

COUNCIL MINUTES

May 30, 2002

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 May 30, 2002 at 7:30 a.m.

COUNCIL PRESENT

Mayor Hawker
Jim Davidson
Bill Jaffa
Dennis Kavanaugh
Pat Pomeroy
Claudia Walters
Mike Whalen

COUNCIL ABSENT

None

OFFICERS PRESENT

Mike Hutchinson
Debbie Spinner

COUNCIL-ELECT PRESENT

Rex Griswold
Kyle Jones
Janie Thom

(Agenda items were discussed out of order but for purposes of clarity will remain as listed on the agenda.)

1. Review items on the agenda for the June 3, 2002 Regular Council Meeting.

All the items on the agenda were reviewed among Council and staff with no formal action taken. There was specific discussion relative to the following items:

Mayor Hawker declared potential conflicts of interest regarding agenda items 11n (Hermosa Vista Drive Improvements, North Harris to North Forest Street) and 11q (South Center Complex Parking Lot Improvements) and said he would refrain from discussion/participation in these items.

2. Hear, discuss and consider an appeal of the Zoning Administrator's decision that the 37-foot freestanding sign be removed as part of the comprehensive sign plan for Four Wheel Parts located at 420 South Country Club Drive.

City Attorney Debbie Spinner advised the Council regarding their jurisdiction and options for adjudication concerning this appeal.

Redevelopment Director Greg Marek and Senior Planner Gordon Sheffield addressed the Council concerning this item. Mr. Sheffield provided historical background information relative to the appeal process concerning this type of case and reported that this case is an appeal of the Zoning Administrator's decision concerning a Special Use Permit for a comprehensive sign plan. Mr. Sheffield explained that after the Downtown Development Committee (DDC) rendered a 6-1 decision that the applicant be required to remove an existing 37 ft. high sign (pole sign) structure located on the property, the Zoning Administrator added a condition to the DDC recommendation that the applicant be allowed to implement a 12 ft. high monument sign on the south end of the property to provide business visibility along Country Club Drive.

Mayor Hawker declared a potential conflict of interest and refrained from discussion/participation in this item and yielded the gavel to Vice Mayor Davidson for action on this item.

Mr. Marek provided additional background information concerning the case, referred to photographs on display in the Council Chambers depicting the existing pole sign structure and the store building and outlined the comprehensive sign plan originally submitted by the applicant. He stated that the only unresolved issue concerning this case is removal of the pole sign. He explained that although the original comprehensive sign plan indicated that the existing pole sign would be removed, after the applicant inspected the property and became aware of the 25 ft. depression of Country Club Drive adjacent to this site, which was one day prior to the DDC hearing in this matter, the applicant determined that the existing pole sign is necessary to provide store visibility along Country Club Drive. Mr. Marek added that on May 3, 2002, the applicant submitted an appeal requesting that the pole sign be allowed to remain on the property and be utilized by the applicant and noted that this is the only unresolved issue concerning this appeal.

George Adler, the applicant and founder of Four Wheel Parts addressed the Council and commented on the company and the fact that the proposed site represents the company's first store in Arizona. He discussed numerous structure and landscaping improvements planned at the site, projected store sales and resultant contributions to the community in terms of employment and sales tax revenue. Mr. Adler advised that after viewing the site and the depressed state of adjacent Country Club Drive in this area, it became apparent that retaining the pole sign is necessary to provide store visibility to motorists traveling Country Club Drive. Mr. Adler referred to photographs on display which depicted the pole sign visibility from Country Club Drive, the existing condition of the site and other Four Wheel Parts stores.

Discussion ensued regarding the fact that the tallest sign approved by the Board of Adjustment in the last 10 years was a 16 ft. sign at Superstition Springs Mall, the fact that the existing 37 ft. pole sign is measured from the grade level of Broadway Road, and the fact that the 12 ft. monument sign proposed by the Zoning Administrator, to be located at the south end of the property where Country Club Drive is not depressed, would be 12 ft. above grade.

Mr. Adler stated that the 12 ft. monument sign proposed by the Zoning Administrator would actually be located on an adjacent business property south of the site. He also commented on the costs associated with removing the existing pole sign and erecting a 12 ft. monument sign.

Discussion ensued regarding the fact that there are existing pole signs in the City taller than 37 ft. that were approved prior to 1986, and the fact that because the applicant's proposal is for a change of use of the site, the property must comply with current City Code requirements. He noted that in the Town Center area, approval of a 37 ft. tall sign is possible through a comprehensive sign plan.

