaged to provide services to COUNSEL in the performance of this agreement, and the use and extent of those services, shall be approved by the City Attorney's Office prior to them providing the services. Payment of their expenses will be subject to the same terms as paragraphs 4 and 5 above.

E. COUNSEL will submit monthly billings for services rendered and expenses incurred, which shall be paid by the City Attorney's Office. Each bill shall also contain, in addition to information required elsewhere in this Contract: 1) fees and costs incurred in the preceding month; 2) the cumulative total of fees and costs to date; 3) the City Attorney's Office contract number 2003-010 and; 4) the unbilled amount remaining on the contract.

COUNSEL will use its best efforts to inform the City Attorney's Office eight weeks prior to COUNSEL billing the final fees and costs authorized under this contract. CITY will pay no fees incurred over and above the contract amount without prior authorization from CITY.

7. Maintenance of Records. In compliance with CITY'S standard procedure, all work performed in connection with this Contract shall be subject to audit. COUNSEL shall maintain all books, documents, papers, accounting records, and other evidence pertaining to time billed and to costs incurred on a particular lawsuit, and to make such materials available at their offices at all reasonable times during the Contract period and for at least three (3) years from the date of final payment for inspection by CITY or any authorized representatives of CITY, and copies thereof shall be furnished, if requested, at CITY'S expense.

8. Conflict of Interest. COUNSEL warrants and covenants that COUNSEL presently has no interest in, nor shall any interest be hereinafter acquired in, any matter which will render the services required under the provisions of this Contract a violation of any applicable local, state, or federal law. In the event that any conflict of interest should nevertheless hereinafter arise, COUNSEL shall promptly notify CITY of the existence of such conflict of interest, so that CITY may determine whether to terminate this Contract. The City Attorney is authorized to grant customary conflicts waivers to COUNSEL on behalf of the CITY, as are not adverse to the CITY's legal interests in his professional judgment. Otherwise, COUNSEL shall be free to dispose of such portion of their entire time, energy and skill as are not required to be devoted to CITY in such manner as they see fit and to such persons, firms or corporations as they deem advisable so long as no conflict of interest exists.

9. Reporting Requirements

A. Within sixty (60) days of receipt of a case, or at the time disclosure statements are first filed, whichever is sooner, COUNSEL shall provide CITY with an initial written evaluation containing the following:

1. A summary of the case's facts and issues;

2. An evaluation of the potential exposure;

3. An outline of the course of action COUNSEL intends to pursue in the case (e.g., names and/or categories of witnesses to be interviewed or deposed; experts to be retained; motions to be filed; etc.);

4. An estimate of the cost to defend the case through trial;

5. A cost/benefit analysis, including recommendations as to early settlement or offers of judgment; and,

6. The name of the attorney who will be primarily responsible for handling the case, and the names of others who will assist that person.

10. Additional Investigation. Whenever additional investigation is deemed desirable by COUNSEL and can be provided by use of non-attorney investigators, COUNSEL shall notify CITY through the City Attorney's Office of such need, and CITY may elect, at its option, to conduct such investigation. In this event, CITY shall be solely responsible for the accuracy of the facts or other information developed in response to such requests.

11. Termination. CITY may terminate this Contract upon giving ten (10) days written notice for convenience or cause. Any default by COUNSEL, if COUNSEL fails to comply with any of the conditions of this Contract, or services which provide unsatisfactory performance as judged by the Contract Administrator, and failure to provide CITY, upon request, reasonable assurance of future performance, shall be causes allowing CITY to terminate this Contract. In the event of termination for cause, CITY shall not be liable to COUNSEL for any amount, and COUNSEL shall be liable to CITY for any and all damages sustained by reason of the default which gave rise to the termination. Any notice of cancellation shall specify the particular lawsuit or lawsuits to which it applies, and any lawsuit not particularly specified shall continue to be handled by COUNSEL and, as to those, this Contract will continue in effect; provided, however, the right is retained by CITY to terminate services on any lawsuit by notifying COUNSEL in writing.

12. Notices. When notice or correspondence is required to be sent to CITY, it shall be sent to the Contract Administrator named below:

City Attorney's Office
City of Scottsdale
3939 Drinkwater Blvd.
Scottsdale, Arizona 85251
Attn: Deborah W. Robberson

Should the Contract Administrator change, CITY will notify COUNSEL in writing.

13. Indemnification For Liability and Professional Liability

To the fullest extent permitted by law COUNSEL, its successors, assigns and guarantors, shall defend, indemnify and hold harmless CITY, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, related to, arising from or out of or resulting from any negligent, or intentional actions, acts, errors, mistakes or omissions caused in whole or part by COUNSEL relating to work or services in the performance of this Contract, including but not limited to, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of COUNSEL'S and Subcontractor's employees.

Insurance provisions set forth in this agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

14. Insurance Representations and Requirements

General: Counsel agrees to comply with all applicable City Ordinances and state and federal laws and regulations.

Without limiting any obligations or liabilities of COUNSEL, shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of B ++ 6 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to CITY. Failure to maintain insurance as specified may result in termination of this Contract at CITY'S option.

No Representation of Coverage Adequacy: By requiring insurance herein, CITY does not represent that coverage and limits will be adequate to protect COUNSEL. CITY reserves the right to review any and all of the insurance policies and/or endorsements cited in this Contract but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this agreement or failure to identify any insurance deficiency shall not relieve COUNSEL from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.

Coverage Term: All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of subject contract is satisfactorily performed, completed and formally accepted by the CITY, unless specified otherwise in this Contract.

Claims Made: In the event any insurance policies required by this Contract are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the work or services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

Use of Subcontractors: If any work under this agreement is subcontracted in any way, COUNSEL shall execute written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting CITY and COUNSEL. COUNSEL shall be responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

Evidence of Insurance: Prior to commencing any work or services under this Contract, COUNSEL shall furnish CITY with Certificate(s) of Insurance, or formal endorsements as required by this Contract, issued by COUNSEL'S insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions, and limits of coverage and such coverage and provisions are in full force and effect. If a Certificate of Insurance is submitted as verification of coverage, City of Scottsdale shall reasonable rely upon the Certificate of Insurance as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this agreement. If any of the cited policies expire during the life of this Contract, it shall be COUNSEL'S responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions:

1. CITY, its agents, representatives, officers, directors, officials and employees shall be named an Additional Insured under the following policies: a) Commercial General Liability, b) Auto Liability and c) Excess Liability-Follow Form to underlying insurance as required.

2. COUNSEL'S insurance shall be primary insurance as respects performance of subject contract.

3. All policies, except Professional Liability insurance waive rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by COUNSEL under this contract.

4. Certificate shall cite 30-day advance notice of cancellation provision. If standard ACORD Certificate of Insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

Required Coverage

Commercial General Liability: COUNSEL shall maintain "occurrence" form Commercial General Liability insurance with a limit of not less than $1,000,000 for each occurrence, $1,000,000 Products and Complete Operations Annual Aggregate, and a $1,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as Insurance Services Office, Inc. policy form CG 00 01 07 98 or equivalent thereof, including but not limited to, separation of insureds clause. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

Professional Liability: If the Contract is the subject of any professional services or work, or if COUNSEL engages in any professional services or work adjunct or residual to performing the work under this Contract, COUNSEL shall maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by COUNSEL, or anyone employed by COUNSEL, or anyone for whose acts, mistakes, errors and omissions COUNSEL is legally liable, with a liability insurance limit of $1,000,000 each claim and $1,000,000 all claims. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage shall extend for three (3) years past completion and acceptance of the work or services, and COUNSEL shall be required to submit Certificates of Insurance evidencing proper coverage is in effect as required above.

Vehicle Liability: COUNSEL shall maintain Business Automobile Liability insurance with a limit of $500,000 each accident on COUNSEL'S owned, hired, and non-owned vehicles assigned to or used in the performance of the COUNSEL'S work or services under this Contract. Coverage will be at least as broad as Insurance Services Office, Inc. coverage code "1" "any auto" policy form CA 00 01 07 97 or equivalent thereof. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

Workers' Compensation Insurance: COUNSEL shall maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of COUNSEL'S employees engaged in the performance of work or services under this Contract and shall also maintain Employers Liability Insurance of not less than $100,000 for each accident, $100,000 disease for each employee and $500,000 disease policy limit.

15. Choice of Law. This Contract shall be governed and interpreted according to the laws of the State of Arizona.

16. Whole Agreement. This Contract constitutes the entire understanding of the parties, and no representations or agreements, oral or written, made prior to its execution shall vary or modify the terms herein.

17. Amendments. Any amendment, modification or variation from the terms of this Contract shall be in writing and shall be effective only after approval of all parties signing the original Contract. Should there be a change in the Contract Administrator, however, CITY will only need to notify COUNSEL in writing.

18. Non-Assignment. Services covered by this Contract shall not be assigned or sublet in whole or in part without the prior written consent of the City Attorney.

19. Cancellation. CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of City's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party of the contract in any capacity, or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from CITY is received by all other parties to the contract, unless the notice specifies a later time (A.R.S. § 38-511).

20. Independent Contractor Status. The services COUNSEL provides under the terms of this Contract to CITY are that of an independent contractor, not an employee. CITY will report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099. Withholding of income tax is not deducted from contractual payments. As a result of this, COUNSEL may be subject to I.R.S. provisions for payment of estimated income tax. Consult the local I.R.S. office for current information on estimated tax requirements. Failure to comply may subject COUNSEL to a penalty.

21. Severability. Should any part of this agreement be declared in a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this agreement, which shall continue in full force and effect, provided that the remainder of this agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

IN WITNESS WHEREOF, the City of Scottsdale, by its Mayor this _____ day of June, 2003.

City of Scottsdale, a
municipal corporation

By:_____
Mary Manross, Mayor

Lewis and Roca, LLP

By:_____
Its: Managing Partner

ATTEST:

_____
Sonia Robertson, City Clerk

APPROVED AS TO FORM:

_____
David A. Pennartz, City Attorney

Note to Attorneys: Remember to send along a copy of your Certificate of Insurance with the Contract for Legal Services.

Revised 1/03
35431

CITY COUNCIL REPORT

MEETING DATE: 06/03/2003 ITEM NO. 10 GOAL: Fiscal Management

SUBJECT

An intergovernmental agreement between the cities of Scottsdale, Chandler, Glendale, Goodyear, Mesa and Peoria, and a legal services contract between those cities and the law firm of Engelman Berger, P.C., relating to joint legal representation in settlement activities in connection with the *CAWCD v. U.S.* litigation.

REQUEST

Adopt Resolution No. 6300 authorizing the Mayor to enter into: (a) Eighth Intergovernmental Agreement No. 2003-108-COS, an agreement between the cities of Scottsdale, Chandler, Glendale, Goodyear, Mesa and Peoria, and (b) Agreement No. 2003-109-COS, a Contract for Legal Services among the aforementioned cities and the law firm of Engelman Berger, P.C., both relating to joint legal representation in settlement activities in connection with the *CAWCD v. U.S.* litigation.

BACKGROUND

Since 1995, the six cities of Chandler, Glendale, Goodyear, Mesa, Peoria, and Scottsdale have been parties to an intergovernmental agreement to provide for joint funding for outside legal counsel to represent them in *CAWCD v. United States*. The six cities have also had a contract with Ulrich & Anger, P.C., William H. Anger, lead counsel, to provide those legal services. The six cities wish to continue to retain the services of Mr. Anger since he has been effective in providing efficient representation on legal issues where the cities share a common position. Mr. Anger has associated himself with the firm of Engelman Berger, P.C., effective May 19, 2003.

ANALYSIS & ASSESSMENT

These agreements will allow the City to continue to receive the benefits of joint legal representation in settlement activities arising from litigation between the Central Arizona Water Conservation District (CAWCD) and the United States. The current litigation concerns the amount of money the state CAP users will have to repay to the federal government, and other financial issues. These issues directly affect the amount the City will pay for CAP water in the future. Scottsdale's maximum share of the cost of the proposed Contract for Legal Services is $16,666.00.

CAWCD v. United States is a court proceeding to primarily determine the amount of money the state Central Arizona Project users will have to repay to the federal government for construction of the CAP. CAWCD and the United States have reached a tentative settlement that is beneficial to the state's CAP users. The settlement, however, is conditioned on, among other things, the settlement of monumental water rights claims by the Gila River Indian Community.

Action Taken_____

Settlement negotiations involving the United States, the State of Arizona, CAWCD, the Gila River Indian Community, numerous municipal, industrial and agricultural interests have proceeded steadily over several years and have recently culminated in the approval of a comprehensive settlement agreement by numerous state parties. Among other things, the settlement agreement provides for a 100-year lease of 12,000 acre-feet/year of the Community's future entitlement to CAP water. Final effectiveness of the settlement agreement now largely depends on congressional approval of federal legislation.

A unified position by the six cities throughout the duration of the litigation and settlement activities has permitted us to speak with much greater force than single representation ever could have.

Community involvement. Payment of legal fees does not involve a public outreach process.

RESOURCE IMPACTS

The six cities of Scottsdale, Glendale, Mesa, Chandler, Goodyear and Peoria have jointly intervened in litigation between CAWCD and the United States. The six cities jointly retained the legal services of the firm of Ulrich & Anger in connection with the litigation and would like to continue to retain William H. Anger with his new law firm of Engelman Berger, P.C. as lead counsel. When settlement discussions began in earnest several years ago, a separate "settlement budget" for outside legal expenses was created. In light of the complex factual and legal issues presented by, and the numerous parties involved in, the ongoing settlement activities, it is necessary to increase the maximum amount payable to Engelman Berger, P.C. for settlement-related legal services.

The cities share many common positions in the settlement activities, and benefit tremendously from the joint representation received to date from the law firm of Ulrich & Anger and from Engelman Berger, P.C. in the future. This joint representation arrangement has permitted Scottsdale and the other five cities to speak with a much greater voice during the course of settlement discussions and to have a direct and favorable impact on the outcome of several issues of vital importance to Scottsdale's long-term water resources interests. By sharing the costs of the joint representation, each city receives a substantial cost savings over retaining the law firm as a single client.

Available funding. Scottsdale's share of the $100,000 contract will be $16,666.00. The remaining amounts will be shared equally by the other cities. Funds will be expended from the City Attorney's Office Legal Services Account, 100-01050-52140.

OPTIONS & STAFF RECOMMENDATION

Description of Option A: At the Council's direction, the City Attorney's office could provide legal representation on this matter in-house. Doing so, however, would result in less time and focus being given to these issues and would forego the significant benefits associated with joint representation of the several cities.

RESPONSIBLE DEPT(S)

General Government, City Attorney's Office- Civil Division

(Continued)

STAFF CONTACT(S)

David Pennartz, dpennartz@scottsdaleaz.gov
(480) 312-2405
Paul Norman, pnorman@scottsdaleaz.gov
(480) 312-2405

APPROVED BY

David A. Pennartz, City Attorney — Date 5/14/03
dpennartz@scottsdaleAZ.gov
(480) 312-2405

Jan Dolan, City Manager — Date 5.15.03
jdolan@scottsdaleAZ.gov;
(480) 312-2422

ATTACHMENTS

1. Resolution No. 6300
2. Eighth IGA No. 2003-108-COS
3. Agreement No. 2003-109-COS

35492v1

(Continued)

RESOLUTION NO. 6300

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE MAYOR TO EXECUTE EIGHTH INTERGOVERNMENTAL AGREEMENT NO. 2003-108-COS AND CONTRACT FOR LEGAL SERVICES NO. 2003-109-COS, FOR JOINT LEGAL REPRESENTATION IN SETTLEMENT ACTIVITIES RELATING TO *CENTRAL ARIZONA WATER CONSERVATION DISTRICT v. UNITED STATES OF AMERICA* ("CAP LITIGATION")

WHEREAS, the cities of Scottsdale, Chandler, Glendale, Goodyear, Mesa and Peoria ("Cities") entered into an Intergovernmental Agreement ("IGA") effective December 1, 1995, for joint legal representation in the CAP Litigation ("CAP Litigation IGA"); and

WHEREAS, due to developments in the CAP Litigation that were not foreseen when the CAP Litigation IGA was adopted, the Cities entered into an Amendment to the CAP Litigation IGA effective June 16, 1997, that established a separate fund for settlement negotiations; and

WHEREAS, the Cities entered into legal services contracts and IGAs for the funding of additional legal services related to settlement activities in July 1998, August 1999, and June 2000, with the law firm of Ulrich, Kessler & Anger, P.C., and on June 18, 2001 and June 4, 2002 with the law firm of Ulrich & Anger, P.C.; and

WHEREAS, William H. Anger, Esq., has become associated with the law firm of Engelman, Berger, P.C.; and

WHEREAS, in response to Mr. Anger's association with Engelman, Berger, P.C., the Cities have previously consented to an assignment of the CAP Litigation IGA from Ulrich & Anger, P.C., to Engelman Berger, P.C.; and

WHEREAS, intensive settlement activities have continued and the Cities agree that they again necessitate an increase of $100,000 in the legal services settlement budget; and

WHEREAS, the said $100,000 shall be allocated equally among the six Cities.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scottsdale, Arizona, as follows:

Section 1. Mary Manross, Mayor, is hereby authorized and directed to execute, on behalf of the City of Scottsdale, Eighth Intergovernmental Agreement No. 2003-108-COS and Contract for Legal Services No. 2003-109-COS (attached hereto as Exhibits A and B, respectively), agreements by and among the cities of Scottsdale, Chandler, Glendale, Goodyear, Mesa and Peoria, and the law firm of

Engelman Berger, P.C., relating to joint legal representation in settlement activities in connection with *Central Arizona Water Conservation District v. United States of America, et al.*

PASSED AND ADOPTED by the Council of the City of Scottsdale this 3rd day of June 2003.

ATTEST:

CITY OF SCOTTSDALE, an
Arizona municipal corporation

Sonia Robertson, City Clerk

Mary Manross, Mayor

APPROVED AS TO FORM:

David A. Pennartz, City Attorney

EIGHTH INTERGOVERNMENTAL AGREEMENT

AMONG THE CITIES OF CHANDLER, GLENDALE, GOODYEAR, MESA, PEORIA, AND SCOTTSDALE RELATING TO JOINT REPRESENTATION IN SETTLEMENT EFFORTS RELATING TO *CENTRAL ARIZONA WATER CONSERVATION DISTRICT V. UNITED STATES OF AMERICA, ET AL* (NO. CIV 95-625-TUC-WDB) ("CAP LITIGATION")

This Eighth Intergovernmental Agreement is made to be effective this _____ day of _____, 2003, among the Cities of Chandler, Glendale, Goodyear, Mesa, Peoria, and Scottsdale, municipal corporations, hereafter collectively referred to as the "Cities."

Whereas, joint projects among the Cities allow the Cities to maximize their effectiveness and minimize their costs;

Whereas, the Cities entered into an Intergovernmental Agreement effective December 1, 1995 for joint legal representation in the CAP Litigation ("CAP Litigation IGA");

Whereas, due to developments in the CAP Litigation that were not foreseen when the CAP Litigation was adopted, the Cities entered into an amendment to the CAP Litigation IGA effective June 16, 1997 that raised the limit on litigation costs from $100,000 to $150,000 and established a separate fund of $50,000 to be used for settlement negotiations if they occurred;

Whereas, when intensive settlement activities did occur and necessitated increases in the settlement fund the Cities entered into amendments to the CAP Litigation IGA, including Third, Fourth, Fifth, Sixth and Seventh Intergovernmental Agreements relating to the joint representation in settlement efforts relating to the CAP Litigation;

Whereas, settlement activities have continued and the Cities agree that they necessitate an additional $100,000 in the settlement fund;

NOW, THEREFORE, for and in consideration of the terms and conditions of this Eighth Intergovernmental Agreement, the Cities agree as follows:

1. The purpose of this Eighth Intergovernmental Agreement is to identify and define the responsibilities of the Cities relating to joint funding for outside legal counsel to represent the Cities in settlement activities relating to the CAP Litigation and the settlement of the Gila River Indian Community water rights claims which occur after the depletion of the monies in the settlement fund authorized in the seventh IGA.

IN WITNESS WHEREOF, the parties hereto have executed this Eighth Intergovernmental Agreement to be effective the date first written above.

ATTEST:

_____
Its:_____

CITY OF CHANDLER

By:_____
Its:_____

ATTEST:

_____
Its:_____

CITY OF GLENDALE

By:_____
Its:_____

ATTEST:

_____
Its:_____

CITY OF GOODYEAR

By:_____
Its:_____

ATTEST:

_____
Its:_____

CITY OF MESA

By:_____
Its:_____

ATTEST:

_____
Its:_____

CITY OF PEORIA

By:_____
Its:_____

ATTEST:

_____
Its:_____

CITY OF SCOTTSDALE

By:_____
Its:_____

DETERMINATION OF LEGAL COUNSEL

The foregoing agreement has been reviewed by the undersigned attorneys who have determined that it is in proper form and within the power and authority granted under the laws of the State of Arizona to the respective public entities they represent.

_____	_____
Chandler City Attorney	**Glendale City Attorney**
_____	_____
Goodyear City Attorney	**Mesa City Attorney**
_____	_____
Peoria City Attorney	**Scottsdale City Attorney**

CONTRACT FOR LEGAL SERVICES

This Contract for Legal Services ("Contract") is made to be effective this ___ day of _____, 2003 (the "effective date"), by, between and among the Cities of Chandler, Glendale, Goodyear, Mesa, Peoria and Scottsdale, municipal corporations, hereafter collectively referred to as the "Cities," and the law firm of Engelman Berger, P.C., hereinafter referred to as Counsel.

NOW, THEREFORE, for and in consideration of the financial accommodations and other terms and conditions of this Contract, the parties hereto agree as follows:

1. Scope of Services. Counsel agrees to represent the Cities in Settlement Activities relating to the action known as *Central Arizona Water Conservation District v. United States of America, et al.*, Case No. CV 95-625 TUC-WDB (EHC) ("CAP litigation") and the settlement of the Gila River Indian Community's water rights claims. This representation shall be in accordance with the terms and conditions of this Contract and direction provided by attorneys employed by the Cities ("City Attorneys").

1.1 Counsel agrees to perform services specified in this Contract. Counsel shall not be required to perform additional services under this Contract and may terminate this Contract if the amount of services and costs have reached the maximum limit as provided in Section 3 of this Contract and no mutually satisfactory arrangements have been made to increase that limit.

1.2 Counsel agrees to represent the Cities in Settlement Activities. For purposes of this Contract, "Settlement Activities" shall mean any of the following:

1.2.1 A settlement conference conducted by the court, special master, mediator, arbitrator, or other designated persons.

1.2.2 A meeting in which some or all of the parties to the CAP Litigation are invited to discuss settlement of the litigation or settlement of the Gila River Indian Community Claims.

1.2.3 A document distributed to some or all of the parties to the CAP Litigation that sets out principles or specific provisions addressing settlement of the litigation or settlement of the Gila River Indian Community Claims.

1.2.4 Any proceedings or activities that relate to the process of reallocating CAP water by the Secretary of Interior.

1.5.4 Any other activity that relates to possible settlement of the CAP Litigation or settlement of the Gila River Indian Community claims if Counsel obtains prior approval to participate in such activity from each designated City Attorney.

1.3 Counsel shall meet with appropriate representatives of the Cities, collectively and individually, as necessary to discuss and evaluate Settlement Activities. Counsel shall act according to the conditions and directives set forth in Exhibit B.

1.4 Each City shall provide Counsel information necessary to assist Counsel in its representation of the Cities in Settlement Activities.

1.5 Each City shall designate one attorney for Counsel to keep informed of all litigation matters in the CAP litigation. No major decision regarding the resolution of Settlement Activities shall be made without the prior approval of each designated City Attorney. All offers of compromise made by any party shall be promptly transmitted to each designated City Attorney. Each City will be responsible for obtaining proper authority to accept a compromise or for obtaining authority to enter a counter-offer.

2. Term of Contract. Unless terminated or extended as provided within, the term of this Contract shall expire at the conclusion of the CAP litigation or the Enforceability Date of the settlement of the Gila River Indian Community Claims whichever event occurs last.

3. Case Budget; Authorized Expenditures. The Cities agree to pay Counsel for Settlement Activity services rendered pursuant to Subsection 1.2 of this Contract according to the hourly rates and expenses set forth in Exhibit A, with each City paying its allocation pursuant to the percentage divisions identified in Section 4 of this Contract. The total collective costs to the Cities for all attorney's fees rendered under this Section, including all expenses of any description, shall not exceed $100,000.

3.1 The hourly rates for Counsel shall be inclusive of word processing services, clerical overtime and all other overhead expenses of Counsel which shall not be separately itemized and billed to the City; provided, that the expenses identified in Exhibit "A" shall be separately itemized and billed to the City.

3.2 Photocopying charges shall not exceed 15 cents per page.

3.3 Any expense to the Cities not expressly authorized in the text or by an exhibit to this Contract may be included in a billing of Counsel only if the expense was reasonably incurred in the performance of services under this Contract, and is billed on an actual out-of-pocket cost basis to Counsel.

4. Payment for Services; Billing Format. Counsel shall prepare and distribute to the Cities a monthly billing for services rendered under this Contract.

4.1 The monthly billing shall consist of one, aggregate billing for all services furnished to the Cities under this Contract.

4.2 Counsel shall indicate clearly on each bill the allocated portion to be paid separately by each City.

4.3 City allocations shall represent a one-sixth percentage division of the total bill. In order to limit total collective costs to no more than $100,000.00 and also to divide equally the costs among the Cities, each City's percentage of costs was rounded to 16.666 percent. Percentage allocations are as follows:

		%			$
Chandler	=	16.666%	=	$	16,666.00
Glendale	=	16.666%	=	$	16,666.00
Goodyear	==	16.666%	=	$	16,666.00
Mesa	=	16.666%	=	$	16,666.00
Peoria	=	16.666%	=	$	16,666.00
Scottsdale	=	16.666%	=	$	16,666.00
		99.996%	=	$	99,996.00

4.4 Within thirty days of receipt of each monthly bill, each city shall remit to Counsel its allocated portion of the aggregate monthly billing.

4.5 Monthly billings shall clearly indicate time spent on tasks in increments of tenths of hours and the name or initials of the person(s) performing each task. Words in billing statements such as "analysis," "conference," "research" or "case preparation" shall only be used if supplemented by descriptions of specific topics or issues germane to the Scope of Services.

4.6 All billings of Counsel shall be subject to audit by the Cities. Counsel shall maintain during the term of this Contract, and for two years thereafter, all books, documents, papers, accounting records and other evidence pertaining to time billed and costs incurred on behalf of the Cities in the CAP litigation and shall make such materials available to the Cities upon request at Counsel's offices during normal business hours. The Cities shall give Counsel reasonable notice for Counsel to assemble such billing records.

5. ~~Lead Attorney~~. William H. Anger shall serve as Lead Attorney to the Cities. Counsel shall not substitute another Lead Attorney to the Cities without the prior written consent of the Cities.

6. ~~Subcontracting, Assignment, Experts~~. Services covered by this Contract shall not be assigned or subcontracted, in whole or in part, without the prior written consent of the City Attorneys. Technical experts shall not be retained by Counsel at the expense of the Cities without prior written consent of the City Attorneys.

7. ~~Insurance, Indemnification~~. Counsel shall secure and maintain during the life of this Contract a Certificate of Insurance evidencing that Counsel carries Errors and Omissions Professional Liability Insurance with limits no less than $1,000,000.00.

Insurance evidenced by this certificate shall not expire, be canceled, or materially changed without fifteen (15) days prior written notice to the Cities.

8. Independent Contractor. The services provided by Counsel under this Contract are those of an independent contractor, not an employee.

9. Termination Under A.R.S. § 38-511. In accordance with A.R.S. § 38-511, the Cities may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the Cities' departments or creating the contract on behalf of the Cities' departments agencies is, at any time while the contract or any extension of contract is in effect, an employee of any other party of the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from the Cities is received by all other parties to the contract, unless the notice specifies a later time.

10. Common Interests and Conflicts of Interest. The Cities have decided upon joint representation with other cities in order to achieve economies of scale and to maximize the effectiveness of all the Cities represented by Counsel in Settlement Activities relating to the CAP litigation. Counsel is directed to seek strategies and positions in Settlement Activities relating to the CAP litigation that advance the common interests of the Cities. However, the Cities also recognize that from time to time issues may arise in Settlement Activities relating to the CAP litigation that advance the common interests of the Cities. However, the Cities also recognize that from time to time issues may arise in Settlement Activities relating to the CAP litigation or the settlement of the Gila River Indian Community claims concerning which the Cities may have diverse, incompatible or conflicting interests. Accordingly, the Cities agree:

10.1 That Counsel shall fully and timely inform and explain to all Cities the factual and legal basis for each conflict of interest among the Cities which Counsel perceives as a result of the performance of its duties under this Contract respecting issues raised in Settlement Activities relating to the CAP litigation or the settlement of the Gila River Indian Community claims; and

10.2 That the Cities shall disclose to Counsel perceived or known conflicts of interest among the Cites respecting issues raised in Settlement Activities relating to the CAP litigation or the settlement of the Gila River Indian Community claims.

10.3 In the event the Cities, with Counsel's assistance, are unable to resolve a conflict of interest among them, such conflicts shall be dealt with in accordance with the Supreme Court's Rules of Professional Responsibility; provided however this Contract shall be construed to confer upon each City and upon Counsel a direct obligation to negotiate in good faith in an attempt to resolve such concerns in order to allow Counsel to continue to represent the remaining Cities in situations where the rules would require

Counsel to cease representing one or more of the Cities.

10.4 Each City is entitled to actively participate on issues in Settlement Activities relating to the CAP litigation as it deems appropriate and consistent with the Supreme Court's Rules of Professional Responsibility.

10.5 For convenience or cause other than a conflict of interest among the Cities, the Cities may withdraw from future obligations under their Contract with Counsel upon written notice to Counsel; provided, however, Counsel's Contract will remain in full force and effect as to the remaining Cities. Additionally, the percentage division and allocation of the total bill for the remaining cities as outlined in Paragraph 4.3 shall be increased to make up for the loss of the withdrawing City. The withdrawing Cities shall pay Counsel for their proportionate share of all legal services and expenses incurred up to the date of withdrawal. If requested by the withdrawing city, Counsel shall provide the withdrawing city, within thirty (30) days a copy of Counsel's file provided that the withdrawing city shall pay Counsel for the photocopy charges incurred in copying said file. In the event the withdrawal of one or more Cities raises issues regarding use by Counsel for the remaining Cities of confidential or privileged information, such conflict shall be dealt with in accordance with the Supreme Court's Rules of Professional Responsibility; provided however this contract shall be construed to confer upon such City and upon Counsel a direct obligation to negotiate in good faith in an attempt to resolve such concerns in order to allow Counsel to continue to represent the remaining Cities in situations where the rules would require Counsel to cease representing one or more of the Cites.

10.6 That given the large number of diverse interested parties in Settlement Activities relating to the CAP litigation and the settlement of the Gila River Indian Community claims, Counsel shall generally have the right to continue to represent or to undertake to represent existing or new clients in any matter consistent with the Supreme Court's Rules of Professional Responsibility.

ATTEST:

CITY OF CHANDLER

By:_____

Title:_____

_____

City Clerk

ATTEST:

CITY OF GLENDALE

By:_____

_____
City Clerk

Title:_____

ATTEST:

CITY OF GOODYEAR

By:_____
Title:_____

_____
City Clerk

ATTEST:

CITY OF MESA

By:
Title:

_____
City Clerk

ATTEST:

CITY OF PEORIA

By:
Title:

_____
City Clerk

ATTEST:

CITY OF SCOTTSDALE

By:
Title:

_____
City Clerk

ENGELMAN BERGER, P.C.

By:
Title:

DETERMINATION OF LEGAL COUNSEL

The foregoing Agreement has been reviewed by the undersigned attorneys who have determined that it is in proper form and within the power and authority granted under the laws of the State of Arizona to the respective public entities they represent.

Date Chandler City Attorney

Date Glendale City Attorney

Date Goodyear City Attorney

Date Mesa City Attorney

Date Peoria City Attorney

Date 5/14/03 David A. Pennant
Scottsdale City Attorney

EXHIBIT "A"

During the term of the Contract, Counsel will bill the Cities at the hourly rate of $190.00 for the time of William H. Anger and other shareholders in the firm . All other attorneys in the firm or attorneys contracted by the firm to perform services under this Agreement will be billed at the rate not to exceed $160.00 per hour. Paralegals will be billed at the rate of $80.00 per hour.

Counsel will bill for the reasonable expenses incurred in performing its legal services. These expenses will include long-distance telephone charges, fax charges, electronic research charges, delivery charges, mail expense associated with any filing in the case, printing and copying, and payments to third parties for filing fees, transcripts, travel expenses, including, without limitation, meals and lodging, for settlement negotiations and meetings outside of the Phoenix metropolitan area, and other items for the Cities' benefit under this contract.

CITY COUNCIL REPORT

MEETING DATE: 06/03/2003 ITEM NO. 11 GOAL: Fiscal Management

SUBJECT

Contract for Legal Services in connection with a proposed redevelopment agreement for Los Arcos.

REQUEST

Adopt Resolution No. 6296 authorizing the Mayor to execute Contract No. 2003-101-COS, an outside counsel contract renewal in a maximum amount of Forty Thousand Dollars ($40,000) with the law firm of VAN WAGNER & ERHART LLP for legal services regarding representation of the City of Scottsdale in a proposed redevelopment agreement for Los Arcos.

Related Policies, References:
Resolution No. 6296

BACKGROUND

This case involves a proposed redevelopment agreement for Los Arcos at the southeast corner of Scottsdale Road and McDowell Road.

The case has been handled by VAN WAGNER & ERHART LLP since March 2003. On March 1, 2003, a contract in the amount of Twenty Thousand Dollars ($20,000) was entered into with VAN WAGNER & ERHART LLP. This authorized amount is likely to be exhausted as negotiations proceed due to the magnitude and complexity of the transaction.

ANALYSIS & ASSESSMENT

On March 1, 2003, the City contracted with the law firm of VAN WAGNER & ERHART LLP to commence to provide specialized and expert legal services with respect to a proposed redevelopment agreement for Los Arcos. The negotiations involve complicated real estate transactions with an amount at issue in excess of Forty Million Dollars ($40,000,000). Current expenditures are approaching the previously authorized amounts. This new contract will allow the firm to continue to represent the City's interests in documentation and other legal work on a proposed redevelopment agreement for Los Arcos

Payment of legal fees does not involve a public outreach process.

RESOURCE IMPACTS

The contract will enable the City to continue receiving expert legal services with respect to this matter. This contract will be paid from City Attorney's Office Legal Services Account 100-01050-52140.

OPTIONS & STAFF RECOMMENDATION

The scope of this litigation requires resources beyond those available to the City in-house. In addition, aside from the fact that VAN WAGNER & ERHART LLP is providing top quality representation, it would be financially inefficient to seek

Action Taken_____

other representation at this point. Consequently, the only alternative to continuing this contract would be to conduct the negotiations, documentation and other legal work on the proposed redevelopment agreement for Los Arcos using only the resources within the City Attorney's Office, which would likely result in delay of this project or of other city projects.

RESPONSIBLE DEPT(S)

General Government, City Attorney's Office – Civil Division

STAFF CONTACT(S)

David A. Pennartz City Attorney, dpennartz@scottsdaleaz.gov
(480) 312-2405

APPROVED BY

David A. Pennartz, Date
City Attorney, dpennartz@scottsdaleaz.gov
(480) 312-2405

5-15-03

Jan Dolan Date
City Manager, jdolan@ci.scottsdale.az.us
(480) 312-2422

ATTACHMENTS

1. Resolution No. 6296
2. Contract No. 2003-101-COS

(Continued)

RESOLUTION NO. 6296

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY TO ENTER INTO CONTRACT FOR LEGAL SERVICES, NO. 2003-101-COS, WITH THE LAW FIRM OF VAN WAGNER & ERHART LLP

WHEREAS, the City Attorney's Office has previously contracted with VAN WAGNER & ERHART LLP for legal services in connection with a proposed redevelopment agreement for Los Arcos; and

WHEREAS, the City of Scottsdale desires that VAN WAGNER & ERHART LLP continue to provide legal services in connections with a proposed redevelopment agreement for Los Arcos;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. Mayor Mary Manross is hereby authorized and directed to execute, on behalf of the City of Scottsdale, Contract for Legal Services, No. 2003-101-COS, an agreement between the City of Scottsdale and the law firm of VAN WAGNER & ERHART LLP for the provision of legal services.

PASSED, ADOPTED AND APPROVED by the City Council of the City of Scottsdale this ____ day of May 2003.

ATTEST:

CITY OF SCOTTSDALE, an
Arizona municipal corporation

By: _____
Sonia Robertson,
City Clerk

By: _____
Mary Manross,
Mayor

APPROVED AS TO FORM:

By: _____
David A. Pennartz,
City Attorney

35433-2

CONTRACT FOR LEGAL SERVICES
CITY OF SCOTTSDALE
City Attorney's Office

THIS CONTRACT is made and entered into on this _____ day of June, 2003, by and between the **City of Scottsdale**, a municipal corporation, hereinafter called **CITY**, and the law firm of **Van Wagner & Erhart, LLP** hereinafter called **COUNSEL.**

CITY having determined it to be in its best interest to contract with attorneys not in its employ who, by experience and training, are qualified to assist in connection with **negotiation and preparation of a redevelopment agreement for the former Los Arcos Mall Site**.

CITY having satisfied itself as to the qualifications of COUNSEL as named above.

NOW, THEREFORE, it is agreed between the parties as follows:

1. Scope of Service and Representation. COUNSEL agrees to perform all necessary legal services, including investigation, legal research, preparation of pleadings, legal memoranda and briefs, and appearances in court, in representing the City. Such legal services shall be carried out in cooperation with the City Attorney's Office who shall at all times be apprised of the status of all matters. No major decisions regarding the resolution of the legal issues or litigation, in whole or in part, shall be made without the prior approval of the City Attorney's Office. All offers of compromise made by plaintiff(s) shall be promptly transmitted to CITY through its City Attorney's Office, together with COUNSEL'S recommendations. City will be responsible for obtaining proper authority to accept a compromise or for obtaining authority to make a counter-offer. No appeals will be taken from judgments in any litigation without prior approval of City, acting through its City Attorney's Office.

2. Advice and Status Reporting. COUNSEL shall provide CITY with timely advice of all significant developments arising during performance of their services hereunder orally or in writing, as COUNSEL consider appropriate. COUNSEL shall provide copies of all pleadings and other documents prepared by COUNSEL, including research memoranda prepared by COUNSEL, unless they have been otherwise provided to the City Attorney's Office.

3. Compensation. CITY agrees to pay COUNSEL for services rendered hereunder as follows:

A. One Hundred and Seventy Five Dollars ($175.00) per hour for Partners.

B. One Hundred Dollars ($100.00) per hour for Associates.

C. Fifty Dollars ($50.00) per hour for Paralegals.

All services not specified hereinabove shall be billed at actual cost, plus employee related costs, if any. CITY shall not be billed for use of COUNSEL'S "runners", but may be billed for messenger service required when COUNSEL'S runner is not available. Total money paid under this contract **shall not exceed Forty Thousand Dollars ($40,000.00).** Fees and expenses shall be billed on a monthly basis and paid by CITY within forty-five (45) days.

4. Travel. Approval for travel shall be obtained through the City Attorney's Office prior to departure. Travel time may be billed to CITY, with the exception of travel time to CITY to meet with CITY representatives or the City Council. "Reasonable expenses" means expenses not exceeding one hundred eighty five dollars ($185.00) per night for hotel rooms, seventy-five dollars ($75.00) per person per day for meals including gratuity, and for the rental charges of the most economical type of rental car available. Where possible, COUNSEL and consultants and experts and subcontractors shall stay at hotels that charge a government rate. When traveling by airplane, whenever possible, reduced fare tickets shall be purchased. Gasoline shall not be billed to CITY except when a rental car is used out-of-state.

5. Reimbursement for Expenses. All costs and other disbursements for outside services not specified hereinabove shall be billed at actual cost, plus employee related costs, if any. All copying charges shall be billed at no more than fifteen cents ($.15) per page. To the extent practical, large photocopying tasks will be sent out to an outside copy service in an effort to further reduce photocopying costs. Outgoing faxes shall be billed for actual long distance charges incurred, not on a per page basis. On-line database retrieval charges (i.e. Lexis, Westlaw, CompuServe, Dialogue, etc.) shall be billed at actual cost.

6. Billing Procedures. In addition to the billing procedures set forth elsewhere in this Contract, COUNSEL shall follow these billing procedures:

A. "Unit billing" shall not be done. COUNSEL shall bill only for actual time spent on a task, and each task shall be itemized (e.g. tel. to opposing counsel (.2); extended tel. to Mr. Smith (.3); prepare motion to continue (.3).

B. Secretarial, word processing or other overtime shall not be billed (e.g., preparation of documents which are computerized or on a form, such as subpoenas, notices of deposition, independent medical examinations, medical authorizations, trial notices, uniform interrogatories, and requests to produce); only the actual time spent by the attorney reviewing, revising or drafting such documents shall be billed.

C. Whenever possible, attorneys shall minimize time spent consulting with one another and agree to use their best efforts to minimize the costs of the legal representation to CITY. Work on this matter billed by attorneys not listed must be approved by the City Attorney's Office in advance.

