



Minutes of MAYOR AND COUNCIL Meeting

Approved by Mayor and Council
on September 9, 2009

Date of Meeting: December 16, 2008

The Mayor and Council of the City of Tucson met in regular session in the Mayor and Council Chambers in City Hall, 255 West Alameda Street, Tucson, Arizona, at 5:36 p.m., on Tuesday, December 16, 2008, 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:

Regina Romero	Council Member Ward 1
Rodney Glassman	Council Member Ward 2
Karin Uhlich	Vice Mayor, Council Member Ward 3
Shirley C. Scott	Council Member Ward 4
Steve Leal	Council Member Ward 5
Nina J. Trasoff	Council Member Ward 6
Robert E. Walkup	Mayor

Absent/Excused: None

Staff Members Present:

Mike Hein	City Manager
Michael Rankin	City Attorney
Roger W. Randolph	City Clerk

2. INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Reverend Dr. William H. Knight, Water of Life Metropolitan Community Church, after which the Pledge of Allegiance was presented by the entire assembly.

Roger W. Randolph, City Clerk, announced Susie Rogers would be assisting with anyone in the audience needing Spanish language translation for items listed on the agenda.

3. MAYOR AND COUNCIL REPORT: SUMMARY OF CURRENT EVENTS

Mayor Walkup announced City Manager's communication number 669, dated December 16, 2008, was received into and made a part of the record. He also announced this was the time scheduled to allow members of the Mayor and Council to report on current events and asked if there were any reports.

- a. Council Member Romero invited the public to the First Annual Mercado Holiday Bazaar, December 12 through 24, 2008, at Avenida del Convento. The event would include cultural events and demonstrations, works of local artists and craftspeople, products from local merchants and business, entertainment, and holiday displays.
- b. Council Member Scott announced she had taken part in a groundbreaking ceremony for the El Rio Community Health Center, Southeast Clinic, which defined what a high performance medical building should be. She said the building was one of the first community health center facilities in the United States designed in response to the emerging philosophy of patient-driven care. The building would be an eco-friendly, state-of-the-art, "green" medical clinic and was expected to be completed in late September 2009.
- c. Council Member Trasoff reported on the activities and events of the Fourth Avenue Street Fair.

Council Member Trasoff acknowledged Council Member Romero for receiving the 2008 Women on the Move Award from the local Young Women's Christian Association (YWCA).

Council Member Trasoff announced Hanukkah would begin over the weekend, and wished everyone a happy holiday.

Council Member Trasoff announced the City had sold over seventy million dollars in bonds for Rio Nuevo, which was a great achievement in the current volatile economy. The closing and delivery of the bonds would occur on December 30, 2008.

4. CITY MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

Mayor Walkup announced City Manager's communication number 670, dated December 16, 2008, was received into and made a part of the record. He also announced this was the time scheduled to allow the City Manager to report on current events, and asked for that report.

Richard Miranda, Assistant City Manager, introduced Stephanie J. Meade, the new Chief Public Defender. He announced she served the country honorably and was the first female aircraft mechanic with the Air National Guard in Tucson.

Stephanie J. Meade stated she looked forward to serving the City as the Chief Public Defender.

5. LIQUOR LICENSE APPLICATIONS

Mayor Walkup announced City Manager's communication number 671, dated December 16, 2008, was received into and made a part of the record. He asked the City Clerk to read the Liquor License Agenda.

b. Liquor License Application(s)

Person Transfer(s)

1. TaTas, Ward 6
121 E. Congress
Applicant: David Nason Nichols
Series 6, City 76-08
Action must be taken by: December 29, 2008

Staff has indicated the applicant is in compliance with city requirements.

NOTE: State law provides that for a person to person transfer, Mayor and Council may consider the applicant's capability, qualifications and reliability. (A.R.S. Section 4-203)

c. Special Event(s)

1. Arizona Theatre Company, Ward 6
330 S. Scott Avenue
Applicant: Bevan A. Bluemer
City T86-08
Date of Event: March 12, 2009
(Promotional/marketing event/"girls night out")

Staff has indicated the applicant is in compliance with city requirements.

