

**ORDINANCE NO. 2025-25**

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, AMENDING CHAPTER 23 OF THE PEORIA CITY CODE (1992), ARIZONA BY AMENDING SECTION 23-114 PERTAINING TO FIBER OPTIC COMMUNICATIONS SYSTEMS; LICENSE FEE; AND PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Council of the City of Peoria as follows:

**SECTION 1.** Chapter 23 of the Peoria City Code is hereby amended by amending Section 23-114 pertaining to Fiber Optic Communications Systems; license fee; as shown in Exhibit A.

**SECTION 2.** Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

**SECTION 3.** Clerical Corrections. The City Clerk is hereby authorized to correct typographical, clerical, and grammatical errors, if any, related to this Ordinance, and to make formatting changes appropriate for purposes of clarity, form, or consistency with the City Code. Any such changes shall be in writing and approved by the City Attorney.

**SECTION 4.** Effective Date. This Ordinance shall become effective in the manner provided by law.

**EXHIBITS ON FILE AT THE PEORIA CITY CLERK'S OFFICE – 8401 W. Monroe Ave.  
Peoria, Arizona**

**PASSED AND ADOPTED** by the Mayor and Council of the City of Peoria, Maricopa County, Arizona this 26<sup>th</sup> day of August 2025.

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Jason Beck, Mayor

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Date Signed

ATTEST:

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Agnes Goodwine, City Clerk

APPROVED AS TO FORM:

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Emily Jurmu, City Attorney

Published in: Peoria Times

Publication Date:

Effective Date:

**Exhibit A**  
Amendment to the Peoria City Code, Chapter 23

**HOW TO READ THIS DOCUMENT**

Applicable sections of the City Code are denoted by **highlighted text** for ease of readability during the drafting process.

Unless otherwise stated, provisions or regulations being deleted are shown in red strikethrough text or a line through the graphic, like this: ~~Provisions that are being deleted are shown with a red strikethroughs text~~. Graphics containing red strikethrough are intended to remove the graphic in its entirety as well as any text that is embedded in the graphic.

Provisions or regulations that are being added are shown in double-underlined blue text, like this: Provisions that are being added are shown in double-underlined blue text. Graphics containing a double blue box are intended to add the graphic in its entirety as well as any text that is embedded in the graphic.

Only those changes noted through the above methods for the specific sections and subsections of the City Code identified shall be made. When regulations, graphics or other text is omitted, or is shown unchanged in adjoining sections or subsections of the code, it shall remain unchanged.

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## Sec. 23-114. Fiber Optic Communications Systems; license fee.

- (a) All Licensees must pay to the City an annual license fee as set forth in this Section 23-114 of the City Code and as codified in Table 27-7 of the City Code. The annual license fee must be paid quarterly and/or annually on the anniversary date of the issuance of the License, as set forth in this Section 23-114, and submitted to the City's Chief Financial Officer. Any annual license fee unpaid thirty (30) days after the anniversary date of the issuance of the License will accrue interest at the rate of one percent (1%) per month.
- (1) Licensee shall pay an Annual Minimum Fee ("AMF") on a quarterly or annual basis until such time that Licensee begins earning revenue from the provision of Fiber Optic Communications Services, which Licensee will then transition to the fee structures set forth in Subsections 23-114(a)(2) and 23-114(a)(3) of this Section.
  - (2) If the Licensee is offering internet services directly to subscribers and is the Internet Service Provider (ISP), Licensee shall transition to an annual license fee of three percent (3%) of Gross Revenues when three percent (3%) of gross revenues from the sale of internet services using Licensee's Facility exceeds the AMF.
  - (3) If a Licensee occupies any portion of the City rights-of-way or any other City property and leases, licenses, or contracts the use of fiber-optic broadband connections, strands of fiber, or conduit to any other party in exchange for any form of compensation, Licensee shall transition to a quarterly and/or annual payment of ~~six~~ three percent (~~6%~~ 3%) of Gross Revenues when ~~six~~ three percent (~~6%~~ 3%) of gross revenues from the leasing, licensing, or contracting Licensee's Facilities to any other party exceeds the AMF, unless Licensee provides evidence that such use is exempt from fees by any state or federal law. Users that lease, license or contract use of the Licensee's Facilities to provide Fiber Optic Communications Services as defined in this ordinance, Telecommunications and Telecommunication Services, as defined by A.R.S. §9-581, Wireless Services as defined in §9-591, Cable Services as defined in the Peoria City Code, or Video Services as defined in A.R.S. §9-1401, must obtain the appropriate Fiber Optic Communications License, Telecommunications, Wireless, Cable or Video Services license from the City.
  - (4) If a Licensee increases or decreases the size of the service area in which Fiber Optic Communications Services are provided, the AMF will be increased and/or decreased respectively.
- (b) New residential subdivisions.
- (1) Licensee may coordinate with a developer to install its Facilities within the rights-of-way and public highways of a new residential subdivision prior to completion of the street asphalt layer.
  - (2) If Licensee installs its Facilities in the rights-of-way and/or public highways of a new residential subdivision concurrent with new street construction that does not disturb the asphalt surface, Licensee will not be subject to the street restoration requirements set forth in the City's Street Cut Policy and in Section 23-63 of the Peoria City Code.
  - (3) Until the developer has obtained permits for fifty-one percent (51%) of the Residential Units, Facilities installed under this Subsection 23-114(b) will not be subject to an annual license fee, and any Residential Units that Licensee has passed on a local street and a collector street with its Facilities within the new residential subdivision, will be excluded from the calculation of the AMF. If the new residential subdivision is developed in phases, then the annual license fee or AMF shall be implemented when the developer has obtained permits for fifty-one percent (51%) of the Residential Units in that phase of the new residential subdivision. The Licensee must notify the City Engineer

