



COUNCIL MINUTES

April 15, 2010

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on April 15, 2010 at 7:34 a.m.

COUNCIL PRESENT	COUNCIL ABSENT	OFFICERS PRESENT
Mayor Scott Smith Alex Finter Dina Higgins Kyle Jones Dennis Kavanaugh Dave Richins Scott Somers	None	Christopher Brady Debbie Spinner Linda Crocker

1. Review items on the agenda for the April 19, 2010 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflicts declared: None

Items added to the consent agenda: None

Items deleted from the agenda: 8b and 8c

2. Hear a presentation, discuss and provide direction regarding the Zoning Ordinance Update project and potential revisions to Title 9 requirements related to modifications of off-site development standards for infill development.

Zoning/Civil Hearing Administrator Gordon Sheffield addressed the Council regarding the Zoning Update process. He displayed a PowerPoint presentation (**see Attachment 1**) and outlined the topics to be covered (see page 1 of Attachment 1). Mr. Sheffield explained that the Update is not a form-based Code, but that the document would include a form-based Code section in the future. He said that revisions to the public notice process would be presented to the Council at the April 19th Study Session.

Mr. Sheffield advised that each member of the Council received a copy of "Table 1: Proposed Amended Zoning District Names and Zoning Districts Abbreviations" (**see Attachment 2**).

In response to a question from Councilmember Richins, Mr. Sheffield stated that the amended zoning names listed on Table 1 refer only to the existing Code. He said that the mixed-use Codes are in the proposed public review draft.

Mr. Sheffield outlined the purpose of the section that addresses Infill Development Districts (see page 3 of Attachment 1) and encourages the use of bypassed parcels. He added that a copy of Chapter 18 titled "ID – Infill Development Districts" (**see Attachment 3**) was provided to each Councilmember. He advised that there are two types of Infill Development Districts: ID-1 (for sites of less than five acres) and ID-2 (that provides more wide ranging options for sites greater than 2.5 acres). Mr. Sheffield stated that the proposal takes advantage of Infill Development Incentive Districts, which is a designation in the State Statutes that requires three of seven applicability standards to be met (see page 4 of Attachment 1).

Responding to a question from Councilmember Richins, Mr. Sheffield confirmed that the term "blight" is not included in the State Statutes regarding Infill Development Districts or in the City's proposed Code that addresses infill.

Mr. Sheffield continued his presentation by reviewing the differences between ID-1 and ID-2 (see page 4 of Attachment 1). He explained that ID-1 is based on the existing zoning district and the applicant may request modifications to any development standard. Mr. Sheffield added that ID-2 requires more information in the initial submittal and the applicant may request modifications to existing standards or propose new standards. He reviewed the foundational premise, the incentives and the benefits of Infill Development Districts (see page 5 of Attachment 1). He noted that an added benefit is that the Council can consider the complete package at one time and assess the impact on the surrounding areas.

In response to a request from Councilmember Finter for a hypothetical example of the manner in which the process would work, Mr. Sheffield cited the example of a vacated corner gas station constructed in the 1980s to the 55-foot right-of-way standard located in an area now designated by the Transportation Plan for a road widening project. He explained that an applicant for this site would be responsible for the off-site improvements, the cost of which could equal 50 percent or more of the on-site costs. Mr. Sheffield said that the proposed change would enable staff to negotiate the standards with the applicant to reduce the costs and then present that package to the Council for consideration.

Mayor Smith pointed out that by maintaining the existing regulations, the infill site would continue to be vacant because developing the property with the required off-site improvements would be cost prohibitive.

Discussion ensued relative to the fact that the proposed process would eliminate the necessity to present some cases to the Board of Adjustment; that applications for Substantial Conformance Improvement Permits (SCIPs) and Development Incentive Permits (DIPs) would continue to be presented to the Board of Adjustment; and that sites along Southern Avenue in the Fiesta District could qualify as ID-2 districts.

Mayor Smith explained that the proposal will enable applicants to develop a site from the ground up which will stimulate creativity and enhance flexibility.

Mr. Sheffield stated that the Update proposes to merge the Development Master Plan (DMP) and the Planned Area Development (PAD) overlays, both of which address the conceptual land use option. He reviewed the current Code regarding home occupations and outlined the proposal for additional language (see pages 7 and 8 of Attachment 1).

Further discussion ensued regarding the fact that home-based businesses should not impact the surrounding neighborhood; that businesses operating in a Level 1 historic home must obtain a Special Use Permit from the Council for an exception to the Code; and that the option for a Special Use Permit for historic homes was offered to encourage preservation of the properties.

Mr. Sheffield advised that the Code Update proposes to prohibit new churches in the Town Center Core (DC) district. He explained that according to State law, liquor cannot be sold within 300 feet of a church, which would create problems in the downtown entertainment area (see pages 8 and 9 of Attachment 1). He said that the other option would be to require a Council Use Permit.