D. All consultants, experts and subcontractors engaged to provide services to COUNSEL in the performance of this agreement, and the use and extent of those services, shall be approved by the City Attorney's Office prior to them providing the services. Payment of their expenses will be subject to the same terms as paragraphs 4 and 5 above.

E. COUNSEL will submit monthly billings for services rendered and expenses incurred, which shall be paid by the City Attorney's Office. Each bill shall also contain, in addition to information required elsewhere in this Contract: 1) fees and costs incurred in the preceding month; 2) the cumulative total of fees and costs to date; 3) the City Attorney's Office contract number 2003-012 and; 4) the unbilled amount remaining on the contract.

COUNSEL will use its best efforts to inform the City Attorney's Office eight weeks prior to COUNSEL billing the final fees and costs authorized under this contract. CITY will pay no fees incurred over and above the contract amount without prior authorization from CITY.

7. Maintenance of Records. In compliance with CITY'S standard procedure, all work performed in connection with this Contract shall be subject to audit. COUNSEL shall maintain all books, documents, papers, accounting records, and other evidence pertaining to time billed and to costs incurred on a particular lawsuit, and to make such materials available at their offices at all reasonable times during the Contract period and for at least three (3) years from the date of final payment for inspection by CITY or any authorized representatives of CITY, and copies thereof shall be furnished, if requested, at CITY'S expense.

8. Conflict of Interest. COUNSEL warrants and covenants that COUNSEL presently has no interest in, nor shall any interest be hereinafter acquired in, any matter which will render the services required under the provisions of this Contract a violation of any applicable local, state, or federal law. In the event that any conflict of interest should nevertheless hereinafter arise, COUNSEL shall promptly notify CITY of the existence of such conflict of interest, so that CITY may determine whether to terminate this Contract. The City Attorney is authorized to grant customary conflicts waivers to COUNSEL on behalf of the CITY, as are not adverse to the CITY's legal interests in his professional judgment. Otherwise, COUNSEL shall be free to dispose of such portion of their entire time, energy and skill as are not required to be devoted to CITY in such manner as they see fit and to such persons, firms or corporations as they deem advisable so long as no conflict of interest exists.

9. Reporting Requirements

A. Within sixty (60) days of receipt of a case, or at the time disclosure statements are first filed, whichever is sooner, COUNSEL shall provide CITY with an initial written evaluation containing the following:

1. A summary of the case's facts and issues;

2. An evaluation of the potential exposure;

3. An outline of the course of action COUNSEL intends to pursue in the case (e.g., names and/or categories of witnesses to be interviewed or deposed; experts to be retained; motions to be filed; etc.);

4. An estimate of the cost to defend the case through trial;

5. A cost/benefit analysis, including recommendations as to early settlement or offers of judgment; and,

6. The name of the attorney who will be primarily responsible for handling the case, and the names of others who will assist that person.

10. Additional Investigation. Whenever additional investigation is deemed desirable by COUNSEL and can be provided by use of non-attorney investigators, COUNSEL shall notify CITY through the City Attorney's Office of such need, and CITY may elect, at its option, to conduct such investigation. In this event, CITY shall be solely responsible for the accuracy of the facts or other information developed in response to such requests.

11. Termination. CITY may terminate this Contract upon giving ten (10) days written notice for convenience or cause. Any default by COUNSEL, if COUNSEL fails to comply with any of the conditions of this Contract, or services which provide unsatisfactory performance as judged by the Contract Administrator, and failure to provide CITY, upon request, reasonable assurance of future performance, shall be causes allowing CITY to terminate this Contract. In the event of termination for cause, CITY shall not be liable to COUNSEL for any amount, and COUNSEL shall be liable to CITY for any and all damages sustained by reason of the default which gave rise to the termination. Any notice of cancellation shall specify the particular lawsuit or lawsuits to which it applies, and any lawsuit not particularly specified shall continue to be handled by COUNSEL and, as to those, this Contract will continue in effect; provided, however, the right is retained by CITY to terminate services on any lawsuit by notifying COUNSEL in writing.

12. Notices. When notice or correspondence is required to be sent to CITY, it shall be sent to the Contract Administrator named below:

City Attorney's Office
City of Scottsdale
3939 Drinkwater Blvd.
Scottsdale, Arizona 85251
Attn: R. Kelly Ward

Should the Contract Administrator change, CITY will notify COUNSEL in writing.

13. Indemnification For Liability and Professional Liability

To the fullest extent permitted by law COUNSEL, its successors, assigns and guarantors, shall defend, indemnify and hold harmless CITY, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, related to, arising from or out of or resulting from any negligent, or intentional actions, acts, errors, mistakes or omissions caused in whole or part by COUNSEL relating to work or services in the performance of this Contract, including but not limited to, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of COUNSEL'S and Subcontractor's employees.

Insurance provisions set forth in this agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

14. Insurance Representations and Requirements

General: Counsel agrees to comply with all applicable City Ordinances and state and federal laws and regulations.

Without limiting any obligations or liabilities of COUNSEL, shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of B ++ 6 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to CITY. Failure to maintain insurance as specified may result in termination of this Contract at CITY'S option.

No Representation of Coverage Adequacy: By requiring insurance herein, CITY does not represent that coverage and limits will be adequate to protect COUNSEL. CITY reserves the right to review any and all of the insurance policies and/or endorsements cited in this Contract but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this agreement or failure to identify any insurance deficiency shall not relieve COUNSEL from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.

Coverage Term: All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of subject contract is satisfactorily performed, completed and formally accepted by the CITY, unless specified otherwise in this Contract.

Claims Made: In the event any insurance policies required by this Contract are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the work or services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

Use of Subcontractors: If any work under this agreement is subcontracted in any way, COUNSEL shall execute written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting CITY and COUNSEL. COUNSEL shall be responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

Evidence of Insurance: Prior to commencing any work or services under this Contract, COUNSEL shall furnish CITY with Certificate(s) of Insurance, or formal endorsements as required by this Contract, issued by COUNSEL'S insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions, and limits of coverage and such coverage and provisions are in full force and effect. If a Certificate of Insurance is submitted as verification of coverage, City of Scottsdale shall reasonable rely upon the Certificate of Insurance as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this agreement. If any of the cited policies expire during the life of this Contract, it shall be COUNSEL'S responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions:

1. CITY, its agents, representatives, officers, directors, officials and employees shall be named an Additional Insured under the following policies: a) Commercial General Liability, b) Auto Liability and c) Excess Liability-Follow Form to underlying insurance as required.

2. COUNSEL'S insurance shall be primary insurance as respects performance of subject contract.

3. All policies, except Professional Liability insurance waive rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by COUNSEL under this contract.

4. Certificate shall cite 30-day advance notice of cancellation provision. If standard ACORD Certificate of Insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

Required Coverage

Commercial General Liability: COUNSEL shall maintain "occurrence" form Commercial General Liability insurance with a limit of not less than $1,000,000 for each occurrence, $1,000,000 Products and Complete Operations Annual Aggregate, and a $1,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as Insurance Services Office, Inc. policy form CG 00 01 07 98 or equivalent thereof, including but not limited to, separation of insureds clause. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

Professional Liability: If the Contract is the subject of any professional services or work, or if COUNSEL engages in any professional services or work adjunct or residual to performing the work under this Contract, COUNSEL shall maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by COUNSEL, or anyone employed by COUNSEL, or anyone for whose acts, mistakes, errors and omissions COUNSEL is legally liable, with a liability insurance limit of $1,000,000 each claim and $1,000,000 all claims. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage shall extend for three (3) years past completion and acceptance of the work or services, and COUNSEL shall be required to submit Certificates of Insurance evidencing proper coverage is in effect as required above.

Vehicle Liability: COUNSEL shall maintain Business Automobile Liability insurance with a limit of $500,000 each accident on COUNSEL'S owned, hired, and non-owned vehicles assigned to or used in the performance of the COUNSEL'S work or services under this Contract. Coverage will be at least as broad as Insurance Services Office, Inc. coverage code "1" "any auto" policy form CA 00 01 07 97 or equivalent thereof. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

Workers' Compensation Insurance: COUNSEL shall maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of COUNSEL'S employees engaged in the performance of work or services under this Contract and shall also maintain Employers Liability Insurance of not less than $100,000 for each accident, $100,000 disease for each employee and $500,000 disease policy limit.

15. Choice of Law. This Contract shall be governed and interpreted according to the laws of the State of Arizona.

16. Whole Agreement. This Contract constitutes the entire understanding of the parties, and no representations or agreements, oral or written, made prior to its execution shall vary or modify the terms herein.

17. Amendments. Any amendment, modification or variation from the terms of this Contract shall be in writing and shall be effective only after approval of all parties signing the original Contract. Should there be a change in the Contract Administrator, however, CITY will only need to notify COUNSEL in writing.

18. Non-Assignment. Services covered by this Contract shall not be assigned or sublet in whole or in part without the prior written consent of the City Attorney.

19. Cancellation. CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of City's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party of the contract in any capacity, or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from CITY is received by all other parties to the contract, unless the notice specifies a later time (A.R.S. § 38-511).

20. Independent Contractor Status. The services COUNSEL provides under the terms of this Contract to CITY are that of an independent contractor, not an employee. CITY will report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099. Withholding of income tax is not deducted from contractual payments. As a result of this, COUNSEL may be subject to I.R.S. provisions for payment of estimated income tax. Consult the local I.R.S. office for current information on estimated tax requirements. Failure to comply may subject COUNSEL to a penalty.

21. Severability. Should any part of this agreement be declared in a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this agreement, which shall continue in full force and effect, provided that the remainder of this agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

IN WITNESS WHEREOF, the City of Scottsdale, by its Mayor this _____ day of June, 2003.

City of Scottsdale, a
municipal corporation

By:_____
Mary Manross, Mayor

Van Wagner & Erhart LLP

By:_____
Its: Partner

ATTEST:

_____
Sonia Robertson, City Clerk

APPROVED AS TO FORM:

_____
David A. Pennartz, City Attorney

Note to Attorneys: Remember to send along a copy of your Certificate of Insurance with the Contract for Legal Services.

Revised 1/03
27472-2

CITY COUNCIL REPORT

MEETING DATE: 06/03/2003 ITEM NO. 12 GOAL: Fiscal Management

SUBJECT

Contract for Legal Services in connection with *City of Scottsdale v. Phillip P. Lovell,* Superior Court Case No. CV2000-017992.

REQUEST

Adopt Resolution No. 6297 authorizing the Mayor to execute Contract No. 2003-102-COS, an outside counsel contract renewal in a maximum amount of Fifty Thousand Dollars ($50,000.00) with the law firm of AYERS & BROWN, P.C. for legal services regarding representation of the City of Scottsdale in the litigation entitled *City of Scottsdale v. Phillip P. Lovell*, Superior Court Case No. CV2000-017992, an eminent domain action brought to acquire real property for McDowell Sonoran Preserve.

Related Policies, References:
Resolution No. 6297

BACKGROUND

This case involves a condemnation proceeding initiated by the City to condemn approximately 10 acres owned by Phillip P. Lovell. The proceedings were initiated by the City to acquire the subject property for inclusion within the McDowell Sonoran Preserve established by the City as a park for desert and mountain preservation.

Shortly after commencement of the case, the City posted a $384,500 immediate possession bond in accordance with required court procedures and took possession on December 13, 2000.

The only remaining issue is the amount due Defendant as just compensation for the land condemned.

ANALYSIS & ASSESSMENT

Significant issues to be addressed.

The scope of this litigation requires resources beyond those available to the City in-house. In addition, aside from the fact that AYERS & BROWN, P.C. are providing top quality representation, it would be extremely financially inefficient to seek other representation at this point in the litigation. Consequently, the only alternative to continuing this contract would be to settle this action.

On February 10, 2003, the City contracted with the law firm of AYERS & BROWN, P.C. for an amount of $20,000.00 to provide specialized and expert legal services relating to the acquisition of eminent domain of real property necessary for the McDowell Sonoran Preserve. This new contract will allow the firm to

Action Taken_____

continue to represent the City's interests.

Community involvement.

The proceedings were initiated by the City to condemn Phillip Lovell's property for inclusion within the McDowell Sonoran Preserve established by the City for a park for desert and mountain preservation. Payment of legal fees does not involve a public outreach process.

RESOURCE IMPACTS

Available funding.

This contract will enable the City to continue receiving expert legal services with respect to this matter. This contract will be paid from funds reserved for the acquisition of real property within the McDowell Sonoran Preserve study boundary. This contract will be paid from funds available in capital account number 52140.

OPTIONS & STAFF RECOMMENDATION

Description of Option A:

The scope of this litigation requires resources beyond those available to the City in-house. In addition, aside from the fact that AYERS & BROWN, P.C. are providing top quality representation, it would be extremely financially inefficient to seek other representation at this point in the litigation. Consequently, the only alternative to continuing this contract would be to settle this action.

RESPONSIBLE DEPT(S)

General Government, City Attorney's Office – Civil Division

STAFF CONTACT(S)

Donna M. Bronski, Deputy City Attorney, dbronski@scottsdaleaz.gov
(480) 312-2405

APPROVED BY

Donna M. Bronski May 14, 2003

David A. Pennartz, Date
City Attorney, dpennartz@scottsdaleaz.gov
(480) 312-2405

APPROVED BY

Jan Dolan, jdolan@scottsdaleaz.gov Date
City Manager,
(480) 312-2422

ATTACHMENTS

1. Resolution No. 6297
2. Contract No. 2003-102-COS

(Continued)

RESOLUTION NO. 6297

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDSALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY TO ENTER INTO CONTRACT FOR LEGAL SERVICES, NO. 2003-102-COS, WITH THE LAW FIRM OF AYERS & BROWN, P.C.

WHEREAS, the City Attorney's Office has previously contracted with AYERS & BROWN, P.C. for legal services in connection with *City of Scottsdale v. Phillip P. Lovell*, Superior Court Case No. CV2000-017992, an eminent domain action brought to acquire property for the McDowell Mountain Preserve; and

WHEREAS, the City of Scottsdale desires that AYERS & BROWN, P.C. continue to provide legal services in connection with *City of Scottsdale v. Phillip P. Lovell*, Superior Court Case No. CV2000-017992; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. Mayor Mary Manross is hereby authorized and directed to execute, on behalf of the City of Scottsdale, Contract for Legal Services, No. 2003-102-COS, an agreement between the City of Scottsdale and the law firm of AYERS & BROWN, P.C. for the provision of legal services.

PASSED, ADOPTED AND APPROVED by the City Council of the City of Scottsdale, Arizona, this 3rd day of June, 2003.

ATTEST:

CITY OF SCOTTSDALE,
a municipal corporation

Sonia Robertson
City Clerk

Mary Manross
Mayor

APPROVED AS TO FORM

David A. Pennartz
City Attorney

CONTRACT FOR LEGAL SERVICES
CITY OF SCOTTSDALE
City Attorney's Office

THIS CONTRACT is made and entered into on this _____ day of June, 2003, by and between the **City of Scottsdale**, a municipal corporation, hereinafter called **CITY**, and the law firm of **Ayers & Brown, P.C.** hereinafter called **COUNSEL.**

CITY having determined it to be in its best interest to contract with attorneys not in its employ who, by experience and training, are qualified to assist in connection with ***COS v. Phillip P. Lovell, Superior Court No. CV2000-017992, an eminent domain action brought to acquire property for the McDowell Mountain Preserve.***

CITY having satisfied itself as to the qualifications of COUNSEL as named above.

NOW, THEREFORE, it is agreed between the parties as follows:

1. Scope of Service and Representation. COUNSEL agrees to perform all necessary legal services, including investigation, legal research, preparation of pleadings, legal memoranda and briefs, and appearances in court, in representing the City. Such legal services shall be carried out in cooperation with the City Attorney's Office who shall at all times be apprised of the status of all matters. No major decisions regarding the resolution of the legal issues or litigation, in whole or in part, shall be made without the prior approval of the City Attorney's Office. All offers of compromise made by plaintiff(s) shall be promptly transmitted to CITY through its City Attorney's Office, together with COUNSEL'S recommendations. City will be responsible for obtaining proper authority to accept a compromise or for obtaining authority to make a counter-offer. No appeals will be taken from judgments in any litigation without prior approval of City, acting through its City Attorney's Office.

2. Advice and Status Reporting. COUNSEL shall provide CITY with timely advice of all significant developments arising during performance of their services hereunder orally or in writing, as COUNSEL consider appropriate. COUNSEL shall provide copies of all pleadings and other documents prepared by COUNSEL, including research memoranda prepared by COUNSEL, unless they have been otherwise provided to the City Attorney's Office.

3. Compensation. CITY agrees to pay COUNSEL for services rendered hereunder as follows:

A. One Hundred and Twenty-Five Dollars ($125.00) per hour for Partners.

B. Paralegals: rate to be established with City Attorney before cost incurred.

All services not specified hereinabove shall be billed at actual cost, plus employee related costs, if any. CITY shall not be billed for use of COUNSEL'S "runners", but may be billed for messenger service required when COUNSEL'S runner is not available. Total money paid under this contract **shall not exceed Forty Thousand Dollars ($40,000.00).** Fees and expenses shall be billed on a monthly basis and paid by CITY within forty-five (45) days.

4. Travel. Approval for travel shall be obtained through the City Attorney's Office prior to departure. Travel time may be billed to CITY, with the exception of travel time to CITY to meet with CITY representatives or the City Council. "Reasonable expenses" means expenses not exceeding one hundred eighty five dollars ($185.00) per night for hotel rooms, seventy-five dollars ($75.00) per person per day for meals including gratuity, and for the rental charges of the most economical type of rental car available. Where possible, COUNSEL and consultants and experts and subcontractors shall stay at hotels that charge a government rate. When traveling by airplane, whenever possible, reduced fare tickets shall be purchased. Gasoline shall not be billed to CITY except when a rental car is used out-of-state.

5. Reimbursement for Expenses. All costs and other disbursements for outside services not specified hereinabove shall be billed at actual cost, plus employee related costs, if any. All copying charges shall be billed at no more than fifteen cents ($.15) per page. To the extent practical, large photocopying tasks will be sent out to an outside copy service in an effort to further reduce photocopying costs. Outgoing faxes shall be billed for actual long distance charges incurred, not on a per page basis. On-line database retrieval charges (i.e. Lexis, Westlaw, CompuServe, Dialogue, etc.) shall be billed at actual cost.

6. Billing Procedures. In addition to the billing procedures set forth elsewhere in this Contract, COUNSEL shall follow these billing procedures:

A. "Unit billing" shall not be done. COUNSEL shall bill only for actual time spent on a task, and each task shall be itemized (e.g. tel. to opposing counsel (.2); extended tel. to Mr. Smith (.3); prepare motion to continue (.3).

B. Secretarial, word processing or other overtime shall not be billed (e.g., preparation of documents which are computerized or on a form, such as subpoenas, notices of deposition, independent medical examinations, medical authorizations, trial notices, uniform interrogatories, and requests to produce); only the actual time spent by the attorney reviewing, revising or drafting such documents shall be billed.

C. Whenever possible, attorneys shall minimize time spent consulting with one another and agree to use their best efforts to minimize the costs of the legal representation to CITY. Work on this matter billed by attorneys not listed must be approved by the City Attorney's Office in advance.

D. All consultants, experts and subcontractors engaged to provide services to COUNSEL in the performance of this agreement, and the use and extent of those services, shall be approved by the City Attorney's Office prior to them providing the services. Payment of their expenses will be subject to the same terms as paragraphs 4 and 5 above.

E. COUNSEL will submit monthly billings for services rendered and expenses incurred, which shall be paid by the City Attorney's Office. Each bill shall also contain, in addition to information required elsewhere in this Contract: 1) fees and costs incurred in the preceding month; 2) the cumulative total of fees and costs to date; 3) the City Attorney's Office contract number 2003-011 and; 4) the unbilled amount remaining on the contract.

COUNSEL will use its best efforts to inform the City Attorney's Office eight weeks prior to COUNSEL billing the final fees and costs authorized under this contract. CITY will pay no fees incurred over and above the contract amount without prior authorization from CITY.

7. Maintenance of Records. In compliance with CITY'S standard procedure, all work performed in connection with this Contract shall be subject to audit. COUNSEL shall maintain all books, documents, papers, accounting records, and other evidence pertaining to time billed and to costs incurred on a particular lawsuit, and to make such materials available at their offices at all reasonable times during the Contract period and for at least three (3) years from the date of final payment for inspection by CITY or any authorized representatives of CITY, and copies thereof shall be furnished, if requested, at CITY'S expense.

8. Conflict of Interest. COUNSEL warrants and covenants that COUNSEL presently has no interest in, nor shall any interest be hereinafter acquired in, any matter which will render the services required under the provisions of this Contract a violation of any applicable local, state, or federal law. In the event that any conflict of interest should nevertheless hereinafter arise, COUNSEL shall promptly notify CITY of the existence of such conflict of interest, so that CITY may determine whether to terminate this Contract. The City Attorney is authorized to grant customary conflicts waivers to COUNSEL on behalf of the CITY, as are not adverse to the CITY's legal interests in his professional judgment. Otherwise, COUNSEL shall be free to dispose of such portion of their entire time, energy and skill as are not required to be devoted to CITY in such manner as they see fit and to such persons, firms or corporations as they deem advisable so long as no conflict of interest exists.

9. Reporting Requirements

A. Within sixty (60) days of receipt of a case, or at the time disclosure statements are first filed, whichever is sooner, COUNSEL shall provide CITY with an initial written evaluation containing the following:

1. A summary of the case's facts and issues;

2. An evaluation of the potential exposure;

3. An outline of the course of action COUNSEL intends to pursue in the case (e.g., names and/or categories of witnesses to be interviewed or deposed; experts to be retained; motions to be filed; etc.);

4. An estimate of the cost to defend the case through trial;

5. A cost/benefit analysis, including recommendations as to early settlement or offers of judgment; and,

6. The name of the attorney who will be primarily responsible for handling the case, and the names of others who will assist that person.

10. Additional Investigation. Whenever additional investigation is deemed desirable by COUNSEL and can be provided by use of non-attorney investigators, COUNSEL shall notify CITY through the City Attorney's Office of such need, and CITY may elect, at its option, to conduct such investigation. In this event, CITY shall be solely responsible for the accuracy of the facts or other information developed in response to such requests.

11. Termination. CITY may terminate this Contract upon giving ten (10) days written notice for convenience or cause. Any default by COUNSEL, if COUNSEL fails to comply with any of the conditions of this Contract, or services which provide unsatisfactory performance as judged by the Contract Administrator, and failure to provide CITY, upon request, reasonable assurance of future performance, shall be causes allowing CITY to terminate this Contract. In the event of termination for cause, CITY shall not be liable to COUNSEL for any amount, and COUNSEL shall be liable to CITY for any and all damages sustained by reason of the default which gave rise to the termination. Any notice of cancellation shall specify the particular lawsuit or lawsuits to which it applies, and any lawsuit not particularly specified shall continue to be handled by COUNSEL and, as to those, this Contract will continue in effect; provided, however, the right is retained by CITY to terminate services on any lawsuit by notifying COUNSEL in writing.

12. Notices. When notice or correspondence is required to be sent to CITY, it shall be sent to the Contract Administrator named below:

City Attorney's Office
City of Scottsdale
3939 Drinkwater Blvd.
Scottsdale, Arizona 85251
Attn: Donna M. Bronski

Should the Contract Administrator change, CITY will notify COUNSEL in writing.

13. Indemnification For Liability and Professional Liability

To the fullest extent permitted by law COUNSEL, its successors, assigns and guarantors, shall defend, indemnify and hold harmless CITY, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, related to, arising from or out of or resulting from any negligent, or intentional actions, acts, errors, mistakes or omissions caused in whole or part by COUNSEL relating to work or services in the performance of this Contract, including but not limited to, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of COUNSEL'S and Subcontractor's employees.

Insurance provisions set forth in this agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

14. Insurance Representations and Requirements

General: Counsel agrees to comply with all applicable City Ordinances and state and federal laws and regulations.

Without limiting any obligations or liabilities of COUNSEL, shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of B ++ 6 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to CITY. Failure to maintain insurance as specified may result in termination of this Contract at CITY'S option.

No Representation of Coverage Adequacy: By requiring insurance herein, CITY does not represent that coverage and limits will be adequate to protect COUNSEL. CITY reserves the right to review any and all of the insurance policies and/or endorsements cited in this Contract but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this agreement or failure to identify any insurance deficiency shall not relieve COUNSEL from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.

Coverage Term: All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of subject contract is satisfactorily performed, completed and formally accepted by the CITY, unless specified otherwise in this Contract.

Claims Made: In the event any insurance policies required by this Contract are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the work or services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

Use of Subcontractors: If any work under this agreement is subcontracted in any way, COUNSEL shall execute written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting CITY and COUNSEL. COUNSEL shall be responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

Evidence of Insurance: Prior to commencing any work or services under this Contract, COUNSEL shall furnish CITY with Certificate(s) of Insurance, or formal endorsements as required by this Contract, issued by COUNSEL'S insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions, and limits of coverage and such coverage and provisions are in full force and effect. If a Certificate of Insurance is submitted as verification of coverage, City of Scottsdale shall reasonable rely upon the Certificate of Insurance as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this agreement. If any of the cited policies expire during the life of this Contract, it shall be COUNSEL'S responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions:

1. CITY, its agents, representatives, officers, directors, officials and employees shall be named an Additional Insured under the following policies: a) Commercial General Liability, b) Auto Liability and c) Excess Liability-Follow Form to underlying insurance as required.

2. COUNSEL'S insurance shall be primary insurance as respects performance of subject contract.

3. All policies, except Professional Liability insurance waive rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by COUNSEL under this contract.

4. Certificate shall cite 30-day advance notice of cancellation provision. If standard ACORD Certificate of Insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

Required Coverage

Commercial General Liability: COUNSEL shall maintain "occurrence" form Commercial General Liability insurance with a limit of not less than $1,000,000 for each occurrence, $1,000,000 Products and Complete Operations Annual Aggregate, and a $1,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as Insurance Services Office, Inc. policy form CG 00 01 07 98 or equivalent thereof, including but not limited to, separation of insureds clause. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

Professional Liability: If the Contract is the subject of any professional services or work, or if COUNSEL engages in any professional services or work adjunct or residual to performing the work under this Contract, COUNSEL shall maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by COUNSEL, or anyone employed by COUNSEL, or anyone for whose acts, mistakes, errors and omissions COUNSEL is legally liable, with a liability insurance limit of $1,000,000 each claim and $1,000,000 all claims. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage shall extend for three (3) years past completion and acceptance of the work or services, and COUNSEL shall be required to submit Certificates of Insurance evidencing proper coverage is in effect as required above.

Vehicle Liability: COUNSEL shall maintain Business Automobile Liability insurance with a limit of $500,000 each accident on COUNSEL'S owned, hired, and non-owned vehicles assigned to or used in the performance of the COUNSEL'S work or services under this Contract. Coverage will be at least as broad as Insurance Services Office, Inc. coverage code "1" "any auto" policy form CA 00 01 07 97 or equivalent thereof. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

Workers' Compensation Insurance: COUNSEL shall maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of COUNSEL'S employees engaged in the performance of work or services under this Contract and shall also maintain Employers Liability Insurance of not less than $100,000 for each accident, $100,000 disease for each employee and $500,000 disease policy limit.

15. Choice of Law. This Contract shall be governed and interpreted according to the laws of the State of Arizona.

16. Whole Agreement. This Contract constitutes the entire understanding of the parties, and no representations or agreements, oral or written, made prior to its execution shall vary or modify the terms herein.

17. Amendments. Any amendment, modification or variation from the terms of this Contract shall be in writing and shall be effective only after approval of all parties signing the original Contract. Should there be a change in the Contract Administrator, however, CITY will only need to notify COUNSEL in writing.

18. Non-Assignment. Services covered by this Contract shall not be assigned or sublet in whole or in part without the prior written consent of the City Attorney.

19. Cancellation. CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of City's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party of the contract in any capacity, or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from CITY is received by all other parties to the contract, unless the notice specifies a later time (A.R.S. § 38-511).

20. Independent Contractor Status. The services COUNSEL provides under the terms of this Contract to CITY are that of an independent contractor, not an employee. CITY will report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099. Withholding of income tax is not deducted from contractual payments. As a result of this, COUNSEL may be subject to I.R.S. provisions for payment of estimated income tax. Consult the local I.R.S. office for current information on estimated tax requirements. Failure to comply may subject COUNSEL to a penalty.

21. Severability. Should any part of this agreement be declared in a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this agreement, which shall continue in full force and effect, provided that the remainder of this agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

IN WITNESS WHEREOF, the City of Scottsdale, by its Mayor this _____ day of June, 2003.

City of Scottsdale, a
municipal corporation

By:_____
Mary Manross, Mayor

Ayers & Brown, P.C.

By:_____
Its: PRESIDENT

ATTEST:

_____
Sonia Robertson, City Clerk

APPROVED AS TO FORM:

_____
David A. Pennartz, City Attorney

Note to Attorneys: Remember to send along a copy of your Certificate of Insurance with the Contract for Legal Services.

CITY COUNCIL REPORT

MEETING DATE: 06/03/2003 ITEM NO. 13 GOAL: Short- and Long-term Economic Prosperity

SUBJECT

Approve annual contract with GPEC for economic development marketing

REQUEST

Adopt Resolution No. 6304 authorizing General Funds in the amount of $83,806 for provision of regional economic development marketing services, and Approve Contract No. 2003-107-COS with the Greater Phoenix Economic Council

Related Policies, References:
Economic Vitality Strategic Plan, approved by Council 11/02

BACKGROUND

For the past 13 years, the City of Scottsdale has participated in the Greater Phoenix Economic Council (GPEC), a public-private partnership designed to provide regional economic development marketing and recruitment services. GPEC was originally created as a result of a desire by all of the communities within the metro area to provide a more cost-effective approach to economic development marketing. Rather than having each community do their own marketing, with a myriad of messages and at a significant cost, the communities decided to pool their resources in order to create an effective, unified message, which would promote the entire Valley. Prospects coming to GPEC could then be matched to the cities which met the prospect's needs, and each individual community would be responsible for final location decisions. This contract will allow the City to continue to participate in this effort during the coming fiscal year.

The cost of this program, which is included in the proposed 2003/04 Economic Vitality budget, is based on a per capita allocation of $0.39: this figure is a reduction of 10% from the current year, as a reflection of the difficult budget situations that most public sector agencies are facing. Nearly every community within the Valley, along with Maricopa County, participate in GPEC and provide about 50% of GPEC's revenues; private sector investors account for the other 50%. Studies have shown that Scottsdale has benefited more from its participation in GPEC than nearly any other Valley community, in terms of the number and quality of new jobs and capital investment, and from the direct and indirect revenue creation associated with the new jobs (a 21:1 return on investment this year). Additionally, GPEC is one of the few regional partnerships that has been effective over the past decade.

Action Taken _____

ANALYSIS & ASSESSMENT

Recent staff action. Staff remains an active participant with GPEC. For 2003/04 David Roderique will serve as Chairman of GPEC's Economic Development Director's Team.

Community involvement. The business community remains an active participant and proponent of GPEC.

RESOURCE IMPACTS

Available funding. The City's investment in GPEC for the 2003/04 fiscal year will be $83,806; this amount is currently included in the proposed Economic Vitality 03/04 budget.

Cost recovery options. Over the past 4 years, GPEC has assisted with locating 7 new businesses to Scottsdale; these businesses employ 725 people at an average salary of $68,000, and created $25 million in new capital investment. According to GPEC's economic impact model, since 1999, The City of Scottsdale has received $7.5 million in direct revenues from GPEC-assisted locates, while the City's investment in that 4 year period amounted to approximately $360,000, resulting in a 21:1 direct return on investment. (See Attachment 3)

OPTIONS & STAFF RECOMMENDATION

Description of Option A: Approve contract as proposed.

Description of Option B: No longer participate in GPEC, but continue to do economic development marketing, recruitment, and image building on our own. However, the $83,806 GPEC investment would not likely go far if the City were to do its own marketing and promotion

Description of Option C: No longer participate in GPEC, and discontinue all economic development marketing efforts. This would result in a cost savings of $83,806 this year, but would likely have a much higher long term cost in terms of lessened long term economic vitality.

RESPONSIBLE DEPT(S)

Economic Vitality

STAFF CONTACTS

David Roderique, Economic Vitality General Manager, 480-312-7601, droderique@scottsdaleaz.gov

APPROVED BY

David Roderique — Date: 5/12/03

Janet M. Dolan, City Manager — Date: 5/21/03

ATTACHMENTS

1. Resolution # 6304
2. Contract # 2003-107-COS
3. Investing in GPEC – City of Scottsdale Benefits

RESOLUTION NO. 6304

A RESOLUTION OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING EXECUTION OF CONTRACT NUMBER 2003-107-COS BETWEEN THE CITY OF SCOTTSDALE, ARIZONA, AND THE GREATER PHOENIX ECONOMIC COUNCIL (GPEC) IN THE AMOUNT OF $83,806 FOR ECONOMIC DEVELOPMENT MARKETING SERVICES

WHEREAS, the City of Scottsdale, Arizona (the "City") and the Greater Phoenix Economic Council ("GPEC") desire to enter into an Economic Development Marketing Services Agreement No. 2003-107-COS, dated June 3, 2003, wherein the City designates GPEC as the principal organization through which the City carries out its economic development marketing activities; and

WHEREAS, the City desires to provide $83,806.00 in funds to GPEC for fiscal year 2003/04, so that GPEC can administer economic development marketing programs for the City, pursuant to the terms of Agreement No. 2003-107-COS, and the City has appropriated funds for such purposes;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

1. Section 1. Mayor Mary Manross is hereby authorized and directed to execute, on behalf of the City, Economic Development Marketing Services Agreement No. 2003-107-COS with the Greater Phoenix Economic Council and granting appropriated funds in the amount of $83,806.00 to GPEC for fiscal year 2003/04.

PASSED, ADOPTED, AND APPROVED by the Council of the City of Scottsdale, Arizona, on June 3, 2003.

CITY OF SCOTTSDALE,
An Arizona municipal corporation

By:_____
Mary Manross, Mayor

ATTEST:

_____
Sonia Robertson, City Clerk

APPROVED AS TO FORM:

_____
David A. Pennartz, City Attorney

AGREEMENT BETWEEN
THE GREATER PHOENIX ECONOMIC COUNCIL
AND THE CITY OF SCOTTSDALE

City Contract No. 2003-107-COS

The City Council of the CITY OF SCOTTSDALE, a municipal corporation (the "City"), has approved participation in and support of the regional economic development program of the GREATER PHOENIX ECONOMIC COUNCIL ("GPEC"), an Arizona non-profit corporation. The purpose of this agreement ("Agreement") is to set forth the regional economic development program that GPEC agrees to undertake, the support that the City agrees to provide, the respective roles of GPEC and the City and the payments of the City to GPEC for the fiscal year July 1, 2003 - June 30, 2004.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the CITY and GPEC agree as follows:

I. RESPONSIBILITIES OF GPEC

A. MISSION: GPEC works to achieve the regional vision by leveraging public-private resources in support of innovative regional economic development strategies and tactics for the attraction and expansion of employers.

B. GOALS: GPEC is guided by and strategically focused on two specific long-range goals:

1. Marketing the region to generate qualified business/industry prospects in targeted economic clusters

2. Leveraging public and private allies and resources to locate qualified prospects, improve overall competitiveness, and sustain organizational vitality

C. RETENTION AND EXPANSION POLICY:

1. GPEC's primary role is image building, marketing and new business attraction for the Greater Phoenix region.

2. Retention and expansion of existing businesses is primarily a local issue.

3. GPEC can add value to retention and expansion of existing businesses through regional support and research on key retention and expansion projects.

4. GPEC has a responsibility to advise the City when an existing company contacts GPEC regarding a retention or expansion issue.

D. ACTION PLAN AND BUDGET:

In accordance with the Mission, Goals and Retention Policy set forth above and subject to the availability of adequate funding, GPEC shall implement the Action Plan and Budget adopted by GPEC's Board of Directors, a copy of which has been delivered to the City, receipt of which is hereby acknowledged. A summary of the Action Plan is attached hereto as **Exhibit A** ("GPEC Action Plan"). The City shall be informed of any changes in the adopted Action Plan which will materially affect or alter the priorities established therein. Such notification will be in writing and will be made prior to implementation of such changes. Notwithstanding the foregoing, the City acknowledges and agrees that GPEC may, in its reasonable judgment in accordance with its own practices and procedures, substitute, change, reschedule, cancel or defer certain events or activities described in the Action Plan as required by a result of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control. GPEC shall solicit the input of the City on the formulation of future marketing strategies and advertisements. The Action Plan will be revised to reflect any agreed upon changes to the Action Plan.

E. PERFORMANCE TARGETS:

Specific performance targets, established by GPEC's Executive Committee and Board of Directors, are attached hereto as **Exhibit B** and shall be used to evaluate and report progress on GPEC's implementation of the Action Plan. In the event of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control, these performance targets may be revised with the City's prior written approval, or with the prior written approval of a majority of the designated members of GPEC's Economic Development Directors Team ("EDDT"). GPEC will provide quarterly reports to the City discussing in detail its progress in implementing the Action Plan as well as reporting the numerical results for each performance measurement set forth in Exhibit B. GPEC shall provide a copy of its annual external audit for the preceding fiscal year to the City no later than with its December invoice.

In the case of any benchmark which is not met, GPEC will meet with the EDDT to provide an explanation of the relevant factors and circumstances and discuss the approach to be taken during the upcoming quarter in order to achieve the target(s). Failure to meet a performance target will not, by itself, constitute an event of default hereunder unless GPEC (i) fails to inform the City of such event or (ii) fails to meet with EDDT to present a plan for improving its performance during the balance of the term of the Agreement. Either such event will constitute an event of default for which the City may terminate this Agreement pursuant to paragraph IV.J. below.

II. RESPONSIBILITIES OF THE CITY

A. STAFF SUPPORT OF GPEC EFFORTS: The City shall provide staff support to GPEC's economic development efforts as follows:

1. The City shall respond to leads or prospects referred by GPEC in a professional manner within the time frame specified by the lead or prospect if the City desires to compete and if the lead is appropriate for the City. When available, the City agrees to provide its response in the format developed jointly by EDDT and GPEC;
2. The City shall provide appropriate local hospitality, tours and briefings for prospects visiting sites in the City;
3. The City shall provide an official economic development representative to represent the City on the EDDT, which advises GPEC's President and CEO;
4. The City shall cooperate in the implementation of GPEC/EDDT process improvement recommendations including the use of common presentation formats, exchange of information on prospects with GPEC's staff, the use of shared data systems, land and building data bases and private sector real estate industry interfaces;
5. The City shall use its best efforts to respond to special requests by GPEC for particularized information about the City within three business days after the receipt of such request;
6. In order to enable GPEC to be more sensitive to the City's requirements, the City shall, at its sole option, deliver to GPEC copies of any City approved economic development strategies, work plan, programs and evaluation criteria. GPEC shall not disclose the same to the other participants in GPEC or their representatives;
7. The City shall utilize its best good faith efforts to cause an economic development professional representing the City to attend all marketing events and other functions to which the City has committed itself;
8. The City agrees to work with GPEC to improve the City's Competitiveness and market readiness to support the growth and expansion of the targeted economic clusters as identified for the City in **Exhibit C;**

B. RECOGNITION OF GPEC: The City agrees to recognize GPEC as the City's officially designated regional economic development organization for marketing the Greater Phoenix region.

III. ADDITIONAL AGREEMENTS OF THE PARTIES:

A. PARTICIPATION IN MARKETING EVENTS AND PROVISION OF TECHNICAL ASSISTANCE: Representative(s) of the City shall be entitled to participate in GPEC's marketing events provided that such participation shall not be at GPEC's expense. When requested and appropriate, GPEC will use its best efforts to provide technical assistance and support to City economic development staff for business location prospects identified and qualified by the City and assist the City with presentations to the prospect in the City or their corporate location.

B. COMPENSATION:

1. The City agrees to pay **$ 83,806** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2004, as set forth in this Agreement. This amount is based on $.39 per capita, based upon the 2000 U.S. Census, which listed the City as having a population of **215,030**. The payment by the City may, upon the mutual and discretionary approval of the board of directors of GPEC and the City Council, be increased or decreased from time to time during the term hereof in accordance with the increases or decreases of general application in the per capita payments to GPEC by other municipalities which support GPEC.
2. Funding of this Agreement shall be subject to the annual appropriations of funds for this activity by the City Council pursuant to the required budget process of the City;
3. Nothing herein shall preclude the City from contracting separately with GPEC for services to be provided in addition to those to be provided hereunder, upon terms and conditions to be negotiated by the City and GPEC; and
4. GPEC shall submit invoices for payment on a quarterly basis for services provided in the previous quarter. The foregoing notwithstanding, if GPEC has not provided the City with the audit required pursuant to paragraph I.E above no later than with its December invoice, no payments shall be made hereunder until the City receives the audit report. Invoices and monthly activity reports, substantially in the form of **Exhibit D** attached hereto, are to be submitted to the Community and Economic Development Director.

C. COOPERATION:

1. The parties acknowledge that GPEC is a cooperative organization effort between GPEC and the City. Accordingly, the City and GPEC covenant and agree to work together in a productive and harmonious working relationship, to cooperate in furthering GPEC's goals for the 2003-2004 fiscal year.