2. Rialto Theatre, Ward 6
318 E. Congress
Applicant: Douglas W. Biggers
City T103-08
Date of Event: December 31, 2008
(Concert/fundraiser)

Staff has indicated the applicant is in compliance with city requirements.

d. Agent Change/Acquisition of Control/Restructure

1. Kampai, Ward 6
4689 E. Speedway Blvd.
Applicant: Dae Sun So
Series 12, City AC6-08
Action must be taken by: December 20, 2008

Staff has indicated the applicant is in compliance with city requirements.

NOTE: The local governing body of the city, town or county may protest the acquisition of control within sixty days based on the capability, reliability and qualification of the person acquiring control. (A.R.S. Section 4-203.F)

It was moved by Council Member Leal, duly seconded and carried by a voice vote of 7 to 0, to forward liquor license applications 5b1, 5c1 through 5c2 and 5d1 to the Arizona State Liquor Board with a recommendation for approval.

6. CALL TO THE AUDIENCE

Mayor Walkup announced this was the time any member of the public was allowed to address the Mayor and Council on any issue except for items scheduled for a public hearing. Speakers were limited to three-minute presentations.

Mayor Walkup announced that any member of the public who wished to address the Mayor and Council on the issue scheduled for Item 16 on the agenda would have the opportunity to do so during that Item.

- a. Robert Reus expressed concerns he had with the red light camera program and funding for Access Tucson. He also spoke about local government.
- b. Ken Scoville expressed concerns he had with the demolition of the Ghost Ranch Lodge property.
- c. Joe Sweeney spoke about illegal immigration issues.

Mayor Walkup recognized Council Member Trasoff.

Council Member Trasoff said Ward 6 was home to the Tucson Lego Club, which used many forms of mathematics to build Lego creatures. She announced that the Boys of Thunder, a team housed in Southern Arizona, won the Southern Arizona Regional Championship Award and were runners-up in the State Championship. The Tucson Storm Riders won a local Research Quality Award for a robot performance and an Innovative Solution Award in the State Championship. The participants were children with adult sponsors who spent many hours together working on their projects.

7. CONSENT AGENDA – ITEMS A THROUGH M

Mayor Walkup announced the reports and recommendations from the City Manager on the Consent Agenda were received into and made a part of the record. He asked the City Clerk to read the Consent Agenda.

A. FINAL PLAT: (S08-075) T.A. MILLER CONDOMINIUM DEVELOPMENT, UNITS 1 TO 6, COMMON AREA “A” AND LIMITED COMMON ELEMENT “B”

1. Report from City Manager DEC16-08-673 WARD 2
2. Staff recommends that the Mayor and Council approve the final plat as presented. The applicant is advised that building/occupancy permits are subject to the availability of water/sewer capacity at the time of actual application.

B. APPROVAL OF MINUTES

1. Report from City Manager DEC16-08-683 CITY-WIDE
2. Approval of minutes for the regular meetings of the Mayor and Council held on September 16, 2008 and September 23, 2008.

C. FINANCE: COMMUNITY SUPPORT FUND TRANSFER TO THE SANTA RITA EAGLE VARSITY CLUB FOR TRANSPORTATION TO THE STATE CHAMPIONSHIP FOOTBALL GAME

1. Report from City Manager DEC16-08-684 WARD 4
2. Resolution No. 21174 relating to Finance; approving and authorizing the allocation of Five Hundred Dollars (\$500) from the Ward 4 Council Office Community Support Fund, Account No. 001-183-1898-268, to the Santa Rita Eagle Varsity Club to assist with bus transportation for Santa Rita High School Students to attend the State Championship Game on December 6, 2008 in Phoenix, Arizona; and declaring an emergency.

This is a request by Council Member Scott. Allocation of funds is as follows:
Council Member Scott - \$500.00

D. TUCSON CODE: AMENDING (CHAPTER 2) RELATING TO CITY CLERK RECORDS MANAGEMENT

1. Report from City Manager DEC16-08-685 CITY-WIDE
2. Ordinance No. 10615 relating to Administration; repealing and replacing the current Tucson Code provisions governing City Clerk Records Management; requiring the City Clerk to preserve and maintain the City's Public Records through a program that complies with relevant State law; providing that reproductions made from public records so preserved and maintained are deemed originals, and that the City Clerk may make certified copies from them; requiring the City Clerk to duplicate ordinances, resolutions, and minutes of Mayor and Council meetings and to store the duplicates in a secure location; repealing Tucson Code Chapter 2, Article VI (Sections 2-101 through 2-108), and replacing it with a new Tucson Code Chapter 2, Article VI (Sections 2-101 through 2-103); and declaring an emergency.

