

MAYOR AND COUNCIL – STUDY SESSION

ADMINISTRATIVE ACTION REPORT AND SUMMARY AUGUST 8, 2006

FROM: CITY MANAGER



Mayor Robert E. Walkup called the Study Session to order at 2:35 P.M. in the Mayor and Council Chambers, City Hall Tower, Tucson, Arizona.

COUNCIL MEMBERS PRESENT: Mayor Robert E. Walkup
Vice-Mayor Steve Leal, (Ward 5)
Council Member Jose J. Ibarra, (Ward 1)
Council Member Carol West, (Ward 2)
Council Member Karin Uhlich, (Ward 3)
Council Member Nina J. Trasoff, (Ward 6)

ABSENT/EXCUSED: Council Member Shirley C. Scott, (Ward 4)

STAFF: Mike Hein, City Manager
Mike Rankin, City Attorney
Kathleen Detrick, City Clerk

AGENDA ITEM/MAYOR AND COUNCIL ACTION	STAFF ACTION
(This item was taken out of order.)	
6. Executive Session - Sinclair Planned Area Development (Ward 5) SS/AUG8-06-167	
Council Member Trasoff MOVED and it was duly seconded to go into Executive Session for Item # 6 as noticed in the agenda.	
Motion PASSED by a vote of 5 to 0 (Council Member Ibarra abstaining and Council Member Scott absent/excused).	
RECESS: 2:39 p.m. RECONVENE: 3:30 p.m.	
MAYOR & COUNCIL: ALL PRESENT (Council Member Scott absent/excused)	
STAFF: ALL PRESENT	

AGENDA ITEM/MAYOR AND COUNCIL ACTION

STAFF ACTION

<p>Executive Session was held from 2:39 p.m. to 3:30 p.m. (Council Member Ibarra did not attend the executive session.)</p>	
<p>Council Member West MOVED and it was duly seconded to return to open session.</p> <p>Motion PASSED by a vote of 5 to 0 (Council Member Ibarra abstaining and Council Member Scott absent/excused).</p>	
<p>7. Mayor and Council Direction Regarding Executive Session - Sinclair Planned Area Development (Ward 5) SS/AUG8-06-168</p> <p>Vice Mayor Leal MOVED and it was duly seconded to direct staff to continue to working with the three parties to pursue submission of PAD documents. The PAD will include all parts of the big box ordinance, as has been discussed from the onset. Information is to be sent to the council in writing by September or later to use as the basis for continuing discussion and negotiation</p> <p>Motion PASSED by a vote of 5 to 0 (Council Member Ibarra abstaining and Council Member Scott absent/excused).</p>	<p><u>DIR. OF DEV. SERVICES</u> <u>AND CITY ATTORNEY</u> Are responsible</p>
<p>(These items taken out of order.)</p> <p>8. Executive Session - Olson v. City of Tucson (City-Wide) SS/AUG8-06-161</p> <p>10. Executive Session - California Casualty Insurance Claim 04 07 010 (City-Wide) SS/AUG8-06-165</p> <p>12. Executive Session – Departmental Audit of Personnel Practices (City-Wide) SS/AUG8-06-170</p> <p>Council Member West MOVED and it was duly seconded to go into Executive Session for Item # 8, #10 and #12 as noticed in the agenda.</p> <p>Motion PASSED by a vote of 5 to 0 (Council Member Ibarra abstaining and Council Member Scott absent/excused).</p>	

AGENDA ITEM/MAYOR AND COUNCIL ACTION

STAFF ACTION

<p>RECESS: 3:50 p.m. RECONVENE: 4:20 p.m.</p> <p>MAYOR & COUNCIL: ALL PRESENT (Council Member Scott absent/excused)</p> <p>STAFF: ALL PRESENT</p>	
<p>Executive Session was held from 3:50 p.m. to 4:20 p.m. (Council Member Ibarra did not attend the executive session.)</p>	
<p>Council Member West MOVED and it was duly seconded to return to open session.</p> <p>Motion PASSED by a vote of 5 to 0 (Council Member Ibarra abstaining and Council Member Scott absent/excused).</p>	
<p>9. Mayor and Council Direction Regarding Executive Session - Olson v. City of Tucson (City-Wide) SS/AUG8-06-162</p> <p>Council Member West MOVED and it was duly seconded to direct the staff to proceed as discussed in executive session regarding Olson v. City of Tucson.</p> <p>Motion PASSED by a vote of 5 to 0 (Council Member Ibarra abstaining and Council Member Scott absent/excused).</p>	<p><u>CITY ATTORNEY</u> Is responsible</p>
<p>11. Mayor and Council Direction Regarding Executive Session – California Casualty Insurance Claim 04 07 010 (City-Wide) SS/AUG8-06-166</p> <p>Council Member West MOVED and it was duly seconded to direct the staff to proceed as discussed in executive session regarding California Casualty Insurance Claim 04 07 010.</p> <p>Motion PASSED by a vote of 5 to 0 (Council Member Ibarra abstaining and Council Member Scott absent/excused).</p>	<p><u>CITY ATTORNEY</u> Is responsible</p>