within thirty (30) days of the developer obtaining permits for fifty-one percent (51%) of the residential units in the new residential subdivision and the City Engineer shall verify the percentage of permits issued within the new subdivision.

- (c) Each Licensee must reimburse the City for all additional expenses that the City incurs, in connection with the processing, evaluation and preparation of documents relating to the Fiber Optic Communications License including, without limitation, any and all administrative, engineering, publication, legal costs, and consultants' expenses. The City will document all such expenses by invoice. If expenses exceed the total amount of filing fees collected from the Applicant(s), the Licensee must pay to the City the excess amount within thirty (30) days of demand of the City. All amounts unpaid thirty (30) days after said demand will accrue interest at the rate of one percent (1%) per month.
- (d) All fees described in this Section 23-114 will increase annually according to the Consumer Price Index (CPI) adjustments, to be applied annually, which will be based on the Consumer Price Index for All Urban Consumers (CPI-U) for the Phoenix area, published by the U.S. Department of Labor, Bureau of Labor Statistics. The increase will be calculated by dividing the most recent calendar year's December CPI-U by the December CPI-U in the year rates last changed. In the event that the change between December CPIs indicates an adjustment of less than one percent (1%), a rate change may not be made for the upcoming year.
- (e) Each year, before the anniversary date of the effective date of the Fiber Optic Communications License, each Licensee must submit an accounting and attestation to the City Engineer and the City's Chief Financial Officer that fully sets forth the following information:
  - (1) The total Gross Revenue generated by all of Licensee's Facilities located in the City's rights-of-way and any other City property during the twelve (12) consecutive months prior to the anniversary date of the effective date of the Fiber Optic Communications License. Licensee must submit the Gross Revenue report to the City Engineer and the City's Chief Financial Officer annually by the anniversary date of the effective date of the Fiber Optic Communications License.
  - (2) Identities of all third parties to which Licensee is providing fiber connections, strands of fiber, or conduit in exchange for any form of compensation. If Licensee is not providing fiber connections, strands of fiber or conduit to any third party, Licensee must attest to such.
  - (3) Provide the total linear footage of fiber or conduit provided to a third party in exchange for any form of compensation. If Licensee is not providing strands of fiber or conduit in exchange for any form of compensation to any third party, Licensee must attest to such.
- (f) If in any year before the anniversary of the effective date of the Fiber Optic Communications License, the City Engineer believes Licensee has not submitted a complete and accurate accounting and attestation to the City as required by Section (e) above, the City will provide written notice to the Licensee of such violation. If the Licensee has not cured the violation within thirty (30) days of the City mailing said notice, the Fiber Optic Communications License will immediately be revoked.