E. WATER: EXCHANGE OF WATER RIGHTS ASSOCIATED WITH SEVERAL PROPERTIES IN AVRA VALLEY FOR GROUNDWATER PUMPING CREDITS

1. Report from City Manager DEC16-08-686 CITY-WIDE & OUTSIDE CITY
2. Resolution No. 21175 relating to water; approving and authorizing the conversion from Type 1 groundwater rights at Tucson Water's Jarvis-South, Buckalew, Bowden, Duval and Duval-Three Points Farms in Avra Valley and Type 2 groundwater rights from the Gamble Water Company and Atlantic Richfield Company to groundwater pumping credits; and declaring an emergency.

F. FINANCE: COMMUNITY SUPPORT FUND TRANSFER TO THE HARRISON EAST-SOUTH NEIGHBORHOOD ASSOCIATION FOR PURCHASE OF MATERIALS TO BEAUTIFY THE NEIGHBORHOOD

1. Report from City Manager DEC16-08-692 WARD 4
2. Resolution No. 21176 relating to Finance; approving and authorizing the allocation of One Hundred Dollars (\$100) from the Ward 4 Council Office Community Support Fund, Account No. 001-183-1898-268, to the Harrison East-South Neighborhood Association to assist with the purchase of equipment and material to clean and beautify the neighborhood; and declaring an emergency.

This is a request by Council Member Scott. Allocation of funds is as follows:
Council Member Scott - \$100.00

G. FINANCE: COMMUNITY SUPPORT FUND TRANSFER TO THE GROVES-LINCOLN NEIGHBORHOOD ASSOCIATION FOR AN URBAN FORESTRY WORKSHOP

1. Report from City Manager DEC16-08-689 WARD 4
2. Resolution No. 21177 relating to Finance; approving and authorizing the allocation of One Hundred Dollars (\$100) from the Ward 4 Council Office Community Support Fund, Account No. 001-183-1898-268, to the Groves-Lincoln Park Neighborhood Association to help support funding an Urban Forestry Workshop in the Atturbury/Lyman Bird & Animal Sanctuary; and declaring an emergency.

This is a request by Council Member Scott. Allocation of funds is as follows:
Council Member Scott - \$100.00

H. FINANCE: COMMUNITY SUPPORT FUND TRANSFER TO THE CORBETT NEIGHBORHOOD ASSOCIATION FOR THE CORBETT ELEMENTARY SCHOOL BASKETS

1. Report from City Manager DEC16-08-690 WARD 4
2. Resolution No. 21178 relating to Finance; approving and authorizing the allocation of One Hundred Dollars (\$100) from the Ward 4 Council Office Community Support Fund, Account No. 001-183-1898-268, to the Corbett Neighborhood Association to help assist Corbett Elementary School in assembling baskets for needy families whose children attend the school; and declaring an emergency.

This is a request by Council Member Scott. Allocation of funds is as follows:
Council Member Scott - \$100.00

I. MAYOR AND COUNCIL: MEETING SCHEDULE FOR 2009

1. Report from City Manager DEC16-08-687 CITY-WIDE
2. Ordinance No. 10617 relating to administration; establishing the meeting dates of the Mayor and Council for 2009; and declaring an emergency.

J. DEVELOPMENT AGREEMENT AMENDMENT: WITH 5151 EAST, LLC AND TUCSON RETAIL, LLC FOR DEVELOPMENT OF THE "SINCLAIR" PARCEL AT 36TH STREET AND KINO PARKWAY

1. Report from City Manager DEC16-08-688 WARD 5
2. Resolution No. 21179 relating to development; approving and authorizing the execution of a First Amendment to the Development Agreement between the City of Tucson, 5151 East, LLC, and Tucson Retail, LLC for the Development of the "Sinclair" Parcel; and declaring an emergency.

Roger W. Randolph, City Clerk, announced this item would be considered separately at the request of Council Member Leal.