Further discussion ensued regarding the potential visibility of the 12 ft. monument sign proposed by the Zoning Administrator.

In response to questions from Councilmember Jaffa concerning the possibility of allowing the existing pole sign to remain on the property for a limited grace period, Mr. Adler indicated that allowing the pole sign to remain on the property for a 24-month period is a compromise Four Wheel Parts would agree to.

Councilmember Jaffa stated approval regarding a compromise that would allow the pole sign to remain for a 24-month period after which time the sign must be removed.

Further discussion ensued regarding this proposed compromise.

Councilmember Walters commented on the fact that the store structure is adjacent to Broadway Road and suggested that changing the applicant's business address from a Country Club Road address to a Broadway Road address would help alleviate confusion regarding the location of the store.

Vice Mayor Davidson commented on the City's investment in the Town Center area and voiced support concerning the Zoning Administrator's decision in this case.

Councilmember Whalen stated that although he also supports the Zoning Administrator's decision, he is in favor of a compromise that would grant a short grace period to remove the pole sign.

It was moved by Councilmember Whalen, seconded by Councilmember Pomeroy, that the Zoning Administrator's decision in this case be approved with the added condition that the 37 ft. pole sign be allowed to remain for a period of 12 months.

Mr. Adler stated that because of the costs associated with improvements made to the sign to identify the business, being allowed to utilize the sign for a 12-month period would not be economically feasible.

Councilmember Jaffa discussed the benefits associated with the redevelopment of this site as proposed by the applicant and reiterated his support for a grace period of 24 months to remove the sign.

Councilmember Walters commented on the fact that the conditions associated with this appeal represent a unique situation and said that although she does not support the motion, she would support a grace period of 24 months to remove the sign.

Councilmember Kavanaugh voiced support for the motion and noted that the applicant's original application provided for removal of the pole sign. He voiced the opinion that a grace period for

removal of a sign would not be allowed anywhere in the City other than the Town Center area. He also stated support regarding Councilmember Walters' suggestion to change the address of this site to a Broadway Road address.

Councilmember Pomeroy stated that he does not support the motion and does support a grace period of 24 months. He clarified that he was not withdrawing his Second to the Motion.

In response to a question from Vice Mayor Davidson, Mr. Adler stated that he intends to use the pole sign to advertise the business during the grace period.

Further discussion ensued regarding the applicant's intentions to utilize the pole sign during the proposed grace period, and the fact that redevelopment staff would prefer that the sign be improved by the applicant during this period rather than remaining in its existing condition.

Councilmember Whalen clarified that the Motion is not contingent on the applicant's use or non-use of the sign. He also commented on the importance of maintaining consistency and impartiality with regard to enforcing the City's sign ordinance.

Upon tabulation of votes, it showed:

AYES – Davidson-Kavanaugh-Whalen
NAYS – Jaffa-Pomeroy-Walters
ABSTAIN – Hawker

Vice Mayor Davidson declared the motion failed.

It was moved by Councilmember Walters, seconded by Councilmember Pomeroy, that the Zoning Administrator's decision be approved with the added condition that the 37 ft. pole sign be allowed to remain on the property and be utilized by the applicant for a grace period of 24 months and thereafter removed.

In response to a question from Councilmember Kavanaugh, Ms. Spinner advised that a decision of the Council to allow a grace period would not represent a legal basis ("grandfathering") for continued use of the sign past the grace period.

Upon tabulation of votes, it showed:

AYES – Davidson-Jaffa-Pomeroy-Walters-Whalen
NAYS – Kavanaugh
ABSTAIN - Hawker

Vice Mayor Davidson declared the motion carried by majority vote of those voting.

3. Discuss and consider various adjustments to the proposed FT 2002-03 Annual Budget Plan.

(The Study Session recessed at 9:35 a.m. and reconvened at 9:54 a.m., at which time this agenda item was considered. Mayor Hawker excused Vice Mayor Davidson and Councilmembers Pomeroy and Whalen from the remainder of the meeting. Councilmember-

Elect Jones was also absent when the meeting reconvened and subsequently rejoined the meeting.)

Deputy City Manager Debbie Dollar addressed the Council and referred to two handouts provided to the Council: an itemization of budget adjustments and issues (See Attachment 1); and the Tentative Budget for Fiscal Year 2002/03 (See Attachment 2). Ms. Dollar noted that Attachment 1 outlines budget adjustments made to balance the \$5.7 million shortfall, budget adjustments made pursuant to Council direction, issues raised during budget hearings that require further staff analysis and/or Council consideration, and other relevant questions and comments.