2. The City agrees to work with GPEC, as necessary or appropriate, to revise the performance measures, and/or benchmarks, and/or goals for the FY 2004-2005 contract.

3. The City agrees to work with GPEC during the FY2003-2004 program year to develop a revised public sector funding plan, including a regional allocation formula for FY2004-2005, if determined to be necessary or appropriate.

IV. GENERAL PROVISIONS:

A. **COVENANT AGAINST CONTINGENT FEES:** GPEC warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For a breach or violation of this warranty, the City shall have the right to terminate this Agreement without liability or, in its discretion, to deduct the commission, brokerage or contingent fee from its payment to GPEC.

B. **PAYMENT DEDUCTION OFFSET PROVISION:** GPEC recognizes the provisions of the City Code of the City of Scottsdale which require and demand that no payment be made to any contractor as long as there is any outstanding obligation due to the City, and directs that any such obligation be offset against payment due to GPEC.

C. **ASSIGNMENT PROHIBITED:** No party to this agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

D. **INDEPENDENT CONTRACTOR; NO AGENCY:** Nothing contained in this Agreement creates any partnership, joint venture or agency relationship between the City and GPEC. At all times during the term of this Agreement, GPEC shall be an independent contractor and shall not be an employee of City. City shall have the right to control GPEC only insofar as to the results of GPEC's services rendered pursuant to this Agreement. GPEC shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. GPEC shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

E. **INDEMNIFICATION AND HOLD HARMLESS:** During the term of this Contract, GPEC shall indemnify, defend, hold, protect and save harmless the City and any and all of its Councilmembers, officers and employees from and against any and all actions, suits, proceedings, claims and demands, loss, liens, costs, expense and liability of any kind and nature whatsoever, for injury to or death of persons, or damage to property,

including property owned by City, brought, made, filed against, imposed upon or sustained by the City, its officers, or employees in and arising from or attributable to or caused directly or indirectly by the negligence, wrongful acts, omissions or from operations conducted by GPEC, its directors, officers, agents or employees acting on behalf of GPEC and with GPEC's knowledge and consent.

Any party entitled to indemnity shall notify GPEC in writing of the existence of any claim, demand or other matter to which GPEC's indemnification obligations would apply, and shall give to GPEC a reasonable opportunity to defend the same at its own expense and with counsel reasonably satisfactory to the indemnified party.

Nothing in this Subsection E shall be deemed to provide indemnification to any indemnified party with respect to any liabilities arising from the fraud, negligence, omissions or willful misconduct of such indemnified party.

F. **INSURANCE:** GPEC shall procure and maintain for the duration of this Agreement, at GPEC's own cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with this Agreement by GPEC, its agents, representatives, employees or contractors, in accordance with the Insurance Requirements set forth in **Exhibit E**, attached hereto. The City acknowledges that it has received and reviewed evidence of GPEC's insurance coverage in effect as of the execution of this Agreement.

G. **GRATUITIES.** The City may, by written notice to GPEC, terminate the right of GPEC to proceed under this Agreement upon one (1) calendar day notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by GPEC, or any agent or representative of GPEC, to any officer or employee of the City with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performance of such contract; provided that the existence of the facts upon which the City makes such findings shall be an issue and may be reviewed in any competent court. In the event of such termination, the City shall be entitled to pursue all legal and equitable remedies against GPEC available to the City.

H. **EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Agreement, GPEC agrees as follows:

a. GPEC will not discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, national origin, age or disability. GPEC shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, gender, sexual orientation, national origin , age

or disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. GPEC agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b. GPEC will, in all solicitations or advertisements for employees placed by or on behalf of GPEC, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, gender, sexual orientation, national origin, age or disability.

c. GPEC will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to Agreements or subcontracts for standard commercial supplies or new materials.

d. Upon request by the City, GPEC shall provide City with information and data concerning action taken and results obtained in regard to GPEC's Equal Employment Opportunity efforts performed during the term of this Agreement. Such reports shall be accomplished upon forms furnished by the City or in such other format as the City shall prescribe.

I. **COMPLIANCE WITH FEDERAL LAWS REQUIRED.** GPEC understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989 and agrees to comply therewith in performing under any resultant agreement and to permit City inspection of its records to verify such compliance.

J. **TERMINATION.** City shall have the right to terminate this Agreement if GPEC shall fail to duly perform, observe or comply with any covenant, condition or agreement on its part under this Agreement and such failure continues for a period of 30 days (or such shorter period as may be expressly provided herein) after the date on which written notice requiring the failure to be remedied shall have been given to GPEC by the City; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken or conditions to be remedied which, by their nature, cannot reasonably be accomplished within 30 days, no event of default shall be deemed to have occurred or to exist if, and so long as, GPEC shall commence such action within that period and diligently and continuously prosecute the same to completion within 90 days or such longer period as the City may approve in writing. The foregoing notwithstanding, in the event of circumstances which render GPEC incapable of providing the services required to be performed hereunder, including, but not limited to, insolvency or an award of monetary damages

against GPEC in excess of its available insurance coverage and assets, the City may immediately and without further notice terminate this Agreement.

K. **RESPONSIBILITY FOR COMPLIANCE WITH LEGAL REQUIREMENTS.** GPEC's performance hereunder shall be in material compliance with all applicable federal, state and local health, environmental, and safety laws, regulations, standards, and ordinances in effect during the performance of this Agreement.

L. **INSTITUTION OF LEGAL ACTIONS.** Any legal actions instituted pursuant to this Agreement must be filed in the county of Maricopa, State of Arizona, or in the Federal District Court in the District of Arizona. In any legal action, the prevailing party in such action will be entitled to reimbursement by the other party for all costs and expenses of such action, including reasonable attorneys' fees as may be fixed by the Court.

M. **APPLICABLE LAW.** Any and all disputes arising under any Agreement to be awarded hereunder or out of the proposals herein called for, which cannot be administratively resolved, shall be tried according to the laws of the State of Arizona, and GPEC shall agree that the venue for any such action shall be in the State of Arizona.

N. **CONTINUATION DURING DISPUTES.** GPEC agrees that, notwithstanding the existence of any dispute between the parties, each party shall continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by an Arizona court of competent jurisdiction.

O. **CITY REVIEW OF GPEC RECORDS.** GPEC must keep all Agreement records separate and make them available for audit by City personnel upon request.

P. **NOTICES.** Any notice, consent or other communication required or permitted under this Agreement shall be in writing and shall be deemed received at the time it is personally delivered, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or express service or, if mailed, three (3) days after the notice is deposited in the United States mail addressed as follows:

If to City:

Mr. Dave Roderique
Economic Development Director
City of Scottsdale
7447 E. Indian School Road, Suite 200
Scottsdale, Arizona 85251
Phone: 480-312-7601
Fax: 480-312-2672

If to GPEC: Rick L. Weddle
President and Chief Executive Officer
Greater Phoenix Economic Council
Two North Central Avenue, Suite 2500
Phoenix, Arizona 85004-4469
(602) 256-7700
FAX: (602) 256-7744

Any time period stated in a notice shall be computed from the time the notice is deemed received. Either party may change its mailing address or the person to receive notice by notifying the other party as provided in this paragraph.

Q. **TRANSACTIONAL CONFLICT OF INTEREST.** All parties hereto acknowledge that this Agreement is subject to cancellation by the City pursuant to the provisions of Section 38-511, Arizona Revised Statutes.

R. **NONLIABILITY OF OFFICIALS AND EMPLOYEES.** No member, official or employee of the City will be personally liable to GPEC, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to GPEC or successor, or on any obligation under the terms of this Agreement. No member, official or employee of GPEC will be personally liable to the City, or any successor in interest, in the event of any default or breach by the GPEC or for any amount which may become due to the City or successor, or on any obligation under the terms of this Agreement.

S. **NO WAIVER.** Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default, will not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

T. **SEVERABILITY.** If any provision of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law, provided that the fundamental purposes of this Agreement are not defeated by such severability.

U. **CAPTIONS.** The captions contained in this Agreement are merely a reference and are not to be used to construe or limit the text.

V. **NO THIRD PARTY BENEFICIARIES.** No creditor of either party or other individual or entity shall have any rights, whether as a third-party beneficiary or otherwise, by reason of any provision of this Agreement.

W. **ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS.** This Agreement may be executed in up to three (3) duplicate originals, each of which is

deemed to be an original. This Agreement, including eleven (11) pages of text and the below-listed exhibits which are incorporated herein by this reference, constitutes the entire understanding and agreement of the parties.

Exhibit A - Action Plan
Exhibit B - GPEC Performance Measures
Exhibit C - Target Industry Clusters
Exhibit D - Reporting Mechanism for Contract Fulfillment
Exhibit E - Insurance Requirements

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or GPEC, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties hereto.

X. **TERM AND APPROVALS.** GPEC and the City agree that Agreement shall be effective upon complete execution and shall expire on June 30, 2004. The City's Economic Development Director shall approve all invoices prior to payment. All exhibits attached hereto are incorporated by their reference.

IN WITNESS WHEREOF, The City of Scottsdale by its Mayor and City Clerk have subscribed their names this ____ day of _____, 2003.

CITY OF SCOTTSDALE

By: _____
Mary Manross, Mayor

ATTEST:

_____
Sonia Robertson, City Clerk

Greater Phoenix Economic Council
an Arizona nonprofit corporation

By: _____
Rick L. Weddle, President &
Chief Executive Officer

CITY OF SCOTTSDALE REVIEW:

_____
Monroe C. Warren
Purchasing Director

_____
Myron Kyklok
Risk Management Director

APPROVED AS TO FORM:

David A. Pennartz
City Attorney

Exhibit A

clear FOCUS

effective EXECUTION

measurable RESULTS

Fiscal Year 2003-04
Action Plan

Greater Phoenix
ECONOMIC COUNCIL

What's Inside ... *looking at fiscal year 2003-04*

Business Development **Pages 2-5**
- Face-to-face Sales
- Capturing Locates
- Local Awareness
- Economic Development Strategy

Marketing **Pages 6-8**
- Direct, Print and Web-based Marketing
- Identity & Image
- Research & Information
- Local Awareness

Mission Critical Improvements **Pages 9-10**
- Competitiveness Team and PDT
- Washington DC Engagement

Resource Network **Pages 11-12**
- Resource Development
- Special Events
- Accountability, Accounting and HR

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Budget **Pages 23-24**

Staff **Page 25**

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"The focused action plan of 2003 laid the foundation for the continued advancement of GPEC's 2004 business attraction efforts" ~ Sharon Harper, Chairman 2003

Mission:

Leverage region-wide public-private resources to:

- ⇨ Attract and grow globally competitive high value-added firms
- ⇨ Generate high-quality investments and jobs
- ⇨ Build support for a sustainable high-performance economy

Goals:

Engage public and private leaders to:

- ⇨ Market the region to generate targeted opportunities
- ⇨ Leverage public and private resources to capture opportunities
- ⇨ Benchmark the region's competitive position and monitor progress
- ⇨ Define a regional vision and its corresponding metrics
- ⇨ Clarify the collaborative roles and relationships to ensure success

Business Development ... *seizing economic opportunities*

clear **FOCUS**

GPEC Business Development is committed to capturing high-wage locates for the betterment of the regional economy. While actively pursuing every opportunity, our efforts are focused on assisting companies in the priority industries (advanced business services, aerospace, bioindustry, high-tech, software) as defined in the regional economic development strategy.

effective **EXECUTION**

Our team of experts works closely with economic development professionals from member communities and private-sector companies. We convert high-quality prospects by delivering value and service in an innovative and timely manner and by effectively engaging members and partners in key projects.

measurable **RESULTS**

- ⇨ Capital investment, number of jobs, payroll, average salary, and total square feet
- ⇨ Prospect visits to communities
- ⇨ Prospect-to-locate conversion rate
- ⇨ Locate and non-locate satisfaction surveys
- ⇨ Investor utilization

Business Development ... *seizing economic opportunities*

Face-to-Face Sales ... *building strategic relationships*

- ⇨ **Prospect Hosting:** Provide clients with firsthand knowledge of the site selection assets in communities by visiting specific real estate opportunities and project-related experts around the region. Typical hosting visits include a regional presentation at GPEC offices followed by brief meetings at the sites clients choose to learn more about. Visits often involve real estate professionals, human resources experts and community economic development representatives.

- ⇨ **Sales Trips:** Meet with companies, site selection consultants and other sources of prospects in targeted markets around the country. GPEC meets with firms in California several times a year and also holds face-to-face discussions with potential clients in markets that have a high concentration of firms in priority industries (New York, Chicago, Dallas, Atlanta, Seattle, Washington, D.C., etc.). Economic Development directors from each member community are invited to participate in as many sales trips as possible each year.

- ⇨ **ExecuTours:** Bring top site selection consultants and real estate executives into Greater Phoenix to learn more about the latest developments in the marketplace. The visiting experts, representing one of the most productive sources of GPEC prospects, are given special presentations about the region and community site selection assets. They also are an important source of information on industry trends and feedback on areas where Greater Phoenix can improve its competitive positions.

  During their visits, the experts meet with members of the Economic Development Directors Team and GPEC Board of Directors along with GPEC Investors and other partners. Typically, the meetings are held in conjunction with major events like The Phoenix Open, Cactus League Spring Training, and The Fiesta Bowl.

(continued)

Business Development ... *seizing economic opportunities*

Face-to-Face Sales ... *building strategic relationships* (continued)

- ⇨ **Trade Shows and Industry Conferences:** Participate with members of the Economic Development Directors Team in targeted opportunities to generate prospects, build relationships, and raise awareness of recent Greater Phoenix market developments. Trade shows provide an opportunity for face-to-face opportunities with a large number of companies in targeted industries all at the same place at the same time. Industry conferences also bring GPEC and partners into contact with site selection influencers and have the added benefit of providing professional development.

Capturing Locates ... *ready for anything*

- ⇨ **Information and Resources:** Anticipate the needs of site selection prospects in targeted industries (advanced business services, aerospace, bio-industry, high-tech electronics, and software). Proactively develop the information and expert resources to satisfy the most challenging requests related to critical site decision factors.

- ⇨ **A System of Excellence:** Work with the Economic Development Directors Team to refine GPEC's client handling approach to ensure Greater Phoenix continues to be easy for companies and consultants to work with on site selection processes. Critical process points include the development and delivery of quality electronic and print proposals, real estate information, and prospect hosting visits to GPEC member communities.

- ⇨ **Flexible Opportunity Capture:** Focus on priority clusters while maintaining flexibility to seize new business opportunities in all industries as they come up. Emphasize current assets such as skilled labor and existing, available real estate space in nearly every business category. Direct attention on markets with unanticipated opportunities (like California, which is facing rapid increases in workers' compensation rates and high utility costs).

Business Development ... *seizing economic opportunities*

Local Awareness and Education ... *offering value to all clients*

- **Community Visits:** Meet often with the staff and leadership of all GPEC member communities to maintain a current understanding of community targets and marketing messages. Visits cover key site selection assets and include the opportunity to view featured real estate developments and buildings. The meetings are an excellent opportunity for GPEC to provide client feedback about a specific community's readiness, as requested by community representatives. GPEC staff also find out how they can provide increased value to each community on an individual basis.
- **Market Updates:** Maintain awareness of the latest developments relating to key regional site selection assets and infrastructure. This regional information network not only includes community, education, and utility economic development professionals, but also covers construction, real estate, and other industries that usually partner on economic development projects.

Business Development Success ... *streamlining the locate process*

- **Economic Development Directors Team (EDDT):** Maintain a close working relationship with community, education, and utility economic development professionals to ensure that clients receive the highest level of service possible. Also work together to address product and process challenges raised by site selection prospects.
- **Economic Development Strategy Team:** Provide GPEC leadership and Investors an opportunity to interface with economic development professionals to refine and implement the regional economic development strategy.

Marketing ... *finding business now!*

clear **FOCUS**

GPEC marketing is committed to generating high-quality leads and prospects and improving the region's image and identity.

effective **EXECUTION**

Our standards dictate that all programs are executed with the highest regard to detail, utilizing the input and skill of our members and partners. We are focused on high-impact and cost-effective projects that are proven to deliver the greatest number of business opportunities for our communities and private-sector members.

measurable **RESULTS**

- ⇨ Quality prospects generated
- ⇨ Cluster Relationship Marketing capture rate
- ⇨ GPEC 100 satisfaction
- ⇨ Integrated regional branding strategies
- ⇨ Total reach of editorial placements:
- ⇨ Satisfactory "return on investment"
- ⇨ Increased engagement of stakeholders and partners in projects

Marketing ... *finding business now!*

Direct Marketing ... *mail that gets read*

- ⇨ **GPEC 100:** Maintain and build relationships with national site selection consultants and real estate executives. Use these relationships to build a pipeline of business development activity.
- ⇨ **Cluster Relationship Marketing:** Build and maintain relationships with decision-makers at select companies in priority clusters. Use these relationships to correct misperceptions about the region and to create awareness about the offerings of Greater Phoenix.

Print Marketing ... *creating lasting impressions*

- ⇨ **Advertising:** Use specific opportunities and proven strategies to raise awareness of Greater Phoenix as a business location
- ⇨ **Earned Media:** Generate favorable print and electronic media coverage of Greater Phoenix locally, nationally, and internationally
- ⇨ **Collateral Materials:** Continue the promotion of Greater Phoenix through the development of professional and informative collateral pieces.

Web-based Marketing ... *always accessible*

- ⇨ **GPEC.org:** Provide clients with detailed information on Greater Phoenix and its assets as a business location via the Information Center; provide EDDT access to an electronic prospect database; post information on GPEC programs, events, and results
- ⇨ **Greater Phoenix.com:** Offer a first-look at the region with this electronic brochure that will direct traffic to GPEC's main site when additional information is desired.

Marketing ... *finding business now!*

Research and Information ... *just the facts*

- ⇨ **Local Industry Research:** Develop in-depth reports on key industries for use in marketing and business development initiatives
- ⇨ **Impact Model:** Enhance regional consensus impact model to accurately estimate the economic and revenue impacts of GPEC's program. Expand the model to better estimate private sector impact.

Local Awareness and Education ... *offering value to all clients*

- ⇨ **Industry Update Session:** Educate partners on current trends and activity levels in key industries
- ⇨ **Blue Chip Report:** Sponsor this economic update that is produced by the William P. Carey School of Business at Arizona State University

Identity & Image Team ... *getting noticed for the right reasons*

- ⇨ **Branding:** Build a stronger brand around the region's business climate
- ⇨ **Benchmark Assessment:** Index our regional attributes by comparing Greater Phoenix to key competitor markets
- ⇨ **Marketing Network:** Work with GPEC members and partners to create awareness of messages that are being sent to external audiences by all industries and organizations in the region

Mission Critical Improvements ... *achieving success*

clear **FOCUS**

GPEC identifies and influences the foundational improvements needed to ensure business development success and to implement the high-wage strategy, "*Turning Point: New Choices for the Future.*"

effective **EXECUTION**

GPEC works closely with a variety of public-sector stakeholders, private-sector investors, and other partners (EDDT, PDT, ASU, MAG, Coalition members) to move the region to top-tier status in the five priority clusters and benchmark the region's competitive position.

measurable **RESULTS**

- ⇨ Success in achieving consensus around regional competitiveness priorities
- ⇨ Successful implementation of annual benchmarking assessment tool

Mission Critical Improvements ... *achieving success*

Policy Development Team ... *building regional consensus*

- ⇨ **Regional Federal Agenda:** Examine economic development issues and coordinate activities to update the region's first federal economic development agenda.
- ⇨ **Fact Finding:** Gain input and insights from public-sector members on the effect of policy changes.

Washington DC Engagement ... *increasing dialogue between regional and federal leadership*

- ⇨ **Executive Mission:** Plan the next mission to Washington, DC, to include business development, media, and policy tracks
- ⇨ **Build Support:** Continue to engage the federal Congressional delegation to build support of regional priorities.

Competitiveness Team ... *how does Greater Phoenix stack up?*

- ⇨ **Connecting Public and Private Sectors:** Unite regional leaders to coordinate efforts to improve regional competitiveness
- ⇨ **Benchmarking and Reporting:** Track efforts to improve the region's competitive position
- ⇨ **Increase Awareness:** Educate local leaders on what it takes to become more competitive

Resource Network ... *maximizing value*

clear **FOCUS**

GPEC's Resource Network leverages human, fiscal, organizational, and leadership resources to enable the organization to achieve its mission.

effective **EXECUTION**

GPEC works to maximize the return on investment delivered to members through strengthening the stakeholder network and increasing engagement in GPEC programs. Resource Network also strives to ensure adequate funding for key programs through strict fiscal responsibility and a sound development program.

measurable **RESULTS**

- ⇨ Cash Reserve/Cash Revenue Target
- ⇨ Audit Report/Executive Committee satisfaction with budget management
- ⇨ Stakeholder network satisfaction measure
- ⇨ Employee satisfaction
- ⇨ Acquisition and retention of investors

Resource Network ... *maximizing value*

Resource Development

- ⇨ **Secure the Future:** Identify/secure funds to implement strategic 10-year economic development plan
- ⇨ **Investor Satisfaction:** Increase engagement to enhance satisfaction of existing members
- ⇨ **Locate Involvement:** Integrate new corporate citizens into the community and into the GPEC network

Accountability

- ⇨ **Performance Scorecard Survey:** Assess stakeholder satisfaction with GPEC results
- ⇨ **Performance Committee:** Align organizational goals and objectives with stakeholder expectations

Special Events

- ⇨ **Annual Dinner:** Educate the region through examination of critical business issues and broaden GPEC's stakeholder network
- ⇨ **Economic Summit:** Educate stakeholders on topical issues and broaden GPEC's stakeholder network
- ⇨ **Power Breakfast:** Work with partners to educate the region and provide high-quality networking
- ⇨ **Leadership Retreat:** Engage stakeholders and other partners in planning process

Accounting and Human Resources

- ⇨ **Accounting/Controlling:** Manage financial matters including processes and procedures, preparation of financial statements, budget development and monitoring, cash flow, audit, and tax returns.
- ⇨ **Staff Development:** Oversee staff hiring, training, retreats, etc.
- ⇨ **Human Resources:** Enhance employee satisfaction through effective personnel policies and competitive benefits programs

Implementing Strategy … *economic development strategy team*

clear **FOCUS**

Strategic Policy Committees engage stakeholders to focus leadership attention and dialogue around issues that directly impact our ability to carry out the high-wage strategy.

effective **EXECUTION**

The Economic Development Strategy Team identifies the regional ED strategies that must be in place to achieve the vision; demonstrates how the strategy positively affects the region; and links to regional entities and organizations.

measurable **RESULTS**

- ⇨Progress in meeting high-wage targets
- ⇨Functionality and sustainability of the Engagement Framework

Implementing Strategy ... *identity & image team*

clear **FOCUS**

Strategic Policy Committees engage stakeholders to focus leadership attention and dialogue around issues that directly impact our ability to carry out the high-wage strategy.

effective **EXECUTION**

The Identity & Image Team works to identify and improve perceptions of Greater Phoenix among three key audiences: top-level executives in the five priority industry sectors, site selection consultants, and the business media.

measurable **RESULTS**

- ⇨ Improved identity and image of the region among top-level executives in the five priority industries, site selection consultants, and the business media as measured by the newly developed Perception Index (conducted every two years).
- ⇨ Delivery of messages showing how the five-year economic development strategy positively affects the region.

Implementing Strategy … *competitiveness team*

clear **FOCUS**

Strategic Policy Committees engage stakeholders to focus leadership attention and dialogue around issues that directly impact our ability to carry out the high-wage strategy.

effective **EXECUTION**

The Competitiveness Committee measures progress toward the vision and identifies needed strategic investments for the future. This team is also charged with increasing leadership's awareness of the mission critical improvements that affect the region's competitive position and its ability to attract quality businesses.

measurable **RESULTS**

- ⇨ Annual update and analysis of the Benchmarking Scorecard
- ⇨ Broader understanding within leadership of issues affecting the region

Implementing Strategy … *resource development team*

clear **FOCUS**

Strategic Policy Committees engage stakeholders to focus leadership attention and dialogue around issues that directly impact our ability to carry out the high-wage strategy.

effective **EXECUTION**

The Resource Development Team ensures adequate resources are available to fund business attraction efforts and support implementation of the strategy. The committee actively engages private-sector investors in GPEC's program and identifies potential new investors and upgrade candidates.

measurable **RESULTS**

- ⇨ Retain current investors
- ⇨ Reach fundraising goals through upgrades and new members

First Quarter Calendar ... *executing key projects*

	Business Development	Marketing	Competitiveness	Resource Network
July	EDDT Prospect Hosting Client Handling Sales Trips: Dallas, San Francisco/ San Jose, Los Angeles Trade Shows: SEMICON West Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations GPEC 100 Cluster Relationship Marketing GPEC.org enhancements Annual Report Advertising: Info Systems Development Impact Model Enhancements	PDT Meeting Benchmarking Research	Resource Development Relationship Management Accounting/Controlling Begin Annual Audit Existing Member Retention New Member Development Executive Committee
August	EDDT Prospect Hosting Client Handling Sales Trips: Seattle, San Diego, Los Angeles Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations Cluster Relationship Marketing GPEC.org enhancements Annual Report Advertising: Blue Chip Update Info Systems Development	Regional Federal Agenda	Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development Leadership Retreat Complete Annual Audit
September	EDDT Prospect Hosting Client Handling Conferences: IAMC, IEDC Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development Impact Model Enhancements	PDT Meeting	Board/Exec. Committee Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development Investor Briefing

Second Quarter Calendar ... *executing key projects*

	Business Development	Marketing	Competitiveness	Resource Network
October	EDDT Prospect Hosting Client Handling Conferences: AAED, CORENET Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations GPEC 100 Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development	Washington, DC, Mission	Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development Executive Committee
November	EDDT Prospect Hosting Client Handling Sales Trip: Chicago Trade Show: COMDEX Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development Impact Model Enhancements	PDT Meeting	Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development Power Breakfast Investor Briefing Board/Executive Committee
December	EDDT Prospect Hosting Client Handling Sales Trips: Los Angeles, New York/ New Jersey Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development		Executive Committee Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development

Third Quarter Calendar ... *executing key projects*

	Business Development	Marketing	Competitiveness	Resource Network
January	EDDT Prospect Hosting Client Handling Sales Trips: San Fran./San Jose, Dallas Phoenix Open ExecuTour Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations GPEC 100 Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development Impact Model Enhancements	PDT Meeting	Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development Investor Briefing Board/Executive Committee
February	EDDT Prospect Hosting Client Handling Sales Trips: Denver, Los Angeles Trade Show: MDM Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development		Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development Executive Committee Economic Summit
March	EDDT Prospect Hosting Client Handling Sales Trips: Boston, San Diego Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development Impact Model Enhancements	PDT Meeting	Board/Exec. Committee Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development Investor Briefing

Fourth Quarter Calendar ... *executing key projects*

	Business Development	Marketing	Competitiveness	Resource Network
April	EDDT Prospect Hosting Client Handling Sales Trips: Europe, Washington DC, Atlanta Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations GPEC 100 Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development		Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development Executive Committee
May	EDDT Prospect Hosting Client Handling Sales Trips: Chicago, New York Trade Shows: CORENET, AAED Cactus League ExecuTour Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development Impact Model Enhancements	PDT Meeting	Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development Power Breakfast Investor Briefing Board/Executive Committee
June	EDDT Prospect Hosting Client Handling Sales Trips: San Fran/San Jose, Los Angeles Trade Show: BIO 2004 Community Market Updates Locate-Non-Locate Survey Info Center Web Updates Special Research Projects	Identity & Image Nat'l/Local Media Relations Cluster Relationship Marketing GPEC.org enhancements Advertising: Info Systems Development		Executive Committee Resource Development Relationship Management Accounting/Controlling Existing Member Retention New Member Development

Performance Measures ... *driving action to meet our goals*

Performance measures listed for the Business Development, Marketing, and Fiscal/Resource Management program areas are hard number targets. The goals are developed by GPEC's Board of Directors, Senior Management, and EDDT Partners and are based on an assessment of GPEC's historical performance and the current economic environment. All Business Development and Marketing targets are tied directly to assisted locates. Additionally, this table outlines top-level goals in major program areas, other measures are tracked for internal evaluation purposes. For a more in-depth look at GPEC's performance measures, access the Performance Measurement and Evaluation Guidebook online at www.gpec.org/presentations.

Fiscal Year 2003-04	*Contract*	*Target*	*Stretch*
Business Development Goals			
Capital Investment	$160M	$200M	$250M
Payroll Generated			
High Wage Industries*	$52M	$73M	$106M
Other Industries	$56M	$77M	$112M
Total Payroll Generated	$108M	$150M	$218M
Average Salary			
High Wage Industries*	$43,500	$51,500	$61,000
Other Industries	$31,000	$36,600	$43,000
Overall Average Salary	$36,000	$42,500	$50,000
Job Creation			
High Wage Industries*	1,200	1,416	1,740
Other Industries	1,800	2,124	2,610
Total Job Creation	3,000	3,540	4,350
Total Square Feet	1.7M	2.1M	2.5M

** As per the strategy, 40 percent of new jobs are to be generated in high-wage industries in Year One. As this is the first year, no historical data is available for these measures. (The industries targeted in the strategy include: Advanced Business Services, Aerospace, BioIndustry, High-Tech Electronics, and Software, Mandate for Action and Progress, 2003)*

Performance Measures ... *driving action to meet our goals*

Goals—Fiscal Year 2003-04	*Contract*	*Target*	*Stretch*
Marketing Goals			
Prospects	150	175	200
Earned Media Results			
Total Reach	7.5M	9M	14M
Return on Investment (ROI)	8:1	9.5:1	12.5:1
Fiscal/Resource Management			
Private Sector Financial Support			
Collection of Existing Pledges	92.4%	93.3%	94.3%
New Pledges	$300,000	$400,000	$500,000
Cash Reserve/Cash Revenue*	14%	15%	16%

* Cash reserve targets are set to maintain organizational sustainability in the market's current volatile state. GPEC is awaiting finalization of public-sector funding for FY04 and is preparing for anticipated decreases in FY05. Stretch goal of 16 percent cash reserves represents less than two months of operating expenses.

Regional Strategy Execution

Regional Strategy performance measures are based on leadership's level of satisfaction with GPEC's progress in executing the high-wage strategy. The goals are determined by the Executive and Performance Committees' assessment and take into consideration the results of the stakeholder survey.

Goals—Fiscal Year 2003-04	*Contract*	*Target*	*Stretch*
Success in effectively carrying out ED Strategy	70%	80%	90%
Effectiveness in Engaging State Leadership	70%	80%	90%
Effectiveness in Engaging Federal Delegation	70%	80%	90%
Stakeholder Satisfaction with Regional Strategy Execution Efforts	70%	80%	90%

Operating Budget ... *managing required resources*

Critical Assumptions

The operating budget listed on the following page is based on these critical assumptions:

- ⇨ Public sector decrease held to 10 percent
- ⇨ All public-sector partners (except Avondale) continue with membership, subject to:
  - ⇨ No major unexpected declines in tax revenues to municipalities
  - ⇨ State shared revenue does not take a major hit in the battle to balance the state budget*
- ⇨ GPEC has continued success in private sector fundraising

  **Dependent upon the state budget resolution and state-shared revenue impact; public funding may need to be reviewed in June/July*

Key Elements

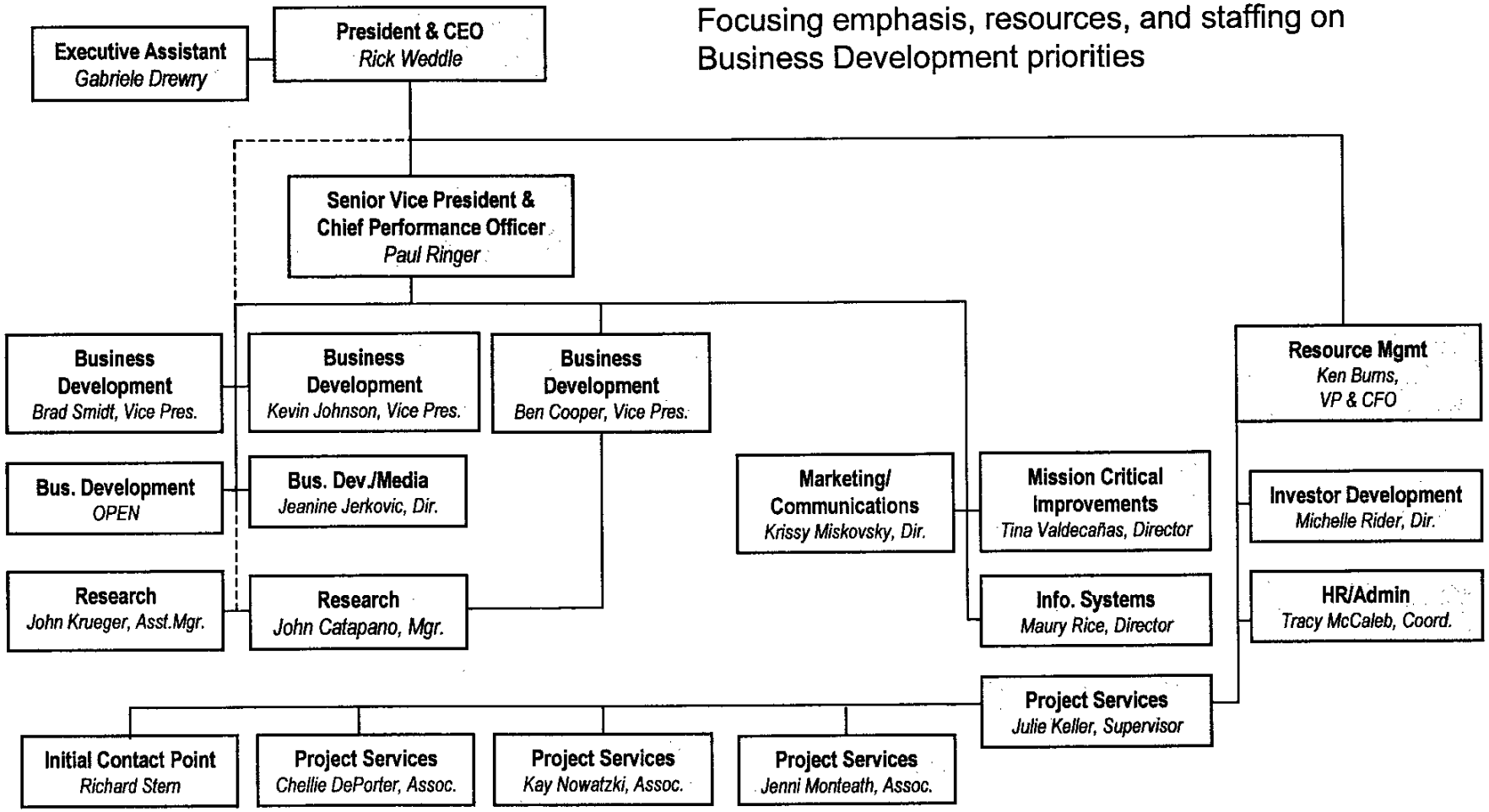
- ⇨ All program expenses will be funded through current operations. (Note: the previous two fiscal years required a budgeted use of cash reserves to cover program expenses.)
- ⇨ New money revenue is budgeted at $500,000.
- ⇨ Flexibility will be built into the budget in order to realize unanticipated opportunities

Operating Budget ... *managing required resources*

	Revised FY03	Draft FY2004	Variance	% Variance
Revenues				
City/County	$1,859,568	$1,661,967	($197,601)	(10.6%)
Private Sector	$1,648,887	$2,118,137	$469,250	28.5%
Other	$7,750	$7,750	$0	0%
Drawn from Cash Reserves	$120,000	$0	($120,000)	(100%)
Total Revenues & Funding	**$3,636,205**	**$3,787,854**	**$151,649**	**4.2%**
Expenditures				
Business Development	$1,081,313	$1,223,284	$141,971	13.1%
Marketing	$1,536,069	$1,597,812	$61,743	4%
Competitiveness	$287,475	$266,835	($20,640)	(7.2%)
Resource Management	$842,283	$751,157	($91,126)	(10.8%)
Total Expenditures	**$3,747,140**	**$3,839,087**	**$91,947**	**2.5%**
Less Fixed Assets	($12,000)	($18,500)	($6,500)	54.2%
Add Depreciation	$123,000	$70,000	($53,000)	(43.1%)
Net Cash Movement	**$65**	**$267**	**$202**	**310.8%**

Staff List ... *focusing on top priorities*

Focusing emphasis, resources, and staffing on Business Development priorities



*** FY04 budget includes 21 FTE positions. Student interns are part-time employees and are not included in the FTE headcount.**

GPEC Partners ... *sharing a vision*

As the region's designated economic development organization, GPEC is composed of members from Maricopa County, 13 communities including Buckeye, Chandler, El Mirage, Gilbert, Glendale, Goodyear, Mesa, Peoria, Phoenix, Scottsdale, Surprise, Tempe, Tolleson and more than 150 private-sector companies.

Additional Partners:

Arizona Association of Economic Development, Arizona State University, Arizona Congressional Delegation, Arizona Department of Commerce, Arizona State Legislature, Central Arizona Labor Council, East Valley Partnership, Greater Phoenix Chamber of Commerce, Greater Phoenix Leadership, Greater Tucson Economic Council, Greater Flagstaff Economic Council, Greater Yuma Economic Development Corporation, International Economic Development Council, Maricopa Association of Governments, Maricopa Community Colleges, Midwestern University, Office of the Governor, Rural Arizona Economic Development Advisory Committee, Thunderbird, Westmarc

EXHIBIT B

Specific performance targets as established by the GPEC Executive Committee and Board of Directors:

1.	**Number of qualified prospects**	**150**
2.	**Editorial exposure return on investment**	**8:1**
3.	**Total reach of editorial placements/exposures**	**7.5M**
4.	**Income generated**	**$108M**
5.	**Total number of jobs created**	**3,000**
6.	**Average annualized salary**	**$36,000**
7.	**Capital investment**	**$160M**
8.	**Total Square Feet**	**1.7M**

EXHIBIT C

TARGET INDUSTRY CLUSTERS. GPEC follows the Arizona Strategic Plan for Economic Development Economic Clusters. This plan has now been fully incorporated into the Governor's Strategic Partnership for Economic Development (GSPED). GPEC has worked with member communities to identify targeted economic clusters on a community and regional level and has incorporated these target clusters into its overall economic development plan. The following table illustrated the targeted economic clusters that member communities have suggested GPEC marketing and business development efforts should target on their behalf. GPEC is currently developing an economic development strategy for the region which includes increase emphasis on the following five (5) priority clusters: Advanced Business Services, High Technology, Bio Industry, Software and Aerospace.

Business Services & Software	**High Technology Electronics**	**High Technology Aerospace & Advanced Materials**	**Bio Industry & Senior Industries**	**Food, Fiber & Natural Products**	**Transportation/ Distribution Standard Manufacturing Environmental Technology**
Avondale	Avondale	Avondale	Avondale	Avondale	Avondale
Chandler	Chandler	Chandler	Buckeye	Buckeye	Buckeye
Fountain Hills	Gilbert	Gilbert	Chandler	Maricopa County	El Mirage
Gilbert	Glendale	Goodyear	Glendale	Tolleson	Gilbert
Glendale	Goodyear	Mesa	Maricopa County		Glendale
Goodyear	Mesa	Phoenix	Mesa		Maricopa County
Mesa	Peoria	Tempe	Peoria		Mesa
Peoria	Phoenix	Tolleson	Phoenix		Peoria
Phoenix	Scottsdale		Scottsdale		Surprise
Scottsdale	Surprise		Surprise		Tolleson
Surprise	Tempe		Tempe		
Tempe					

Within these economic clusters GPEC targets specific operations (manufacturing, research & development, headquarters and regional office operations, and distribution/assembly) in geographic areas that have proven to be historically significant target areas (California, the upper Midwest, New York/New Jersey, the Mid-Atlantic, Canada, Mexico, Japan, and Germany). The emphasis is on high value-added operations.

EXHIBIT D

Reporting mechanism for Contract Fulfillment

Monthly Activity Report - Month, Year

OPPORTUNITY GENERATION GOAL AREA:

Prospect Generation

# of inquiries:.....

# of leads: .....

# of prospects: .....

Potential for capital investment, # of jobs, payroll, average salary, square footage, region of origin

# of prospects in target clusters: .....

% of fiscal year goal =.....

FYTD prospect numbers:.....

Earned Media

Stories/Publications: .....

# of placements YTD (local v. national): .....

ROI: Advertising equivalency rate (formula used): .....

Total reach of editorial placements/exposures: .....

% reach of editorial placements/exposures in target clusters: .....

% of fiscal year goal =.....

Media Tours

Number of media outlets/representatives .....

% of fiscal year goal.....

Advertising

Ads Placed (ran).....

Direct-mail Campaigns

Trade shows

Title:

Location:

Accompanying GPEC:

% of fiscal year goal:.....

Sales Missions

Location:

Accompanying GPEC:

# of sales meetings: .....

% of fiscal year goal:

High-profile Events

Collateral Materials

BUSINESS DEVELOPMENT GOAL AREA:

Assisted Projects

Capital investment generated:.....

Payroll/income generated:.....

Average Salary:.....

# of jobs:.....

% of fiscal year goal:.....

# of assisted projects:.....

Prospect conversion rate:.....

Square footage:.....

Region of origin:.....