AGENDA ITEM/MAYOR AND COUNCIL ACTION

STAFF ACTION

<p>1. Housing Affordability Strategies for Downtown Tucson (City-Wide) SS/AUG8-06-169</p> <p>Presentation was made, no formal direction was given.</p>	
<p>2. Update on Review of Proposal from the Southern Arizona Water Users Association (SAWUA) to Establish a Cooperative Regional Water Supply Organization (City-Wide & Outside City) SS/AUG8-06-160</p> <p>Presentation was made, no formal direction was given.</p>	
<p>3. Mayor and Council Subcommittee Reports (City-Wide) SS/AUG8-06-163</p> <p>Council Member West requested that the Neighborhoods and Public Safety and Emergency Preparedness Subcommittee review the motorized bicycle state law before it takes effect in September.</p> <p>Council Member Trasoff announced that the Rio Nuevo: Downtown Arts, Culture & History Subcommittee met on July 27th and discussed two major items. The first was the Museum of Contemporary Art (MOCA) facilities that need repair. Staff was directed to prepare amendments to the current lease agreement to substantially reduce the rent so MOCA can reinvest the money into needed repair of the city owned properties. The second was the creation of a Downtown Infill Incentive District, and working with downtown stakeholders to determine the map boundaries of this district. This item will continue to be discussed at the August 24th subcommittee meeting, and will be brought to the Mayor and Council in September.</p>	
<p>4. Mayor and Council Discussion of Regular Agenda SS/AUG8-06-164</p> <p>Council Member Trasoff requested that Consent Agenda Item 6-KK be considered separately.</p> <p><u>6-KK - Finance: Community Support Fund Transfer To The Coalition For African American Health & Wellness For The People Of Color Festival</u></p>	<p><u>DIR. OF BUDGET & RESEARCH</u> Is informed</p>

AGENDA ITEM/MAYOR AND COUNCIL ACTION

STAFF ACTION

<p>4. Mayor and Council Discussion of Regular Agenda SS/AUG8-06-164 (Continued from previous page)</p> <p>Council Member Uhlich requested that Consent Agenda Item 6-EE be considered separately and declared a conflict of interest on the item.</p> <p><u>6-EE. - Financial Participation Agreements: With Various Outside Agencies For Fiscal Year 2007</u></p>	<p><u>DIR. OF BUDGET & RESEARCH</u> Is informed</p>
<p>5. Mayor and Council Discussion of Future Agendas SS/AUG8-06-159</p> <p>No requests for future agendas were made.</p>	
<p>ADJOURNMENT: 4:53 p.m.</p> <p><i>VERBATIM TRANSCRIPT OF THE MEETING HAS BEEN SPECIALLY PREPARED AND IS ATTACHED.</i></p> <p><i>VERBATIM TAPE RECORD AVAILABLE UPON REQUEST FROM THE CITY CLERK'S OFFICE</i></p>	



Verbatim of MAYOR AND COUNCIL Study Session

Date of Study Session: August 8, 2006

The Mayor and Council of the city of Tucson met in Study Session, in the Mayor and Council Chambers of City Hall, in the City of Tucson, Arizona, 255 West Alameda, at 2:30 p.m. on Tuesday, August 8, 2006, all members having been notified of the time and place thereof.

1. ROLL CALL

The meeting was called to order by Mayor Walkup and upon roll call, those present and absent were:

Present:

José J. Ibarra	Council Member Ward 1
Carol West	Council Member Ward 2
Karin Uhlich	Council Member Ward 3
Steve Leal	Vice Mayor Ward 5
Nina Trasoff	Council Member Ward 6
Robert E. Walkup	Mayor

Absent/Excused:

Shirley C. Scott	Council Member Ward 4
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Staff Members Present:

Mike Hein	City Manager
Michael Rankin	City Attorney
Kathleen S. Detrick	City Clerk
Mike Letcher	Deputy City Manager

The following is a verbatim transcript of the discussion under Item number 7, Sinclair Planned Area Development (Ward 5) SS/Aug8-06-168, as requested by Kathleen S. Detrick, City Clerk.