Senior Internal Auditor Chuck Odom discussed the additional revenue/expenditure adjustments outlined on Attachment 1 including the adjustments relative to utility rate increases and the excess Enron Settlement.

In response to questions from Mayor Hawker concerning the Enron settlement, Utilities Director Dave Plumb further explained the process of settling the Enron contract and noted that the City's settlement proposal to Enron is presumed accepted due to their failure to timely respond in accordance with the contract.

Mr. Odom also discussed the proposed sales tax application fee increase, Community Center fee increase and development fees increase and noted that the proposed delay of the cost of living adjustment for City employees to September 2, 2002 represents a savings of \$966,000.

Discussion ensued regarding the fact that the proposed development impact fees increase does not include an increase for parks development impact fees, and the fact that staff anticipates that an adjustment relative to parks impact fees will occur approximately mid-year.

Councilmember Jaffa stressed the importance of adjusting parks impact fees and other development impact fees to reflect Valley-wide standards.

Finance Director Larry Woolf noted that adjustments were made to reflect savings realized in conjunction with recent bond refinancings and also a reduction in HURF forecasted expenditures.

Ms. Dollar outlined and commented on additional recommended reductions and additions to the FY 2002-03 budget including reductions concerning EBT/HMO contributions, CIP funding for microfilm and office remodelings, the elimination of marketing funds and additions relative to the Career Enhancement Program and a CIP project for additional water meters.

Ms. Dollar also discussed adjustments made in response to Council direction, including a 50% reduction to the sculpture campaign and additions relative to a revenue/expenditure forecasting system, funding for Neighborhood Services staff, technical staff to support annual updates of impact fees, reinstatement of a portion of the speed hump program, reinstatement of Sunday hours at the Red Mountain Multigenerational Center, reinstatement of a portion of Police overtime, and funding for a joint Federal-funded Police motorcycle squad.

Further discussion ensued regarding the 50% Federal grant funded motorcycle squad program, the fact that staff projects that a total of 25 Police Officers will be added to the force this fiscal year, and the difficulties and time constraints associated with hiring and training new officers.

City Manager Mike Hutchinson stated that staff will conduct an analysis concerning the appropriate level of police services for the City including the officer/civilian ratio and update the Council concerning additional recommendations for police staffing/services.

Councilmember Walters stressed the fact that despite news reports to the contrary, the City strives to improve and expand Police and Fire services on a continual basis.

Councilmember-Elect Thom referred to a handout provided to the Councilmembers and stated that the handout provides numerous proposed budget reductions totaling \$166 million. She urged the Council and staff to consider these budget reductions and noted that her recommendations do not include Police Department reductions or increases in fees or taxes.

Councilmember-Elect Griswold stated he is opposed to raising taxes and utility fees and commented on the possibility of analyzing the salability of various real estate and other City assets including the Convention Center and the electric and gas utilities. He also suggested that the possibility of public/private partnerships be explored in conjunction with the speed hump program.

Further discussion ensued regarding the volume of existing neighborhood requests for speed humps and the fact that several parcels owned by the City are projected to be sold within the next fiscal year, including Langley Ranch.

Councilmember Walters commented on the continual population growth of the City and resultant demand for City services. She said that her support concerning Sunday service at the Red Mountain Multigenerational Center is dependent on the Sunday usage rate and noted that she previously requested an analysis of this issue. She stated concerns regarding funding of the employee benefit trust and self-insurance trust.

(Councilmember-Elect Jones rejoined the meeting at 10:30 a.m.)

Councilmember Jaffa voiced concerns regarding reductions to the City's bus transportation system and urged the Council to consider improving bus transportation prior to considering future expenditures for light rail. He stated support regarding ongoing development of multi-use paths. He also stated support for continued growth of Police and Fire services and urged staff to consider methods that will minimize administrative tasks required of Police Officers. He also voiced support regarding annual updates of impact fees and urged the Council to adopt increased park impact fees in the near future.

Councilmember Jaffa commented on the investments made in the Town Center area and stressed the importance of continuing efforts to revitalize this area. He stated support for continuation of a statue program and voiced opposition to reducing the holiday street lighting program. He stressed the importance of maintaining Quality of Life funds for designated projects and commented on the necessity of preserving General Plan land use designations that protect future jobs-related development.

(Councilmember Jaffa left the meeting at 10:40 a.m.)