Mayor Smith explained that locating a church in the downtown area building that was not originally planned as a church denies or limits the rights of existing businesses that serve liquor. He suggested that requiring a Council Use Permit would be the correct approach to address the issue.

Councilmember Finter said he could support the Mayor's suggestion although he expressed concerns regarding the public perception.

Councilmember Kavanaugh stated that he supports the prohibition of churches in the narrow, defined section of downtown Mesa. He expressed concern that the Council Use Permit approach could lead to a perception that the Council was making arbitrary decisions on specific cases.

Mayor Smith concurred with the comments of Councilmember Kavanaugh, and he requested that staff address the issue clearly and in a manner that is as well defined as is possible.

Mr. Sheffield confirmed that his understanding of the Council's direction is that staff should incorporate in the Code Update a prohibition of churches in a narrow, defined section of downtown Mesa.

Mr. Sheffield advised that staff was conducting weekly public workshops through June on specific topics related to the Code Update (see pages 9 and 10 of Attachment 1). He said that information and a draft of the Update is available on the City's website. He also outlined the dates that the information would be presented to the City's Advisory Boards (see page 10 of Attachment 1).

Mayor Smith thanked Mr. Sheffield and his staff for their efforts on this project.

3. Hear a presentation, discuss and provide direction on budget issues including, but not limited to:

a. Parks, Recreation and Commercial Facilities

Parks, Recreation and Commercial Facilities (PRCF) Department Director Marc Heirshberg introduced Fiscal Analyst Stacy Cheaney-Thompson. He displayed a PowerPoint presentation (**see Attachment 4**) and advised that the department is funded by both Commercial Facilities revenues and General Fund dollars. Mr. Heirshberg reported that the total amount of the PRCF Department's reduction to the General Fund for FY 10/11 is \$756,022 (see Page 1 of Attachment 4) and that cost savings were achieved without reducing the number of full-time employees (FTEs). He added that additional savings were generated by placing the Time Out brochure on-line and consolidating maintenance activities at the Decatur location, which also provides increased efficiency and consistency in maintenance operations. Mr. Heirshberg stated that the core focus of the department is to protect and maintain the City's recreational assets and to provide programs for the community. He outlined the facilities and program offerings that are available and the organizations with which the department partners to provide services (see pages 3, 4 and 5 of Attachment 4). He also advised that a Commercial Facilities position is being developed to work with the Convention and Visitors Bureau to attract out-of-state sports tournaments.

In response to a request from Mayor Smith, Mr. Heirshberg explained that attracting sports tournaments and events to the City's facilities not only generates facility rental revenues, but also increases sales tax revenues from visitors staying in Mesa hotels and motels and patronizing local restaurants and shops.

Mayor Smith noted that youth tournaments, such as Little League, are more profitable for the community because these types of events are typically attended by an entire family, in addition to the coaches, players and chaperones. He added that the City is aggressively pursuing National and Regional swimming competitions.

Mr. Heirshberg stated that the swimming competitions are a prime example of the cooperation that exists between the City, the school district and the Convention and Visitors Bureau. He added that as the economy improves, convention bookings should rebound.

Mayor Smith reported that he received a complimentary letter from the Quilters Association regarding the Convention Center and the service provided to them at their recent event in Mesa. He noted that thousands of people attended the show and the group indicated that they would like to return to Mesa on an annual basis.

Councilmember Finter stated the opinion that the Parks, Recreation and Commercial Facilities Department operates in a very efficient manner, and he thanked the staff for their efforts.

Mayor Smith acknowledged that the department operates with limited resources, and he expressed appreciation to the employees for their continued efforts. He thanked staff for the presentation.

b. Library

Library Director Heather Wolf introduced Assistant Library Director Kate Havris and said they would address the Library's five percent target budget reduction, which amounts to \$360,700. She displayed a PowerPoint presentation (**see Attachment 5**) and advised that the reductions will be made in two main areas: other services and commodities. Ms. Wolf outlined the manner in which the reductions would be implemented (see page 2 of Attachment 5).

Ms. Wolf reported that library usage has increased in the past year even though operating hours were reduced. She credited staff for their creativity and efforts which resulted in twice the number of people attending programs in the past year when compared to the previous year, and she outlined the Library's continuing and upcoming programs (see page 3 of Attachment 5).

Vice Mayor Jones complimented Ms. Wolf and her staff for being able "to do more with less" while maintaining the existing staffing levels, and he stated that she has done an outstanding job.