# of Prospect Visitations to region .....

# of Prospect Visitations to each City.....

FYTD assisted project numbers: .....

Industry Update (training) Sessions

COMPETITIVENESS GOAL AREA:

Regional Competitiveness

RESOURCE MANAGEMENT GOAL AREA:

Resource Acquisition

Investor Relations

Special Events

Board and Committees

EXHIBIT E
Insurance Requirements

The City's insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits required of GPEC are sufficient to protect GPEC from liabilities that might arise out of this Agreement for GPEC, its agents, representatives, employees or Contractors and GPEC is free to purchase such additional insurance as may be determined necessary.

A. Minimum Scope and Limits of Insurance. GPEC shall provide coverage at least as broad as the categories set forth below with limits of liability in amounts acceptable to the City.

1. **Commercial General Liability** - Occurrence Form
(Form CG 0001, ed. 10/93 or any replacements thereof)

General Aggregate/ per Project	$2,000,000
Products-Completed Operations Aggregate	$2,000,000
Personal & Advertising Injury	
Each Occurrence	$1,000,000
Fire Damage (Any one fire)	$300,000
Directors and Officers	$2,000,000

2. **Automobile Liability** B Any Auto or Owned, Hired and Non-Owned Vehicles
(Form CA 0001, ed. 12/93 or any replacement thereof)

$1,000,000

Combined Single Limit Per Accident for Bodily Injury and Property Damage

3. **Workers' Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	$100,000/$100,000/ $500,000

B. Self-insured Retentions. Any self-insured retentions must be declared to and approved by the City. If not approved, the City may request that the insurer reduce or eliminate such self-insured retentions with respect to City, its officers, officials, agents, employees and volunteers.

C. **Other Insurance Requirements.** The policies are to contain, or be endorsed to contain, the following provisions:

1. **Commercial General Liability**

a. The City, its officers, officials, agents, employees and volunteers are to be named as additional insureds with respect to liability arising out of: activities performed by or on behalf of GPEC, including the City's general supervision of GPEC; products and completed operations of GPEC; and automobiles owned, leased, hired or borrowed by GPEC.

b. GPEC's insurance shall include broad form contractual liability coverage.

c. The City, its officers, officials, agents, employees and volunteers shall be additional insureds to the full limits of liability purchased by GPEC, even if those limits of liability are in excess of those required by this Agreement.

d. GPEC's insurance coverage shall be primary insurance with respect to City, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained by City, its officers, officials, employees or volunteers shall be in excess of GPEC's insurance and shall not contribute to it.

e. GPEC's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

f. Coverage provided by GPEC shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

g. The policies shall contain a waiver of subrogation against City, its officers, officials, agents, employees and volunteers for losses arising from work performed by GPEC for the City.

2. **Workers' Compensation and Employers' Liability Coverage.** The insurer shall agree to waive all rights of subrogation against City, its officers, officials, agents, employees and volunteers for any and all losses arising from work performed by the Contractor for the City.

D. **Notice of Cancellation.** Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice has been sent to City at the address provided herein for the giving of notice. Such notice shall be by certified mail, return receipt requested.

E. **Acceptability of Insurers.** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-:VII. City in no way warrants that the above required minimum insurer rating is sufficient to protect GPEC from potential insurer insolvency.

F. **Verification of Coverage.** GPEC shall furnish City with Certificates of Insurance (ACORD form or equivalent approved by City) and with original endorsements effecting coverage as required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the Certificate of Insurance.

All certificates and endorsements are to be received and approved by City before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project.

All certificates of insurance required by this Agreement shall be sent directly to City at the address and in the manner provided in this Agreement for the giving of notice. City's Agreement/Agreement number, GPEC's name and description of the Agreement shall be provided on the Certificates of Insurance. City reserves the right to require complete certified copies of all insurance policies required by this Agreement, at any time.

G. **Approval.** During the term of this Agreement, no modification may be made to any of GPEC's insurance policies which will reduce the nature, scope or limits of coverage which were in effect and approved by the City prior to execution of this Agreement.

Investing in GPEC

City of Scottsdale Benefits

The **Greater Phoenix Economic Council** (GPEC) is the regional economic development group representing the City of Scottsdale, 13 other communities, Maricopa County, and over 150 private sector investors.

GPEC and its partners assist companies in selecting Greater Phoenix to **generate new revenues and high wage employment opportunities** for communities, the County, and the State through new capital investments, payrolls, and business and consumer spending.

Scottsdale participates in marketing and business development programs, receives research and other technical assistance, and gains from informative economic development and industry education events.

City of Scottsdale - Representatives

The 14-year relationship with the City of Scottsdale is greatly appreciated. Participation by every community in the region directly contributes to local and regional economic development success.

GPEC Executive Committee	Gerrit van Huisstede
GPEC Board of Directors	Gerrit van Huisstede Steve Rizley
Economic Development Directors Team (EDDT)	Dave Roderique, Co-Chair
Strategic Policy Committees (Resource Development Cmte.)	Gerrit van Huisstede

City of Scottsdale

- Funding Request (FY2004): $83,806 compared with $91,814 in FY2003. *(A decrease of $8,008)*

HIGHLIGHTS

- GPEC and the City of Scottsdale have partnered on 7 locate projects since 1999:
  - $25 million in capital investments,
  - $50 million in new payrolls, and
  - 725 new jobs in Scottsdale
- $7.6 million in new Scottsdale revenues since 1999, for a revenue return of $22 for every $1 invested in GPEC.
- 930 Scottsdale residents are employed at GPEC-assisted projects that have located in Scottsdale and neighboring communities, according to commute data.
- $117.2 million in new retail spending within Scottsdale has been generated.
- The Economic Development Directors Team (EDDT) continues to play a leadership role in developing and implementing attraction activities to generate quality economic opportunities.
- A new regional strategy focusing on high-wage industries has been collaboratively developed and is being implemented to:
  - Create better jobs for residents
  - Increase the standard of living and consumer purchasing power
  - Broaden the tax base

Creating Economic Opportunities

Marketing and Business Development Opportunities

Scottsdale's participation in the planning and implementation has played a vital role in achieving success in business development and marketing efforts:

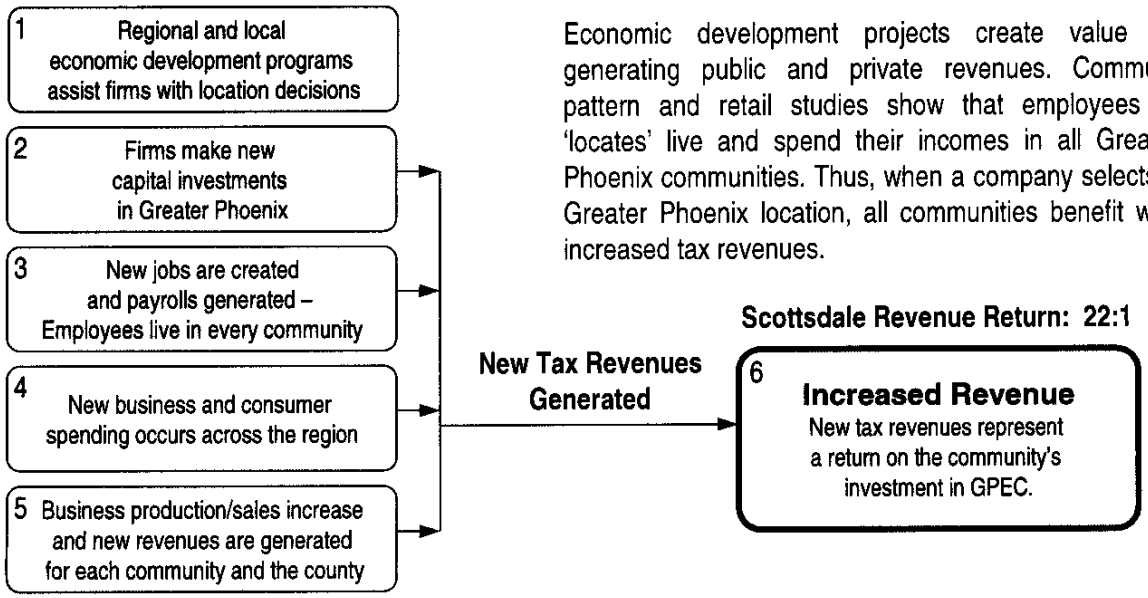
- Site selection consultant relationships (GPEC 100), including 'Executours'
- Prospecting trips, trade shows, and conferences
- Prospect visits to communities
- Targeted cluster relationship marketing
- 'E-Track' online prospect database
- National and international earned media program
- National identity and image perception surveys of Greater Phoenix
- Special advertorials

Regional Results Summary

	Current YTD (FY2003)*	*Last Year (FY2002)*	*4-Year Total (with FY2003)*
Marketing			
Qualified Prospects	115	158	628
Earned Media Reach *(millions of business readers)*	3.9	13.4	46.5
Earned Media ROI	5.5:1	8.3:1	8.9:1
Cluster Capture Rate *(permission marketing)*	23%	17.8%	13%**
Business Development			
Capital Investment *(millions)*	129	$178	$1,273
Payroll Generated *(millions)*	88	$146	$636
Assisted Companies	18	28	102
Average Salary	$42,654	$43,521	$39,456

*Fiscal Year 2003 – July 2002 to April 2003
** Cluster Marketing started FY01

Economic Development Value and Return



Economic development projects create value by generating public and private revenues. Commute pattern and retail studies show that employees of 'locates' live and spend their incomes in all Greater Phoenix communities. Thus, when a company selects a Greater Phoenix location, all communities benefit with increased tax revenues.

Returning Value to the City of Scottsdale

Scottsdale benefits from direct assisted locates...

The City of Scottsdale has been selected by 7 assisted companies in the past four years. These companies announced:

- $25 million in capital investment
- $50 million in payroll
- Average salary of $68,479
- 725 new jobs in the city
- Absorption of 241,751 SF
- Companies: LifeWise Health Plan of AZ, Horvath, New Century Packaging Systems, DHL Worldwide Express, eFunds (2 projects), and Corporate Arts.

City of Scottsdale - Historical Results

	Companies	*Jobs*	*Capital Investment (millions)*
Fiscal Year 2000	1	20	$2.5
Fiscal Year 2001	1	70	$4.0
Fiscal Year 2002	2	600	$15.0
Fiscal Year 2003 (YTD)*	3	35	$3.5
Total	**7**	**725**	**$25**

*Fiscal Year 2003 – July 2002 to April 2003

... And from those locating in neighboring communities.

The City of Scottsdale and its residents benefit with new jobs, retail spending and revenue from projects that occur in Scottsdale and in neighboring communities.

930 Jobs for Scottsdale Residents

- More than 930 residents are estimated to hold jobs with GPEC-assisted locates. An additional 1,100 residents hold jobs created by new supplier and consumer spending bringing the total residents employed to 2,030 since 1999, according to commute pattern data.

$117.2 million in new Consumer Spending

- GPEC-assisted locates have generated $117.2 million in new consumer spending in the City of Scottsdale since 1999, when such data became available from the Greater Phoenix Consensus Impact Model (see description below). With the addition of $91.7 million created by multiplier effects, the total consumer spending in the City of Scottsdale is $208.9 million.

$7.6 million in Direct Scottsdale Revenues

- The City of Scottsdale has received $7.6 million from GPEC-assisted locates (boosted to $14.7 million when related multiplier effects of $7.1 million are included) in new revenues since 1999.

Scottsdale Investment Yields Revenues

Direct Revenues: $22 for every $1 invested

- $7.6 million in revenues for the City of Scottsdale have been created by GPEC-assisted projects since 1999 (includes property, sales, and utility taxes, as well as state-shared and other local revenues).
- This equals a revenue return of $22 for every $1 Scottsdale invested for this period.

Total Revenues: $42 for every $1 invested

- Total public revenues generated through the same period for the City of Scottsdale amount to $14.7 million. (includes direct revenues plus those generated by related supplier and consumer jobs).
- A revenue return of $42 for every $1 invested.

Revenue estimates are provided by the Greater Phoenix Consensus Impact Model. *Background: GPEC and its partners came together in February 1999 to develop the region's first-ever consensus-based revenue and economic impact model. Team members included representatives from GPEC communities, Arizona State University, APS, SRP, and the Arizona Department of Commerce. The model is based on nationally accepted multiplier data provided by IMPLAN and has been customized to calculate economic and revenue benefits for GPEC's 14 member communities, Maricopa County, and the State of Arizona.*

Leveraging Collaborative Resources

Technical Assistance and Research

By pooling resources with other other communities, Maricopa County, and over 150 private sector investors, Scottsdale has a special opportunity to leverage its resources to gain new tools, resources, and expertise. Examples:

- Rapid delivery of demographic, labor, and marketing information GPEC Information Center professionals to assist in local business development efforts
- CoStar Real Estate Database
- 300-page Information Center website with individual community detail
- Operating cost comparison software for 50 metro areas nationally
- Targeted industry and supplier network research
- Annual competitiveness benchmarking scorecard
- Technical assistance on client handling and final-stage prospect proposals
- Regional economic and revenue impact model assessments

Economic Development Insights & Connections

Partners share best practices and learn from national experts. Selected opportunities follow:

- Site Selection Consultant 'Executours' – Key influencers share market trends and learn about Greater Phoenix.
- 'Industry Updates' – Industry leaders report on business trends in their sectors.
- 'Locate/Non-Locate Surveys' – Project debrief information on key location factors and regional improvement areas.

Regional Strategy and Execution

A unique opportunity is provided for public-private leadership to work on regional economic development issues that have local economic implications. Key engagement opportunities follow:

GPEC Board/Executive Committee
Economic Development Directors Team (EDDT)
MAG-GPEC-EDDT-SRP Growing Smarter Task Force
Executive Sales Missions
Statewide Legislative Summit
Strategic Policy Committees
Policy Development Team (PDT)
Annual planning retreats
Regional Federal Agenda
Business Leadership Coalition

In the last year, GPEC partners developed a new **Regional Economic Development Strategy** to develop high-wage jobs in five 'economic driver' industries: Advanced Business Services, Aerospace, Bio-Industry, High-Tech Electronics, and Software. As the plan is implemented to generate higher public and private economic and revenue returns, GPEC will continue to capture current opportunities in other important industries.

The Greater Phoenix Economic Council (GPEC) is a public-private economic development organization representing Maricopa County, 14 member communities, and over 150 businesses. Key functions include regional marketing, business attraction, and competitiveness improvement. GPEC leadership is made up of business and civic leaders with the common goal of strengthening the Greater Phoenix economy.

Greater Phoenix
ECONOMIC COUNCIL

Avondale | Buckeye | El Mirage | Chandler | Gilbert
Glendale | Goodyear | Mesa | Peoria | Phoenix
Scottsdale | Surprise | Tempe | Tolleson | Maricopa County

For additional information about GPEC call (800)421-4732. For information about Scottsdale's Economic Development program call Dave Roderique, Director (480)312-7601

CITY COUNCIL REPORT

MEETING DATE: 01/21/2003 ITEM NO. 14 GOAL: Short- and Long-term Economic Prosperity

SUBJECT

Approve Industrial Development Refinancing Bonds for Scottsdale Healthcare

REQUEST

Adopt Resolution No. 6239 upholding the approval of the Scottsdale Industrial Development Board for the authorization of the issuance of up to $40 million in Industrial Development Revenue Bonds to Scottsdale Healthcare for the refinancing of existing bonds; and,

Declare an emergency to enable Scottsdale Healthcare to sell these bonds immediately, thus avoiding possible interest rate changes.

BACKGROUND

While the Scottsdale Industrial Development Authority is legally a separate political subdivision of the State, its by-laws require that all proposed bond issuances be approved by the City Council. The IDA Board, at its meeting on May 14, 2003, unanimously approved the issuance of up to $40 million in Industrial Development Revenue Bonds to Scottsdale Healthcare for the refinancing of existing bond debt. The terms of the new bonds will remain consistent with the existing bonds – the only change will be a lowering of the interest rate, thus resulting in a substantial interest rate cost savings for Scottsdale Healthcare. These bonds will generate no financial risk to the City of Scottsdale or the Scottsdale Industrial Development Authority.

The declaration of an Emergency enables Scottsdale Healthcare to sell these bonds immediately, which helps to insure against any possible interest rate changes.

ANALYSIS & ASSESSMENT

Recent staff action.
The Scottsdale Industrial Development Authority Board reviewed this application at their November 13 2002 and May 14, 2003 public meetings, and has recommended approval of this bond issuance.

Community Involvement.
The IDA Board meetings are open to the public; no public comments were received on this proposed action.

RESOURCE IMPACTS

There are no financial impacts to the City from this action.

Action Taken_____

OPTIONS & STAFF RECOMMENDATION

Description of Option A: Approve the request as recommended by the Industrial Development Authority Board.

Description of Option B: Deny the request.

Recommended Approach: Staff recommends approval of the request.

RESPONSIBLE DEPT(S)

Economic Vitality

STAFF CONTACTS

David Roderique, Economic Vitality General Manager, 480-312-7601, droderique@scottsdaleaz.gov

APPROVED BY

David Roderique — 5/15/03 — May 15, 2003

Janet M. Dolan, City Manager — 5/21/03 — May 15, 2003

ATTACHMENTS

1. Resolution No. 6239

RESOLUTION NO. 6239

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE APPROVING THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSDALE, ARIZONA, OF REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED $40,000,000; AND DECLARING AN EMERGENCY

WHEREAS, The Industrial Development Authority of the City of Scottsdale, Arizona (the "*Authority*"), proposes to issue its revenue bonds (the "*Bonds*") to provide funds to assist in refinancing capital expenditures for the health care and hospital facilities of Scottsdale Healthcare Hospitals, Scottsdale Healthcare Corp. and their affiliates, and to pay issuance costs; and

WHEREAS, a Resolution adopted by the Board of Directors of the Authority has been presented to this Council, which Resolution approves the issuance of the Bonds and requests that this Council approve the issuance of the Bonds; and

WHEREAS, Section 35-721 of the Arizona Revised Statutes provides that the Bonds may be issued by the Authority only with the approval of this Council; and

WHEREAS, it is necessary to utilize an emergency clause with this Resolution to permit the award of the contract for the purchase of the Bonds to take effect as soon as possible, thereby committing the purchasers of the Bonds to the terms of the Bonds, transferring the market risk of changes in market conditions to the purchasers and permitting delivery of and payment for the Bonds to occur as soon as is possible,

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCOTTSDALE AS FOLLOWS:

1. The issuance of the Bonds by the Authority in an aggregate principal amount not to exceed Forty Million Dollars ($40,000,000) is approved for all purposes pursuant to Section 35-721 of the Arizona Revised Statutes, and the appropriate officers and representatives of the Council and the City are hereby authorized and directed to do all things and to deliver all documents on behalf of the City as may be necessary or desirable in that regard.

2. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety of the City, and, accordingly, an emergency is hereby declared to exist, and this Resolution is enacted as an emergency measure which will be in full force and effect upon and from and after its passage, adoption and approval by the Council of the City, and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

PASSED, ADOPTED AND APPROVED by the Council of the City of Scottsdale, Arizona, on June __, 2003.

CITY OF SCOTTSDALE, ARIZONA,
a municipal corporation

By_____
Mary Manross, Mayor

ATTEST:

Sonia Robertson
City Clerk

By_____
City Clerk

APPROVED AS TO FORM:

Snell & Wilmer L.L.P.

By_____
William A. Hicks, III

Phoenix/238629.2

CITY COUNCIL REPORT

MEETING DATE: 06/03/2003 ITEM NO. 15 GOAL: Neighborhoods

SUBJECT

Updating Regulations for massage facilities, massage therapists and general provisions for licensing and permits

REQUEST

1. Approve Ordinance No. 3510, imposing new fees, adding annual fingerprinting and other updates to the massage therapist and facility regulations; and
2. Approve Ordinance No. 3509, amending and updating the Article I of Chapter 16, relating to the general provisions for licenses and permits.

Related Policies, References: Chapter 16 of the City Code; Licenses, Taxation, and Miscellaneous Business Regulations; Senate Bill 1103, effective May 13, 2003.

BACKGROUND

1. In response to citizen concerns and evidence that there was an increase in illegal activities being performed by disreputable persons operating under the guise of massage therapists, the police department initiated a cross department team consisting of representatives from Police, Tax & License and Legal, to study and recommend changes to help increase the effectiveness of city enforcement efforts against illegal acts, improve the safety of massage clients, and the reputation of the massage therapy industry as practiced in Scottsdale.

2. On May 12, 2003, the governor signed a new law creating mandatory state licensing of massage therapists. Under the new law, all massage therapists will be required to obtain a state license, and local jurisdictions will be pre-empted from adopting or enforcing any regulations related to therapists that conflict with the new state regulations. This law was effective on May 12, with the State required to begin issuing licenses after the State Board is created, but before July 1, 2004.

3. One of the primary provisions of the new law is a requirement that new therapists pass a national certification test. Another is that the therapist must have complete 500 hours of massage or bodywork therapy instruction at a state approved school.

4. Applicants may avoid the above two requirements and receive a "provisional license" if the therapist applies for the license before December 31, 2004 and meets one of three exceptions: 1) has complete at least 200 hours of education and at least 3 continuous years of an Arizona massage practice; 2) has been self supporting as a massage therapist in Arizona continuously since December 31, 1992; or 3) has a current license issued by an Arizona jurisdiction that "regulated the practice of massage therapy before the effective date of" the new law. If the therapist meets any of these conditions, he or she need not pass the national certification test nor meet the 500 hour educational requirement.

5. City staff conducted several forms of public outreach and has attached a summary of the comments received. (See attachment A).

Action Taken _____

ANALYSIS & ASSESSMENT

Recent staff action. The Massage Ordinance Revision Team has been regularly meeting since the end of February to update the city's regulations regarding massage practices and facilities. Staff sought input from a focus group of local massage practitioners and instructors, as well a member of Tempe's Massage Board. In addition two separate post cards were mailed to each licensed massage therapist and licensed massage facility advertising the intent to amend the ordinance and seeking input from interested parties. While there were some disappointments in the timeliness and effectiveness of the mailings, each referenced a city web-site showing the proposed changes as they were drafted and providing an opportunity for comment. The post cards also listed a phone number where callers could leave messages with questions or comments.

Significant issues to be addressed. The purpose of the effort was to update the city regulations, re-organize the code in anticipation of possible state pre-emption of therapist licensing, and add tougher licensing requirements. The proposed ordinance changes help the city obtain better information about the practices of massage establishments within the City and help to sustain the good reputation and high professionalism of Scottsdale's massage industry. This effort is designed to "raise the bar" not so high as to unduly burden the majority of professional, ethical and therapeutic massage therapists, but high enough to discourage disreputable practitioners from operating in Scottsdale under the guise of massage therapy.

Community involvement.
Open House: 5:30 p.m. April 24, 2003, One civic Center
Focus group meeting: 8:30 a.m., May 8, 2003
Public Meeting 9:30 a.m., May 12, 2003
Web-site and Voice message Line activated to receive public comments: 24 hours/day, beginning in late April, 2003? Over 90 comments logged by the two mediums.

RESOURCE IMPACTS

Staffing, workload impact. It is anticipated that current staff can implement and administer the proposed ordinance amendments, which will include programming enhancements, revision of current applications and other administrative process changes. If a high number of license revocations must be processed, additional hearing officers may need to be hired, but staff anticipates that existing staff resources could be diverted to cover any short term increase in the number of revocations processed. Current staff will need to be re-prioritized in the short term to conduct public education and to implement the revised regulations.

Maintenance requirements. Both the computer programming and other administrative processing costs will be covered by a combination of increased fees and absorption into the current and 2003/2004 budget years.

Future budget implications. Since the state will be taking over most of the licensing duties for massage therapists starting in 2004, it is anticipated that the implementation costs will be off-set by the proposed fee increase and a possible decrease in therapist licenses starting on or after January of 2004 when it is anticipated the State will start accepting applications for state-wide therapist licenses.

Cost recovery options. The proposed increased fee is designed to cover the estimated cost of facility and therapist licenses, background investigations conducted by the City's police Department, the actual cost of fingerprint review by the FBI, and conducting an average of 2 inspections per facility. Staff costs for

(Continued)

Tax and License processing staff, legal staff to advise Tax and License in the processing and revocation of licenses and to Police for enforcement are funded through the general fund budget.

OPTIONS & STAFF RECOMMENDATION

Option A: Retain current massage regulations and General provisions. Staff rejects this option because of the benefits to be gained by updating and strengthening the provisions in both the massage regulations and the general provisions of Chapter 16 of the City Code.

Option B: Adopt Ordinance 3510:

- Although the State has pre-empted much of the regulation of massage therapists, Scottsdale's adding annual fingerprinting and background checks to the licensing process for anyone associated with a massage facility owners and oeprators (and massage therapist over the next year), will prevent criminals from obtaining a license.
- Adding a requirement that new therapist pass a national written test ensures that all new therapist are held to the new requirement immediately.
- The proposed increase in fees will help recover the cost of conducting the background checks.
- Establishment and clarification of more prohibited acts will help in the enforcement of the law against individuals who use a massage license as a front for illegal activities.

Adopt Ordinance 3509:

Updating the general provisions in chapter 16:

- adds definitions to help in the administration and enforcement of the massage regulations;
- clarifies that the City may hire outside hearing officers for Tax and License hearings;
- adds procedural requirements for hearings and appeals;
- prohibits the re-application for the same license for a period after denial, revocation, and criminal convictions

Proposed Next Steps:

- Notify all licensees of new ordinance adoption and new requirements.
- Update current application forms.
- Update programming and other administrative process changes consistent with the ordinances.

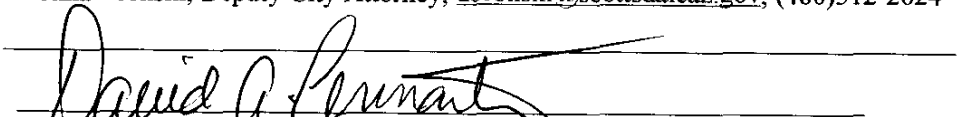
RESPONSIBLE DEPT(S)

Police Department
Financial Services Department
Legal Department

STAFF CONTACTS

Captain Burl Haenel, District 1, bhaenel@scottsdaleaz.gov, (480) 312-7318
Cindy James, Customer Services Director, Tax and License, cjames@scottsdaleaz.gov, (480) 312-5925
Donna Bronski, Deputy City Attorney, dbronski@scottsdaleaz.gov, (480)312-2624

APPROVED BY



City Attorney, David Pennartz, dpennartz@scottsdaleaz.gov , (480)312-2405

(Continued)

Craig Clifford, General Manager , cclifford@scottsdaleaz.gov, (480)312-2364

Alan Rodbell, Police Chief, arodbell@scottsdaleaz.gove, (480)312-5320

ATTACHMENTS

1. Ordinance 3509
2. Ordinance 3510
3. SB 1103

(Continued)

MORC Member	Date	Name	Phone #	Brief Summary of Comments
	05/13/2003	Kendra Davis	480-695-1766	Will veteran therapist be grandfathered? What is going on with ordinance?
	05/13/2003	Laura Walden	480-529-2224	Specific clarification of Closed Cabinets/locker. Feels revocation for light bulb or lockers is too extreme. Time frame should be until 11:30PM instead of 10:00PM. Reasonable to require new applicants to be Nationally Certified. Testing is okay. Grandfathering is just acknowleging hard work and experience. Suggesting renewal classes every 2 yrs. For current laws. Continueing education. Propose that the penalties be in fines instead of revocation.
	05/13/2003	No Name provided	480-443-0184	Huge problem with National Certification. Test is difficult and not relevant to her method of practice. "Best Therapist can be grandfathered in" Should not be penalized for prostitution. There is a conflict of interest with having SWA (KC Miller) administering National Certification testing. Will attend 06/03/03 meeting. Short notice unacceptable. (Princess employee.)
	05/13/2003	Rose Marie Sisliani	480-994-4378	Any more meetings? Grandfathering? "Clean up the Asian Parlors" Returned call to Rose Marie, left voice mail regarding City Council
	05/14/2003	Cheryl Lyn Rosen	480-570-9227	Grandfathering? What is regulation? Returned call to CherylLyn 05/14/03 4:10PM. Yes, wants grandfathering. Currently inactive as a Therapist.
	05/14/2003	Michelle Lawrence	602-451-5208	Against massage ordinance. Especially further education. She has more questions. Called customer 05/16/2003 2:55PM. Disconnected but I called right back and left a message to call me direct so that I can answer any questions she may have.
	05/14/2003	Michelle Lawrence	602-451-5208	How did the review go? Returned call on 5/14/03, left message to call for clarification of question.
	05/14/2003	Pam Dammer	480-443-0505	Opposed to new ordinance. Negative impact on tourism. Therapist will be out of business and resorts will be unable to function. Works at the Princess. No request for a call back.
	05/15/2003	Dominque	480-836-0688	Unfair to therapist, hurting livelihood, too short of time. Practical exam not sensible. Should be grandfathered. He will go to another City to work until the State takes over. Scottsdale will be losing business and money. Police should increase policing of illegal activity. Why going to the trouble since State is taking over. (Scottsdale Fairmont employee) No answer when returning call 5/16/03 4:35PM
	05/15/2003	Donna Kirkland	480-473-2816	Wants to review material on website--can not find.
	05/16/2003	Connie Fisher	602-315-5944	Missed meeting, busy. Wants to know new information about ordinance. Left message for customer 5/16/03 2:55PM

MORC Member	Date	Name	Phone #	Brief Summary of Comments
	05/16/2003	Donna Kirkland	480-473-2816	Watched Channel 5 regarding illegal activity. What is Scottsdale police doing about this activity? Wants to know what the follow up is regarding this type of specific incidents. Left message for customer 5/16/2003 2:50PM.
	05/16/2003	MaryBeth Parker	602-840-8872	Effective Date? When is final vote? Who makes final decision? Deadline for comments? Unclear on 500 hours + 500 hrs for National Certification. Returned call to MaryBeth on 5/19/03 4:15PM. "15 Yrs experience should count for something." Customer asked that I contact her after 05/22/03 Committee Meeting with updated draft and the Phone # to National
	05/19/2003	April Lane	480-390-1885	Heard State was taking over, what is going on? Returned call to April 5/19/2003 4:30PM
	05/19/2003	Donna	480-473-2816	Called before-playing phone tag. Wanted directions on information on website. Wanted fax # to fax in comments. Left information on message machine 05/19/03 4:28PM.
Cindy James				
	04/10/2003	Dianne		Inquiry about whether off premise could be conducted at therapist home. E-mail response sent 4/14/03. E-mail address Gemini1961@aol.com
	04/21/2003	Alice Lindsey	602-942-4252	National Certification restrictive - narrow focus of required learning. E-mailed response 4/23/03 e-mail address tonitigercrystal@iglide.net
	04/21/2003	Robert Byrnes		Complaint about late notice of public meeting on 4/24. Informed him of 5/12 public meeting by e-mail on 4/24. E-mail address ROBERTCYRNES@COX.NET
	04/21/2003	Sheri Younker		Is AMTA considered as National Certification? E-mail response sent 4/25/03
	04/21/2003	Y. Frank Aoi		Annual fingerprinting/criminal history background check seems excessive. Hours seem too restrictive for legitimate businesses. No response. E-mail address not provided.
	04/25/2003	no name		Grandfathering clause for therapists that have been in practice for 7 years or more. No e-mail address
	04/25/2003	Victor Milianti		Distinction between modalities - vast difference in treatment from medical minded health care professionals, parlor massuese and new age healers. E-mail response sent 4/28/03. E-mail address VICTORMILIANTI@MSN.COM

MORC Member	Date	Name	Phone #	Brief Summary of Comments
	05/08/2003	Kennedy Wilmot		Fees are too high. Feels experience should be considered instead of national certification. One time grandfathering of existing licensees. Sent response 5/9/03
	05/10/2003	Theresa Braun		In favor of stricter requirements. Buttocks require touching for certain massage techniques. Response sent 5/12/03 trely2000@yahoo.com
	05/11/2003	Jamie Mainville		Supports fingerprinting and background check annually. National certification costs too much. Therapists who have practiced for many years probably couldn't pass the written test. Practical test OK. Responded 5/12/03 giget182002@yahoo.com
	05/12/2003	Judith Pavluvcik		Feels education hours should be increased instead of national certification (1000 hrs). Board should have instructors from schools on the board. Enforce prostitution laws, don't increase massage license requirements. Concern with not being able to massage buttocks and breasts. 5/13 response JUDITHPAV@MSN.COM
	05/13/2003	Dean Lundgren		Feels criminal background check is too heavy handed. Responded 5/13/03. City employee
	05/15/2003	Bridget Heidorn		A consumer, not a therapist. Fees too high. Training requirements instead of raising fees? Responded 5/15/03 GLAMORMOM@COX.NET
	05/15/2003	Dominick Cartagine	480-836-0688	Wants grandfathering of existing license holders. Feels more Police enforcement would be more effective than increasing licensing requirements. Responded by email 5/15/03. Domv8@aol.com
	05/15/2003	Teresa Bushey?		Saw in Republic 6/17 council meeting date, wanted clarification. Would the AMTA testing she completed in 1993 qualify for National Certification? Why are we pushing for change when State is taking over? Response sent 5/15/03 TBUSHEY@JUNO.COM
	05/17/2003	Michelle Adams		Oppose higher fees and wants grandfathering. E-mail response sent 5/19/03 to mickeyjoadams@msn.com
Randy Carruthers				
	04/23/2003	Anon.	480-948-4343	Wanted directions to Open House
	04/23/2003	Anon.	480-228-0119	Does not want to increase minimum hours above 500. Does not want annual training requirement
	04/23/2003	Barbara Wouk (SP?)	480-830-2009	Questions relating to grandfathering licensees. (Three attempts to return call were unsuccessful)
	04/23/2003	Colleen Johnson	480-425-1146	Web site doesn't work

MORC Member	Date	Name	Phone #	Brief Summary of Comments
	04/23/2003	Hangup	480-585-0402	No action
	04/23/2003	Hangup	480-874-9014	No action
	04/23/2003	Maria Troia	631-382-9505	Moving to AZ from NY. Wants to know what the licensing requirements are here
	04/23/2003	Mark Dublinger(SP?)	480-947-1685	Wants to know what changes are proposed. Web site is down. How's he supposed to find out? Somewhat hostile tone
	04/23/2003	Nancy Sullivan	480-220-3391	General questions related to State vs. local licensing
	04/23/2003	Pamela Marin(SP?)	480-899-6566	Strongly supports proposed changes
	04/23/2003	Rose Shields	480-585-0402	Strongly supports initial testing and yearly fingerprinting. Does not support testing for renewal. Does not favor hour requirements over 500.
	04/23/2003	Shawn-Massage Envy	602-889-1090	General Questions
	04/24/2003	Lynn Black	602-493-3094	Website isn't working
	04/24/2003	Steven Picket	602-636-0216	Why duplicate the State's efforts? Concerned about relevence of material on National test. Has been out of schoold for seven years and should not be required to study irrelevent material to pass a test
Sandi Bennis				
	04/24/2003	April Van Rockel	480-984-2566	Adding national certification will bring down the massage industry. Massage therapists are hands on people. No guarentee the test will be local.
	04/24/2003	David Wronski		If a licensed practioner, the proposed state law will grandfather all existing therapists why is the city requiring a test? (Answered during the open house)
	04/24/2003	E. Hope M. Riveron	480-495-5789	Opposed to national certification but not to a local written & practical test. The fees for the national certification are too costly.
	04/24/2003	Jenny Magary		1) too many type of massage to take ? Generic test. 2) if state is grandfathering so should the city. 3) people out for years may lose their livelihood because they a poor test takers
	04/24/2003	KC Miller	480-994-9244	Opposed to national certification. Considering using the test Phoenix designed. Currently licensed therapists should not have to take the test. Keep facilities open until 10:00p.m. Require continuing education.

MORC Member	Date	Name	Phone #	Brief Summary of Comments
	04/24/2003	Mala Mahashina	480-694-6000	Serviced as board member in Tempe. Use a passing rated of 70%. Recommends continuing education, CPR requirement. Suggests 5 or 6 board members.
	04/24/2003	Mary Wuetman		Feels testing is not necessary. If test is implemented don't have it through the national certification. Hours of operation should be until at least 10:00 p.m. & 40 watts is sufficient.
	04/24/2003	Mike Navas		Do not agree with the new general provisions. Is against the peoples choice. This needs to go to a vote.
	04/24/2003	Sun Por Bernard		Wanted more information about grandfathering & how it works. Was discussed during the open house.
	04/25/2003	Yvonne Miller	480-946-2246	Would have to quit work if she had to go back to schoold to take the test.
	05/12/2003	Carina Boon		Have health, building and fire inspections of the facilities. Should have access for the elderly and handicapped.
	05/12/2003	Doblinger		You can't or won't enforce the laws that are already in place and I have to suffer because of your incompentency.
	05/12/2003	E. Hope M. Riveron	480-495-5789	Just use the education from the schools. National certification testing is irrelevant to keep our license. It is too expensive.
	05/12/2003	Jessica Howard		Longer time (more than 6 months) to pass the national exam. Continuing education should be a requirement, up the hours of eduction to 700 or 750, licensing should include those people that do energy work.
	05/12/2003	Judy Kittoe	602-867-4675	1) why isn't the escort business having this kind of regulation. Their fees are less than massage. 2) The unlawful acts for massage are demeaning. There is nothing as specific in escorts. 3) Sec. 16-235 3 (a-h) could be eliminated with a code of conduct. If it stands, put it in the escort licensure also. 4) what problem is there with massage therapy of the gluteal (buttocks) with proper draping.
	05/12/2003	Lucille Gecewicz	480-205-8988	6 months is not enough time to do the national test. Shouldn't have to take a test annually. States that anyone doing massage 10 years should be grandfathered but should have to take national test at least once. Doesn't want the hours limited. People work different shifts and still want
	05/12/2003	Matthew Weil	602-992-8721	No national certification for present licensees. No practical testing-school should have tested for this.
	05/24/2003	Corrinna Oberholtzer	480-363 0110	National Certification is too restictive-doesn't allow for the various modalities. Should consider continuing education

MORC Member	Date	Name	Phone #	Brief Summary of Comments
Steve Toubus				
	04/21/2003	Blossom Osofsky	480-657-0888	Could not pull up website. I gave her verbal overview. She agrees and supports.
	04/21/2003	Jeane Tomes	480-301-8112	Caller could not pull up wesite. I e-mailed her the link. She had no other concerns.
	04/21/2003	Jeane Tomes	480-661-8967	Could not pull up website. I sent her the link. She had no other concerns.
	04/21/2003	Mi Kim	602-378-9344	Caller does not like written tests. Feels CPR training should be required. Feels religious background should be required. Feels five years experience should waive testing requirement.
	04/21/2003	Yvonne Miller	480-946-2264	Feels current MTs should be grandfathered with no add school hours or testing.
	04/22/2003	Angelica	480-949-6570	Assited her in getting to website. No other concerns
	04/22/2003	Jeanna Nelson	480-999-8298	Complained about late mailing and proposed additional fees.
	04/22/2003	Judy Osse	480-834-0884	She only does one type of massage. Feels test should be divided into area of expertise.
	04/22/2003	Sharon Tree	602-672-9466	Feels ongoing edu req is more important thant testing. Feels MTs should be req to be barefoot for proper electrical grounding.
	04/22/2003	Steven Pickett	602-636-0216	Feels he should be grandfathered in to avoid any add requirements.
	04/28/2003	Jerry Rice	602-309-3340	Feels city should pay any add fees.
	04/28/2003	Lucille	480-205-8988	Advised she could not get to website. Gave her overview and advised her to go to library for asst w/website
	04/29/2003	Maria Canali	602-867-4881	Does not have computer. Advised her to go to library.
	04/29/2003	Whenzang Harris	415-531-0874	Language barrier. Explained proposal. No concerns.
	05/02/2003	Carla Van Cleef	480-585-6618	Assisted her to website. Complained about testing.
	05/07/2003	David Ralston	480-657-0133	Supports statewide licensing. Complained about testing.
	05/07/2003	Donna Kirkland	480-473-2816	Gave overview. Supported but complained about testing.
	05/07/2003	holly Miller	480-429-1670	Manager of Nordstroms: Gave overview. Encouraged her to attend next open house

ORDINANCE NO. 3509

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SCOTTSDALE MARICOPA COUNTY, ARIZONA, AMENDING ARTICLE I OF CHAPTER 16 OF THE SCOTTSDALE REVISED CODE, RELATING TO GENERAL PROVISIONS FOR LICENSES AND PERMITS.

BE IT ORDAINED by the City Council of the City of Scottsdale as follows:

Section 1. Sections 16-3 through 16-5 of Article 1, Chapter 16 of the Scottsdale Revised Code, relating to general provisions for licenses and permits, are hereby amended to read as follows:

Sec. 16-3. Definitions.

The following words, terms and phrases, when used in this article, and those articles of chapter 16 of the Scottsdale Revised Code to which it is applicable, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Aggrieved person means any person, group, association, partnership, limited partnership or corporation who has been denied a license or permit, or whose license or permit is subject to suspension or revocation under one of the articles to which this article applies.

Appellant means an aggrieved person who participates in the procedures set forth in this article.