K. FINANCE: COMMUNITY SUPPORT FUND TRANSFER TO THE RITA RANCH NEIGHBORHOOD ASSOCIATION FOR "FAMILY FUN DAY"

1. Report from City Manager DEC16-08-691 WARD 4
2. Resolution No. 21180 relating to Finance; approving and authorizing the allocation of One Hundred Dollars (\$100) from the Ward 4 Council Office Community Support Fund, Account No. 001-183-1898-268, to the Rita Ranch Neighborhood Association to help support funding their annual Family Fun Day event to be held on May 23, 2009 at Purple Heart Park; and declaring an emergency.

This is a request by Council Member Scott. Allocation of funds is as follows:
Council Member Scott - \$100.00

L. INTERGOVERNMENTAL AGREEMENT AMENDMENT: WITH THE REGIONAL TRANSPORTATION AUTHORITY RELATING TO THE TUCSON MODERN STREET CAR PROJECT

1. Report from City Manager DEC16-08-693 WARDS 1, 3, AND 6
2. Resolution No. 21181 relating to Transportation: approving and authorizing execution of an amendment to the Intergovernmental Agreement between the City of Tucson and the Regional Transportation Authority to fund the design and construction of the Tucson Modern Street Car Project; and declaring an emergency.

M. FINANCE: COMMUNITY SUPPORT FUND TRANSFER TO DOWNTOWN TUCSON PARTNERSHIP FOR THE FIRST NIGHT FESTIVAL TUCSON 2009

1. Report from City Manager DEC16-08-695 WARD 1
2. Resolution No. 21183 relating to Finance; approving and authorizing the allocation of One Thousand Dollars (\$1000) from the Ward 1 Council Office Community Support Fund, Account No. 001-183-1898-268, to the Downtown Tucson Partnership to help support funding the First Night Festival Tucson 2009 to be held on New Year's Eve in Downtown Tucson; and declaring an emergency.

This is a request by Council Member Romero. Allocation of funds is as follows:
Council Member Romero - \$1000.00

It was moved by Council Member Trasoff, duly seconded, that Consent Agenda Items A through M, with the exception of Item J which would be considered separately, be passed and adopted and the proper action taken.

Mayor Walkup asked if there was any discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Romero, Glassman, Scott, Leal, and Trasoff;
Vice Mayor Uhlich and Mayor Walkup

Nay: None

Consent Agenda Items A through M, with the exception of Item J which would be considered separately, were declared passed and adopted by a roll call vote of 7 to 0.

7. CONSENT AGENDA – ITEM J

J. DEVELOPMENT AGREEMENT AMENDMENT: WITH 5151 EAST, LLC AND TUCSON RETAIL, LLC FOR DEVELOPMENT OF THE “SINCLAIR” PARCEL AT 36TH STREET AND KINO PARKWAY

1. Report from City Manager DEC16-08-688 WARD 5
2. Resolution No. 21179 relating to development; approving and authorizing the execution of a First Amendment to the Development Agreement between the City of Tucson, 5151 East, LLC, and Tucson Retail, LLC for the Development of the “Sinclair” Parcel; and declaring an emergency.

Roger W. Randolph, City Clerk, announced this item was being considered separately at the request of Council Member Leal.

Council Member Leal thanked those individuals involved in the development and history of the project. He said the project was very significant and of very large size, and a lot of effort went into crafting it. He expressed his gratitude for and appreciation of what everyone brought to the table to resolve, and said the resolution was amiable and nothing was compromised. The job training would still occur, even though the financing would shift some of the resources to a later time. He said discussions with the County touched on the timing of job training, payment, and Costco's Certificate of Occupancy. He stated the project was about having a significant tenant being the first one on the site. He said he believed that would further guide the way for other tenants and other activity on the property.

It was moved by Council Member Leal, duly seconded, that Consent Agenda Item J be passed and adopted and the proper action taken.

Mayor Walkup asked if there was any discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Romero, Glassman, Scott, Leal, and Trasoff;
Vice Mayor Uhlich and Mayor Walkup

Nay: None

Consent Agenda Item J was declared passed and adopted by a roll call vote of 7 to 0.

8. PUBLIC HEARING: NOGALES HIGHWAY, IRVINGTON ROAD TO DREXEL ROAD DISTRICT LIGHTING IMPROVEMENT

Mayor Walkup announced City Manager's communication number 675, dated December 16, 2008, was received into and made a part of the record. He also announced this was the time and place legally advertised for a public hearing on the Nogales Highway, Irvington Road to Drexel Road District Lighting Improvement. He said the public hearing was scheduled to last no more than one hour and speakers would be limited to five-minute presentations.