Councilmember Kavanaugh stated that the City of Mesa was a "donor" participant in the Maricopa County Library District. He explained that Mesa's citizens contribute \$1.7 million annually to the district while receiving only \$29,000 in return and that unincorporated areas of the Valley are benefiting from the existing system. Councilmember Kavanaugh suggested that the City continue to address the inequity of this situation with the Legislature.

Assistant to the City Manager Scott Butler provided an update on discussions and proposed bills in the State Legislature regarding the Library District. He noted that many competing interests exist, and he said that larger cities, such as Phoenix and Scottsdale, are in a similar situation to Mesa. He added that attempts to address the issue with the County through the Maricopa Association of Governments (MAG) were unsuccessful.

Responding to a suggestion from Councilmember Richins that the City's libraries become "County" libraries, Mr. Butler noted that the City would lose many of the unique services and programs provided by Mesa's libraries.

Mayor Smith advised that communities in other parts of the country that have transitioned to a County system approach have not been satisfied with the result. He stated the opinion that a County system would not operate as efficiently or as creatively as Ms. Wolf and her staff.

Discussion ensued relative to the fact that the Pima County Library system serves the Tucson area; and that Pima County is very different in that there is one dominant city and approximately half of the served population resides in the County.

Mr. Butler said that the County rejected the City's proposal for a 60/40 split of the funds generated by the City of Mesa, with Mesa retaining 60 percent while contributing 40 percent to the County Library District. He added that last year the County transferred 30 percent of the Library District's funds into the County's General Fund.

Mayor Smith noted that the County Board of Supervisors also serves as the Board overseeing the Library District.

Councilmember Finter stated that Mesa's Library has been severely impacted by budget reductions in the past few years, and he commended Ms. Wolf for her leadership and the development of innovative service models.

Mayor Smith concurred with the comments of Councilmember Finter, and he added that the Library has many dedicated volunteers. He thanked staff for the presentation.

c. Development and Sustainability

Development and Sustainability Department Director Christine Zielonka addressed the Council and introduced Planning Director John Wesley. She said that Deputy Directors Steve Hether, Tammy Albright, and Scott Bouchie and Planning Analyst Beth Hughes-Ornelas were also present to answer any questions. She displayed a PowerPoint presentation (**see Attachment 6**) and advised that the Mayor's slogan of "Building a Better Mesa" begins with the Development and Sustainability Department.

Ms. Zielonka briefly reviewed the organization and noted that the Planning Department has assumed responsibility for Historic Preservation and the planning function for Downtown Mesa. She advised that Development Planning serves as the primary contact for new development, while Development Services is responsible for diverse areas, such as building permits and reviews, the call center which receives complaints regarding code compliance, planning and environmental issues, the front lobby, and building code and environmental compliance inspections. Ms. Zielonka said that the Environmental and Sustainability Department maintains responsibility for environmental compliance issues Citywide and has added responsibility for energy and water conservation efforts.

Ms. Zielonka referred to the chart titled, "Total Construction Valuation and Number of Permits" (see page 2 of Attachment 6) which depicts activity from 2004 to the present. She noted that the current number of full time employees (FTEs) is 66.5 compared to 188.5 in July of 2008 and that permit revenue has declined in the past two years (see page 3 of Attachment 6). She added that commercial construction activity remains low, while there has been a slight increase in residential activity.

Ms. Zielonka reported that staff is meeting the turn-around time goals, and she noted that the number of inspections per inspector have increased dramatically (see page 4 of Attachment 6). She advised that code compliance enforcement has improved with the addition of two contract inspectors, the cost of which is addressed by Community Development Block Grant (CDBG) funding.

Responding to comments by Councilmember Kavanaugh, Ms. Zielonka explained that only one Code Compliance Officer is funded through the General Fund and the remaining CDBG-funded officers are required to work in CDBG areas.

Discussion ensued relative to the fact that response to complaints in non-CDBG areas is limited; and that staff attempts to maximize the response utilizing the Building Inspectors in non-CDBG areas; and that Building Inspectors were cross-trained to respond to code compliance complaints.

Councilmember Richins commended staff for the manner in which code compliance complaints are being addressed. He noted that citizen complaints to his office regarding code compliance issues have decreased dramatically in the past year.

Responding to a question from Vice Mayor Jones regarding turn-around times and multiple reviews, Mr. Hether advised that the same plan reviewer handles subsequent reviews of the same project. He noted that although staff attempts to minimize the need for re-submittals, current economic conditions have resulted in some private sector applications not being of a professional quality as a result of the applicant's effort to save money.

Ms. Zielonka noted that in the past developers would call her office if there was a problem because of multiple plan reviews, but she no longer receives those types of calls. She said that Mr. Hether has cross-trained the plan reviewers to ensure a consistent interpretation of Codes.

Mayor Smith said that his many friends in the development industry have confirmed to him that the plan review process has improved dramatically in the past two years.