***CONTROL* MEANS THE POWER TO DIRECT OR CAUSE THE DIRECTION OF THE MANAGEMENT AND POLICIES OF AN APPLICANT, LICENSEE OR CONTROLLING PERSON, IN ANY WAY. CONTROL IS PRESUMED TO EXIST:**

(A) IN A PRIVATELY-HELD CORPORATION, IF A PERSON HAS THE DIRECT OR INDIRECT OWNERSHIP OF OR POWER TO VOTE TEN PER CENT (10%) OR MORE OF THE OUTSTANDING VOTING SECURITIES OF THE APPLICANT, LICENSEE OR CONTROLLING PERSON, OR TO CONTROL IN ANY MANNER THE ELECTION OF ONE OR MORE OF THE DIRECTORS OF THE APPLICANT, LICENSEE OR CONTROLLING PERSON. TO DETERMINE THE PERCENTAGE OF VOTING SECURITIES OWNED, CONTROLLED OR HELD BY A PERSON, THERE SHALL BE ADDED THE VOTING SECURITIES OF ANY OTHER PERSON CONTROLLED BY (I) THAT PERSON, OR (II) BY AN OFFICER, PARTNER, EMPLOYEE OR REPRESENTATIVE OF THAT PERSON OR (III) BY A SPOUSE, PARENT OR CHILD OF THAT PERSON.

(B) IN A PARTNERSHIP, IF THE GENERAL PARTNER OR A LIMITED PARTNER HOLDS TEN PER CENT (10%) OR MORE OF THE VOTING RIGHTS OF THE PARTNERSHIP.

(C) IF A CREDITOR OF THE APPLICANT, LICENSEE OR CONTROLLING PERSON HOLDS A BENEFICIAL INTEREST IN TEN PER CENT (10%) OR MORE OF THE LIABILITIES OF THE APPLICANT, LICENSEE OR CONTROLLING PERSON.

(D) IN AN ON-SITE MANAGER OF A MASSAGE FACILITY, WHO DIRECTS THE DAILY OPERATION OF THE MASSAGE FACILITY, WHETHER OR NOT THE ON-SITE MANAGER HAS ANY OWNERSHIP INTEREST IN THE MASSAGE FACILITY.

***CONTROLLING PERSON* MEANS A PERSON DIRECTLY OR INDIRECTLY POSSESSING CONTROL OF AN APPLICANT, LICENSEE OR MASSAGE FACILITY, AND INCLUDES AN AGENT AND AN ON-SITE MANAGER.**

Director means the **FINANCIAL SERVICES** customer service director of the City of Scottsdale, the director's designee, **OR A HEARING OFFICER APPOINTED BY THE CITY MANAGER, AS APPLICABLE.**

General manager means the general manager of financial services of the City of Scottsdale, the general manager's designee, **OR A HEARING OFFICER APPOINTED BY THE CITY MANAGER, AS APPLICABLE.**

License means either a license or permit to which this article applies.

Licensee means either a licensee or permittee to whom or which this article applies.

***MORAL TURPITUDE* MEANS AN ACT OF BASENESS, VILENESS OR DEPRAVITY IN THE DUTIES THAT A PERSON OWES TO SOCIETY, CONTRARY TO THE ACCEPTED AND CUSTOMARY RULES OF RIGHT AND DUTY. *MORAL TURPITUDE INCLUDES*, BUT IS NOT LIMITED TO, GROSS INDECENCY, INDECENT EXPOSURE, LEWDNESS, SOLICITATION OF PROSTITUTION, PROSTITUTION, PERJURY, FORGERY, TAX EVASION, THEFT AND MISAPPROPRIATIONS OF FUNDS. *MORAL TURPITUDE* ALSO INCLUDES ANY OTHER SPECIFIC OFFENSES THAT HAVE BEEN DETERMINED BY FEDERAL OR STATE COURTS IN THE STATE OF ARIZONA AS BEING CRIMES OF MORAL TURPITUDE.**

Sec. 16-4. Issuance of licenses.

(a) Unless otherwise expressly provided elsewhere in this chapter, license applications shall be filed with the customer service director of the city or designee. The director or designee shall be responsible for the issuance of the licenses which are subject to this article.

(B) THE PROCESSING OF AN APPLICATION BEGINS WITH THE FILING OF A COMPLETE LICENSE APPLICATION. A COMPLETE LICENSE APPLICATION INCLUDES, BUT IS NOT LIMITED TO, ANY REQUIRED WRITTEN APPLICATION, ANY AND ALL SUPPORTING OR RELATED DOCUMENTS AND MATERIALS, AND ANY AND ALL REQUIRED FEES. ANY TIME LIMIT WITHIN WHICH THE PROVISIONS OF THIS CHAPTER REQUIRE A LICENSE TO BE ISSUED SHALL BEGIN FROM THE DATE OF THE FILING OF THE COMPLETE LICENSE APPLICATION. IF AN APPLICANT FILES AN APPLICATION THAT IS DETERMINED BY THE DIRECTOR TO BE INCOMPLETE AND FAILS TO FILE A COMPLETE LICENSE APPLICATION WITHIN NINETY (90) DAYS OF THE DATE OF FILING, THE DIRECTOR MAY DEEM THE APPLICATION TO HAVE BEEN WITHDRAWN AND THE FILE SHALL BE CLOSED.

~~(b)~~ **(C)** The director will issue a license to an applicant or renew a license, if applicable, when the following conditions of the applicable licensing provisions have been fully satisfied:

(1) All application requirements have been met, including any police background checks and fingerprint requirements.

(2) All license fees, **CITY TAXES, FINES AND PENALTIES** have been paid in full.

(3) No grounds for denial listed in this section exist.

(4) No grounds for denial provided in the specific article under which application is made exist.

(5) The applicant has not had a license similar to the one (1) issued pursuant to the provisions of this article issued by the city or another authority, **DENIED**, suspended or revoked within the ~~five-year~~ **TWO (2) YEAR** period immediately preceding the date of the filing of the application.

~~(c)~~ **(D)** The following grounds for denying a license or denying the renewal of a license, in addition to those grounds provided in the specific articles of this chapter, if the director has reasonable grounds to believe that they exist at the time of the filing of an original application or a request for renewal:

(1) The applicant **OR A CONTROLLING PERSON** has been previously convicted, in any jurisdiction, of a felony; or a misdemeanor involving fraud, theft, dishonesty, assaultive conduct or moral turpitude; within the five-year period immediately preceding the filing of an original application or a request for renewal, whether or not the conviction or convictions have been expunged from court records pursuant to law. ~~For the purposes of this subsection, the term "applicant" shall include general partners and limited partners, if the applicant is a partnership, and officers and shareholders of twenty (20) percent of the applicant's stock if the applicant is a corporation.~~ A certified copy of the records of any court of competent jurisdiction reflecting the fact and date of any relevant conviction shall be prima facie evidence thereof for purposes of this article.

(2) False or misleading information was given in any license application, request for renewal or was submitted in support of such application or request, or the applicant failed or refused to make full disclosure of all required information.

(3) The applicant is not a United States citizen or lawful permanent resident alien or an alien who is authorized to work by the United States Department of Justice Immigration and Naturalization Service.

(4) THE APPLICANT HAS NOT HAD A LICENSE OR PERMIT OF THE SAME OR SIMILAR CHARACTER AS THE LICENSE OR PERMIT APPLIED FOR PURSUANT TO THE PROVISIONS OF THIS ARTICLE, ISSUED BY THE CITY OR ANOTHER AUTHORITY, DENIED, SUSPENDED, REVOKED OR CANCELLED FOR CAUSE WITHIN THE TWO (2) YEAR PERIOD IMMEDIATELY PRECEDING THE DATE OF THE FILING OF THE APPLICATION.

(5) ONE OR MORE CONDITIONS FOR ISSUING THE LICENSE AS PROVIDED IN SECTION 16-4 (C) HAVE NOT BEEN MET.

Sec. 16-5. Denial of issuance.

The director shall deny an application for a license if the applicant has failed to comply with the provisions of section 16-4, or grounds for denial exist. The director shall give written notice of any denial of an **INITIAL** application, or **A** request for renewal, AND **THE RIGHT OF APPEAL FROM THE DENIAL, AS PROVIDED FOR IN THIS ARTICLE.** For the purposes of this article, a refusal to issue a license within any time period required by applicable provisions of this chapter, **AFTER A COMPLETED APPLICATION HAS BEEN SUBMITTED AND THE REQUIRED FEES AND ALL OUTSTANDING CITY TAXES, FINES AND PENALTIES ARE PAID IN FULL,** shall be considered as a denial of a license.

Section 2. Section 16-6 of the Scottsdale Revised Code is hereby repealed and article I of chapter 16 is amended to add a new section 16-6, which shall read as follows:

SEC. 16-6. CHANGE OF ADDRESS; NOTICES.

(A) APPLICANTS AND LICENSEES ARE REQUIRED TO REPORT ANY AND ALL CHANGES IN THEIR MAILING ADDRESS OF RECORD, RESIDENCE AND BUSINESS ADDRESSES, NOT LESS THAN TEN (10) DAYS PRIOR TO THE EFFECTIVE DATE OF ANY CHANGE OF ADDRESS. CHANGES IN ADDRESS WILL BE REPORTED, IN WRITING, TO THE DIRECTOR, WHO MAY REQUIRE THAT THE CHANGE BE REPORTED ON A FORM DESIGNATED BY THE DIRECTOR. THE REQUIREMENT OF THIS SUBSECTION SHALL BE IN ADDITION TO ANY OTHER PROVISION IN THIS CHAPTER REQUIRING APPLICANTS AND LICENSEES TO UPDATE INFORMATION PERTAINING TO APPLICATIONS AND LICENSES.

(B) ALL NOTICES OF DENIAL OR REVOCATION PROVIDED FOR IN THIS ARTICLE SHALL BE GIVEN BY THE DIRECTOR, IN WRITING, AND SHALL STATE THE BASIS FOR THE DENIAL OR REVOCATION, AS PROVIDED IN SECTIONS 16-5 AND 16-8.

(C) UNLESS OTHERWISE PROVIDED IN THIS SECTION, THE DIRECTOR SHALL SEND ALL NOTICES, REQUIRED OR PERMITTED BY THIS ARTICLE, INCLUDING NOTICES OF DENIAL, REVOCATION, OR HEARINGS TO BE CONDUCTED PURSUANT TO THIS ARTICLE TO THE MAILING ADDRESS OF RECORD PROVIDED ON THE MOST RECENT LICENSE APPLICATION, OR REQUEST FOR RENEWAL, AS APPLICABLE, OR AS REPORTED BY THE LICENSEE PURSUANT TO SUBSECTION (A), ABOVE.

(D) NOTICES OF DENIAL OR REVOCATON SHALL BE EITHER DELIVERED TO THE APPLICANT OR LICENSEE PERSONALLY OR MAILED TO THE APPLICANT OR LICENSEE. NOTICE GIVEN BY MAIL SHALL BE BY CERTIFIED MAIL, RESTRICTED DELIVERY, DELIVER TO ADDRESSEE ONLY AND A RETURN RECEIPT SHALL BE REQUESTED. MAILED NOTICES WILL BE POSTED WITH THE UNITED STATES POSTAL SERVICE AND SENT TO THE ADDRESS AS PROVIDED IN SUBSECTION (C), ABOVE. THE RESULTS OF ANY HEARING PROVIDED FOR IN THIS ARTICLE SHALL BE GIVEN TO THE APPLICANT OR LICENSEE, AS APPLICABLE, AS PROVIDED IN THIS SECTION.

(E) WHEN THE DIRECTOR HAS REASONABLE GROUNDS TO BELIEVE THAT THE ADDRESS OF RECORD IS INCORRECT, THE DIRECTOR MAY SEND THE NOTICE TO ANY ADDRESS OF THE LICENSEE KNOWN TO THE DIRECTOR, INCLUDING THE ADDRESS LISTED ON ANY CRIMINAL CITATION, POLICE REPORT OR RECORD, IF THE DIRECTOR BELIEVES IT TO BE THE MOST CURRENT ADDRESS OF THE APPLICANT OR LICENSEE.

(F) COMPLIANCE WITH THE MAILING PROVISIONS OF THIS SUBSECTION CONSTITUTES NOTICE OF THE DENIAL OR REVOCATION, AND THE RIGHT OF APPEAL, AS APPLICABLE. THE CITY IS NOT REQUIRED TO PROVE ACTUAL RECEIPT OF THE NOTICE OR ACTUAL KNOWLEDGE OF THE DENIAL OR REVOCATION. ANY NOTICE THAT IS THE SUBJECT OF THIS SECTION IS COMPLETE UPON MAILING.

Section 3. Article 1 of Chapter 16 of the Scottsdale Revised Code is hereby amended to add section 16-6.1, which shall read as follows:

SEC. 16-6.1. HEARINGS.

(A) AT THE REQUEST OF THE DIRECTOR OR GENERAL MANAGER, AS APPLICABLE, THE CITY MANAGER MAY APPOINT A HEARING OFFICER TO CONDUCT ANY HEARING PROVIDED FOR IN THIS ARTICLE.

(B) AT ANY HEARING PROVIDED FOR IN THIS ARTICLE THE BURDEN OF PROOF SHALL BE UPON THE CITY TO PROVE THE GROUNDS FOR DENIAL OR REVOCATION BY A PREPONDERANCE OF EVIDENCE.

Section 4. Sections 16-7 through 16-11 of Article 1, Chapter 16 of the Scottsdale Revised Code, relating to general provisions for licenses and permits, are hereby amended to read as follows:

Sec. 16-7. Revocation; grounds.

The director shall initiate license revocation proceedings when the director has reasonable grounds to believe that:

(1) The licensee has been ~~previously~~ convicted, in any jurisdiction, of a felony; or a misdemeanor involving fraud, theft, dishonesty, assaultive conduct or moral turpitude, within the five-year period immediately preceding the filing of an original application or a request for renewal, **OR DURING ANY PERIOD IN WHICH THE LICENSE THAT IS SUBJECT TO THIS ARTICLE IS IN EFFECT. A CONVICTION OR CONVICTIONS MAY BE GROUNDS FOR REVOCATION PURSUANT TO THIS SECTION** whether or not the conviction or convictions have been expunged from court records pursuant to law. A certified copy of the records of any court of competent jurisdiction reflecting the fact and date of any relevant conviction shall be prima facie evidence thereof for purposes of this article. For the purposes of this subsection, the term "licensee" ~~shall include general partners and limited partners, if the licensee is a partnership, and officers and shareholders of twenty (20) percent of the licensees scotck if the licensee is a corporation~~ **INCLUDES ANY CONTROLLING PERSON.**

(2) The licensee has given false or misleading information in any license application, request for renewal or was submitted in support of such application or request, or has failed or refused to make full disclosure of information required by this chapter.

(3) THE LICENSEE HAS HAD A LICENSE OR PERMIT OF THE SAME OR SIMILAR CHARACTER AS THE LICENSE OR PERMIT ISSUED PURSUANT TO THE PROVISIONS OF THIS ARTICLE, ISSUED BY THE CITY OR ANOTHER AUTHORITY, DENIED, SUSPENDED, REVOKED OR CANCELLED FOR CAUSE WITHIN THE TWO (2) YEAR PERIOD IMMEDIATELY PRECEDING THE TIME WHEN THE DIRECTOR LEARNS OF SUCH DENIAL, SUSPENSION, REVOCATION OR CANCELLATION.

~~(3)~~ **(4)** Any ground for suspension or revocation set forth in the article pursuant to which the license was issued exists.

Sec. 16-8. Revocation procedure.

(a) When grounds for a license revocation exist, the director shall give the licensee written notice of a license revocation or suspension hearing. The notice of hearing shall be given pursuant to this article and shall contain the following information:

(1) The grounds relied upon for the revocation, including citations to applicable City Code provisions.

(2) **AN ORDER DIRECTING THE LICENSEE TO APPEAR IN THE OFFICE OF THE DIRECTOR, AT A DATE AND TIME CERTAIN, TO SHOW CAUSE WHY THE LICENSEE'S LICENSE SHOULD NOT BE REVOKED.** The date, time and place of the hearing, ~~which~~ shall be not less than ten (10) **WORKING** days, nor more than fifteen (15) **WORKING** days ~~of~~ **FROM** the **DATE THE** ~~giving of~~ notice **IS GIVEN**.

(3) The aggrieved party shall have the right to present evidence at the hearing and to be represented by legal counsel if the aggrieved party so chooses.

(4) The license will be revoked at the date and time of the hearing, unless the licensee appears to contest the revocation ~~or suspension~~.

(b) A copy of this article shall accompany the notice of license revocation or suspension hearing.

Sec. 16-9. Revocation hearing.

(a) At the time of the revocation hearing, the director will state the grounds for revocation and shall disclose any supporting evidence to the licensee. The licensee may then present evidence in rebuttal. The evidence adduced at the hearing may either be through live testimony, documentary evidence or other materials. The licensee may give oral argument on the issue.

(B) IF THE LICENSEE IS NOT PRESENT AT THE PLACE AND AT THE TIME THE HEARING IS SCHEDULED, AS SPECIFIED IN THE NOTICE GIVEN PURSUANT TO SECTION 16-8, ABOVE, OR WITHIN FIFTEEN (15) MINUTES THEREAFTER, THE

DIRECTOR MAY INFER THAT THE LICENSEE'S ABSENCE IS VOLUNTARY. UNLESS THERE IS GOOD CAUSE, THE HEARING SHALL GO FORWARD WITHOUT THE LICENSEE. AN AUTHORIZED LEGAL REPRESENTATIVE, WHO IS PRESENT WITHIN THE REQUIRED TIME, MAY REPRESENT THE LICENSEE IN HIS OR HER ABSENCE.

~~(b)~~ **(C)** The director may rule on the revocation at the close of the evidence and argument, but shall enter a ruling within ten (10) **WORKING** days of the completion of the hearing.

~~(c)~~ **(D)** The ruling of the director shall be in writing and signed by the director and shall contain the director's findings in respect to the allegations and the evidence supporting the findings. No license shall be revoked unless the director finds by a preponderance of the evidence that one (1) or more of the grounds alleged for revocation are true. The director shall give notice of the ruling as provided in this article and any revocation of a license or permit shall be effective when notice is given to the licensee or permittee, as applicable, and:

(1) The time permitted for filing a notice of appeal, pursuant to section 16-10, has expired without a notice of appeal having been filed; ~~and~~ **OR**

(2) The revocation has been affirmed by the general manager following the hearing of a timely filed notice of appeal; ~~and~~ **OR**

(3) The aggrieved party has filed a timely notice of appeal, but has abandoned the appeal prior to any hearing and ruling by the general manager.

~~(d)~~ **(E)** When a revocation becomes effective, as provided herein, the affected licensee or permittee shall surrender the license or permit to the general manager immediately and shall no longer conduct any business pursuant to the license or permit.

~~(e)~~ **(F)** Provisions to the contrary notwithstanding, following a ruling by the director as provided in subsection ~~(b)~~ **(C)** above, the director may declare that the subject license or permit be revoked immediately, if in the reasonable judgment of the director, the continuation of activities or conduct licensed or permitted constitutes an unreasonable danger to the health or safety of any individual or the community in general. A revocation made effective under the provisions of this subsection shall be reactivated immediately upon the taking of a successful appeal by the aggrieved party.

Sec. 16-10. Appeal.

(a) An aggrieved party may appeal the denial of a license or request for the renewal of a license, or the revocation of a license, to the general manager by filing a written notice of appeal with the director not later than ten (10) **WORKING** days after the director has taken the action to be appealed from. The right to appeal is waived if the notice of appeal is not timely filed.

(b) This article contains all the appellate relief to which an aggrieved party is entitled through city procedures. The exhaustion of appellate remedies at the city level does not preclude an aggrieved party from seeking any other remedies provided by law.

Sec. 16-11. Appeal procedure.

(a) Upon receipt of a written notice of appeal, the general manager shall set an appeal hearing **TO BE HELD** within ten (10) **WORKING** days and shall give notice of the hearing as provided in this article. **THE NOTICE OF HEARING SHALL ALSO STATE THAT IF THE LICENSEE IS NOT PRESENT AT THE TIME OF THE HEARING, THE HEARING WILL PROCEED WITHOUT THE LICENSEE AND THAT THE GENERAL MANAGER WILL RULE BASED UPON THE EVIDENCE PRESENTED AT THE HEARING.**

(b) When required in the interest of fairness, the general manager may grant continuances of the hearing, but all hearings on license revocations and suspensions shall be heard not later than ~~thirty (30)~~ TWENTY **(20) WORKING** days from the date on which the notice of appeal was filed.

(c) An appellant may be represented by counsel at the hearing and the city may be represented by the city attorney's or city prosecutor's office. Formal rules of evidence shall not apply. Both the appellant and the city shall have the right to present evidence through testimony or exhibits and to cross-examine witnesses. The general manager shall preside over the proceedings and shall determine the order and manner of proof.

D) IF THE LICENSEE IS NOT PRESENT AT THE PLACE AND TIME THE HEARING IS SCHEDULED, AS SPECIFIED IN THE NOTICE OF HEARING GIVEN PURSUANT TO THIS ARTICLE, OR WITHIN FIFTEEN (15) MINUTES THEREAFTER, THE DIRECTOR MAY INFER THAT THE LICENSEE'S ABSENCE IS VOLUNTARY. UNLESS THERE IS GOOD CAUSE, THE HEARING SHALL GO FORWARD WITHOUT THE LICENSEE. AN AUTHORIZED LEGAL REPRESENTATIVE, WHO IS PRESENT WITHIN THE REQUIRED TIME, MAY REPRESENT THE LICENSEE IN HIS OR HER ABSENCE.

(E) At the conclusion of the hearing, the general manager shall rule on the appeal within seven (7) working days, unless all parties stipulate that additional time is required to render a fair decision. The general manager shall sustain the action appealed if it is supported by a preponderance of evidence. The general manager shall notify the appellant of the ruling in writing, by mail, whether or not the ruling is made at the conclusion of the evidence at the time of the hearing.

(F) When a license revocation is the subject of an appeal under this section, the revocation shall not be effective unless it is sustained by the general manager. The revocation shall be effective immediately when the ruling is made by the general manager at the time of the hearing, or upon mailing of the written notice of ruling as provided in this section, when the ruling is made at a time after the hearing is concluded. The licensee shall surrender all revoked licenses to the general manager, or to such city representative as the general manager may direct, whenever the revocation becomes effective.

Section 5. Section 16-14 of the Scottsdale Revised Code is hereby amended to read as follows:

Sec. 16-14. Reapplication.

~~(a) Any person who, pursuant to this article, has previously been denied a license or renewal, or who has had a license revoked, may reapply for a license of the same character at any time after the decision affecting the applicant's license has become final and is no longer subject to appeal pursuant to this article. No new license may be issued to the applicant except upon full compliance with this article.~~

(A) NO PERSON WHO HAS HAD THE ISSUANCE OR RENEWAL OF A LICENSE DENIED, OR A LICENSE REVOKED, PURSUANT TO THIS ARTICLE, MAY APPLY FOR A LICENSE OF THE SAME OR SIMILAR KIND THAT WAS THE SUBJECT OF THE DENIAL OR REVOCATION FOR TWO (2) YEARS AFTER THE DECISION AFFECTING THE APPLICANT'S LICENSE HAS BECOME FINAL AND IS NO LONGER SUBJECT TO APPEAL, UNLESS THE CAUSE OF SUCH DENIAL, NON-RENEWAL OR REVOCATION HAS BEEN REMOVED TO THE SATISFACTION OF THE DIRECTOR.

(B) ~~Any~~ **NO** person, who ~~, pursuant to this article,~~ has previously been denied a license or renewal **OF A LICENSE**, or who has had a license revoked, **PURSUANT TO THIS CHAPTER,** because false or misleading information was given in any license application, or was submitted in support of the application, or the applicant or licensee failed or refused to make full disclosure of all information required for the completion of the application, shall ~~not~~ be permitted to apply for any license to which this article applies until two (2) years after the decision affecting the applicant's license has become final and is no longer subject to appeal pursuant to this article.

(C) NO PERSON, WHO HAS BEEN PREVIOUSLY DENIED A LICENSE OR RENEWAL OF A LICENSE, OR WHO HAS HAD A LICENSE REVOKED FOR A CONVICTION OF AN OFFENSE DESCRIBED IN THIS ARTICLE MAY APPLY FOR A LICENSE PURSUANT TO THIS ARTICLE FOR TWO (2) YEARS FROM THE DENIAL OR REVOCATION, OR WITHIN FIVE (5) YEARS FROM THE CONVICTION DATE, WHICHEVER IS GREATER.

PASSED AND ADOPTED by the City Council of the City of Scottsdale this 3rd day of June, 2003.

CITY OF SCOTTSDALE, an Arizona municipal corporation,

ATTEST:

Mary Manross
Mayor

Sonia Robertson
City Clerk

APPROVED AS TO FORM:

David A. Pennartz
City Attorney

ORDINANCE NO. 3510

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AMENDING THE SCOTTSDALE REVISED CODE, BY AND FOR THE PURPOSE OF REPEALING CHAPTER 16, LICENSES, TAXATION, AND MISCELLANEOUS BUSINESS REGULATIONS, ARTICLE VI, MASSAGE THERAPISTS, ROLFERS, MASSAGE FACILITIES AND BATHHOUSES, EFFECTIVE JULY 4, 2003 AND ADOPTING IN ITS PLACE A NEW ARTICLE VI, ENTITLED MASSAGE THERAPISTS AND MASSAGE FACILITIES LICENSES.

WHEREAS, the Council of the City of Scottsdale wishes to update the city regulations, re-organize the code and add tougher licensing requirements;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Scottsdale, Arizona, as follows:

Section 1. That the Scottsdale Revised Code, is amended by repealing as of midnight, July 4, 2003 Chapter 16, Licenses, Taxation, and Miscellaneous Business Regulations, Article VI, Massage Therapists, Rolfers, Massage Facilities and Bathhouses, and adopting in its place a new Article VI, entitled Massage Therapists and Massage Facilities Licenses, set forth as attached Exhibit A incorporated by this reference, effective 12:01, July 5, 2003.

Section 2. Penalties. Any person who violates the provisions of this Ordinance is subject to the following penalties:

A. I. A violation of Section 16-221, subsections (a)(1) through (10), below, shall be punishable as class 1 misdemeanor with a minimum mandatory penalty of two hundred dollars ($200) per violation.
   II. A violation of Section 16-221, subsections (a)(11) through (13), below, shall be punishable as a class 3 misdemeanor.
   III. Each day that a violation of this Section continues, shall constitute a separate offense.
   IV. Section 16-221, shall read as follows:

Sec. 16-221. Unlawful acts; penalties.

(a) It shall be unlawful for:

(1) Any PERSON to operate a MASSAGE FACILITY without first obtaining and maintaining the license required by this article.

(2) Any PERSON to employ as a MASSAGE THERAPIST any PERSON who does not hold a valid MASSAGE THERAPIST license as required by this article.

(3) Any PERSON licensed under this article to operate under any name or conduct business under any designation not specified in such license, or to operate a MASSAGE FACILITY under a false or assumed name when the use of such false or assumed name is not otherwise permitted by law.

(4) Any PERSON licensed as provided in this article to remain open or administer MASSAGE THERAPY at any time between the hours of 10:00 p.m. and 5:00 a.m. When a MASSAGE FACILITY constitutes only a portion of a larger business, not subject by law to operation during specific hours, this limitation shall apply only to that area that is customarily used for administering MASSAGE THERAPY.

(5) Any PERSON to operate a MASSAGE FACILITY on the same premises where there is also a photography studio, model studio, art studio, telephone answering service, motion picture theater, sexually-oriented business, or a cocktail lounge, except those operated incidental to a hotel, motel or resort.

(6) Any PERSON to operate more than one (1) MASSAGE FACILITY at the same physical address.

(7) Any person to fail or refuse to permit a lawful inspection of a MASSAGE FACILITY.

(8) Any PERSON, except an AGENT for a publicly traded corporation, to fail to disclose all CONTROLLING PERSON(s) on an application for MASSAGE FACILITY license.

(9) An applicant to knowingly file a MASSAGE FACILITY or MASSAGE THERAPIST license application or supporting document which contains material information which is false.

(10) Any MASSAGE FACILITY licensee to intentionally fail to maintain, retain and produce the logs required by this article. Intent is presumed to exist if the licensee employs any unlicensed MASSAGE THERAPIST or has no logs.

(11) Any MASSAGE FACILITY licensee to fail to display his or her license as required by this article.

(12) Any MASSAGE FACILITY licensee to fail to maintain, retain and produce the logs required by this article.

(13) Any licensee to fail to notify the DIRECTOR of any material changes in information submitted in connection with a license or renewal application.

(b) A violation of subsections (a)(1) through (10) above shall be punishable as a class 1 misdemeanor with a minimum mandatory penalty of two hundred dollars ($200) per violation. A violation of subsections (a)(11) through (13) above shall be punishable as a class 3 misdemeanor. Each day that a violation of this section continues shall constitute a separate offense.

(c) Any MASSAGE FACILITY or business operated contrary to this article is unlawful and a public nuisance. The city may, in addition to or in lieu of the remedies under this article, commence one or more actions to abate the MASSAGE FACILITY or business and/or to restrain any PERSON from operating a MASSAGE FACILITY or business contrary to this article.

(d) The revocation of a license does not constitute a defense against prosecution for any act or omission made unlawful by this article.

B. I. A violation of Section 16-235, subsections (a)(1) through (a)(6), below, shall be punishable as a class 1 misdemeanor with a minimum mandatory penalty of two hundred dollars ($200) per violation.
   II. A violation of Section 16-235, subsection (a)(7) or (a)(8), below, shall be punishable as a class 3 misdemeanor.
   III. Each day that a violation of this section continues shall constitute a separate offense.
   IV. Section 16-235, shall read as follows:

Sec. 16-235. Unlawful acts; penalties.

(a) In addition to the unlawful acts above, it shall be unlawful for:

(1) Any PERSON to practice or administer any MASSAGE THERAPY, or to offer to perform any MASSAGE THERAPY, for a fee, income or compensation of any kind, without first obtaining and maintaining the license required by this article.

(2) Any PERSON to engage in the occupation of MASSAGE THERAPIST under a false or assumed name when the use of such false or assumed name is not otherwise permitted by law.

(3) Any licensed MASSAGE THERAPIST to administer MASSAGE THERAPY for a fee, income or compensation of any kind:

(A) In a manner or under circumstances intended to arouse, appeal to or gratify sexual desires;

(B) To a CLIENT whose genital organs and anus are not covered by opaque material;

(C) While dressed in such a way that the genital organs, buttocks or female breasts are not covered by opaque material;

(D) To touch in any way the CLIENT'S genital organs, or without the CLIENT'S written consent, to touch any portion of the breasts of a female CLIENT;

(E) To request, compel or entice any CLIENT to touch or expose his/her genitals as a condition of administering any MASSAGE THERAPY;

(F) To request, compel or entice any CLIENT to place the hand of an EMPLOYEE on the genitals of the CLIENT as a condition of administering any MASSAGE THERAPY;

(G) To allow any PERSON to intentionally view the genital area of a CLIENT; or

(H) To allow one CLIENT to view the MASSAGE THERAPY of another CLIENT without the latter's consent.

(4) Any PERSON licensed as provided in this article to remain open or administer MASSAGE THERAPY at any time between the hours of 10:00 p.m. and 5:00 a.m.

(5) Any MASSAGE THERAPIST to administer MASSAGE THERAPY in the MASSAGE THERAPIST'S home or other place not provided by the CLIENT, without having a MASSAGE FACILITY license for that home or other place.

(6) Any MASSAGE THERAPIST licensee to intentionally fail to maintain, retain and produce the logs required by this article. Intent is presumed to exist if the licensee has no logs.

(7) Any MASSAGE THERAPIST licensee to fail to maintain, retain and produce the logs required by this article

(8) Any licensee to fail to carry his or her licensee identification card, as required by this article.

(b) A violation of subsections (a)(1) through (a)(6) above shall be punishable as a class 1 misdemeanor with a minimum mandatory penalty of two hundred dollars ($200) per violation. A violation of subsection (a)(7) or (a)(8) above shall be punishable as a class 3 misdemeanor. Each day that a violation of this section continues shall constitute a separate offense.

(c) Any MASSAGE THERAPIST who operates contrary to this article is engaging in unlawful activities and is a public nuisance. The city may, in addition to or in lieu of the remedies under this article, commence one or more actions to restrain the unlawful activities of the MASSAGE THERAPIST.

(d) The revocation of a license does not constitute a defense against prosecution for any act or omission made unlawful by this article.

Section 3. If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Council of the City of Scottsdale this 3rd day of June, 2003.

ATTEST:

By:_____
Sonia Robertson
City Clerk

CITY OF SCOTTSDALE, an Arizona municipal corporation

By:_____
Mary Manross
Mayor

APPROVED AS TO FORM:

By:_____
David A. Pennartz
City Attorney

MASSAGE THERAPISTS AND MASSAGE
FACILITIES LICENSES

DRAFT 5/19/03

From Scottsdale City Code

EXHIBIT A

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MASSAGE THERAPISTS AND MASSAGE FACILITIES LICENSES
DRAFT 5/19/03

DIVISION 1. GENERAL PROVISIONS.

Sec. 16-201. Purpose.

The purposes of this article are to:

(a) Enhance the professionalism of the massage service industry, to protect the health and safety of the public, by requiring MASSAGE THERAPISTS to have thorough knowledge of anatomy and physiology and an understanding of the relationship between the structure and the functions of the tissues being treated; and

(b) Assure the integrity of the massage service industry by reducing unprofessional practices.

Sec. 16-202. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

AGENT means an individual designated by a publicly traded corporation to act on behalf of the corporation under this article. An AGENT shall be a bona fide resident of Arizona and a citizen or legal resident of the United States.

CLIENT means an individual who enters into an agreement for MASSAGE THERAPY for a fee, income or compensation of any kind within the city.

CONTROL means the power to direct or cause the direction of the management and policies of an applicant, licensee or CONTROLLING PERSON, in any way. CONTROL is presumed to exist:

(a) In a privately-held corporation, if a PERSON has the direct or indirect ownership of or power to vote ten percent (10%) or more of the outstanding voting securities of the applicant, licensee or CONTROLLING PERSON, or to CONTROL in any manner the election of one or more of the directors of the applicant, licensee or CONTROLLING PERSON. To determine the percentage of voting securities owned, controlled or held by a PERSON, there shall be added the voting securities of any other PERSON controlled by (i) that PERSON, or (ii) by an officer, partner, employee or representative of that PERSON or (iii) by a spouse, parent or child of that PERSON.

(b) In a partnership, if the general partner or a limited partner holds ten percent (10%) or more of the voting rights of the partnership.

(c) If a creditor of the applicant, licensee or CONTROLLING PERSON holds a beneficial interest in ten percent (10%) or more of the liabilities of the applicant, licensee or CONTROLLING PERSON.

(d) In an on-site manager of a MASSAGE FACILITY who directs the daily operation of the MASSAGE FACILITY, whether or not the on-site manager has any ownership interest in the MASSAGE FACILITY.

CONTROLLING PERSON means a PERSON directly or indirectly possessing control of an applicant, licensee or MASSAGE FACILITY, and includes an AGENT and an on-site manager.

DIRECTOR means the city Financial Services Customer Service Director, or the DIRECTOR'S designee.

EMPLOYEE means any PERSON who performs any service at a MASSAGE FACILITY on a full-time, part-time or contract basis, whether or not the PERSON is designated an EMPLOYEE, independent contractor or otherwise. EMPLOYEE does not include a PERSON exclusively at the MASSAGE FACILTY for repair or maintenance of the MASSAGE FACILITY or for the delivery of goods to the licensee.

GENERAL MANAGER means the city General Manager of Financial Services, or the GENERAL MANAGERS designee.

MASSAGE FACILITY means any place of business where any MASSAGE THERAPY is practiced or administered.

MASSAGE THERAPY includes any of the following that are undertaken to increase wellness, relaxation, stress reduction, pain relief and postural improvement, or provide general or specific therapeutic benefits, including, but not limited to stroking, friction, kneading, rolling, vibrating, cupping, petrissage, rubbing, effleurage, tapotement, and any other non-incidental touching such as:

(a) The manual application of compression, stretch, vibration or mobilization of the organs and tissues beneath the dermis, including the components of the musculoskeletal system, peripheral vessels of the circulatory system and fascia, when applied primarily to parts of the body other than the hands, feet and head.

(b) The manual application of compression, stretch, vibration or mobilization using the forearms, elbows, knees or feet or handheld mechanical, electrical, water or vibratory devices.

(c) Any combination of range of motion, directed, assisted or passive movements of the joints.

(d) Hydrotherapy, including, but not limited to tub, shower or cabinet baths, and the application of water, hot and cold packs or wraps.

(e) Any other therapeutic application of wraps, oils, alcohol rubs, skin brushing, salt glows and similar applications of products to the skin; and colon irrigation.

MASSAGE THERAPIST means a PERSON who practices or administers any MASSAGE THERAPY for a fee, income or compensation of any kind, within the city.

PERSON means a corporation, firm, partnership, association, organization and any other group acting as a unit, as well as an individual. It includes a trustee, receiver, an assignee, or similar representative.

Sec. 16-203. Administration.

(a) Except as otherwise specifically provided, the GENERAL MANAGER and the Chief of Police shall administer this article.

(b) License applications under this article shall be submitted to the DIRECTOR, who has the authority to issue, deny, renew, or revoke licenses and identification cards under this article and article I of this chapter.

Sec. 16-204. Licenses generally; minimum requirements.

(a) The licenses required by this article are in addition to any other applicable licenses or permits required by the city, county or state. PERSONS and MASSAGE FACILITIES licensed under this article shall comply with all other applicable ordinances and laws, including the city zoning ordinance.

(b) All licenses issued under this article are non-transferable between PERSONS. However, a licensed MASSAGE FACILITY may change locations as provided by this article.

(c) No more than one MASSAGE FACILITY license shall be issued for one street address.

(d) All licenses issued under this article shall be for a period of one (1) year, but may be renewed under this article.

(e) The DIRECTOR shall have sixty (60) days from the date of the completion of all application materials and requirements to either issue or deny any license or identification card subject to this article. The issuance of any license or identification card shall in no way be construed as a waiver of any right of denial or revocation the city may have at the time of issuance.

(f) An applicant for a license under this article shall meet the following minimum requirements, to the satisfaction of the DIRECTOR:

(1) The applicant shall be at least eighteen (18) years old;

(2) The applicant shall be a citizen or a legal resident of the United States, and eligible to work in the United States;

(3) The applicant shall not, within five (5) years preceding the application date, have been convicted of an offense described in article I of this chapter making an applicant ineligible to reapply for a license for five (5) years;

(4) The applicant shall not, within five (5) years preceding the application date, (A) have voluntarily surrendered any license to administer MASSAGE THERAPY as a result of or while under investigation; (B) have had a license to administer MASSAGE THERAPY or similar license denied or revoked by a political subdivision of Arizona, or a regulatory board in another United States jurisdiction for an act that occurred in that jurisdiction that would be a violation under this article;

(5) The applicant shall not be a registered sex offender or required by law to register as a sex offender; and

(6) The applicant's record shall be free of all reasons to deny an application under this article and article I of this chapter.

Sec. 16-205. Fingerprinting.

All applicants for licenses or renewal licenses under this article and all applicant's CONTROLLING PERSONS and AGENTS shall personally appear at the office of the DIRECTOR for the purpose of being fingerprinted. The police department shall conduct a background investigation of the applicant, applicant's CONTROLLING PERSONS and AGENTS and shall make a recommendation based on the investigation within the period allowed to the DIRECTOR to issue or deny a license.

DIVISION 2. MASSAGE FACILITIES LICENSES.

Sec. 16-206. License required.

A PERSON desiring to operate the business of a MASSAGE FACILITY shall obtain a license under this article.

Sec. 16-207. Fees.

An applicant and/or licensee shall pay the following fees, as adopted by the city council:

(a) An applicant shall submit a non-refundable application fee of one hundred dollars ($100) for each license and renewal license under this article.

(b) If a licensee is delinquent in filing for a renewal license under this article, (later than sixty (60) days before the expiration of the license currently in effect), the licensee shall submit a non-refundable late application fee of one hundred eighty dollars ($180), in addition to the non-refundable application fee of one hundred dollars ($100), for each license to be renewed.

(c) At the time the fingerprints are taken, the applicant shall pay the DIRECTOR a fee covering the cost of obtaining criminal history information for each set of fingerprints required under this article.

(d) An annual license fee of two hundred sixty dollars ($260) for each license shall be paid before the license is issued.

(e) A change in location fee of fifty dollars ($50) for a licensed MASSAGE FACILITY shall be paid upon filing for approval to change the location of the MASSAGE FACILITY.

(f) Upon request and payment of the fee of ten dollars ($10), the DIRECTOR shall issue a duplicate license to a licensee whose license has been lost, stolen or destroyed.

Sec. 16-208. License application.

An applicant shall file an application for a MASSAGE FACILITY on a form prescribed by the DIRECTOR. An applicant shall provide a list of all EMPLOYEES at the MASSAGE FACILITY, including the EMPLOYEE'S full name, date of birth, home address and telephone number and employment position; and the license number and license expiration date for each MASSAGE THERAPIST. An applicant shall provide such other identification and information as the police department may require to aid in verifying the application.

Sec. 16-209. Information update.