Mayor Walkup asked if there was anyone wishing to be heard on this item.

Lorana Galindo stated she and her father-in-law, Federico Galindo, were proprietors of Arizona Sonoran Auto Care. She said Mr. Galindo suggested the lighting a few years ago and someone listened and put the lights up. She said it was wonderful but they were still having problems with the lighting in that area. The lights were not always on and not all of the lights were working. Ms. Galindo said the light in front of her shop had not worked for the past year and a half because of an accident involving a little kid who crashed into the pole and the light was never repaired.

Federico Galindo addressed the Mayor and Council in Spanish. Susie Rogers provided the following translation.

Mr. Galindo stated he was suddenly billed after three years for the lighting and like other business people, they were going through tough times and wanted to see if they could get help. He also said he did not know if this applied, but the baseball and football stadium lights were on all of the time and that was an expense the taxpayers were paying. Mr. Galindo said other than that everything was fine, the security had improved for the businesses in the areas where the lights were installed. He stated he also requested a pedestrian crosswalk at Nogales Highway and Nebraska Street because there had been many accidents and deaths at that crossing. The lighting helped a lot but he felt that maybe a pedestrian crossing could help more.

Council Member Leal said his office would set up a meeting with the constituents and transportation staff to discuss the issues Mr. Galindo and Ms. Galindo brought to the Mayor and Council's attention. Council Member Leal requested that staff obtain their pertinent information.

It was moved by Council Member Trasoff, duly seconded and carried by a voice vote of 7 to 0, to close the public hearing.

Mayor Walkup asked the City Clerk to read Resolution 21172 by number and title only.

Resolution No. 21172 relating to Transportation; approving assessment and previous proceedings for the "Nogales Highway, Irvington Road to Drexel Road District Lighting Improvement," in the City of Tucson, Arizona.

It was moved by Council Member Leal, duly seconded, to pass and adopt Resolution 21172.

Mayor Walkup asked if there was further discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Romero, Glassman, Scott, Leal, and Trasoff;
Vice Mayor Uhlich and Mayor Walkup

Nay: None

Resolution 21172 was declared passed and adopted by a roll call vote of 7 to 0.

9. PUBLIC HEARING: ADOPTION OF THE JEFFERSON PARK NEIGHBORHOOD PLAN

Mayor Walkup announced City Manager's communication number 676, dated December 16, 2008, was received into and made a part of the record. He also announced this was the time and place legally advertised for a public hearing on the proposed adoption of the Jefferson Park Neighborhood Plan. He said the public hearing was scheduled to last no more than one hour and speakers would be limited to five-minute presentations.

Mayor Walkup asked if there was anyone wishing to be heard on this item.

Dyer Lytle stated the Jefferson Park Neighborhood was very happy to have the opportunity to put together a neighborhood plan with help from the Department of Urban Planning and Design and the Drachman Institute. He stated they believed the work done over the previous couple of years had reached a very good consensus among those in the neighborhood and this was the sort of document they would use in the future to guide them as they proceeded to evolve as a neighborhood. He encouraged the Mayor and Council to accept the neighborhood plan and make it real.

J. Lisa Jones stated she had been living in Jefferson Park Neighborhood for thirty-one years and saw a lot of changes that were both good and bad. She said she thought the Jefferson Park Neighborhood Plan needed to be approved because it was about quality of life. Changes were going to be made, the University of Arizona were neighbors of the Jefferson Park Neighborhood and they wanted to live well with their neighbors and its students. Ms. Jones said how things developed was also important; neighbors who lived there for a while would like to retain the quality of life and the historic areas in the neighborhood, like the Lester house. Ms. Jones said she lived a couple of houses off of Park Avenue and the house next door to her had become a rental. As a rental, the trash and cars that collected between the two houses was unbelievable; there was shattered glass on both sides of Seneca Street, and she said she could barely walk her dog, adding that there was also glass on Park Avenue. Ms. Jones concluded with saying growth had to be smart; it was inevitable, but it needed to be smart, and a lot of people put a lot of thoughtful work into the Jefferson Park Neighborhood Plan. She asked the Mayor and Council to very thoughtfully, and then enthusiastically, pass the Plan, saying it would help to maintain the quality of the neighborhood.