VERBATIM TRANSCRIPT

7. MAYOR AND COUNCIL DIRECTION REGARDING EXECUTIVE SESSION – SINCLAIR PLANNED AREA DEVELOPMENT (WARD 5) SS/AUG8-06-168

Mayor Walkup: Now to Item 7. Vice Mayor Leal?

V. M. Leal: Thank you, Mr. Mayor. I'd like to make some opening remarks before I get to the direction to City staff. I appreciate the support of my colleagues and neighborhoods and non-profit folks during the last few months. Many understand the potential of this three hundred fifty (350) acre site, known as the Sinclair site, not just to the area but to our entire community. The housing, the U of A research facility and the commercial component. We've been able to discover a range of issues that could emerge from the project that, without our committed solutions, would either cause harm to the community or prevent some of the potential benefits from being realized by the adjacent communities. We have struggled to find a win-win regarding the business composition that commercial wants and how those changes might affect the integrity of our City codes citywide.

We have come to understand that Wal-Mart is planning to do some eight hundred fifty (850) of what they refer to as 'Urban 99 Super Centers' by the year 2013, in response to the approximate thousand cities around the country who have ordinances such as ours. That might be a composition we would prefer, but there's also other creative solutions that we would ask the developer to consider as they work with our staff to look for a composition that really works for all of us.

I had proposed back in February that KB Homes and the University of Arizona, that they should be allowed to move forward with their PAD process then, which also means now, whether the commercial part is ready to go, because there is no reason that they need to be shackled together, because they are all on different positions of readiness to move forward. So I think that KB and the U of A should continue to have the right to move forward on their own as their needs direct them.

Some of the issues that we talked about that we think are embedded in this project, irrespective of how the project comes forward, that really need some attention and resolution, so that the full benefit of this project for the community can be realized. Are things like, we know that there are some approximate nine hundred jobs that may come out of the project. The unemployment rate in this area – I shouldn't say the unemployment rate, because that's nine percent, which is twice the city, but we should really talk about the number of people unemployed as opposed to the employment rate. It's really probably well over twenty percent. So, many folks agreed that a skill based analysis needs to be done and some job training, so that potentially two to three hundred people in the area are not necessarily guaranteed jobs, but that they have a competitive chance at getting one of the jobs that they might interview for.

We as a community have some experience at this. My office had taken upon itself to do research into this to try to get the semblance of a package for Eastbourne, so that they would have a handle on how to move forward with this type of work.

The issue of medical benefits and living wage is a growing topic, not just in Tucson, but in America. The two percent fee on sales, certainly not a sales tax, but something to be looked at for funding job training, small business assistance, up and down Park and in the area. Money that could be provided – The Urban League, Black Chamber, Hispanic Chamber, etc., to heighten their capacity to address their missions in this area.

And then the issue of a school - We know that from our conversations and meetings with Tucson Unified School District, there are approximately twelve hundred children that will emerge out of this area. Eight hundred of them will be K through 12, four hundred of them high school, and can be bussed someplace. The existing schools really don't have room for a chipmunk, let alone eight hundred children. These are schools that have already been through the drama and routine of putting the portable in the school ground. It begs the question of somehow, and I don't know quite how to define that as yet. I know there may be a mechanism that the State modified this year that may give the developer and the District the ability to solve this problem. But none of these can be left on the wayside with a pat on the back and we tried. These are issues that really need to be resolved as we come forward together as a community.

So having said that, I move that we direct staff to continue working with the three parties to pursue the submission of their PAD documents. The PAD will include all parts of the Big Box Ordinance, as has been discussed from the onset. Hopefully, we can get something back in writing by the beginning of September or later, to be the basis of a real discussion and negotiation. I think that as we have this vehicle to engage ourselves with, it will create a better set of opportunities for this really wonderful project to be able to realize itself. I have said from the onset, though at times it was a difficult statement, that I think these things are resolvable and this is doable. I still think that and I think that this project has great promise, and I think that as we work together and now the Council is more up to speed in a unified way, as to a fuller understanding on the depth of the parts and legal consequences. I think we can be a good partner and we would hope that the other side would meet us with that spirit. Because I think the community deserves no less. Thank you.

Mayor Walkup: Very well, we have a motion. I'm looking for a second.

C. M. Trasoff: Second.

Mayor Walkup: Very well, we have a motion and a second. Discussions?
Council Member Uhlich.

C. M. Uhlich: Thank you, Mr. Mayor and thank you Vice Mayor Leal for helping to navigate this complex conversation and helping to set a vision out that would I think lead us toward progress and I think everybody's wanting progress. I guess I would just make a couple of general comments. I went door to door in one of the key neighborhoods that would be served by retail at this location and I want to emphasize that I did hear from residents in the neighborhood the desire for a place that's nearby to shop. It's such a basic need, not only in this neighborhood, but throughout many areas of our City. I think what we're trying to do here is respond to that need in a manner that's sensitive to potential impacts in adjoining neighborhoods.