(a) An applicant or licensee shall give written notice to the DIRECTOR of any material changes in information submitted in connection with a license or renewal application for a MASSAGE FACILITY, within ten (10) days of any such change. Material changes include, but are not limited to, information regarding:

(1) Legal organization of the business;

(2) Applicant's, licensee's, AGENT'S, and CONTROLLING PERSON'S home address, business mailing address and telephone number;

(3) Identification of the on-site MASSAGE FACILITY manager, including the manager's full legal name, and home address, business mailing address and telephone number;

(4) Employee's immigration or authorized work status;

(5) Business name of the MASSAGE FACILITY; and

(6) Requests from the DIRECTOR.

(b) Any information update submitted under this section shall not remove the responsibility associated with the sale or transfer of a MASSAGE FACILITY.

Sec. 16-210. MASSAGE FACILITY license; special requirements.

No MASSAGE FACILITY license shall be issued or renewed unless the applicant certifies that the site of the proposed or existing facility complies with all of the following minimum requirements.

(a) Minimum lighting requirements shall be provided in accordance with chapter 31 of the city code. In addition, at least one (1) artificial light of not less than forty (40) watts, which is not shaded to significantly decrease luminosity, shall be provided in each room or quarters where MASSAGE THERAPY is performed on CLIENTS and shall be in use whenever MASSAGE THERAPY is being performed;

(b) Minimum ventilation shall conform with chapter 31 of the city code;

(c) Adequate equipment shall be provided for disinfecting and sterilizing instruments used in administering or practicing any MASSAGE THERAPY;

(d) Closed cabinets shall be provided and used for the storage of clean linens;

(e) Except when the CLIENT is fully clothed and the MASSAGE THERAPY IS administered in a full public view, dressing, locker and toilet facilities, including hot and cold running water, shall be provided for CLIENTS as follows: A minimum of one (1) dressing room containing a separate locker for each CLIENT, which locker shall be capable of being locked, and a minimum of one (1) toilet and one (1) wash basin. The toilet and wash basin shall be located in the MASSAGE FACILITY, or in a public restroom, not used in connection with a commercial business, within 150 feet of the MASSAGE FACILITY. If both male and female CLIENTS are to be served simultaneously at the MASSAGE FACILITY, however, a separate massage room or rooms, and separate dressing facilities shall be provided for male and female CLIENTS.

(f) All walls, ceilings, floors, pools, showers, bathtubs, hot tubs, steam rooms and all other physical facilities for the MASSAGE FACILITY shall be in good repair and maintained in a clean and sanitary condition. Wet and dry heat rooms, steam or vapor rooms, steam or vapor cabinets, shower compartments, and toilet rooms shall be thoroughly cleaned each day the business is in operation. Bathtubs shall be thoroughly cleaned after each use.

(g) Clean and sanitary towels shall be provided for each CLIENT of the MASSAGE FACILITY. Each table used for MASSAGE THERAPY shall be provided with a clean and sanitary towel, paper towel or sheet for each CLIENT.

(h) Compliance with all applicable provisions of the city fire code and zoning ordinance.

DIVISION 3. NON-ACCEPTANCE, DENIAL, REVOCATION AND APPEAL OF LICENSES.

Sec. 16-211. Non-acceptance and denial of application.

(a) The DIRECTOR shall not accept an application for a license if:

(1) The application is incomplete;

(2) The application shows that the applicant or any CONTROLLING PERSON has been convicted of a criminal action that would be grounds for denial of the application; or

(3) The DIRECTOR knows that the applicant or any CONTROLLING PERSON has been convicted of a criminal action that would be grounds for denial of the application.

(b) The DIRECTOR shall deny a license if:

(1) All requirements for the application have not been completed;

(2) The applicant is a corporation which is not qualified to transact business in Arizona;

(3) The applicant or the MASSAGE FACILITY is delinquent in payment to the city of taxes, fees, fines, or penalties imposed upon the applicant or MASSAGE FACILITY or arising out of any other business activity owned or operated by the applicant or the MASSAGE FACILITY and licensed by the city;

(4) The applicant or the MASSAGE FACILITY is in violation of any applicable provisions of ordinances and regulations of the city, including article I of this chapter, relating to the business or occupation to be conducted under the license;

(5) The applicant or any CONTROLLING PERSON has been convicted of a criminal action that would be grounds for denial of the application.

Sec. 16-212. Revocation.

(a) The DIRECTOR shall revoke a license issued under this article if the licensee:

(1) Fails to maintain the minimum or special requirements for a MASSAGE FACILITY under this article.

(2) Commits, twice or more, in any consecutive twelve (12) months, any unlawful act designated a class 3 misdemeanor under this article;

(3) Commits any unlawful act designated a class 1 misdemeanor under this article;

(4) Commits any violation of a provision of article I of this chapter;

(5) Permits, twice or more, in any consecutive twelve (12) months, an EMPLOYEE to engage in acts of solicitation or prostitution; or

(6) Knowingly permits an EMPLOYEE to engage in acts of solicitation or prostitution.

(b) Revocation procedures shall be as set forth in article I of this chapter.

Sec. 16-213. Application after non-acceptance, denial or revocation of license.

(a) If an application is not accepted because it is incomplete, an applicant may resubmit the application upon completion.

(b) Except as provided in subsections (c) and (d) below, after an application has been denied or a license has been revoked, no application shall be accepted for a MASSAGE FACILITY with the same business name, or at the same location, for one (1) year after the date of the denial or revocation.

(c) Except as provided in subsection (d) below, after an application has been denied or a license has been revoked, no application shall be accepted for a MASSAGE FACILITY or a MASSAGE THERAPIST license from the same applicant, or from a CONTROLLING PERSON of the applicant, for two (2) years after the date of the denial or revocation.

(d) After an application has been denied or a license has been revoked for the conviction of an offense described in article I of this chapter making an applicant ineligible to reapply for a license for five (5) years from the date of conviction, no application shall be accepted as set forth in article I of this chapter.

Sec. 16-214. Review and appeals.

Any applicant or licensee aggrieved by a decision to deny or revoke a license under this article, may appeal the decision under the provisions of article I of this chapter.

DIVISION 4. OPERATIONS AND INSPECTIONS.

Sec. 16-215. Display of license.

The MASSAGE FACILITY license shall be conspicuously displayed at the MASSAGE FACILITY.

Sec. 16-216. Required logs.

(a) Except as provided below, a MASSAGE FACILITY licensee shall maintain at the licensed MASSAGE FACILITY a current log of all EMPLOYEES at the licensed MASSAGE FACILITY, including:

(1) Each EMPLOYEE'S full legal name, date of birth, home address and telephone number, employment position, date first began service and when terminated service, and

(2) Each MASSAGE THERAPIST'S license number and date of expiration of license.

(b) If a MASSAGE FACILITY employs more than twenty-five (25) MASSAGE THERAPISTS, the MASSAGE FACILITY licensee shall maintain:

(1) A current log of all EMPLOYEES as required in subsection (a) above except that the log may be maintained at a central office or human resources department, and

(2) At the licensed MASSAGE FACILITY, a current log of all MASSAGE THERAPISTS employed at the licensed MASSAGE FACILITY, including all the information required in subsection (a) above.

(c) The EMPLOYEE log shall at all times reflect the names of EMPLOYEES for the previous one (1) year. Wherever the EMPLOYEE log is located, the EMPLOYEE log shall be subject to inspection upon request, during normal business hours.

(d) A MASSAGE FACILITY licensee shall maintain at the licensed MASSAGE FACILITY a log of all MASSAGE THERAPY administered at the facility. The log shall contain the following information: date, time and type of each MASSAGE THERAPY administered, name and address of the CLIENT, and name of the EMPLOYEE administering the MASSAGE THERAPY. The log shall be retained for a minimum of one (1) year following any MASSAGE THERAPY. The MASSAGE THERAPY log shall be subject to inspection upon request, during normal business hours.

Sec. 16-217. Inspections.

(a) Each MASSAGE FACILITY, its equipment, logs and methods of operation shall be open to inspection during normal business hours by the police or other city staff designated by the DIRECTOR.

(b) Each MASSAGE FACILITY, within ten (10) days of receiving a written request from the city, shall submit to the police or other city staff designated by the DIRECTOR, a list of MASSAGE THERAPISTS employed at the MASSAGE FACILITY, including the information required in subsection 16-216(a).

DIVISION 5. CHANGES TO LICENSES; RENEWAL.

Sec. 16-218. Change in location of business.

A change in location of a licensed MASSAGE FACILITY shall be approved by the DIRECTOR before transacting business at the new location. The DIRECTOR shall approve a change in location upon:

(a) Completion of an application for change in location of a MASSAGE FACILITY;

(b) Compliance with this article and all other city ordinances; and

(c) Payment of the change in location fee to the DIRECTOR.

Sec. 16-219. Sale or transfer of MASSAGE FACILITY.

Upon the sale or transfer of any CONTROLLING PERSON'S interest in a MASSAGE FACILITY, the license therefor shall be null and void. A PERSON desiring to continue to operate the MASSAGE FACILITY shall file a new application under this article.

Sec. 16-220. License renewal.

(a) A licensee applying for license renewal shall:

(1) Submit to the DIRECTOR a completed renewal application form and fee for each license being renewed;

(2) Provide a list of all EMPLOYEES at the MASSAGE FACILITY, including the EMPLOYEE'S full name, date of birth, home address and telephone number and employment position; and the license number and license expiration date for each MASSAGE THERAPIST

(3) Comply with the fingerprinting requirements of this article.

(b) To assure continued operation of the MASSAGE FACILITY without an unlawful lapse in the license, a licensee applying for license renewal shall file a renewal application with the DIRECTOR no later than sixty (60) days before the expiration of the license currently in effect. If a licensee applies for license renewal later than sixty (60) days before the expiration of the license currently in effect, an additional non-refundable late application fee will be charged as set forth in this article.

DIVISION 6. UNLAWFUL ACTS; PENALTIES.

Sec. 16-221. Unlawful acts; penalties.

(a) It shall be unlawful for:

(1) Any PERSON to operate a MASSAGE FACILITY without first obtaining and maintaining the license required by this article.

(2) Any PERSON to employ as a MASSAGE THERAPIST any PERSON who does not hold a valid MASSAGE THERAPIST license as required by this article.

(3) Any PERSON licensed under this article to operate under any name or conduct business under any designation not specified in such license, or to operate a MASSAGE FACILITY under a false or assumed name when the use of such false or assumed name is not otherwise permitted by law.

(4) Any PERSON licensed as provided in this article to remain open or administer MASSAGE THERAPY at any time between the hours of 10:00 p.m. and 5:00 a.m. When a MASSAGE FACILITY constitutes only a portion of a larger business, not subject by law to operation during specific hours, this limitation shall apply only to that area that is customarily used for administering MASSAGE THERAPY.

(5) Any PERSON to operate a MASSAGE FACILITY on the same premises where there is also a photography studio, model studio, art studio, telephone answering service, motion picture theater, sexually-oriented business, or a cocktail lounge, except those operated

incidental to a hotel, motel or resort.

(6) Any PERSON to operate more than one (1) MASSAGE FACILITY at the same physical address.

(7) Any person to fail or refuse to permit a lawful inspection of a MASSAGE FACILITY.

(8) Any PERSON, except an AGENT for a publicly traded corporation, to fail to disclose all CONTROLLING PERSON(s) on an application for MASSAGE FACILITY license.

(9) An applicant to knowingly file a MASSAGE FACILITY or MASSAGE THERAPIST license application or supporting document which contains material information which is false.

(10) Any MASSAGE FACILITY licensee to intentionally fail to maintain, retain and produce the logs required by this article. Intent is presumed to exist if the licensee employs any unlicensed MASSAGE THERAPIST or has no logs.

(11) Any MASSAGE FACILITY licensee to fail to display his or her license as required by this article.

(12) Any MASSAGE FACILITY licensee to fail to maintain, retain and produce the logs required by this article.

(13) Any licensee to fail to notify the DIRECTOR of any material changes in information submitted in connection with a license or renewal application.

(b) A violation of subsections (a)(1) through (10) above shall be punishable as a class 1 misdemeanor with a minimum mandatory penalty of two hundred dollars ($200) per violation. A violation of subsections (a)(11) through (13) above shall be punishable as a class 3 misdemeanor. Each day that a violation of this section continues shall constitute a separate offense.

(c) Any MASSAGE FACILITY or business operated contrary to this article is unlawful and a public nuisance. The city may, in addition to or in lieu of the remedies under this article, commence one or more actions to abate the MASSAGE FACILITY or business and/or to restrain any PERSON from operating a MASSAGE FACILITY or business contrary to this article.

(d) The revocation of a license does not constitute a defense against prosecution for any act or omission made unlawful by this article.

DIVISION 7. MASSAGE THERAPISTS.

Sec. 16-222. Definitions.

The following additional terms, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

LICENSED SCHOOL OF MASSAGE THERAPY means any institution of learning that meets the following criteria and the requirements of this article:

(a) In Arizona: (1) teaches the theory, method and performance of massage therapists, and (2) has been approved by the Arizona State Board for Private Postsecondary Education.

(b) In any other state: (1) teaches the theory, method and performance of massage therapists, (2) has been approved by the equivalent of the Arizona State Board for Private Postsecondary Education, and (3) is licensed by the state or subdivision where it is located.

(c) In Arizona and any other state: (1) offers a curriculum for MASSAGE THERAPISTS, and (2) is a college or university accredited by an accrediting agency recognized by the United States Department of Education or the Council on Postsecondary Accreditation.

(d) Outside the United States: (1) offers a curriculum for MASSAGE THERAPISTS, and (2) is a college or university affiliated with a United States college or university accredited by an accrediting agency recognized by the United States Department of Education or the Council on Postsecondary Accreditation.

NATIONAL EXAMINATION means an examination administered by a national board approved by the DIRECTOR.

NATIONAL CERTIFICATION means the certification issued by a national board or other organization approved by the DIRECTOR.

Sec. 16-223. License required.

A PERSON desiring to engage in the occupation of MASSAGE THERAPIST shall obtain a license under this article. A PERSON desiring to both operate a MASSAGE FACILITY and engage in the occupation of MASSAGE THERAPIST shall obtain a license for each activity.

Sec. 16-224. Exemptions.

(a) This article shall not apply to:

(1) A health care professional who is licensed by the state of Arizona and who practices within the scope of that license, when the professional does not claim to be a MASSAGE THERAPIST;

(2) PERSONS employed or acting as trainers for any bona fide amateur, semi-professional or professional athletic team or athlete;

(3) PERSONS authorized by the laws of Arizona as barbers or cosmetologists, provided their activity is limited to the head, face, neck, hands and feet;

(4) Massage students performing clinical practicum at a LICENSED SCHOOL OF MASSAGE THERAPY, if the student receives no compensation, including tips and gratuities.

(5) PERSONS wholly engaged in specialized weight reduction techniques where touching of the body is incidental to the procedure.

(b) Each exemption is solely for those activities performed in the course of the bona fide practice of the business or profession of the PERSON exempted.

Sec. 16-225. Fees.

An applicant and/or licensee shall pay the following fees, as adopted by the city council:

(a) An applicant shall submit a non-refundable application fee of one hundred ten dollars ($110) for each license and renewal license under this article.

(b) At the time the fingerprints are taken, the applicant shall pay the DIRECTOR a fee covering the cost of obtaining criminal history information for each set of fingerprints required under this article.

(c) Upon written request and payment of the fee of ten dollars ($10), the DIRECTOR shall issue a duplicate identification card to a licensee whose identification card has been lost, stolen or destroyed.

Sec. 16-226. License application; minimum requirements.

An applicant shall file an application for a MASSAGE THERAPIST on a form prescribed by the DIRECTOR. An applicant shall provide such other identification and information as the police department may require to aid in verifying the application. An applicant for a MASSAGE THERAPIST license under this article shall meet the following minimum requirements, to the satisfaction of the DIRECTOR:

(a) The applicant shall be at least eighteen (18) years old;

(b) The applicant shall possess a high school diploma or general equivalency diploma or similar document or certificate;

(c) The applicant shall be a citizen or a legal resident of the United States, and eligible to work in the United States;

(d) The applicant shall not, within five (5) years preceding the application date, have been convicted of an offense described in article I of this chapter making an applicant ineligible to reapply for a license for five (5) years;

(e) The applicant shall not, within five (5) years preceding the application date, (A) have voluntarily surrendered any license to administer MASSAGE THERAPY as a result of or while under investigation; (B) have had a license to administer MASSAGE THERAPY or similar license denied or revoked by a political subdivision of Arizona, or a regulatory board in another United States jurisdiction for an act that occurred in that jurisdiction that would be a violation under this article;

(f) The applicant shall not be a registered sex offender, nor required by law to register as

a sex offender; and

(g) The applicant's record shall be free of all reasons to deny an application under this article and article I of this chapter.

Sec. 16-227. MASSAGE THERAPIST license; special requirements.

(a) A MASSAGE THERAPIST who is licensed to practice MASSAGE THERAPY in the city as of the effective date of this article may continue to practice subject to the renewal provisions of this article.

(b) A MASSAGE THERAPIST who is not licensed to practice MASSAGE THERAPY in the city as of the effective date of this article, in addition to the minimum requirements for a massage therapist license above, shall have passed the NATIONAL EXAMINATION and attained and maintained his or her NATIONAL CERTIFICATION before applying for a massage therapist license.

Sec. 16-228. Information update.

An applicant or licensee shall give written notice to the DIRECTOR of any material changes in information submitted in connection with his or her license or renewal application for a MASSAGE THERAPIST, within ten (10) days of any such change. Material changes include, but are not limited to, information regarding:

(a) Full legal name;

(b) Applicant's and licensee's business mailing address, home address and telephone number;

(c) Applicant's and licensee's immigration and authorized work status;

(d) Any revocation or suspension of a regulatory license issued by Arizona or a political subdivision;

(e) Any event that would cause the DIRECTOR to deny or revoke the license under this article; and

(f) Requests from the DIRECTOR.

Sec. 16-229. Non-acceptance and denial of application.

(a) The DIRECTOR shall not accept an application for a license if:

(1) The application is incomplete, including, after the effective date of this article, lack of proof that the applicant has passed the NATIONAL EXAMINATION and attained and maintained his or her NATIONAL CERTIFICATION;

(2) The application shows that the applicant has been convicted of a criminal action that would be grounds for denial of the application; or

(3) The DIRECTOR knows that the applicant has been convicted of a criminal action that would be grounds for denial of the application.

(b) The DIRECTOR shall deny a license if:

(1) All requirements for the application have not been completed;

(2) The applicant is delinquent in payment to the city of taxes, fees, fines, or penalties imposed upon the applicant or arising out of any other business activity owned or operated by the applicant and licensed by the city;

(3) The applicant is in violation of any applicable provisions of ordinances and regulations of the city, including article I of this chapter, relating to the business or occupation to be conducted under the license; or

(4) The applicant has been convicted of a criminal action that would be grounds for denial of the application.

Sec. 16-230. Revocation.

(a) The DIRECTOR shall revoke a license issued under this article if the licensee:

(1) Fails to maintain the minimum or special requirements for a MASSAGE THERAPIST under this article;

(2) Commits, twice or more, in any consecutive twelve (12) months, any unlawful act designated a class 3 misdemeanor under this article;

(3) Commits any unlawful act designated a class 1 misdemeanor under this article; or

(4) Commits any violation of a provision of article I of this chapter.

(b) Revocation procedures shall be as set forth in article I of this chapter.

Sec. 16-231. Application after non-acceptance, denial, revocation or lapse of license.

(a) If an application is not accepted because it is incomplete, an applicant may resubmit the application upon completion.

(b) Except as provided in subsection (c) below, after an application has been denied or a license has been revoked, no application shall be accepted for a MASSAGE THERAPIST license from the same applicant for two (2) years after the date of the denial or revocation.

(c) After an application has been denied or a license has been revoked for the conviction of an offense described in article I of this chapter making an applicant ineligible to reapply for a license for five (5) years from the date of conviction, no application shall be accepted as set forth in article I of this chapter.

(d) If a license application is denied, revoked or lapsed, the applicant must pass the NATIONAL EXAMINATION and attain and maintain his or her NATIONAL CERTIFICATION, and fulfill all other requirements of a new applicant before a new license will be issued.

Sec. 16-232. License renewal.

(a) A licensee applying for license renewal shall:

(1) Submit to the DIRECTOR a completed renewal application form and fee for each license being renewed; and

(2) Comply with the fingerprinting requirements of this article.

(b) To assure continued use of the MASSAGE THERAPIST license without an unlawful lapse, a licensee applying for license renewal shall file a renewal application with the DIRECTOR before the expiration of the license currently in effect.

Sec. 16-233. Display of licensee identification card.

Each MASSAGE THERAPIST shall conspicuously display his or her licensee identification card on his or her outer clothing at all times during which he or she is available for or administering MASSAGE THERAPY.

Sec. 16-234. Required logs.

All MASSAGE THERAPISTS shall maintain a log of all MASSAGE THERAPY administered. The log shall contain the following information: date, time and type of each MASSAGE THERAPY administered, name and address of the CLIENT, and the address where each MASSAGE THERAPY was administered. The log shall be retained for a minimum of one (1) year following any MASSAGE THERAPY. The MASSAGE THERAPY log shall be subject to inspection upon request, at the police department or other mutually agreeable location.

Sec. 16-235. Unlawful acts; penalties.

(a) In addition to the unlawful acts above, it shall be unlawful for:

(1) Any PERSON to practice or administer any MASSAGE THERAPY, or to offer to perform any MASSAGE THERAPY, for a fee, income or compensation of any kind, without first obtaining and maintaining the license required by this article.

(2) Any PERSON to engage in the occupation of MASSAGE THERAPIST under a false or assumed name when the use of such false or assumed name is not otherwise permitted by law.

(3) Any licensed MASSAGE THERAPIST to administer MASSAGE THERAPY for a fee, income or compensation of any kind:

(A) In a manner or under circumstances intended to arouse, appeal to or gratify sexual desires;

(B) To a CLIENT whose genital organs and anus are not covered by opaque material;

(C) While dressed in such a way that the genital organs, buttocks or female breasts are not covered by opaque material;

(D) To touch in any way the CLIENT'S genital organs, or without the CLIENT'S written consent, to touch any portion of the breasts of a female CLIENT;

(E) To request, compel or entice any CLIENT to touch or expose his/her genitals as a condition of administering any MASSAGE THERAPY;

(F) To request, compel or entice any CLIENT to place the hand of an EMPLOYEE on the genitals of the CLIENT as a condition of administering any MASSAGE THERAPY;

(G) To allow any PERSON to intentionally view the genital area of a CLIENT; or

(H) To allow one CLIENT to view the MASSAGE THERAPY of another CLIENT without the latter's consent.

(4) Any PERSON licensed as provided in this article to remain open or administer MASSAGE THERAPY at any time between the hours of 10:00 p.m. and 5:00 a.m.

(5) Any MASSAGE THERAPIST to administer MASSAGE THERAPY in the MASSAGE THERAPIST'S home or other place not provided by the CLIENT, without having a MASSAGE FACILITY license for that home or other place.

(6) Any MASSAGE THERAPIST licensee to intentionally fail to maintain, retain and produce the logs required by this article. Intent is presumed to exist if the licensee has no logs.

(7) Any MASSAGE THERAPIST licensee to fail to maintain, retain and produce the logs required by this article

(8) Any licensee to fail to carry his or her licensee identification card, as required by this article.

(b) A violation of subsections (a)(1) through (a)(6) above shall be punishable as a class 1 misdemeanor with a minimum mandatory penalty of two hundred dollars ($200) per violation. A violation of subsection (a)(7) or (a)(8) above shall be punishable as a class 3 misdemeanor. Each day that a violation of this section continues shall constitute a separate offense.

(c) Any MASSAGE THERAPIST who operates contrary to this article is engaging in unlawful activities and is a public nuisance. The city may, in addition to or in lieu of the remedies under this article, commence one or more actions to restrain the unlawful activities of the MASSAGE THERAPIST.

(d) The revocation of a license does not constitute a defense against prosecution for any act or omission made unlawful by this article.

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CHAPTER 202

SENATE BILL 1103

AN ACT

AMENDING SECTIONS 32-1505, 32-3201 AND 41-1092, ARIZONA REVISED STATUTES; AMEN TITLE 32, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 42; AMENDING TITLE 41, C 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3013.01; MAKING A APPROPRIATION; RELATING TO THE BOARD OF MASSAGE THERAPY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 32-1505, Arizona Revised Statutes, is amended to read:

32-1505. Naturopathic physicians board of medical examiners fund

A. Pursuant to sections 35-146 and 35-147, the board shall deposit ten per cent of all monies from whate which come into the possession of the board in the general fund and deposit the remaining ninety per cen naturopathic physicians board of medical examiners fund.

B. THE BOARD SHALL ESTABLISH A SEPARATE ACCOUNT IN THE FUND FOR MONIES TR TO THE FUND PURSUANT TO SECTION 32-4205.

~~B.~~ C. Monies deposited in the naturopathic physicians board of medical examiners fund are subject to se 143.01.

Sec. 2. Section 32-3201, Arizona Revised Statutes, is amended to read:

32-3201. Definitions

In this chapter, unless the context otherwise requires:

1. "Health profession regulatory board" means any board that regulates one or more health professionals

2. "Health professional" means a person who is certified or licensed pursuant to chapter 7, 8, 11, 13, 14, 17, 18, 19, 19.1, 21, 25, 28, 29, 33, 34, 35, 39, ~~or~~ 41 OR 42 of this title, title 36, chapter 6, article 7 or titl 17.

Sec. 3. Title 32, Arizona Revised Statutes, is amended by adding chapter 42, to read:

CHAPTER 42

MASSAGE THERAPY

ARTICLE 1. GENERAL PROVISIONS

32-4201. Definitions

IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1. "BOARD" MEANS THE BOARD OF MASSAGE THERAPY.

2. "BOARD APPROVED SCHOOL" MEANS ANY MASSAGE THERAPY OR BODYWORK THER SCHOOL OR TRAINING PROGRAM IN THIS STATE THAT IS OFFERED BY A COMMUNITY C APPROVED BY THE STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION OR A SC PROGRAM IN ANOTHER STATE THAT MEETS THE CRITERIA ESTABLISHED BY THE BOAR MASSAGE THERAPY.

3. "BODYWORK THERAPY" MEANS MASSAGE THERAPY.

4. "MASSAGE THERAPIST" MEANS A PERSON WHO IS LICENSED UNDER THIS CHAPTER T IN THE PRACTICE OF MASSAGE THERAPY.

5. "MASSAGE THERAPY" MEANS THE FOLLOWING THAT ARE UNDERTAKEN TO INCREAS WELLNESS, RELAXATION, STRESS REDUCTION, PAIN RELIEF AND POSTURAL IMPROVEM PROVIDE GENERAL OR SPECIFIC THERAPEUTIC BENEFITS:

(a) THE MANUAL APPLICATION OF COMPRESSION, STRETCH, VIBRATION OR MOBILIZAT ORGANS AND TISSUES BENEATH THE DERMIS, INCLUDING THE COMPONENTS OF THE MUSCULOSKELETAL SYSTEM, PERIPHERAL VESSELS OF THE CIRCULATORY SYSTEM AN WHEN APPLIED PRIMARILY TO PARTS OF THE BODY OTHER THAN THE HANDS, FEET AN

(b) THE MANUAL APPLICATION OF COMPRESSION, STRETCH, VIBRATION OR MOBILIZAT THE FOREARMS, ELBOWS, KNEES OR FEET OR HANDHELD MECHANICAL OR ELECTRICA

(c) ANY COMBINATION OF RANGE OF MOTION, DIRECTED, ASSISTED OR PASSIVE MOVEM THE JOINTS.

(d) HYDROTHERAPY, INCLUDING THE THERAPEUTIC APPLICATIONS OF WATER, HEAT, C WRAPS, ESSENTIAL OILS, SKIN BRUSHING, SALT GLOWS AND SIMILAR APPLICATIONS O PRODUCTS TO THE SKIN.

6. "PRACTICE OF MASSAGE THERAPY" MEANS THE APPLICATION OF MASSAGE THERAPY PERSON FOR A FEE OR OTHER CONSIDERATION. PRACTICE OF MASSAGE THERAPY DOES

INCLUDE THE DIAGNOSIS OF ILLNESS OR DISEASE, MEDICAL PROCEDURES, NATUROPA MANIPULATIVE MEDICINE, OSTEOPATHIC MANIPULATIVE MEDICINE, CHIROPRACTIC AI PROCEDURES, HOMEOPATHIC NEUROMUSCULAR INTEGRATION, ELECTRICAL STIMULA ULTRASOUND, PRESCRIPTION OF MEDICINES OR THE USE OF MODALITIES FOR WHICH A TO PRACTICE MEDICINE, CHIROPRACTIC, NURSING, PHYSICAL THERAPY, ACUPUNCTUR PODIATRY IS REQUIRED BY LAW.

32-4202. Board; membership; terms; immunity

A. THE BOARD OF MASSAGE THERAPY IS ESTABLISHED CONSISTING OF THE FOLLOWIN MEMBERS APPOINTED BY THE GOVERNOR:

1. THREE MASSAGE THERAPISTS WHO ARE RESIDENTS OF THIS STATE, WHO POSSESS AN UNRESTRICTED LICENSE TO PRACTICE MASSAGE THERAPY IN THIS STATE AND WHO HA PRACTICING IN THIS STATE FOR AT LEAST FIVE YEARS IMMEDIATELY PRECEDING THEI APPOINTMENT. THE GOVERNOR MAY MAKE THESE APPOINTMENTS FROM A LIST OF NA SUBMITTED BY A STATEWIDE MASSAGE OR BODYWORK THERAPY ASSOCIATION, OR BO ANY OTHER GROUP OR PERSON. THE INITIAL THREE APPOINTEES ARE NOT REQUIRED T LICENSED PURSUANT TO THIS CHAPTER AT THE TIME OF SELECTION BUT MUST MEET A QUALIFICATIONS FOR LICENSURE AS PRESCRIBED BY THIS CHAPTER.

2. TWO PUBLIC MEMBERS WHO ARE RESIDENTS OF THIS STATE AND WHO ARE NOT AFFI WITH AND DO NOT HAVE ANY FINANCIAL INTEREST IN ANY HEALTH CARE PROFESSION HAVE AN INTEREST IN CONSUMER RIGHTS OR HAVE A BACKGROUND IN COMPLIANCE (ENFORCEMENT ISSUES.

B. BOARD MEMBERS SERVE STAGGERED FIVE YEAR TERMS THAT BEGIN AND END ON T MONDAY IN JANUARY. BOARD MEMBERS SHALL NOT SERVE FOR MORE THAN TWO SUC FIVE YEAR TERMS OR FOR MORE THAN TEN CONSECUTIVE YEARS. THE TERM OF OFFICI MEMBER OF THE BOARD APPOINTED TO FILL A VACANCY THAT OCCURS BEFORE THE E OF A FULL TERM IS FOR THE UNEXPIRED PORTION OF THAT TERM AND THE GOVERNOR REAPPOINT THAT MEMBER TO NOT MORE THAN TWO ADDITIONAL FULL TERMS.

C. IF REQUESTED BY THE BOARD, THE GOVERNOR MAY REMOVE A BOARD MEMBER FO MISCONDUCT, INCOMPETENCE OR NEGLECT OF DUTY.

D. BOARD MEMBERS ARE ELIGIBLE FOR REIMBURSEMENT OF EXPENSES PURSUANT TO CHAPTER 4, ARTICLE 2 TO COVER NECESSARY EXPENSES FOR ATTENDING EACH BOARD OR FOR REPRESENTING THE BOARD IN AN OFFICIAL BOARD APPROVED ACTIVITY.

E. A BOARD MEMBER WHO ACTS WITHIN THE SCOPE OF BOARD DUTIES, WITHOUT MAL THE REASONABLE BELIEF THAT THE MEMBER'S ACTION IS WARRANTED BY LAW IS NO TO CIVIL LIABILITY.

32-4203. Board; powers and duties

A. THE BOARD SHALL:

1. EVALUATE THE QUALIFICATIONS OF APPLICANTS FOR LICENSURE.

2. DESIGNATE AT LEAST ONE NATIONAL EXAMINATION THAT IT REQUIRES APPLICANTS

3. ISSUE LICENSES TO PERSONS WHO MEET THE REQUIREMENTS OF THIS CHAPTER.

4. REGULATE THE PRACTICE OF MASSAGE THERAPY BY INTERPRETING AND ENFORCIN(CHAPTER.

5. ESTABLISH REQUIREMENTS FOR THE EDUCATION OF LICENSEES AND APPLICANTS, IN THE IDENTIFICATION OF BOARD APPROVED SCHOOLS, CONTINUING EDUCATION PROGF ASSESSING THE CONTINUING COMPETENCE OF LICENSEES.

6. ADOPT RULES FOR ETHICAL AND PROFESSIONAL CONDUCT TO GOVERN THE PRACTIC MASSAGE THERAPY IN THIS STATE.

7. ADOPT RULES TO ENFORCE THIS CHAPTER.

8. MEET AT LEAST ONCE EACH QUARTER IN COMPLIANCE WITH THE OPEN MEETING REQUIREMENTS OF TITLE 38, CHAPTER 3, ARTICLE 3.1 AND KEEP AN OFFICIAL RECORD (MEETINGS.

9. AT ITS FIRST REGULAR MEETING AFTER THE START OF EACH CALENDAR YEAR, ELEC OFFICERS FROM AMONG ITS MEMBERS AS NECESSARY TO ACCOMPLISH BOARD BUSINE

10. PROVIDE FOR THE TIMELY ORIENTATION AND TRAINING OF NEW PROFESSIONAL AN APPOINTEES TO THE BOARD REGARDING BOARD LICENSING AND DISCIPLINARY PROCE THIS CHAPTER, BOARD RULES AND BOARD PROCEDURES.

11. MAINTAIN A CURRENT LIST OF ALL LICENSEES. THIS LIST SHALL INCLUDE THE LICE NAME, CURRENT BUSINESS ADDRESS AND TELEPHONE NUMBER AND LICENSE NUMBER SHALL BE REGULARLY ACCESSIBLE IN ELECTRONIC FORMAT TO PUBLIC OFFICIALS AN AGENCIES TO VERIFY THE LICENSE STATUS OF LICENSEES IN THIS STATE.

12. ENTER INTO CONTRACTS FOR SERVICES NECESSARY TO ENFORCE THIS CHAPTER.

13. PUBLISH, AT LEAST ANNUALLY, OR MAKE AVAILABLE FOR COPYING OR REPRODUC ANY FORMAT, FINAL DISCIPLINARY ACTIONS TAKEN AGAINST A LICENSEE.

B. THE BOARD MAY:

1. ACCEPT AND SPEND FEDERAL MONIES AND PRIVATE GRANTS, GIFTS, CONTRIBUTION DEVISES TO ASSIST IN CARRYING OUT THE PURPOSES OF THIS CHAPTER. THESE MONIE REVERT TO THE STATE GENERAL FUND AT THE END OF A FISCAL YEAR.

2. ADMINISTER OATHS AND AFFIRMATIONS, SUBPOENA WITNESSES, TAKE EVIDENCE AI REQUIRE THE PRODUCTION OF DOCUMENTS, RECORDS OR INFORMATION, EITHER KEPT ORIGINAL FORM OR ELECTRONICALLY STORED OR RECORDED, OR OTHER ITEMS RELEV MATTER WITHIN THE JURISDICTION OF THE BOARD.

3. REQUIRE A CRIMINAL BACKGROUND CHECK, INCLUDING THE FINGERPRINTING OF EV APPLICANT FOR LICENSURE, TO ASSIST THE BOARD IN DETERMINING WHETHER GROUN

TO DENY A LICENSE.

32-4204. Executive director; personnel

A. THE EXECUTIVE DIRECTOR OF THE NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS SHALL ALSO SERVE AS THE EXECUTIVE DIRECTOR OF THE BOARD OF MAS THERAPY.

B. THE STAFF OF THE NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS SH CARRY OUT THE ADMINISTRATIVE RESPONSIBILITIES OF THE BOARD OF MASSAGE THE

32-4205. Deposit and use of monies received by board

A. EXCEPT AS PROVIDED IN SECTION 32-4254, SUBSECTION L AND SECTION 32-4255, SUB THE BOARD SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, TEN PER CENT MONIES COLLECTED PURSUANT TO THIS CHAPTER IN THE STATE GENERAL FUND AND I THE REMAINING NINETY PER CENT OF THE MONIES IN A SEPARATE ACCOUNT ESTABLI THE BOARD OF MASSAGE THERAPY IN THE NATUROPATHIC PHYSICIANS BOARD OF ME EXAMINERS FUND ESTABLISHED BY SECTION 32-1505.

B. THE BOARD MAY SPEND MONIES DEPOSITED IN THE SEPARATE ACCOUNT ESTABLISH THE BOARD AND DEPOSITED IN THE NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS FUND PURSUANT TO SECTION 32-1505.

ARTICLE 2. LICENSURE

32-4221. Licensure; persons and activities not required to be licensed

A. BEGINNING ON JULY 1, 2004, A PERSON WHO WISHES TO ENGAGE IN THE PRACTICE O THERAPY MUST BE LICENSED PURSUANT TO THIS CHAPTER AND MAY SUBMIT AN APPL FOR LICENSURE PURSUANT TO THIS CHAPTER NOT SOONER THAN THE DATE PRESCRIB BOARD.

B. THIS CHAPTER DOES NOT APPLY TO:

1. A HEALTH CARE PROFESSIONAL WHO IS LICENSED PURSUANT TO THIS TITLE AND W PRACTICES WITHIN THE SCOPE OF THAT PERSON'S LICENSE IF THAT PERSON DOES NOT BE A MASSAGE THERAPIST OR A BODYWORK THERAPIST.

2. A PERSON WHO IS PURSUING A COURSE OF STUDY LEADING TO A DEGREE AS A MASS THERAPIST IN A PROFESSIONAL EDUCATION PROGRAM THAT IS APPROVED BY THE BO OF THE FOLLOWING APPLY:

(a) THE PERSON IS SATISFYING SUPERVISED CLINICAL EDUCATION REQUIREMENTS REL THE PERSON'S MASSAGE THERAPY EDUCATION WHILE UNDER THE DIRECT SUPERVISIO LICENSED MASSAGE THERAPIST.

(b) THE PERSON IS PRACTICING IN AN EDUCATION SETTING IN THIS STATE THAT HAS BE APPROVED BY THE STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION.

(c) THE PERSON IS PRACTICING IN AN ESTABLISHMENT, LOCATION OR SETTING THAT C(WITH APPLICABLE MUNICIPAL AND COUNTY ORDINANCES.

(d) ALL PERSONS WHO ARE PRESENT IN THE ROOM DURING THE DELIVERY OF MASSAGI SERVICES, OTHER THAN A STUDENT AND THE CUSTOMER, ARE LICENSED PURSUANT TO CHAPTER OR A HEALTH PROFESSIONAL AS DEFINED IN SECTION 32-3201.

3. A MASSAGE THERAPIST WHO RESIDES AND IS EMPLOYED IN ANOTHER JURISDICTION POSSESSES THE QUALIFICATIONS FOR LICENSURE IN THIS STATE IF THAT PERSON IS PE MASSAGE THERAPY IN THIS STATE IN CONNECTION WITH TEACHING OR IS PARTICIPAT EDUCATIONAL SEMINAR.

4. THE PRACTICE OF MASSAGE THERAPY BY A PERSON WHO IS EMPLOYED BY THE GOV OF THE UNITED STATES WHILE THE PERSON IS ENGAGED IN THE PERFORMANCE OF DU PRESCRIBED BY THE LAWS AND REGULATIONS OF THE UNITED STATES.

5. WHEN THE CUSTOMER IS FULLY CLOTHED, THE PRACTICE OF MOVEMENT EDUCATOR DANCE THERAPISTS OR TEACHERS, YOGA TEACHERS, PERSONAL TRAINERS, MARTIAL A INSTRUCTORS AND MOVEMENT REPATTERNING PRACTITIONERS.

6. WHEN THE CUSTOMER IS FULLY CLOTHED, THE PRACTICE OF TECHNIQUES THAT ARE SPECIFICALLY INTENDED TO AFFECT THE HUMAN ENERGY FIELD.

C. A HEALTH CARE PROFESSIONAL WHO IS LICENSED PURSUANT TO THIS TITLE AND WI PRACTICES WITHIN THE SCOPE OF THAT PERSON'S LICENSE IS NOT REQUIRED TO BE LIC PURSUANT TO THIS CHAPTER.

D. NOTHING IN THIS CHAPTER REQUIRES A PERSON ACTING UNDER THE SUPERVISION O PERSON LICENSED PURSUANT TO THIS TITLE AND PERMITTED BY THIS TITLE TO PERFO FUNCTIONS UNDER THE DIRECTION OR SUPERVISION OF THAT LICENSEE TO HOLD A LI(PURSUANT TO THIS CHAPTER.

32-4222. Qualifications for licensure; exemption from examination and clinical experience requirements

A. AN APPLICANT FOR A LICENSE AS A MASSAGE THERAPIST SHALL:

1. BE AT LEAST EIGHTEEN YEARS OF AGE.

2. BE A CITIZEN OR LEGAL RESIDENT OF THE UNITED STATES.

3. SATISFY THE REQUIREMENTS OF SECTION 32-4224.

4. BE OF GOOD MORAL CHARACTER.

5. POSSESS A HIGH SCHOOL DIPLOMA OR GENERAL EQUIVALENCY DIPLOMA OR A SIMIL DOCUMENT OR CERTIFICATE.

6. HAVE COMPLETED THE APPLICATION PROCESS.

7. PAY THE FEES ESTABLISHED PURSUANT TO SECTION 32-4227.

8. NOT HAVE BEEN CONVICTED OF A FELONY OR OTHER OFFENSE INVOLVING MORAL T
OR PROSTITUTION, SOLICITATION OR OTHER SIMILAR OFFENSE WITHIN FIVE YEARS PRI
THE DATE OF THE APPLICATION.