It was moved by Council Member Trasoff, duly seconded and carried by a voice vote of 7 to 0, to close the public hearing.

Mayor Walkup asked the City Clerk to read Resolution 21173 by number and title only.

Resolution No. 21173 relating to planning and zoning; adopting the Jefferson Park Neighborhood Plan; and setting an effective date.

Vice Mayor Uhlich thanked Mr. Lytle and Ms. Jones for stepping forward and speaking in favor of the Neighborhood Plan. She also thanked the entire neighborhood, the immediate community and the developers that were involved in the area. The Planning Commission conducted good work with staff to balance important priorities that were explicitly expressed by the Mayor and Council. The priorities were to protect areas which had value for historic reasons as residential areas in the urban core, and to study areas along arterials and corridors which would be appropriate for further study. Vice Mayor Uhlich stated the process would continue to involve residents and developers in the area. She announced that a community conversation was held at the Ward 3 Council Office with a number of infill developers and neighborhood residents. She said they expressed interest in continuing the dialog together. She stated she was proud of the community involved in the dialog and was grateful for the leadership that was offered throughout the process.

It was moved by Vice Mayor Uhlich, duly seconded, to pass and adopt Resolution 21173.

Mayor Walkup asked if there was further discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Romero, Glassman, Scott, Leal, and Trasoff;
Vice Mayor Uhlich and Mayor Walkup

Nay: None

Resolution 21173 was declared passed and adopted by a roll call vote of 7 to 0.

10. PUBLIC HEARING: ZONING (C9-06-24) ALTA VISTA COMMUNITIES – KOLB ROAD, O-3 TO OCR-1, CHANGE OF PRELIMINARY DEVELOPMENT PLAN AND CHANGE OF CONDITIONS

Mayor Walkup announced City Manager's communication number 682, dated December 16, 2008, was received into and made a part of the record. He also announced this was the time and place legally advertised for a public hearing on a request for a change of preliminary development plan and change of conditions for property located on the southwest corner of Kolb Road and Calle La Paz, west of the Pantano Wash.

Mayor Walkup asked if the applicant was present and agreeable with the proposed requirements.

Mike Grassinger, the Planning Center, stated they were very happy to be in agreement with all of the conditions, with one exception. He said they did not disagree with the conditions but, proposed a modification. The proposed Condition 13 stated “Deliveries/loading and solid waste pick-up shall be limited to 7:00 a.m. to 7:00 p.m.” They would like to expand that to say, “Solid Waste pick-up shall be limited to 7:00 a.m. to 7:00 p.m. Other deliveries are subject to (a) all deliveries shall be through the front door, (b) no idling of delivery vehicles is permitted, (c) vendor parking shall only be permitted adjacent to non-residential uses, and (d) signs advising vendors of items (a) through (c) shall be conspicuously posted on the property.” Mr. Grassinger said those modifications were worked out with City staff and the Ward 2 Council Office. He said he appreciated the help and cooperation and would be happy to answer any questions.

Council Member Glassman stated the property was originally zoned as a bank and QuikTrip Corporation was entering the Tucson market with five new stores. He asked Mr. Grassinger if that was correct.

Mr. Grassinger stated there were at least five stores.

Council Member Glassman stated QuikTrip had agreed to meet the new rainwater harvesting requirements put forth in an ordinance the Mayor and Council passed a few months ago. QuikTrip would become one of the first commercial businesses to voluntarily participate. This would provide the Mayor and Council with an opportunity to work with QuikTrip to ensure the policies moving forward were as business-friendly and implementable as possible. He asked if QuikTrip was an Atlanta-based corporation.

Mr. Grassinger answered affirmatively.

Council Member Glassman explained Atlanta currently prohibited the watering of landscaping due to an extreme drought in the area. QuikTrip would be able to leverage the rules and help the Mayor and Council enforce them to make them as positive as possible.

Mayor Walkup said the public hearing was scheduled to last no more than one hour and speakers would be limited to five-minute presentations.

Mayor Walkup stated no requests to speak were received from the public, and asked if there was anyone wishing to be heard on this item.

There was no one.