Councilmember Kavanaugh stated support for the proposed budget and commended staff for their efforts to provide for community needs and incorporate Council direction into the proposed budget. He stated support for the proposed employee cost of living adjustment and noted that the number of employees per capita has decreased over the past 10 years. He voiced support concerning public safety staff increases and noted that increases in this area have been constant. He spoke in support of recent budget adjustments reinstating Sunday service at the Red Mountain Multigenerational Center, the speed hump program and the four-officer motorcycle squad. He also stated support regarding the items identified by staff for further Council discussion and consideration.

Councilmember-Elect Jones voiced appreciation regarding the funding of an additional Neighborhood Services Coordinator. He stated support regarding staff's recommended budget and proposal to consider adding additional Police Officers when funding becomes available.

Mayor Hawker concurred with Councilmember Walters' request that Sunday usage of the Red Mountain Multigenerational Center be evaluated. He also requested that funding for the sculpture program be reevaluated by the Council at a future meeting.

In response to a question from Mayor Hawker concerning available funding to conduct the future Housing Master Plan, Mr. Hutchinson discussed the possibility of utilizing CDBG funds for this purpose.

In response to questions from Mayor Hawker regarding funding of the Police Career Enhancement Program, Police Commander Rick Clore commented on the projected number of participants in Level 4 of the program and stated that all of the 69 Officers eligible for Level 4 also receive stability pay.

Mayor Hawker discussed the concept behind stability pay and urged staff to consider restructuring the Career Enhancement Program to allow Officers to choose between stability pay or the program, but not both. He voiced concerns regarding the possibility of additional future cuts of State Shared Revenue and the City's dwindling fund balance. He urged Finance staff to analyze the issue of an appropriate long-term fund balance for the City and noted that this issue warrants a future Council discussion.

Discussion ensued regarding the fact that the Council will consider the FY 2002/03 maximum budget amount at the June 3, 2002 Regular Council Meeting and that the final budget will be considered at the June 24, 2002 Regular Council Meeting.

4. Discuss and consider the installation of aircraft overflight and directional signage in the vicinity of Williams Gateway Airport.

Williams Gateway Area Project Manager Wayne Balmer addressed the Council regarding this agenda item and referred to a sample sign on display in the Council Chambers proposed by staff to be used in the Williams Gateway area. Mr. Balmer reported that the proposed signage conforms with all requirements.

It was moved by Vice Mayor Davidson, seconded by Councilmember Kavanaugh, that staff's recommendations concerning the installation of aircraft overflight and directional signage in the vicinity of Williams Gateway Airport, be approved.

Carried unanimously.

5. Hear an update and consider issues associated with the proposed site for the Multipurpose Facility.

Ms. Spinner addressed the Council concerning this agenda item and commented on the ongoing referendum process. She reported that both groups opposing this issue have filed petitions with the City Clerk and noted that Valley Business Owners (VBO) filed 6,827 signatures and that Stand Against the Stadium Site (SASS) filed 10,564 signatures. She further reported that the petitions have not yet been verified by the City Clerk or the County and noted that both the City and Tourism and Sports Authority (TSA) have the option to terminate the Memorandum of Understanding (MOU) after one set of referendum petitions has been verified. She commented on the time frame associated with a future referendum election including the fact that ballot arguments for the publicity pamphlet are due June 12, 2002 and the potential election date would be September 10, 2002.

Discussion ensued regarding the fact that the charge associated with submitting a ballot argument is \$250.00, which helps defray the cost of printing and translation expenses; the fact that the City is precluded from submitting ballot arguments; and the timeframes associated with refunding ballot argument fees prior to the ballot being printed.

Ms. Spinner reported that June 14, 2002 is the current expiration date of the MOU between the City and the TSA and noted that a provision in the MOU allows the parties to extend the deadline date. She also reported that the estimated cost of the election is \$60,000 and that the last day to cancel printing of the ballot and avoid costs is approximately June 26, 2002.

Discussion ensued regarding the issue of ballot language.

In response to a question from Councilmember Whalen concerning the appropriate procedure for the City to negate the Council's previous action concerning this issue and the necessity of conducting a City election, Ms. Spinner reported that if the Council elects to withdraw the underlying Resolution, the City would submit this matter to Maricopa County Superior Court and request permission from the Court to cancel the election.

Further discussion ensued regarding timeframes associated with this process.

Ms. Spinner commented on House Bill 2177 and reported that this legislation, which has been signed by the Governor, sets the September 12, 2002 deadline for the TSA to submit an executed site host agreement and also allows Indian communities and private developers to become eligible hosts of the stadium facility.