9. WITHIN THE PAST FIVE YEARS NOT HAVE VOLUNTARILY SURRENDERED A LICENSE U
SECTION 32-4254 OR NOT HAVE HAD A LICENSE TO PRACTICE MASSAGE THERAPY OR AN
SIMILAR LICENSE REVOKED BY A POLITICAL SUBDIVISION OF THIS STATE OR A REGUL
BOARD IN ANOTHER JURISDICTION IN THE UNITED STATES FOR AN ACT THAT OCCURRI
JURISDICTION THAT WOULD BE SUBJECT TO DISCIPLINE PURSUANT TO THIS CHAPTER.

10. NOT BE CURRENTLY UNDER INVESTIGATION, SUSPENSION OR RESTRICTION BY A PO
SUBDIVISION OF THIS STATE OR A REGULATORY BOARD IN ANOTHER JURISDICTION IN
UNITED STATES FOR AN ACT THAT OCCURRED IN THAT JURISDICTION THAT WOULD BE
TO DISCIPLINE PURSUANT TO THIS CHAPTER. IF THE APPLICANT IS UNDER INVESTIGATI
REGULATORY BOARD IN ANOTHER JURISDICTION, THE BOARD SHALL SUSPEND THE AP
PROCESS AND MAY NOT ISSUE OR DENY A LICENSE TO THE APPLICANT UNTIL THE
INVESTIGATION IS RESOLVED.

11. SUBMIT A FULL SET OF FINGERPRINTS TO THE BOARD FOR THE PURPOSE OF OBTAIN
STATE AND FEDERAL CRIMINAL RECORDS CHECK PURSUANT TO SECTION 41-1750 AND I
LAW 92-544. THE DEPARTMENT OF PUBLIC SAFETY MAY EXCHANGE THIS FINGERPRINT
WITH THE FEDERAL BUREAU OF INVESTIGATION. THE BOARD MAY CHARGE THE COST (
CRIMINAL BACKGROUND CHECK TO THE APPLICANT.

B. IN ADDITION TO THE REQUIREMENTS OF SUBSECTION A OF THIS SECTION, AN APPLIC
LICENSURE AS A MASSAGE THERAPIST SHALL:

1. HAVE SUCCESSFULLY COMPLETED A COURSE OF STUDY OF MASSAGE THERAPY OR B
THERAPY CONSISTING OF A MINIMUM OF FIVE HUNDRED CLASSROOM HOURS OF SUPEI
INSTRUCTION AT A BOARD APPROVED SCHOOL. ON OR AFTER JULY 1, 2005, THE BOARD
RULE, INCREASE THE MINIMUM NUMBER OF CLASSROOM HOURS OF SUPERVISED INSTF
AT A BOARD APPROVED SCHOOL THAT AN APPLICANT FOR LICENSURE AS A MASSAGE
SHALL HAVE SUCCESSFULLY COMPLETED.

2. HAVE SUCCESSFULLY PASSED AN EXAMINATION ADMINISTERED BY A NATIONAL BO
ACCREDITED BY THE CERTIFYING AGENCY THAT HAS BEEN APPROVED BY THE NATION
COMMISSION ON COMPETENCY ASSURANCE AND THAT IS IN GOOD STANDING WITH TH
AGENCY OR HAVE SUCCESSFULLY PASSED AN EXAMINATION THAT IS ADMINISTERED (
APPROVED BY THE BOARD.

C. NOTWITHSTANDING SUBSECTION B OF THIS SECTION, A PERSON WHO APPLIES FOR A
PROVISIONAL LICENSE UNDER THIS CHAPTER MAY BE LICENSED BY THE BOARD ON
DEMONSTRATION OF THE QUALIFICATIONS SET FORTH IN THIS SUBSECTION AND SUBSI
OF THIS SECTION ON OR BEFORE DECEMBER 31, 2004 SUBJECT TO THE REQUIREMENTS O
SECTION. A PERSON MAY QUALIFY FOR A LICENSE UNDER THIS SUBSECTION IF THE PEF
EITHER:

1. HAS COMPLETED A MINIMUM OF TWO HUNDRED HOURS OF EDUCATION AND TRAINI
STUDY OF MASSAGE THERAPY OR BODYWORK THERAPY AND THE PERSON HAS CONTI
PRACTICED MASSAGE THERAPY IN THIS STATE FOR AT LEAST THREE YEARS BEFORE TI

EFFECTIVE DATE OF THIS CHAPTER. THE TWO HUNDRED HOURS OF EDUCATION AND TF
REQUIRED BY THIS PARAGRAPH MUST BE TAKEN IN A MASSAGE OR BODYWORK TRAIN
PROGRAM THAT IS APPROVED BY THE STATE BOARD FOR PRIVATE POSTSECONDARY EI
OR A PROGRAM THAT IS APPROVED BY A SIMILAR AGENCY OF ANOTHER STATE THAT I
REQUIREMENTS THAT ARE SUBSTANTIALLY EQUIVALENT TO THE REQUIREMENTS OF T
BOARD FOR PRIVATE POSTSECONDARY EDUCATION. THE TRAINING PROGRAM REQUIRI
PARAGRAPH MUST CONSIST OF ANATOMY AND PHYSIOLOGY, MASSAGE THEORY AND I
AND ETHICS.

2. DEMONSTRATES THAT THE PERSON HAS BEEN SELF-SUPPORTIVE AS A MASSAGE THE
THIS STATE SINCE FROM AND AFTER DECEMBER 31, 1992.

3. HOLDS A CURRENT PROFESSIONAL LICENSE FROM A MUNICIPALITY OR POLITICAL SU
OF THIS STATE THAT REGULATED THE PRACTICE OF MASSAGE THERAPY BEFORE THE E
DATE OF THIS CHAPTER.

D. THE BOARD MAY ADOPT RULES TO ALLOW IT TO CONSIDER THE EDUCATION AND EX
OF AN APPLICANT WHO CAME FROM A FOREIGN COUNTRY.

E. IF THE BOARD IS SATISFIED THAT AN APPLICANT MEETS THE REQUIREMENTS OF THIS
THE BOARD SHALL ISSUE A LICENSE TO THE APPLICANT.

32-4223. Reciprocity

A. AN APPLICANT IS ELIGIBLE FOR RECIPROCAL LICENSURE IF EITHER OF THE FOLLOWI
APPLIES:

1. THE APPLICANT HAS BEEN LICENSED CONTINUOUSLY IN ANOTHER STATE FOR THE L
YEARS PRECEDING THE FILING OF THE APPLICATION WITH THE BOARD AND THE OTHEI
HAS STANDARDS FOR MASSAGE THERAPISTS THAT ARE SUBSTANTIALLY EQUIVALENT
IN THIS STATE.

2. THE APPLICANT HOLDS A CURRENT CERTIFICATION FROM THE NATIONAL CERTIFICA
BOARD FOR THERAPEUTIC MASSAGE AND BODYWORK OR ANOTHER AGENCY THAT ME
STANDARDS OF THE NATIONAL COMMISSION ON COMPETENCY ASSURANCE AND RECE
EDUCATION AND TRAINING SUBSTANTIALLY EQUIVALENT TO THAT REQUIRED BY THIS

B. WHEN AN APPLICANT SUBMITS AN APPLICATION FOR RECIPROCITY, THE APPLICANT
ALSO SUBMIT A LETTER OR OTHER DOCUMENT ACCEPTABLE TO THE BOARD SHOWING
ANY JURISDICTION THAT HAS PREVIOUSLY CERTIFIED OR LICENSED THE APPLICANT H
INSTITUTED DISCIPLINARY PROCEEDINGS OR HAS UNRESOLVED COMPLAINTS PENDINC
THE APPLICANT. IF A DISCIPLINARY PROCEEDING OR AN UNRESOLVED COMPLAINT IS P
THE APPLICANT SHALL NOT BE LICENSED UNTIL THE PROCEEDING OR THE COMPLAINT
RESOLVED IN THE APPLICANT'S FAVOR.

32-4224. Application; temporary licensure; statement of deficiencies

A. AN APPLICANT FOR LICENSURE SHALL FILE A COMPLETED APPLICATION UNDER OAT
AFFIRMATION CONTAINING THE INFORMATION REQUIRED BY THE BOARD. THE APPLIC
INCLUDE THE APPLICATION FEE AS PRESCRIBED IN SECTION 32-4227.

B. THE EXECUTIVE DIRECTOR MAY ISSUE A TEMPORARY LICENSE TO AN APPLICANT WI COMPLETED APPLICATION, WHO MEETS THE APPLICABLE QUALIFICATIONS PRESCRIBE SECTION 32-4222 AND WHO PAYS THE PRESCRIBED APPLICATION FEE. A TEMPORARY LI NOT EFFECTIVE FOR MORE THAN ONE HUNDRED TWENTY DAYS AND EXPIRES ON THE OCCURRENCE OF ANY ONE OF THE FOLLOWING:

1. ISSUANCE OF A LICENSE BY THE BOARD.

2. DENIAL OF THE APPLICATION BY THE BOARD.

3. EXPIRATION OF THE TERM FOR WHICH THE TEMPORARY LICENSE WAS ISSUED.

32-4225. License renewal; changes in personal information; notification; continuing education

A. A LICENSE ISSUED PURSUANT TO THIS CHAPTER IS SUBJECT TO RENEWAL EVERY OT AND EXPIRES UNLESS RENEWED.

B. THE EXECUTIVE DIRECTOR SHALL SEND A RENEWAL APPLICATION TO EACH LICENSI LEAST SIXTY DAYS BEFORE EXPIRATION OF THE LICENSE AND MAY RENEW THE LICEN RECEIPT OF A COMPLETED RENEWAL APPLICATION.

C. EACH LICENSEE IS RESPONSIBLE FOR REPORTING TO THE BOARD A NAME CHANGE A CHANGES IN BUSINESS AND HOME ADDRESSES AND PHONE NUMBERS WITHIN TEN DAY ANY CHANGE.

D. EACH LICENSEE SHALL NOTIFY THE BOARD IN WRITING WITHIN TEN DAYS AFTER TE ISSUANCE OF A FINAL ORDER, JUDGMENT OR CONVICTION OF A FELONY OR OTHER OFI INVOLVING MORAL TURPITUDE OR PROSTITUTION, SOLICITATION OR ANY OTHER SIMII OFFENSE.

E. WHEN A LICENSEE RENEWS A LICENSE, THE LICENSEE MUST SUBMIT TO THE BOARD OF THE SUCCESSFUL COMPLETION OF AT LEAST TWENTY-FIVE HOURS OF CONTINUING EDUCATION IN THE PRACTICE OF MASSAGE THERAPY, AS APPROVED BY THE BOARD, D IMMEDIATELY PRECEDING TWO YEARS.

32-4226. Renewal of an expired license; reinstatement of a lapsed license

A. THE BOARD MAY RENEW AN EXPIRED LICENSE ON PAYMENT OF A RENEWAL FEE AN DELINQUENCY FEE AND ON PROOF THAT THE APPLICANT CONTINUES TO MEET ALL REQUIREMENTS FOR CONTINUING COMPETENCY AND CONTINUING EDUCATION ESTAB THE BOARD.

B. THE BOARD MAY REINSTATE A LAPSED LICENSE ON PAYMENT OF A RENEWAL FEE A REINSTATEMENT FEE AND ON PROOF THAT THE APPLICANT CONTINUES TO MEET ALL REQUIREMENTS FOR CONTINUING COMPETENCY AND CONTINUING EDUCATION ESTAB THE BOARD.

C. IF A PERSON'S LICENSE HAS LAPSED FOR MORE THAN THREE CONSECUTIVE YEARS, T PERSON SHALL REAPPLY FOR A LICENSE AND PAY ALL APPLICABLE FEES. THE PERSON ALSO DEMONSTRATE TO THE BOARD'S SATISFACTION COMPETENCY IN THE PRACTICE (

MASSAGE THERAPY OR SHALL SERVE AN INTERNSHIP UNDER A RESTRICTED LICENSE O
REMEDIAL COURSES AS DETERMINED BY THE BOARD, OR BOTH, AT THE BOARD'S DISCI
THE BOARD MAY ALSO REQUIRE THE APPLICANT TO TAKE AN EXAMINATION.

32-4227. Fees

A. THE BOARD SHALL ESTABLISH AND COLLECT NONREFUNDABLE FEES THAT DO NOT
THE FOLLOWING:

1. TO APPLY FOR AN ORIGINAL LICENSE, TWO HUNDRED FIFTY DOLLARS.

2. TO RENEW A LICENSE, TWO HUNDRED FIFTY DOLLARS.

3. TO REINSTATE A LAPSED LICENSE, TWO HUNDRED FIFTY DOLLARS.

4. TO RENEW A LICENSE AFTER THE EXPIRATION DATE OF THE LICENSE, A DELINQUENC
ONE HUNDRED TWENTY-FIVE DOLLARS.

5. FOR EACH DUPLICATE LICENSE, FIFTY DOLLARS.

6. FOR COPYING RECORDS, DOCUMENTS, LETTERS, MINUTES, APPLICATIONS AND FILES.
FIVE CENTS PER PAGE.

B. THE BOARD SHALL CHARGE ADDITIONAL FEES FOR SERVICES NOT REQUIRED TO BE
BY THIS CHAPTER BUT THAT THE BOARD DETERMINES ARE NECESSARY AND APPROPRI
CARRY OUT THIS CHAPTER. THE FEES SHALL NOT EXCEED THE ACTUAL COST OF PROVI
THESE SERVICES.

32-4228. Massage and bodywork therapy schools

A. THE BOARD SHALL:

1. RECOGNIZE ANY MASSAGE THERAPY OR BODYWORK THERAPY SCHOOL OR TRAININ
PROGRAM IN THIS STATE OFFERED BY A COMMUNITY COLLEGE OR APPROVED BY THE
BOARD FOR PRIVATE POSTSECONDARY EDUCATION AS A BOARD APPROVED SCHOOL.

2. ESTABLISH RULES FOR THE RECOGNITION OF MASSAGE AND BODYWORK THERAPY S
LOCATED IN ANOTHER STATE REGARDING WHETHER THE PROGRAM RECEIVED APPRO
AN AGENCY SIMILAR TO THE STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATIO
WHETHER THE PROGRAM MEETS SUBSTANTIALLY EQUIVALENT REQUIREMENTS TO TH
REQUIREMENTS IMPOSED BY THE STATE BOARD FOR PRIVATE POSTSECONDARY EDUC

B. EACH SCHOOL LOCATED IN THIS STATE RECEIVING APPROVAL FROM THE STATE BO
PRIVATE POSTSECONDARY EDUCATION REQUIREMENTS SHALL REPORT TO THE BOARD
MASSAGE THERAPY:

1. THE PHYSICAL ADDRESS OF THE SCHOOL AND EACH INSTRUCTIONAL FACILITY MAIN
OR OPERATED BY THE SCHOOL.

2. ALL FACULTY AND INSTRUCTIONAL STAFF, AND ALL ADDITIONS OR DELETIONS FRO

FACULTY AND STAFF.

C. A SCHOOL LOCATED IN ANOTHER STATE THAT OFFERS A TRAINING PROGRAM IN MA THERAPY OR BODYWORK THERAPY MAY MAKE APPLICATION FOR APPROVAL TO THE E MASSAGE THERAPY. THE BOARD OF MASSAGE THERAPY SHALL GRANT APPROVAL TO A LOCATED IN ANOTHER STATE IF THE SCHOOL DEMONSTRATES THAT THE SCHOOL RECI APPROVAL FROM AN AGENCY SIMILAR TO THE STATE BOARD FOR PRIVATE POSTSECON EDUCATION AND THAT THE SCHOOL MEETS SUBSTANTIALLY EQUIVALENT REQUIREME THE REQUIREMENTS IMPOSED BY THE STATE BOARD FOR PRIVATE POSTSECONDARY EI

D. THE BOARD SHALL MAINTAIN A LIST OF APPROVED SCHOOLS.

ARTICLE 3. REGULATION

32-4251. Lawful practice

A. A MASSAGE THERAPIST SHALL REFER A PERSON REQUIRING A TREATMENT FOR A CO OUTSIDE THE SCOPE OF PRACTICE OF A MASSAGE THERAPIST TO ONE OR MORE APPROI HEALTH CARE PRACTITIONERS IF THE MASSAGE THERAPIST HAS REASONABLE CAUSE BELIEVE SYMPTOMS OR CONDITIONS ARE PRESENT THAT REQUIRE SERVICES BEYOND OF PRACTICE OF MASSAGE THERAPY OR IF MASSAGE THERAPY IS CONTRAINDICATED.

B. A MASSAGE THERAPIST SHALL ADHERE TO THE RECOGNIZED STANDARDS AND ETHI MASSAGE THERAPY PROFESSION AND AS FURTHER ESTABLISHED BY RULE.

C. THIS CHAPTER DOES NOT AUTHORIZE A MASSAGE THERAPIST TO PRACTICE ANY OTI PROFESSION REGULATED UNDER THIS TITLE AND DOES NOT EXPAND THE SCOPE OF PR ANY HEALTH CARE PROVIDER WHO IS NOT LICENSED PURSUANT TO THIS CHAPTER BU LICENSED PURSUANT TO THIS TITLE.

32-4252. Use of title; restrictions; violation; classification

A. NO PERSON MAY CLAIM TO BE A MASSAGE THERAPIST OR USE ANY TERMS OR REFEI ANY ADVERTISEMENT, STATEMENT OR PUBLICATION TO SUGGEST TO THE PUBLIC THA PERSON IS A MASSAGE THERAPIST UNLESS THAT PERSON IS A MASSAGE THERAPIST LIC PURSUANT TO THIS CHAPTER.

B. THE BOARD MAY ADOPT RULES TO IMPLEMENT THIS SECTION INCLUDING THE IDENT OF REFERENCES THAT MAY BE USED ONLY BY PERSONS LICENSED UNDER THIS CHAPTI EXEMPT FROM LICENSURE UNDER THIS CHAPTER.

C. A PERSON WHO IS NOT LICENSED PURSUANT TO THIS CHAPTER SHALL NOT USE ANY TITLES OR ABBREVIATIONS OR ANY OTHER ABBREVIATION OR OTHER WORDS, LETTER OR FIGURES TO INDICATE THAT THE PERSON USING THE TITLE IS LICENSED PURSUANT CHAPTER.

D. AN ESTABLISHMENT OR BUSINESS THAT EMPLOYS OR CONTRACTS WITH PERSONS W LICENSED UNDER THIS CHAPTER SHALL NOT ADVERTISE ON BEHALF OF THOSE PERSON THE SERVICES ARE PROVIDED BY OR UNDER THE DIRECT SUPERVISION OF A PERSON LI PURSUANT TO THIS CHAPTER.

E. A PERSON OR ENTITY THAT VIOLATES THIS SECTION IS GUILTY OF A CLASS 1 MISDEM

32-4253. Disciplinary action; grounds; definitions

A. THE FOLLOWING ARE GROUNDS FOR DISCIPLINARY ACTION:

1. FAILING TO MEET OR MAINTAIN THE REQUIREMENTS FOR AN ORIGINAL LICENSE UNI SECTION 32-4222, SUBSECTION A.

2. USING FRAUD, DECEIT OR MISREPRESENTATION IN OBTAINING OR ATTEMPTING TO O LICENSE OR THE RENEWAL OR REINSTATEMENT OF A LICENSE.

3. USING DRUGS OR INTOXICATING LIQUORS TO AN EXTENT THAT AFFECTS PROFESSIOI COMPETENCY.

4. CONVICTION OF A FELONY OR OTHER OFFENSE INVOLVING MORAL TURPITUDE OR A] CONVICTION FOR PROSTITUTION, SOLICITATION OR ANOTHER SIMILAR OFFENSE. A CO BY A COURT OF COMPETENT JURISDICTION IS CONCLUSIVE EVIDENCE OF THE COMMIS THE CRIME.

5. HAVING BEEN FOUND MENTALLY INCOMPETENT BY A COURT OF COMPETENT JURISI UNTIL PROOF OF RECOVERY FROM THE CONDITION CAN BE ESTABLISHED.

6. ENGAGING IN ANY ACT OR PRACTICE IN VIOLATION OF THIS CHAPTER OR ANY BOAR AIDING, ABETTING OR ASSISTING ANY OTHER PERSON IN THE VIOLATION OF THESE PR(OR RULES.

7. HAVING HAD A LICENSE OR CERTIFICATE REVOKED OR SUSPENDED OR ANY OTHER DISCIPLINARY ACTION TAKEN OR AN APPLICATION FOR LICENSURE OR CERTIFICATION REVOKED OR SUSPENDED BY THE PROPER AUTHORITIES OF ANOTHER STATE, TERRITOI COUNTRY.

8. COMMITTING AN ACT OF MALPRACTICE, GROSS NEGLIGENCE OR INCOMPETENCY.

9. PRACTICING AS A LICENSEE UNDER THIS CHAPTER WITHOUT AN ACTIVE LICENSE.

10. ENGAGING IN CONDUCT THAT COULD RESULT IN HARM OR INJURY TO THE PUBLIC.

11. USING FRAUD, DECEIT OR MISREPRESENTATION WHEN COMMUNICATING WITH THE PUBLIC, HEALTH CARE PROFESSIONALS OR OTHER BUSINESS PROFESSIONALS.

12. FALSELY HOLDING OUT ONESELF AS LICENSED OR CERTIFIED IN ANY DISCIPLINE OF THERAPY WITHOUT SUCCESSFULLY COMPLETING TRAINING APPROVED BY THE BOARI SPECIALTY.

13. PRACTICING OR OFFERING TO PRACTICE BEYOND THE SCOPE OF THE PRACTICE OF M THERAPY.

14. ENGAGING IN THE PERFORMANCE OF SUBSTANDARD CARE BY A MASSAGE THERAPI A DELIBERATE OR NEGLIGENT ACT OR FAILURE TO ACT, REGARDLESS OF WHETHER AC

INJURY TO THE PERSON CARED FOR IS ESTABLISHED.

15. ENGAGING IN SEXUAL ACTIVITY WITH A CLIENT.

16. FAILING TO ADHERE TO THE RECOGNIZED STANDARDS AND ETHICS OF THE MASSAC THERAPY PROFESSION.

17. CHARGING UNREASONABLE OR FRAUDULENT FEES FOR SERVICES PERFORMED OR N PERFORMED.

18. AIDING OR ABETTING A PERSON WHO IS NOT LICENSED IN THIS STATE AND WHO DIF INDIRECTLY PERFORMS ACTIVITIES REQUIRING A LICENSE.

19. FAILING TO REPORT TO THE BOARD ANY ACT OR OMISSION OF A LICENSEE OR APPL ANY OTHER PERSON WHO VIOLATES THIS CHAPTER.

20. INTERFERING WITH AN INVESTIGATION OR DISCIPLINARY PROCEEDING BY WILFUL MISREPRESENTATION OF FACTS OR BY THE USE OF THREATS OR HARASSMENT AGAINS PERSON TO PREVENT THAT PERSON FROM PROVIDING EVIDENCE IN A DISCIPLINARY PR OR ANY LEGAL ACTION.

21. PROMOTING AN UNNECESSARY DEVICE, TREATMENT OR SERVICE FOR THE FINANCI OF THE MASSAGE THERAPIST OR OF A THIRD PARTY.

22. PROVIDING MASSAGE THERAPY SERVICES THAT ARE IN ANY WAY LINKED TO THE F GAIN OF A REFERRAL SOURCE.

23. VIOLATING THIS CHAPTER, BOARD RULES OR A WRITTEN ORDER OF THE BOARD.

B. FOR THE PURPOSES OF THIS SECTION:

1. "BREAST" MEANS ANY PORTION OF THE FEMALE BREAST BELOW A POINT IMMEDIATI THE TOP OF THE AREOLA.

2. "SEXUAL ACTIVITY" MEANS ANY OF THE FOLLOWING:

(a) SEXUAL CONDUCT.

(b) OFFERING TO ENGAGE IN SEXUAL CONDUCT.

(c) MAKING SEXUAL ADVANCES, REQUESTING SEXUAL FAVORS OR ENGAGING IN OTHE CONDUCT OR PHYSICAL CONTACT OF A SEXUAL NATURE WITH A CLIENT.

(d) INTENTIONALLY VIEWING A COMPLETELY OR PARTIALLY DISROBED PATIENT IN TH OF TREATMENT IF THE VIEWING IS NOT RELATED TO TREATMENT UNDER CURRENT PR STANDARDS.

(e) MASSAGING, TOUCHING OR APPLYING ANY INSTRUMENT OR DEVICE BY A LICENSEE COURSE OF PRACTICING OR ENGAGING IN MASSAGE THERAPY TO THE BREASTS OF A FI CLIENT UNLESS THE CLIENT REQUESTS BREAST MASSAGE AND SIGNS A WRITTEN CONS

IF THE CLIENT IS A MINOR, THE CONSENT FORM MUST INCLUDE THE SIGNATURE OF TH PARENT OR LEGAL GUARDIAN AUTHORIZING THE PROCEDURE AND OUTLINING THE RE THE PROCEDURE BEFORE THE PROCEDURE IS PERFORMED.

(f) ASKING OR DIRECTING A MASSAGE THERAPY CLIENT OR PROSPECTIVE CLIENT TO T CLIENT'S OWN ANUS OR GENITALS OR TO TOUCH THE ANUS, GENITALS OR FEMALE BRE ANY OTHER PERSON.

(g) ASKING OR DIRECTING A MASSAGE THERAPY CLIENT OR PROSPECTIVE CLIENT TO E CLIENT'S OWN ANUS OR GENITALS TO THE MASSAGE THERAPIST OR ANY OTHER PERSO

(h) FOR A MASSAGE THERAPIST TO EXPOSE THE MASSAGE THERAPIST'S ANUS OR GENIT CLIENT.

(i) FOR A MASSAGE THERAPIST TO EXPOSE HER BREASTS TO A CLIENT.

3. "SEXUAL CONDUCT" MEANS ANY DIRECT OR INDIRECT TOUCHING, FONDLING OR MANIPULATING OF ANY PART OF THE GENITALS OR ANUS BY ANY PART OF THE BODY OBJECT OR CAUSING A PERSON TO ENGAGE IN THAT CONDUCT.

32-4254. Investigative powers; emergency action; disciplinary proceedings; formal interview; hearing; ci

A. THE BOARD ON ITS OWN MOTION MAY INVESTIGATE ANY EVIDENCE THAT APPEARS THAT A LICENSEE IS OR MAY BE INCOMPETENT OR IS OR MAY BE SUBJECT TO DISCIPLI THIS CHAPTER. ON WRITTEN REQUEST OF A COMPLAINANT, THE BOARD SHALL REVIEW COMPLAINT AND TAKE ANY ACTION IT DEEMS APPROPRIATE. THE BOARD OR THE EXE DIRECTOR SHALL NOTIFY THE LICENSEE AS TO THE CONTENT OF THE COMPLAINT AS S REASONABLE. A LICENSEE SHALL, AND ANY OTHER PERSON MAY, REPORT TO THE BOA INFORMATION THE PERSON MAY HAVE THAT APPEARS TO SHOW GROUNDS FOR DISCIP ACTION AGAINST A LICENSEE. ANY PERSON OR ENTITY THAT REPORTS OR PROVIDES INFORMATION TO THE BOARD IN GOOD FAITH IS NOT SUBJECT TO AN ACTION FOR CIVI DAMAGES. IF REQUESTED, THE BOARD SHALL NOT DISCLOSE THE NAME OF A PERSON W SUPPLIES INFORMATION REGARDING A LICENSEE'S DRUG OR ALCOHOL IMPAIRMENT. I OF UNPROFESSIONAL CONDUCT FOR ANY LICENSEE TO FAIL TO REPORT AS REQUIRED I SECTION.

B. IF THE BOARD FINDS, BASED ON THE INFORMATION IT RECEIVES UNDER SUBSECTIO SECTION, THAT THE PUBLIC HEALTH, SAFETY OR WELFARE REQUIRES EMERGENCY AC INCORPORATES A FINDING TO THAT EFFECT IN ITS ORDER, THE BOARD MAY RESTRICT, ORDER A SUMMARY SUSPENSION OF A LICENSE PENDING PROCEEDINGS FOR REVOCAT OTHER ACTION. IF THE BOARD TAKES ACTION PURSUANT TO THIS SUBSECTION, IT SHA SERVE THE LICENSEE WITH A WRITTEN NOTICE THAT STATES THE CHARGES AND THAT LICENSEE IS ENTITLED TO A FORMAL HEARING BEFORE THE BOARD OR AN ADMINISTR JUDGE WITHIN SIXTY DAYS.

C. IF, AFTER COMPLETING ITS INVESTIGATION, THE BOARD FINDS THAT THE INFORMAT PROVIDED PURSUANT TO SUBSECTION A OF THIS SECTION IS NOT OF SUFFICIENT SERIO MERIT DISCIPLINARY ACTION AGAINST THE LICENSE OF THE LICENSEE, THE BOARD OR COMMITTEE MAY TAKE EITHER OF THE FOLLOWING NONDISCIPLINARY ACTIONS:

1. DISMISS IF, IN THE OPINION OF THE BOARD, THE INFORMATION IS WITHOUT MERIT.

2. FILE AN ADVISORY LETTER. THE LICENSEE MAY FILE A WRITTEN RESPONSE WITH TH WITHIN THIRTY DAYS AFTER RECEIVING THE ADVISORY LETTER.

D. IF THE BOARD FINDS THAT IT CAN TAKE REHABILITATIVE OR DISCIPLINARY ACTION THE PRESENCE OF THE LICENSEE AT A FORMAL INTERVIEW IT MAY ENTER INTO A CON: AGREEMENT WITH THE LICENSEE TO LIMIT OR RESTRICT THE LICENSEE'S PRACTICE OR REHABILITATE THE LICENSEE, PROTECT THE PUBLIC AND ENSURE THE LICENSEE'S ABII SAFELY ENGAGE IN THE PRACTICE OF MASSAGE THERAPY. THE BOARD MAY ALSO REQ LICENSEE TO SUCCESSFULLY COMPLETE A BOARD APPROVED REHABILITATIVE, RETRA CONTINUING EDUCATION OR ASSESSMENT PROGRAM.

E. IF, AFTER COMPLETING ITS INVESTIGATION, THE BOARD BELIEVES THAT THE INFORM OR MAY BE TRUE, IT MAY REQUEST A FORMAL INTERVIEW WITH THE LICENSEE. IF THE REFUSES THE INVITATION FOR A FORMAL INTERVIEW OR ACCEPTS AND THE RESULTS I THAT GROUNDS MAY EXIST FOR REVOCATION OR SUSPENSION OF THE LICENSEE'S LICE MORE THAN TWELVE MONTHS, THE BOARD SHALL ISSUE A FORMAL COMPLAINT AND O THAT A HEARING BE HELD PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10. IF, AFTER COMPLETING A FORMAL INTERVIEW, THE BOARD FINDS THAT THE PROTECTION OF THE REQUIRES EMERGENCY ACTION, IT MAY ORDER A SUMMARY SUSPENSION OF THE LICE PENDING FORMAL REVOCATION PROCEEDINGS OR OTHER ACTION AUTHORIZED BY TH

F. IF, AFTER COMPLETING THE FORMAL INTERVIEW, THE BOARD FINDS THE INFORMATI PROVIDED UNDER SUBSECTION A OF THIS SECTION IS NOT OF SUFFICIENT SERIOUSNES SUSPENSION FOR MORE THAN TWELVE MONTHS OR REVOCATION OF THE LICENSE, IT M ONE OR MORE OF THE FOLLOWING ACTIONS:

1. DISMISS IF, IN THE OPINION OF THE BOARD, THE COMPLAINT IS WITHOUT MERIT.

2. FILE AN ADVISORY LETTER. THE LICENSEE MAY FILE A WRITTEN RESPONSE WITH TH WITHIN THIRTY DAYS AFTER THE LICENSEE RECEIVES THE ADVISORY LETTER.

3. FILE A LETTER OF REPRIMAND.

4. ISSUE A DECREE OF CENSURE. A DECREE OF CENSURE IS AN OFFICIAL ACTION AGAIN LICENSEE'S LICENSE.

5. FIX A PERIOD AND TERMS OF PROBATION BEST ADAPTED TO PROTECT THE PUBLIC HI AND SAFETY AND TO REHABILITATE OR EDUCATE THE LICENSEE CONCERNED. PROBAT INCLUDE TEMPORARY SUSPENSION NOT TO EXCEED TWELVE MONTHS OR RESTRICTIO LICENSEE'S LICENSE TO PRACTICE MASSAGE THERAPY. IF A LICENSEE FAILS TO COMPL THE TERMS OF PROBATION THE BOARD SHALL SERVE THE LICENSEE WITH A WRITTEN THAT STATES THAT THE LICENSEE IS SUBJECT TO A FORMAL HEARING BASED ON THE INFORMATION CONSIDERED BY THE BOARD AT THE FORMAL INTERVIEW AND ON ANY ACTS OR CONDUCT ALLEGED TO BE IN VIOLATION OF THIS CHAPTER OR RULES ADOPTI PURSUANT TO THIS CHAPTER, INCLUDING NONCOMPLIANCE WITH THE TERMS OF PROB CONSENT AGREEMENT OR A STIPULATED AGREEMENT.

6. ENTER INTO AN AGREEMENT WITH THE LICENSEE TO RESTRICT OR LIMIT THE LICENS

PRACTICE IN ORDER TO REHABILITATE, RETRAIN OR ASSESS THE LICENSEE, PROTECT T
AND ENSURE THE LICENSEE'S ABILITY TO SAFELY ENGAGE IN THE PRACTICE OF MASSA
THERAPY.

7. ORDER THE PAYMENT OF RESTITUTION, INCLUDING AN ORDER TO REPAY FEES PAID
MASSAGE THERAPY CLIENT AND FOR THE COST OF THE INVESTIGATION.

G. IF THE BOARD FINDS THAT THE INFORMATION PROVIDED IN SUBSECTION A OR F OF
SECTION WARRANTS SUSPENSION OR REVOCATION OF A LICENSE ISSUED PURSUANT T
CHAPTER, IT SHALL INITIATE FORMAL PROCEEDINGS PURSUANT TO TITLE 41, CHAPTER
10. IF AFTER A FORMAL PROCEEDING THE BOARD FINDS THAT A LICENSEE HAS BEEN C
OF PROSTITUTION, SOLICITATION OR ANOTHER SIMILAR OFFENSE, THE BOARD SHALL
THE LICENSE.

H. IN A FORMAL INTERVIEW PURSUANT TO SUBSECTION E OF THIS SECTION OR IN A HE
PURSUANT TO SUBSECTION G OF THIS SECTION, THE BOARD IN ADDITION TO ANY OTH
MAY IMPOSE A CIVIL PENALTY OF AT LEAST ONE THOUSAND DOLLARS BUT NOT MORE
THOUSAND DOLLARS FOR EACH VIOLATION OF THIS CHAPTER OR A RULE ADOPTED PU
TO THIS CHAPTER.

I. AN ADVISORY LETTER IS A PUBLIC DOCUMENT.

J. A LICENSEE WHO AFTER A FORMAL HEARING IS FOUND BY THE BOARD TO BE SUBJEC
DISCIPLINE PURSUANT TO THIS CHAPTER IS SUBJECT TO CENSURE, PROBATION OR RES
AS PROVIDED IN THIS SECTION, SUSPENSION OR REVOCATION OF LICENSE OR ANY COM
OF THESE, INCLUDING A STAY OF ACTION, FOR A PERIOD OF TIME OR PERMANENTLY A
CONDITIONS THE BOARD DEEMS APPROPRIATE FOR THE PROTECTION OF THE PUBLIC H
AND SAFETY AND JUST IN THE CIRCUMSTANCE. THE BOARD MAY CHARGE THE COSTS
HEARINGS TO A LICENSEE WHO IT FINDS TO BE IN VIOLATION OF THIS CHAPTER.

K. IF THE BOARD, DURING THE COURSE OF ANY INVESTIGATION, DETERMINES THAT A
VIOLATION INVOLVING THE PRACTICE OF MASSAGE THERAPY MAY HAVE OCCURRED,
MAKE THE EVIDENCE OF A VIOLATION AVAILABLE TO THE APPROPRIATE CRIMINAL JU
AGENCY FOR ITS CONSIDERATION.

L. THE BOARD SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, ALL MONIES
COLLECTS FROM CIVIL PENALTIES PAID PURSUANT TO THIS SECTION IN THE STATE GE
FUND.

M. NOTICE OF A COMPLAINT AND HEARING IS EFFECTIVE BY A TRUE COPY OF IT BEING
CERTIFIED MAIL TO THE LICENSEE'S LAST KNOWN ADDRESS OF RECORD IN THE BOARD
NOTICE OF THE COMPLAINT AND HEARING IS COMPLETE ON THE DATE OF ITS DEPOSIT
MAIL. THE BOARD SHALL BEGIN A FORMAL HEARING WITHIN ONE HUNDRED TWENTY
AFTER THAT DATE.

N. THE BOARD MAY ACCEPT THE SURRENDER OF A LICENSE FROM A PERSON WHO ADM
WRITING TO ANY OF THE FOLLOWING:

1. BEING UNABLE TO SAFELY ENGAGE IN THE PRACTICE OF MASSAGE THERAPY.

2. HAVING COMMITTED AN ACT SUBJECT TO DISCIPLINE PURSUANT TO THIS CHAPTER.

3. HAVING VIOLATED THIS CHAPTER OR A BOARD RULE.

O. IN DETERMINING THE APPROPRIATE DISCIPLINARY ACTION UNDER THIS SECTION, TH SHALL CONSIDER ALL PREVIOUS NONDISCIPLINARY AND DISCIPLINARY ACTIONS AGAI LICENSEE.

32-4255. Unlawful practice; violation; classification; civil penalties; injunctive relief

A. IT IS UNLAWFUL FOR ANY PERSON TO PRACTICE OR IN ANY MANNER TO CLAIM TO P MASSAGE THERAPY UNLESS THAT PERSON IS LICENSED PURSUANT TO THIS CHAPTER. A WHO ENGAGES IN AN ACTIVITY REQUIRING A LICENSE PURSUANT TO THIS CHAPTER OI USES ANY WORD, TITLE OR REPRESENTATION IN VIOLATION OF SECTION 32-4252 THAT I THAT THE PERSON IS LICENSED TO ENGAGE IN THE PRACTICE OF MASSAGE THERAPY IS OF A CLASS 1 MISDEMEANOR.

B. THE BOARD MAY INVESTIGATE ANY PERSON TO THE EXTENT NECESSARY TO DETERI THE PERSON IS ENGAGED IN THE UNLAWFUL PRACTICE OF MASSAGE THERAPY. IF AN INVESTIGATION INDICATES THAT A PERSON MAY BE PRACTICING MASSAGE THERAPY UNLAWFULLY, THE BOARD SHALL INFORM THE PERSON OF THE ALLEGED VIOLATION. BOARD MAY REFER THE MATTER FOR PROSECUTION REGARDLESS OF WHETHER THE PI CEASES THE UNLAWFUL PRACTICE OF MASSAGE THERAPY.

C. THE BOARD, THROUGH THE APPROPRIATE COUNTY ATTORNEY, CITY ATTORNEY OR OF THE ATTORNEY GENERAL, MAY APPLY FOR INJUNCTIVE RELIEF IN ANY COURT OF C JURISDICTION OR ENJOIN ANY PERSON FROM COMMITTING ANY ACT IN VIOLATION OF CHAPTER. INJUNCTIVE PROCEEDINGS ARE IN ADDITION TO ALL PENALTIES AND OTHER PRESCRIBED IN THIS CHAPTER.

D. A PERSON WHO AIDS OR REQUIRES ANOTHER PERSON TO DIRECTLY OR INDIRECTLY THIS CHAPTER OR BOARD RULES, WHO PERMITS A LICENSE TO BE USED BY ANOTHER P WHO ACTS WITH THE INTENT TO VIOLATE THIS CHAPTER OR BOARD RULES IS SUBJECT PENALTY OF NOT MORE THAN ONE THOUSAND DOLLARS FOR EACH VIOLATION AND N(THAN FIVE THOUSAND DOLLARS FOR EACH SUBSEQUENT VIOLATION. THE BOARD SHA HEARING BEFORE IT IMPOSES THIS PENALTY.

E. THE BOARD SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, ALL MONIES COLLECTS FROM CIVIL PENALTIES PURSUANT TO THIS SECTION IN THE STATE GENERAI

32-4256. Reporting violations; immunity

A. A PERSON, LICENSEE, CORPORATION, EDUCATIONAL INSTITUTION, HEALTH CARE PROFESSIONAL OR HEALTH CARE FACILITY AND STATE OR LOCAL GOVERNMENTAL AC MUST REPORT TO THE BOARD ANY CONVICTION, DETERMINATION OR FINDING THAT A HAS COMMITTED AN ACT THAT CONSTITUTES GROUNDS FOR DISCIPLINARY ACTION PU TO SECTION 32-4253.