Many of the people that I spoke to, for example, shop right now at Campbell and Irvington or in South Tucson at the Food City. I know none of us want to see a rezoning or progress occur at this site that could inadvertently or through our own failure to consider broader economic impacts, lead to the closing or reduction of shopping opportunities in other areas. So that's one concern I have. I think everything from broader transportation patterns, how far people might be traveling to access the activities at this site, to the immediate concerns in the neighborhood, need to be considered. That's really what we're trying to accomplish here. I look forward to seeing the specific proposals for the commercial development at this site so we can move forward and also want to reiterate that the housing and the biotech development at this site are critical for the entire City. We certainly want to see progress made and support motion toward that end. Thank you.

Mayor Walkup: Council Member Trasoff

C. M. Trasoff: From the first moment that I saw a rough idea of what could be done at this site, I found it extremely exciting. It's the ideal kind of concept of having people be able to live, work and shop in the same area. This is how we cut down on trips and reduce vehicle usage. It just improves the general quality of life in our community. I think the frustration has been not having a specific plan with which to deal and if we can move forward in that venue so that we're dealing with a concrete plan upon which we can then make concrete decisions. That I think is what has been lacking. But I do agree with my colleagues that we can move forward and we must move forward, because this is something that is of great importance to the community as a whole. I do want to thank the Vice Mayor for his extraordinary efforts, the amount of time and energy he has put into working with neighborhoods, with non-profits, with businesses in the area, with trying to proffer truly creative suggestions and alternatives. I think it was an extraordinary effort and I thank you Steve. I think the community in the long run will thank you, as well.

But I also agree with what Karin just said that it's very important that we look at any decision we make in this area. Not as an isolated issue, it's the way we've been considering everything for the last several months. How will this decision impact this, impact this, impact this? So that as we move forward with a specific proposal from the developer, and hopefully before that perhaps we can get something from the U of A and from the home developer, because I don't see these as necessarily having to be married

together. But as we move forward, that we keep in mind how this is going to impact the community as a whole and not create a domino. But, I'm excited about the possibilities, so I too look forward to seeing specifics and being able to respond to specifics.

Mayor Walkup: Others? Yes, Council Member West.

C. M. West: You know, I just found this paper here that I believe was written by Bruce Wright, who is the Associate Vice President at the U of A. One of the strong interests that I have had for some time has been in the whole idea of biotechnology and Cpath and all of that. In this paper, and of course I'm taking this out of context now, it says "in addition the University has engaged in active discussions with a large number of local and national investors and developers that have expressed interest in serving as a development partner with the University. These firms are prepared to help finance, construct and manage office laboratory facilities at the Park on the behalf of the University", which certainly goes along with the motion that we heard earlier. I see no reason to hold this up. In fact, I think the whole idea of biotechnology in the State of Arizona is something that we've said is our vision. What are we waiting for? You know, I think this has to move forward and KB can build their homes. We can have the laboratory facility started, and at the same time we can work out the development agreement with the rest of this agreement. I fully agree with Nina that this is another way for us to protect the environment. We can get people to be able to work and shop and recreate in their own neighborhood and Isn't that, after all, what we're really about here. I think everyone of us sitting in this room wants that. And that's the way I think this should go.

Mayor Walkup: Very well. I believe Vice Mayor Leal appropriately started the conversation by some concerns that have grown out of almost a year, that we have been talking about this extraordinarily important infill project to the City. I don't know if there's a bigger one that we could think of, but it's clearly a major site. From the very beginning, when I look out into the audience and I see the people that said "you know, this could really be a hallmark site for the City of Tucson and for the specific region." We've all walked that region and we all recognize how wonderful this site could be with commercial and with residential and with, of all things, a bioscience center.

So, I think your motion is appropriate. You started with some remaining concerns that we have, and we ask all involved to give consideration to those concerns. But the motion is, let's get on with life. This is the time that we need to get the City staff together with the developers and we need a planned area development that we can look at and we can consider and we can negotiate. There will be some differences between that which I'm sure you'll submit, and that which we consider to be essential. We can't do anything until we have something in our hands. But I tell you, I am very pleased with the alignment of the team that is emerging in that part of our community. Eastbourne has a good history of being able to develop high quality sites that meet the needs of the public. And it's true that they have been involved with full-service, fairly large retailers and I personally think that has merit. We're going to have to work through some of those details. But, Steve has asked for some additional information about small or more