In response to a request from Councilmember Whalen for Council direction relative to authorizing a City representative to continue discussions and negotiations with the TSA, Mayor Hawker directed staff to schedule this issue at a future Study Session after referendum petitions

have been verified and to provide the Council with a schedule of deadlines and important dates concerning the TSA's site selection process and the City's referendum election process.

Discussion ensued regarding the possibility and ramifications associated with being selected as a back-up site by the TSA, the possibility that the City must proceed with an election after the TSA withdraws from the MOU with the City, and the status of the John F. Long lawsuit against the TSA.

Councilmember Walters urged staff to ensure that fees for ballot arguments are refunded in the event pamphlet costs are not incurred.

Councilmember Jaffa commented on the possibility that an Indian community may ultimately be selected as the site host and voiced concerns regarding the resultant loss of State and City tax revenue derived from the facility.

Vice Mayor Davidson voiced concerns regarding misinformation that exists concerning the imposition of taxes which fund the TSA and the future Multipurpose Facility.

In response to a request from Vice Mayor Davidson, Ms. Spinner explained the underlying county-wide tax on car rentals and hotel rooms which funds the TSA and stated that no additional taxes would be imposed on Mesa residents as a result of this project.

Discussion ensued regarding the bond financing associated with the project infrastructure improvements to be provided by the City under the MOU.

Councilmember Whalen stressed the fact that the TSA, backed by the State of Arizona, has agreed to provide a "back-up" guarantee in connection with the infrastructure bonds. He also urged Mesa residents who support the Multipurpose Facility project to voice their approval for the benefit of the TSA.

6. Appointments to boards and committees.

Mayor Hawker recommended the following appointments to Boards and Committees:

HUMAN RELATIONS ADVISORY BOARD

BRIAN ALLEN, Term Expires June 30, 2004

It was moved by Vice Mayor Davidson, seconded by Councilmember Jaffa, that the Council concur with the Mayor's recommendation and the appointment be confirmed.

Carried unanimously.

7. Acknowledge receipt of minutes of boards and committees.

- a. Building Board of Appeals meeting held May 14, 2002.
- b. Parks and Recreation Board meeting held May 9, 2002.
- c. Police Committee meeting held March 25, 2002.
- d. Transportation Committee meeting held April 18, 2002.

It was moved by Councilmember Jaffa, seconded by Councilmember Walters, that receipt of the above-listed minutes be acknowledged.

Carried unanimously.

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

Vice Mayor Davidson reported on a recent Housing for Mesa event celebrating the completion and presentation of a home on South Macdonald. He noted that Councilmember-Elect Jones' presence at the event was warmly welcomed by district residents. Vice Mayor Davidson voiced appreciation to Housing for Mesa for their on-going efforts to provide affordable housing and improve neighborhoods.

Councilmember Walters commented on her attendance at the recent "bell-ringing" event at Webster Elementary School commemorating the school's long-term efforts to replace a historically significant bell.

9. Scheduling of meetings and general information.

Mr. Hutchinson stated that the meeting schedule is as follows:

Monday, June 3, 2002 – Study Session and Regular Council Meeting

Thursday, June 6, 2002, 7:30 a.m. – Study Session

Thursday, June 13, 2002, 7:30 a.m. – Study Session

Thursday, June 20, 2002, 7:30 a.m. – Study Session

Monday, June 24, 2002 – Study Session and Regular Council Meeting

10. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

11. Items from citizens present.

Sheila Mitton, 1615 W. Pueblo Avenue, addressed the Council and voiced concerns regarding newspaper reports that the proposed fiscal year 2002/03 budget provides for a hiring freeze of Police Officers. She voiced the opinion that public safety is a priority and that it is imperative that 27 Police Officers be hired. She said that her remarks represent the views of her family and voiced opposition to the proposed 2.5% cost of living raise for City employees, adding additional staff in the City Attorney's office, raising utility fees, and cutting after school programs for needy children. She stated support for reducing hours at the Red Mountain Multigenerational Center, the placement of a hiring freeze on City employees, except Police and Fire personnel, eliminating unnecessary overtime in all City departments and implementing a reduced work week.

Mayor Hawker and Councilmember Walters responded to Ms. Milton's statements by advising that reports of a Police Officer hiring freeze are incorrect.

12. Adjournment.

Without objection, the Study Session adjourned at 10:48 a.m.

KENO HAWKER, MAYOR

ATTEST:

BARBARA JONES, 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 30th day of May 2002. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

Attachments
pjt