B. A PERSON IS IMMUNE FROM CIVIL LIABILITY, WHETHER DIRECT OR DERIVATIVE, FOI PROVIDING INFORMATION IN GOOD FAITH TO THE BOARD PURSUANT TO SUBSECTION A

SECTION.

C. THE BOARD SHALL NOT DISCLOSE THE IDENTITY OF A PERSON WHO PROVIDES INFOI UNLESS THIS INFORMATION IS ESSENTIAL TO PROCEEDINGS CONDUCTED PURSUANT T(SECTIONS 32-4254 AND 32-4255 OR UNLESS REQUIRED BY A COURT.

32-4257. Third party reimbursement

THIS CHAPTER DOES NOT REQUIRE DIRECT THIRD PARTY REIMBURSEMENT TO ANY PEI LICENSED PURSUANT TO THIS CHAPTER.

32-4258. Regulation by county or municipality

A. THIS CHAPTER DOES NOT PROHIBIT A COUNTY OR MUNICIPALITY FROM ADOPTING A ENFORCING REGULATIONS AFFECTING THE ESTABLISHMENTS, LOCATIONS OR SETTING WHICH INDIVIDUALS, ENTITIES OR BUSINESSES ENGAGE IN THE PRACTICE OF MASSAGI

B. A COUNTY OR MUNICIPALITY SHALL NOT IMPOSE REGULATIONS THAT ARE INCONSI WITH THIS CHAPTER.

32-4259. Right of consumers; confidential information; display of license

A. ANY PERSON HAS ACCESS TO THE FOLLOWING INFORMATION:

1. A LIST OF LICENSEES THAT INCLUDES THE LICENSEE'S PLACE OF PRACTICE, LICENSE DATE OF LICENSE EXPIRATION AND STATUS OF LICENSE.

2. A LIST OF OFFICIAL ACTIONS TAKEN BY THE BOARD.

B. UNLESS THEY ARE THE ONLY ADDRESS AND TELEPHONE NUMBER AVAILABLE, THE I ADDRESS AND HOME TELEPHONE NUMBER OF A MASSAGE THERAPIST ARE NOT PUBLIC AND THE BOARD SHALL KEEP THIS INFORMATION CONFIDENTIAL.

C. EXCEPT IN THE COURSE OF A BOARD INVESTIGATION, INFORMATION PERTAINING TO RELATIONSHIP BETWEEN THE MASSAGE THERAPIST AND A PERSON TREATED BY THE M THERAPIST IS CONFIDENTIAL AND MAY NOT BE COMMUNICATED TO A THIRD PARTY W INVOLVED IN THAT PERSON'S CARE WITHOUT THAT PERSON'S PRIOR WRITTEN CONSEN PERSON IS A MINOR, THE PERSON'S PARENT OR GUARDIAN MUST ALSO GIVE WRITTEN (TO THESE COMMUNICATIONS.

D. THE MASSAGE THERAPIST MUST DIVULGE TO THE BOARD INFORMATION IT REQUIRE CONNECTION WITH ANY INVESTIGATION, PUBLIC HEARING OR PROCEEDING, INCLUDIN INFORMATION THAT IS OTHERWISE CONFIDENTIAL PURSUANT TO THIS SECTION.

E. THE PRIVILEGE ESTABLISHED BY THIS SECTION DOES NOT EXTEND TO CASES IN WHI MASSAGE THERAPIST HAS A DUTY TO REPORT INFORMATION AS REQUIRED BY LAW.

F. THE BOARD SHALL PROVIDE ACCESS TO THE APPLICATION, LICENSE, INVESTIGATION DISCIPLINE FILES MAINTAINED BY THE BOARD TO LAW ENFORCEMENT AGENCIES AND REGULATORY AGENCIES OF THIS STATE.

G. EACH LICENSEE SHALL DISPLAY A COPY OF THE LICENSEE'S LICENSE OR CURRENT R VERIFICATION IN AN ESTABLISHMENT, LOCATION OR SETTING THAT IS ACCESSIBLE TO VIEW AT EACH LOCATION AT WHICH THE LICENSEE PRACTICES MASSAGE THERAPY.

Sec. 4. Section 41-1092, Arizona Revised Statutes, is amended to read:

41-1092. Definitions

In this article, unless the context otherwise requires:

1. "Administrative law judge" means an individual or an agency head, board or commission that sits as a administrative law judge, that conducts administrative hearings in a contested case or an appealable agen that makes decisions regarding the contested case or appealable agency action.

2. "Administrative law judge decision" means the findings of fact, conclusions of law and recommendati decisions issued by an administrative law judge.

3. "Appealable agency action" means an action that determines the legal rights, duties or privileges of a p is not preceded by an opportunity for an administrative hearing. Appealable agency actions do not includ orders by self-supporting regulatory boards or rules, orders, standards or statements of policy of general issued by an administrative agency to implement, interpret or make specific the legislation enforced or ac by it, nor does it mean or include rules concerning the internal management of the agency that do not aff rights or interests. For the purposes of this paragraph, "administrative hearing" does not include a public for the purpose of receiving public comment on a proposed agency action.

4. "Director" means the director of the office of administrative hearings.

5. "Final administrative decision" means a decision by an agency that is subject to judicial review pursua chapter 7, article 6.

6. "Office" means the office of administrative hearings.

7. "Self-supporting regulatory board" means any one of the following:

(a) The state board of accountancy.

(b) The state board of appraisal.

(c) The board of barbers.

(d) The board of behavioral health examiners.

(e) The Arizona state boxing commission.

(f) The state board of chiropractic examiners.

(g) The board of cosmetology.

(h) The state board of dental examiners.

(i) The state board of funeral directors and embalmers.

(j) The Arizona game and fish commission.

(k) The board of homeopathic medical examiners.

(l) The Arizona medical board.

(m) The naturopathic physicians board of medical examiners.

(n) The state board of nursing.

(o) The board of examiners of nursing care institution administrators and adult care home managers.

(p) The board of occupational therapy examiners.

(q) The state board of dispensing opticians.

(r) The state board of optometry.

(s) The Arizona board of osteopathic examiners in medicine and surgery.

(t) The Arizona peace officer standards and training board.

(u) The Arizona state board of pharmacy.

(v) The board of physical therapy examiners.

(w) The state board of podiatry examiners.

(x) The state board for private postsecondary education.

(y) The state board of psychologist examiners.

(z) The board of respiratory care examiners.

(aa) The structural pest control commission.

(bb) The state board of technical registration.

(cc) The Arizona state veterinary medical examining board.

(dd) The acupuncture board of examiners.

(ee) The regulatory board of physician assistants.

(ff) The board of athletic training.

(gg) THE BOARD OF MASSAGE THERAPY.

Sec. 5. Title 41, chapter 27, article 2, Arizona Revised Statutes, is amended by adding section 41-3013.0

41-3013.01. Board of massage therapy; termination July 1, 2013

A. THE BOARD OF MASSAGE THERAPY TERMINATES ON JULY 1, 2013.

B. TITLE 32, CHAPTER 42 IS REPEALED ON JANUARY 1, 2014.

Sec. 6. Initial terms of members of the board of massage therapy

A. Notwithstanding section 32-4202, Arizona Revised Statutes, as added by this act, the initial terms of n the board of massage therapy are:

1. One term ending in January 2004.

2. One term ending in January 2005.

3. One term ending in January 2006.

4. One term ending in January 2007.

5. One term ending in January 2008.

B. The governor shall make all subsequent appointments as prescribed by statute.

Sec. 7. Transfer and appropriation; purpose; repayment

A. The sum of $75,000 is transferred from the naturopathic physicians board of medical examiners fund i 2003-2004 and appropriated to the separate account for the board of massage therapy established pursuar 32-1505, Arizona Revised Statutes, as amended by this act, for start-up and operating costs of the board.

B. Notwithstanding section 32-4205, Arizona Revised Statutes, as added by this act, until all monies app pursuant to subsection A of this section are repaid to the naturopathic physicians board of medical exami board of massage therapy shall deposit:

1. Ten per cent of the monies collected in the state general fund.

2. Ten per cent of the monies collected in the naturopathic physicians board of medical examiners fund t fund for the appropriation made in subsection A of this section.

3. The remaining eighty per cent of monies collected in the separate account for the board of massage the

C. If the monies are not repaid in full on or before June 30, 2006, the department of administration shall t the separate account for the board of massage therapy to the naturopathic physicians board of medical ex monies as necessary to repay in full the amount appropriated in subsection A of this section. If the amour remaining in the board of massage therapy account on that date is less than the remaining amount owed t naturopathic physicians board of medical examiners fund for the appropriation made in subsection A of t the board of massage therapy shall continue to deposit the additional ten per cent of monies collected afte until the amount is fully repaid. The department of administration shall charge interest to the separate acc board of massage therapy on the naturopathic physicians board of medical examiners monies at the rate t

determined by the state treasurer and that equals the average rate that monies would have earned through they had been state general fund monies.

Sec. 8. Purpose

Pursuant to section 41-2955, subsection E, Arizona Revised Statutes, the legislature establishes the board therapy to promote the practice of massage therapy by qualified professionals and to establish a compreh statewide licensing authority to replace redundant licensing and fee collection by local jurisdictions.

Sec. 9. Requirements for enactment; two-thirds vote

Pursuant to article IX, section 22, Constitution of Arizona, this act is effective only on the affirmative vo two-thirds of the members of each house of the legislature and is effective immediately on the signature governor or, if the governor vetoes this act, on the subsequent affirmative vote of at least three-fourths of of each house of the legislature.

APPROVED BY THE GOVERNOR MAY 12, 2003.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 13, 2003.

CITY COUNCIL REPORT

MEETING DATE: 06/03/2003 ITEM NO. 16 GOAL: Short- and Long-term Economic Prosperity

SUBJECT

Annual review and update of Downtown Enhanced Municipal Services District No. 2.

REQUEST

Adopt Resolution No. 6298 (Attachment A) to accomplish all of the following:

1. Reject any objections received to the legality of the assessments for Fiscal Year 2003-2004 for the Downtown Enhanced Municipal Services District No. 2 as insufficient and without merit.

2. Establish at $527,500 the amount of funds to be raised for District projects through assessments for Fiscal Year 2003-2004.

3. Supplement the amount raised through assessments, by committing toward funding of enhanced municipal services within the District during Fiscal Year 2003-2004, an additional $100,000 from the City's general fund.

4. Establish a Fiscal Year 2003-2004 budget for the District in the total amount of $612,000 as detailed on Attachment B.

5. Approve expenditure of $97,000 in District funds under existing Contract No. 2002-100-COS with Downtown Scottsdale Partnership, Inc. for Fiscal Year 2003-2004.

6. Approve expenditure of $500,000 in District funds under existing Contract No. 2002-111-COS with Cramer-Krasselt for Fiscal Year 2003-2004,

Related Policies, References:

On May 28, 2002, the Mayor and City Council adopted Resolution No. 6083 ordering the provision of enhanced municipal services within the Downtown Enhanced Municipal Services District No. 2, and providing for the annual costs and expenses to be assessed against the real property within the District for each of the next five years.

On July 2, 2002, the Mayor and City Council adopted Resolution No. 6112A adopting a budget for the Downtown Enhanced Municipal Services District for 2002-2003, and awarding contracts to Cramer-Krasselt for marketing services and promotion at a cost of $500,000 and to Downtown Scottsdale Partnership for district administration at a cost of $97,000.

Action Taken_____

BACKGROUND

On May 28, 2002, City Council authorized the Downtown Enhanced Municipal Services District; and on July 2, 2002, approved contracts with Cramer-Krasselt, a private marketing firm, for marketing services in cooperation with the Downtown Scottsdale Partnership, an organization of downtown property owners and merchants, which was contracted to perform district administration services.

The Downtown Enhanced Municipal Services District ("EMSD") is funded primarily by property owner assessments within the District boundaries as shown on the Assessment District Map (Attachment C). A budget of $612,000 is projected for the downtown enhanced services district for 2003-2004. Recognizing (historically) a small portion of district assessments are not collected each year, the 2003-2004 District budget is based on assessment collections of $512,000 (rather than the full assessment amount of $527,500) and City supplement of general funds of $100,000 with approval of Council.

Annually, City Council considers any property owners' objections to the District assessments, levies the assessments, reviews the contracts for District services and approves the District budget. As required by state law, notice of the assessment objection period and June 3, 2003, public hearing were published in the *Scottsdale Tribune* newspaper for five (5) consecutive days from May 5, 2003 – May 9, 2003 (Attachment D). Additionally, assessment notices, with a summary of their specific assessment, and notice of the objection hearing date and process were mailed to all property owners within the District (Attachment E). These notices were sent before May 9, 2003, by Willdan.

At the June 3, 2003, hearing the City Council will act upon the objections received prior to the hearing. Council's decision will be final as related to the objections.

ANALYSIS & ASSESSMENT

Key Considerations:
City Council established the Downtown Enhanced Municipal Services District to provide increased marketing and promotion services for Downtown Scottsdale. The District is a mechanism available to the downtown area to remain competitive with other retail, business and cultural centers in the Valley.

City Council may increase assessment rates by as much as 2.5 percent each year to offset increased advertising and related costs. The notice of assessment mailed to property owners for 2003-2004 does **not** include a change in rates from 2002-2003. Unless the use of a property has changed to a land use category with a higher assessment rate, or the size (square footage) of a building has increased, an owner's assessment will not increase this next assessment year, 2003-2004.

Contracts with Downtown Scottsdale Partnership ("DSP", contract no. 2002-100-COS) and Cramer-Krasselt ("C-K", contract no. 2002-111-COS) were approved by City Council July 2, 2002, establishing a strategy for providing marketing, promotion, goodwill and district administration. These agreements enable DSP, a non-profit corporation, and C-K, a private marketing firm, to deliver these enhanced services. As part of the annual assessment process property owners' objections concerning the legality of the assessments are required to be heard and passed upon annually by the City Council, at which time Council will also consider the amount of funding expected from district assessments, supplementing District assessment funds with City general funds, establishing the District budget and approving expenditure of District funds for marketing and administration services.

Significant issues to be addressed:
Property owners' objections and district budget: should the City receive one or more property owners' objections to the legality of District assessments prior to the hearing, the Council is required to hear those objections and determine what action, if any, is required. If the Council determines that the objections are either insufficient or without merit and elects to proceed at that time, it would do so by adopting Resolution No. 6298, which would deny the objections and allow Council to impose the assessments and approve an annual budget for the provision of enhanced municipal services in the District.

Structure for providing District services: Council could continue with the current structure for providing District marketing and administration services and approve operating budgets the same as this last year, or consider different funding amounts for District services with adjustments to current marketing and management services contracts. Council has, at its discretion, historically approved City funding supplementing the private property tax assessments for the marketing/promotion and administration services provided in the District.

Annual report:
In establishing the district services partnership, City Council envisioned the combined skills of C-K, DSP and the City providing a high level of marketing, communication and contract administration in the downtown district:

- Cramer-Krasselt would develop and accomplish a marketing plan that establishes a unique identity for downtown, and enhances the public image of downtown for the benefit of the businesses.
- Downtown Scottsdale Partnership would establish strong communication, and interest in district business, among downtown constituents, manage the City's contract with C-K and provide production support for events downtown.
- The City would manage district and contract responsibilities, including a staff review of district services for 2002-2003 as shown in the *Downtown EMSD Annual Report – Marketing and Administration Services Review* (Attachment F).

The following outlines responsibilities designated by Council for District administration and marketing services to be provided by DSP and C-K:

Downtown Scottsdale Partnership: The City contracted with DSP to perform administration services for the downtown enhanced services district, including:

- Communicating with downtown business and property owners for their input related to, and seeking their involvement in, the business of the downtown enhanced services district.
- Acting as intermediary between District constituents and C-K for marketing, advertising and promotion matters in the District.
- Working jointly with C-K to plan, advertise and produce special events and activities in the downtown area.
- Managing the City's contract with C-K to coordinate marketing plans development with implementation with District representatives, and approval of District marketing expenses.
- Managing District (marketing) funds approved by the DSP Board of Directors for the downtown specialty districts through the Area Grants program.
- Developing and initiating an ambassadors volunteer program representing DSP and assisting visitors to the downtown specialty districts.

Cramer-Krasselt: The City contracted with C-K to perform marketing, advertising and promotion services for the downtown enhanced services district, including:

- Performing market analysis and strategic planning for development of the downtown marketing program.
- Developing and implementing an integrated marketing plan that establishes a unique identity for the downtown district area, and enhances the public image of downtown for the benefit of the businesses.
- Coordinating with DSP for communication with downtown business and property owners for their input related to marketing plans for the downtown enhanced services district.
- Working jointly with DSP to plan, advertise and produce special events and activities in the downtown area.
- Assisting specialty district representatives with advertising for events funded for the downtown specialty districts through the Area Grants program.

The first year of the new marketing/advertising program initiated a baseline local residents marketing research study, and increased television, radio and print advertising attention downtown, drawing more people to downtown events.

The initial print advertising campaign, however, did not work well. As a result C-K, DSP and downtown district representatives have worked the last three months to redesign the creative print advertising program for 2003-2004, and the 2003-2004 Downtown Marketing Plan is complete and will be reviewed with Council at the June 3, 2003, public hearing.

Although downtown business and property owners have an interest in the business of the downtown enhanced services district, a greater percentage remain not involved. To generate additional interest and awareness a regularly published district newsletter will be reinitiated this coming year as a joint project between DSP and C-K.

Community involvement:
Promoting downtown Scottsdale through the enhanced services district will continue to benefit the downtown area as the symbolic center of the community, which involves significant community uses including commercial, civic, arts and cultural, medical, residential and community activities and events.

The downtown area is a key destination for Scottsdale visitors and has long been an important shopping and dining area for Scottsdale residents. The continued success of the businesses in downtown is vital to the overall economic health of Scottsdale.
Objectives established for enhanced municipal services downtown are:

- A marketing plan that establishes a unique identity for the downtown district area, and enhances the public image of downtown for the benefit of the businesses.
- Communication encouraging downtown business and property owners to be involved in, and to build consensus for, the business of the enhanced municipal services district.
- Marketing and production of special event activities, programs and events in the downtown area.

Limitation on objections:
In accordance with State Statute, property owners may file an objection

questioning whether a particular property is included in the District, the basis for any property classification (office use vs. retail use) and the annual amount of the assessment, but may not object to the boundaries of the District, its purposes, services or budget.

RESOURCE IMPACTS

Available funding:
The EMSD is funded principally by property assessments within the District boundaries, which is projected to be $512,000 in 2003-2004 (84% of District revenue). District assessments are collected by the Maricopa County Assessor on a semi-annual basis and turned over to the City of Scottsdale to pay District expenses in accordance with the City's contracts with C-K and DSP.

Since the formation of the original enhanced services district in 1997, City Council has supplemented the District budget with City general funds for marketing and administration expenses - $50,000 each year for the first five years and $100,000 in Fiscal Year 2002-2003. There is $100,000 identified in the Economic Vitality, Revitalization budget for District expenses in 2003-2004, pending Council approval.

The 2003-2004 Downtown EMSD budget is proposed to be $612,000, as shown in Attachment F, and reflects the same level of District funding as this current year, which is $500,000 for marketing and promotion, $97,000 for district administration and $15,000 for engineering work to set assessments.

Staffing, workload impact:
This request does not require new staffing resources or reassigning staff from other priorities or programs.

OPTIONS & STAFF RECOMMENDATION

Description of Option A:
Adopt Resolution No. 6298 rejecting any objections received to the legality of District assessments, establishing $527,000 as the amount of District funds raised through assessments, supplementing District assessment funds with an additional $100,000 from the City's general fund, establishing a District budget of $612,000, and approving expenditure of $97,000 in District funds with Downtown Scottsdale Partnership for District administration and expenditure of $500,000 in District funds with Cramer-Krasselt for marketing/promotion services.

Description of Option B:
Adopt Resolution No. 6298 rejecting any objections received to the legality of District assessments, establishing $527,000 as the amount of District funds raised through assessments, supplementing District assessment funds with an amount from the City's general fund determined by Council, and approving expenditure of District funds with Downtown Scottsdale Partnership for District administration and Cramer-Krasselt for marketing/promotion services as determined by Council.

Description of Option C:
Adopt Resolution No. 6298 rejecting any objections received to the legality of District assessments, establishing $527,000 as the amount of District funds raised through assessments, supplementing District assessment funds with an amount from the City's general fund determined by Council, and directing staff to pursue new service provisions for District marketing and/or administration services.

Description of Option D:
Decline to adopt Resolution No. 6298 and reconsider the viability of the Downtown Enhanced Municipal Services District.

Recommended Approach:
Adopt Resolution No. 6298 rejecting any objections received to the legality of District assessments, establishing $527,000 as the amount of District funds raised through assessments, supplementing District assessment funds with an additional $100,000 from the City's general fund, establishing a District budget of $612,000, and approving expenditure of $97,000 in District funds with Downtown Scottsdale Partnership for District administration and expenditure of $500,000 in District funds with Cramer-Krasselt for marketing/promotion services.

Proposed Next Steps:
Staff will initiate the approach for provision of services for the Downtown District approved by Council.

RESPONSIBLE DEPT(S)

Citizen and Neighborhood Resources Dept., Customer Service and Communication Div.
Economic Vitality Dept., Revitalization Div.

STAFF CONTACTS

Sahler Hornbeck, Downtown Liaison, 480-312-2394, shornbeck@scottsdaleaz.gov;
Laurel Edgar, Revitalization Manager, 480-312-7313, ledgar@scottsdaleaz.gov

APPROVED BY

Judith Register — 5-21-03
Judith Register — Date
Citizen and Neighborhood Resources General Manager
jregister@scottsdaleaz.gov

KM for David Roderique — 5-21-03
David Roderique — Date
Economic Vitality General Manager
droderique@scottsdaleaz.gov

Ed Gawf — 5/21/03
Ed Gawf — Date
Deputy City Manager
egawf@scottsdaleaz.gov

ATTACHMENTS

A. Resolution No. 6298
B. Estimate of Annual Costs and Expenses
C. Assessment District Map
D. Public Hearing Notice – *Scottsdale Tribune* publication
E. Property Owner Assessment Notice
F. Annual Report – Marketing and Administration Services Review

RESOLUTION NO. 6298

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SCOTTSDALE, ARIZONA, DENYING ANY OBJECTIONS RECEIVED TO THE LEGALITY OF ASSESSMENTS, APPROVING AN ANNUAL CITY CONTRIBUTION IN THE AMOUNT OF $100,000, APPROVING AN ANNUAL BUDGET IN THE AMOUNT OF $612,000 FOR 2003-2004 AND APPROVING CERTAIN EXPENDITURES THEREUNDER, ALL IN THE DOWNTOWN ENHANCED MUNICIPAL SERVICES DISTRICT NO. 2.

WHEREAS, on May 28, 2002, the Mayor and Council of the City of Scottsdale, Arizona, adopted Resolution No. 6083 ordering the provision of enhanced municipal services in the Downtown Enhanced Municipal Services District No. 2, and providing for the annual costs and expenses thereof to be assessed against the real property within the District for each of the next five years; and

WHEREAS, on July 2, 2002, the Mayor and Council of the City of Scottsdale, Arizona, adopted Resolution No. 6112A adopting a budget for the Downtown Enhanced Municipal Services District No. 2 for 2002-2003, and awarded contracts to provide enhanced municipal services in Downtown Scottsdale to Cramer-Krasselt for marketing and promotion and Downtown Scottsdale Partnership for district administration; and

WHEREAS, property owners' objections to the legality of the assessments for 2003-2004 have been filed and public notice of a hearing has been given to owners of real property in the District by mailing a copy of the Estimated Annual Assessment to the post office address of each such owner; and

WHEREAS, the Mayor and Council have heard and passed on the property owners' objections to the legality of the 2003-2004 assessments in the Downtown Enhanced Municipal Services District No. 2; and

WHEREAS, the City now desires to adopt a budget of $612,000 for Fiscal Year 2003-2004, that provides for annual funding of enhanced municipal services in City of Scottsdale Downtown Enhanced Municipal Services District No. 2;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Scottsdale, Arizona, as follows:

SECTION 1. DENIAL OF OBJECTIONS. That the objections filed with the City Clerk within the period allowed by law have been considered by the Mayor and Council and are hereby found and determined by the Mayor and Council to be insufficient and without merit.

SECTION 2. ASSESSMENT. That the Superintendent of Streets of the City is directed to estimate upon each of the lots in City of Scottsdale Downtown Enhanced Municipal Services District No. 2 the benefits arising or expected to arise from the enhanced municipal services to be provided, and shall thereupon make an assessment of each of the lots in the District in proportion to the benefits received by each in the aggregate of $527,500 in accordance with the provisions of Sections 48-589 and 48-590 of the Arizona Revised Statutes and shall deliver such assessments to the City Treasurer for collection as provided by law.

SECTION 3. GENERAL FUND. That an additional $100,000 be committed from City's general fund toward funding of enhanced municipal services within the District during Fiscal Year 2003-2004.

SECTION 4. ADOPTION OF BUDGET. That the proposed budget for City of Scottsdale Downtown Enhanced Municipal Services District No. 2 for Fiscal Year 2003-2004 in the form presented to the Council is hereby adopted in the total amount of $612,000.

ATTACHMENT A

SECTION 5. CERTIFICATION. The City Clerk shall certify to the passage and adoption of this resolution.

SECTION 6. CONTRACTS. Council authorizes the expenditure of $97,000 under the existing Contract No. 2002-100-COS with Downtown Scottsdale Partnership, Inc. for Fiscal Year 2003-2004. Council authorizes the expenditure of $500,000 under the existing Contract No. 2002-111-COS with Cramer-Krasselt for Fiscal Year 2003-2004.

PASSED AND ADOPTED by the Council of the City of Scottsdale on this 3rd day of June 2003.

CITY OF SCOTTSDALE, an
Arizona municipal corporation

_____
Mary Manross, Mayor

ATTEST:

_____
Sonia Robertson, City Clerk

APPROVED AS TO FORM:

_____
David A. Pennartz, City Attorney

Estimate of the Annual Costs and Expenses

City of Scottsdale
Downtown Enhanced Municipal Services District No. 2

Second Year Estimated Budget, 2003-2004
(Categories and amounts are subject to change)

REVENUES

Assessments collected within the District	$527,500
City supplement toward District services	$100,000
Total possible revenues (estimated)	**$627,500**

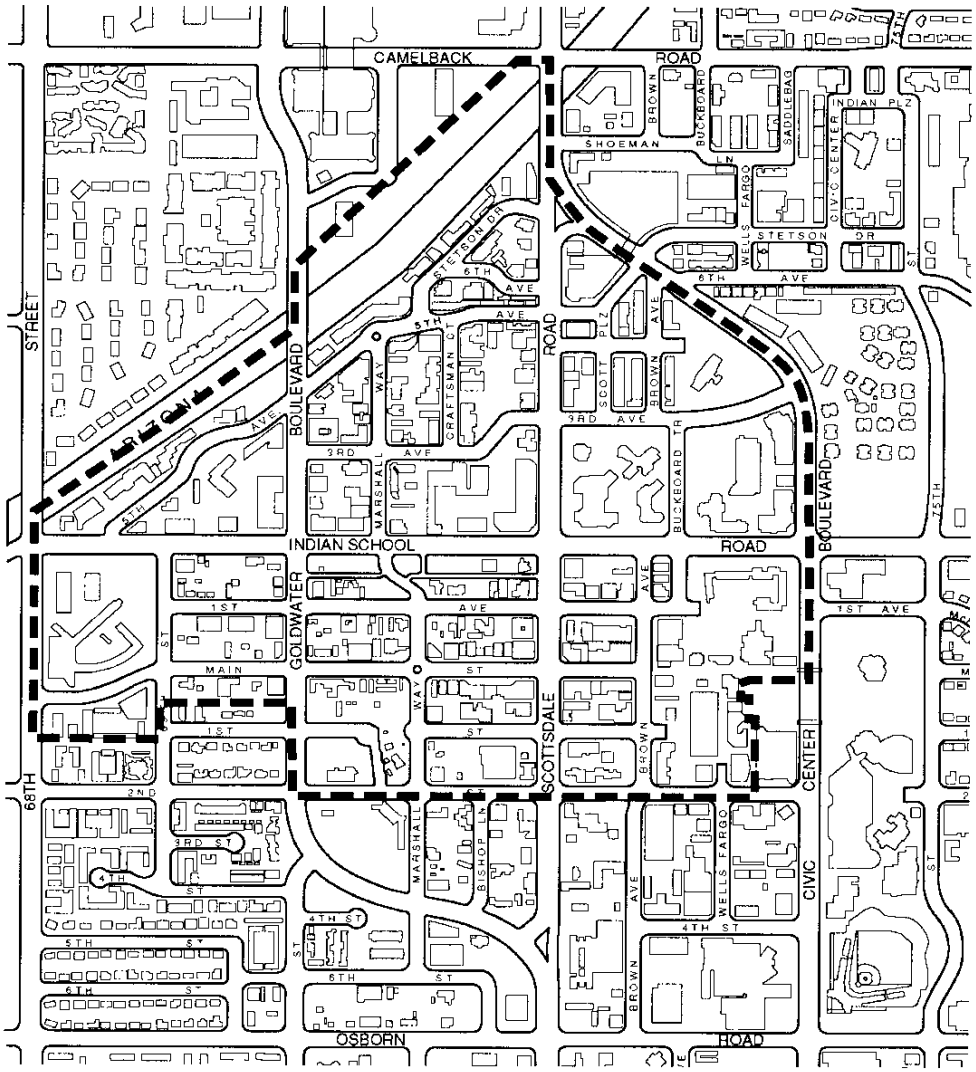
EXPENDITURES

Estimated District assessments not collected (3.0%)	$15,500
District administration and events production	$97,000
Annual District update: engineering, legal, advertising	$15,000
District marketing, advertising and promotion	$500,000
Total expenditures (estimated)	**$627,500**

ATTACHMENT B

Assessment District Map

City of Scottsdale
Downtown Enhanced Municipal Services District No. 2



ATTACHMENT C

Tr

120 W. First

A

Billing Account# 0037970

P.O. NUMBER: NOTICE OF AS

Invoice Number: 451541

Price: $ 1,290.00

STATE OF ARIZONA
County of Maricopa

I, Sharon Grzyb, Legal Clerk, acl
that the attached ad was publish
in a newspaper of general circul
The dates of the publication are a
MAY 5, 6, 7, 8, 9, 2003

The Tribune (East Valley & Scott

Legal Clerk

Sharon Grzyb, personally appeal
person who signed the above/att
and he/she proved he/she signec
MAY 9, 2003

Notary Public

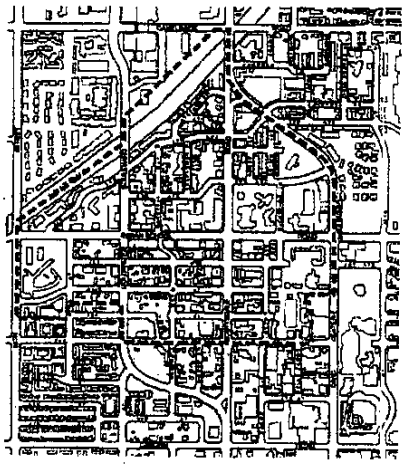
OFFICIAL SEAL
DIANNA NEDD
NOTARY PUBLIC-ARIZONA
MARICOPA COUNTY
My Commission Expires Sept 16, 2005

Notice of Assessment and Public Hearing
City of Scottsdale
Downtown Enhanced Municipal Services District No.2

NOTICE TO OWNERS OF REAL PROPERTY LYING WITHIN THE ASSESSMENT DISTRICT DESCRIBED BELOW:

On April 29, 2002, the Mayor and City Council of the City of Scottsdale, Arizona, adopted Resolution No. 6060 stating the intention of the Council to provide enhanced municipal services, and to assess the costs thereof against the real property, in a proposed district to be established by the City of Scottsdale in the downtown area, and

On May 28, 2002, the Mayor and City Council of the City of Scottsdale, Arizona, adopted Resolution No. 6083 ordering the provision of enhanced municipal services in the City of Scottsdale Downtown Enhanced Municipal Services District No. 2 and providing that the annual costs and expenses thereof be assessed against the real property lying within said District for each of the succeeding five years, all as shown on the Plans and Specifications and the Estimate on file with the Clerk of the City of Scottsdale and the Map thereof set forth below:



The costs and expenses of such enhanced municipal services for the fiscal year 2003-2004 have now been assessed against the real property lying within the District. The land use categories and assessment rates will remain the same as those approved by the Mayor and Council in 2002. The **proposed** District budget for 2003-2004 is as follows:

Projected Revenues	
Assessments (from the Downtown EMSD No. 2)	$528,000
City Contribution	$100,000
Total Possible Revenues	**$628,000**
Projected Expenses	
Administration and Special Events Coordination	$97,000
Marketing, Advertising and Promotions	$500,000
Engineering, Legal and Advertising Expenses	$15,000
Allowance for Uncollected Assessments	$16,000
Total Estimated Expenses	**$628,000**

A public hearing with respect to the assessments for 2003-2004 will be held at 5:00 p.m. on Tuesday, June 3, 2003, at the City Hall Kiva, 3939 Drinkwater Boulevard, Scottsdale, Arizona, 85251.

Any owner of real property in the District who has an objection to the legality of the assessment, or to any of the previous proceedings connected therewith, may file a written notice briefly specifying the grounds for such objection. Such objection notice must be filed with the Clerk of the City of Scottsdale, 3939 Drinkwater Boulevard, Scottsdale, Arizona, 85251, not later than 5:00 p.m. on Friday, May 30, 2003.

At the meeting on June 3, 2003, or any adjournment thereof, the Mayor and Council will hear and pass upon such objections. The decision of the Mayor and Council is final and conclusive on all persons entitled to object as to all errors, informalities and irregularities which the Mayor and Council might have remedied or avoided any time during the proceedings. It is also expected that the Mayor and Council will adopt the District budget for 2003-2004 at the meeting on June 3, 2003.

For further particulars, reference is hereby made to Resolution No's 6060 and 6083 and the Plans and Specifications and Estimate of Costs and Expenses on file in the office of the Clerk of the City of Scottsdale.

May 5, 6, 7, 8, 9, 2003/451541

ATTACHMENT D

• "Most Livable City" U.S. Conference of Mayors •

May 7, 2003

Property Owner Name
Property Owner Address
City, State, Zip

Re: Estimated Annual Assessment for Parcel xxx-xx-xxxx
City of Scottsdale Downtown Enhanced Municipal Services District No. 2

Dear Property Owner:

According to the records of the Maricopa County Tax Assessor's office, you are the owner of the referenced parcel of real property, which is included within the boundaries of the City of Scottsdale Downtown Enhanced Municipal Services District No. 2 (EMSD). In order to assist the downtown area to remain competitive with other downtown commercial areas, the District coordinates and funds marketing and promotional services and activities for downtown Scottsdale with the costs being assessed against the property in the EMSD. Information regarding district services and the process for authorizing the assessments can be found in the attached information flyer. The information flyer discusses the Background, District Goals, Assessment, Assessment Rates, Legal Objections, District Contracts, key Steps and Dates and other pertinent information.

For the purpose of District information and estimated annual assessments, your Assessment Number is xx and your estimated 2003 Annual Assessment is $xx.xx.

A spreadsheet is included which provides detailed information on the Parcel Size, Parcel Frontage on dedicated right-of-way, Building Use, Building Size, and Hotel Room Nights that have been assigned to your parcel. This detailed information was used by Willdan, an engineering firm hired by the City, to calculate your estimated annual assessments.

If you have any questions regarding the district services, budget or the boundaries of the district to be assessed, please call Sahler Hornbeck, City of Scottsdale Downtown Liaison, Citizen & Neighborhood Resources at 480-312-2394. If you have any questions regarding the assessment process, calculation or the criteria used to determine your annual assessment, please call Nick Bernoski with Willdan at 602-870-7600.

Yours truly,

CITY OF SCOTTSDALE

Attach:

ATTACHMENT E

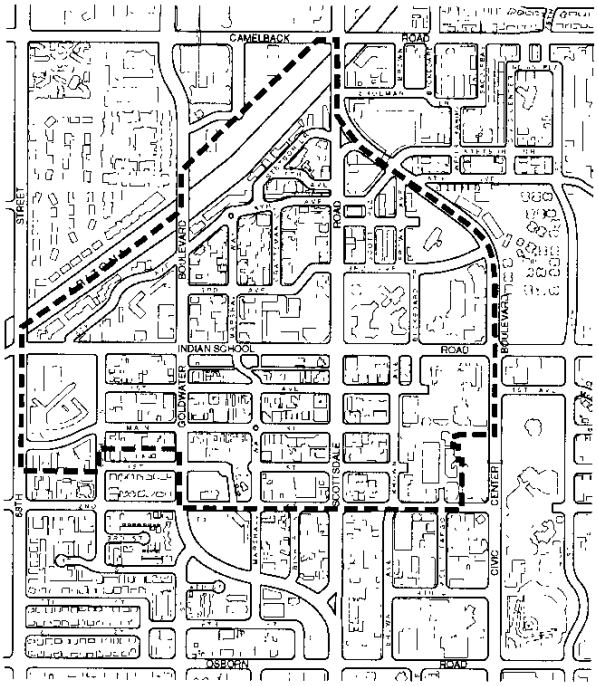
City of Scottsdale
Downtown Enhanced Municipal Services District (EMSD)

BACKGROUND

On May 28, 2002, City Council reauthorized the Downtown Enhanced Municipal Services District and approved a contract with a private marketing firm in cooperation with Downtown Scottsdale Partnership, an organization of downtown property owners and merchants.

Annually, City Council considers any property owner's objections to the legality of the assessments, levies the assessments, reviews the contracts for District services and approves the District budget. The public hearing for the District's 2003-2004 assessments and budget is set for **Tuesday, June 3, 2003, at 5:00 p.m.**

The boundaries of the EMSD are shown below:



DISTRICT GOALS

- Marketing and advertising of the businesses in the downtown area, including retail, dining, nightclubs, galleries and professional services.
- Outreach to downtown visitors and shoppers, property owners, merchants and business leaders.
- Events advertising for special activities, events and programs downtown.
- Marketing and advertising downtown specifically to residents and visitors.

ASSESSMENT

The EMSD budget is funded by assessments of real property within the boundaries of the District, and determined by such factors as the nature of the use and the square footage of the buildings in the District. A consultant recommends the assessment categories with input from downtown business and property representatives.

In accordance with the resolution adopted in 2002, City Council may increase assessment rates by as much as 2.5 percent per year to offset increased advertising and related costs. The notice of assessment mailed to property owners for 2003-2004 does **NOT** include a change in rates from 2002-2003.

ASSESSMENT RATES (PER YEAR):

- Retail/restaurant/bar: $0.35/sq. ft.
- Retail/restaurant/bar 2nd floor: $0.28/sq. ft.
- Retail/restaurant/bar vacant: $0.175/sq. ft.
- Office space: $0.065/sq. ft.
- Office space vacant: $0.0325/sq. ft.
- Hotel/motel: $0.17/rm. night
- Land vacant: $0.01/sq. ft.
- Residential: $0.01/unit

Examples of payments based on the above rates:

- 1,000 sq. ft. retail & restaurant: $29.17/month
- 1,000 sq. ft. office space: $5.42/month

Following the public hearing on June 3, 2003, City Council will adopt a budget for the District based on the annual assessment of each parcel of property in the District and will forward the assessments to the Maricopa County Assessor to be included in the 2003 annual property tax statement, labeled as "EMSD" on the statement.

LEGAL OBJECTIONS

City Council will consider property owner's objections to the legality of the assessments at the public hearing on June 3, 2003.

An objection may dispute whether a particular property is included in the District, how a property assessment is made (office use vs. retail use) and

the annual amount of the assessment, but may not object to the formation or boundaries of the District, its purposes, services or budget.

An owner of real property in the District should file any notice of objection in writing with the Clerk of the City of Scottsdale, explaining briefly the reason(s) for the objection, not later than **5:00 p.m. on Friday, May 30, 2003**.

For further information about related statutory requirements, please refer to Title 48 of the Arizona Revised Statutes, which can be accessed at public libraries, or by requesting a copy of the appropriate ARS sections from the City Clerk's Office, or through the Internet at www.azleg.state.az.us/ars/ars.htm.

District Contracts

District services are provided according to contracts with Cramer-Krasselt - marketing and promotion, and the Downtown Scottsdale Partnership - district administration. City Council will review the effectiveness of the services this year, and planned services for next year, following the public hearing on June 3, 2003.

Key Steps and Dates

- Publish Notice of Assessment and Public Hearing in the local newspaper May 5-9, 2003.
- Mail Estimated Annual Assessment notices and public hearing information to district property owners May 2 - 7, 2003.
- Owners of property in the District who object to the legality of the assessment or related proceedings should file a written notice of objection with the City Clerk's Office not later than May 30, 2003 at 5:00 p.m.
- City Council public hearing on June 3, 2003, to consider property owner's objections to the legality of the assessments, and thereafter Council will consider and act on contracts for District services, the District budget and the 2003-2004 assessments.

Further Information

Willdan is coordinating the update of the district land use database and map. Questions about specific land uses and assessment amounts may be directed to Larry Lange, 602-870-7600 x6159.

City staff is coordinating the district review and update with City Council. Any questions related to the downtown enhanced services district may be directed to Sahler Hornbeck, 480-312-2394.