Ms. Zielonka continued her presentation by addressing the Environmental and Sustainability Department. She explained that environmental compliance activities are funded by the environmental fee charged on the utility bills (see page 5 of Attachment 6).

In answer to a question from Councilmember Somers, Ms. Zielonka explained that the Environmental and Sustainability Department assists other City departments in addressing hazardous materials and ensures that City departments are adhering to Federal regulations.

City Manager Christopher Brady cited the examples of asbestos removal at the Escobedo Apartments and the train in Pioneer Park, and he stated that the Environmental and Sustainability Department serves as the City's in-house consultants.

Mr. Hether advised that the department does conduct annual inspections and also coordinates the disposal of hazardous materials from City departments.

Ms. Zielonka noted that other programs addressed by the Environmental & Sustainability Department are the Household Hazardous Waste Collection and the Water and Energy Conservation Programs (see page 6 of Attachment 6), and she reviewed the areas to be addressed by the Energy Efficiency Conservation Block Grant (see page 7 of Attachment 6).

Ms. Zielonka advised that the baseline budget totals \$5.9 million for 2010/11, and she said that the proposed General Fund reduction is \$380,456. She reported that the City just received a new Stormwater Permit from the Arizona Department of Environmental Quality, which mandates many new requirements (see pages 8 and 9 of Attachment 6). She explained that the new requirements were originally proposed to be much higher and that Mr. Bouchie was successful in negotiating the requirements to the levels indicated.

Mayor Smith suggested that many of the inspection and compliance requirements could be met more efficiently with self inspections or by contracting in the private sector, and he encouraged staff to investigate those areas.

Ms. Zielonka stated that the Environmental Compliance Fee funds compliance activities that are required to address unfunded mandates. She advised that the City contracts with outside firms for approximately half of the services provided, but the City remains responsible for complying with government regulations. Ms. Zielonka reported that preliminary discussions are being held regarding the possibility of providing additional cross training to enable industrial inspections for fire prevention and environmental to be combined.

Responding to comments by Councilmember Somers, Ms. Zielonka stated that the same inspector addresses all plumbing related issues for new construction. She said that staff is investigating methods to combine resources regarding annual inspections required after construction has been completed.

Mayor Smith said he was confident that staff would continue to pursue methods that eliminate the duplication of services and that streamlines the inspection process while maintaining the City's responsibility for compliance.

Ms. Zielonka advised that one additional full-time employee is needed to address new permit requirements and that a consultant's services are required for the preparation of a comprehensive compliance plan. She noted that work on the General Plan update will begin in 2011. Ms. Zielonka reported that staff will begin to assess an electronic plan review process, which would be funded by technology fees (see page 10 of Attachment 6). She summarized that the department would continue to utilize temporary workers and former employees to respond to varying workloads and special needs while continuing to emphasize employee cross-training.

Mayor Smith thanked staff for the presentation, and he acknowledged that the departments making presentations at this meeting have been leaders in improving efficiency with lower staffing levels and limited resources.

4. Hear reports on meetings and/or conferences attended.

Councilmember Kavanaugh: Dobson Ranch Homeowners Meeting

Mayor Smith noted that today was Tom Verploegen's last day as the President of the Downtown Mesa Association, and he recognized him for his 25 years of service.

5. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the meeting schedule is as follows:

The Community & Neighborhood Services Committee will meet immediately following this meeting.

Friday, April 16, 2010, 10 a.m. – Grand Opening of the new Mesa City Courthouse

Saturday, April 17, 2010, 9:00 a.m. – District 4 Pancake Breakfast at Station #201

Saturday, April 17, 2010, 8:00 a.m. – Household Hazardous Waste Collection Event

Saturday, April 17, 2010, 8:00 a.m. - 3:00 p.m. – Falcon Field Airport Open House

6. Items from citizens present.

There were no items from citizens present.

7. Convene an executive session.

It was moved by Councilmember Somers, seconded by Vice Mayor Jones, that the Council enter into an Executive Session at 9:35 a.m.

Carried unanimously.

- a. Discussion or consultation with the City Attorney in order to consider the City's position and instruct the City Attorney regarding the City's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. §38-431.03A(4))

1. Larson v. Mesa, CV 2008-001010
2. Lorenzen v. Mesa, CV 2008-01576
3. Mesa Police Association v. Mesa, LC2010-000235-001DT
4. Meet and Confer

8. Adjournment.

Without objection, the Executive Session concluded and the Study Session adjourned at 10:23 a.m.

SCOTT SMITH, MAYOR

ATTEST:

LINDA CROCKER, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 15th day of April 2010. I further certify that the meeting was duly called and held and that a quorum was present.

LINDA CROCKER, CITY CLERK

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Attachments: 6