It was moved by Council Member Trasoff, duly seconded and carried by a voice vote of 7 to 0, to close the public hearing.

Council Member Glassman thanked Kathy Dixon and Katie Bolger, Ward 2 Council Administrative Assistants. He explained one of his commitments while running for office was to help make Ward 2 a greater place for businesses to do business. He stated he believed this item was a great example of that. The Ward 2 Office worked with neighbors and the business community to ensure that businesses could provide services in a quick fashion while providing everyone with an equal seat at the table. He thanked Mr. Grassinger and Ward 2 Office staff.

It was moved by Council Member Glassman, duly seconded and carried by a voice vote of 7 to 0, to approve the requested change of preliminary development plan and change of conditions, as amended, as recommended by staff.

11. PUBLIC HEARING: ZONING (C9-03-05) COSTCO – GRANT ROAD, R-3 TO P, REACTIVATION, TIME EXTENSION, CHANGE OF CONDITIONS, AND CHANGE OF PRELIMINARY DEVELOPMENT PLAN

Mayor Walkup announced City Manager's communication number 677, dated December 16, 2008, was received into and made a part of the record. He also announced this was the time and place legally advertised for a public hearing on a request to reactivate the rezoning case, approve minor changes to the preliminary development plan and grant a five-year time extension for the completion of the rezoning conditions for property located north of Grant Road, south of the Pantano Wash, west of the Wilmot Road alignment.

Mayor Walkup asked if the applicant was present and agreeable with the proposed requirements.

James Stanard, Mulvanny G2 Architecture, stated he represented the Costco Wholesale located on Grant Road, and they were in favor of this. They were looking at expansion and improvement of the current parking situation. He welcomed any advice from the Mayor and Council.

Mayor Walkup said the public hearing was scheduled to last no more than one hour and speakers would be limited to five-minute presentations.

Mayor Walkup stated no requests to speak were received from the public, and asked if there was anyone wishing to be heard on this item.

There was no one.

It was moved by Council Member Trasoff, duly seconded and carried by a voice vote of 7 to 0, to close the public hearing.

Council Member Glassman stated the Costco extension was very simple. There were no known issues and the location was tucked away in a corner lot. The applicant needed more time due to the economy and project timing. Council Member Glassman stated he believed with opportunities like those, the Mayor and Council should be of assistance to the business community and try to make their jobs a little easier.

It was moved by Council Member Glassman, duly seconded and carried by a voice vote of 7 to 0, to reactivate the subject rezoning case, approve the requested five-year time extension from September 15, 2008, to September 15, 2013, and approve the requested change of preliminary development plan and change of conditions as recommended by staff.

12. ZONING: (C9-08-12) ROMANO REAL ESTATE – BROADWAY BOULEVARD, C-1 TO C-2, CITY MANAGER’S REPORT

Mayor Walkup announced City Manager's communication number 678, dated December 16, 2008, was received into and made a part of the record. He also announced this was a request to rezone property located on the north side of Broadway Boulevard, between Pantano and Camino Seco Roads, at the intersection of Old Spanish Trail and Broadway Boulevard. The Zoning Examiner and staff recommended authorization of the rezoning, subject to certain conditions.

Mayor Walkup asked if the applicant was present and agreeable with the proposed requirements.

Jim Egan, applicant on behalf of property owners, Garigan Trust, stated they were agreeable to the conditions.

Council Member Glassman stated this was a vacant graffiti-filled building. He said it would be great to have a new business in the area with the goal of enhancing surrounding businesses. Katie Bolger, Ward 2 Council Administrative Assistant, worked with Mr. Egan to create landscaping improvements which included rainwater harvesting. Council Member Glassman thanked Mr. Egan for working with the surrounding businesses and being one of the first to volunteer to participate in the rainwater harvesting program. He stated he always appreciated Mr. Egan’s support of sustainability concepts.

It was moved by Council Member Glassman, duly seconded and carried by a voice vote of 7 to 0, to authorize the request for rezoning as recommended by the Zoning Examiner.

13. ZONING: (C9-08-13) MIRADOR GROUP, LLC – PIMA STREET, R-3 TO O-1, CITY MANAGER’S REPORT

Mayor Walkup announced City Manager's communication number 679, dated December 16, 2008, was received into and made a part of the record. He also announced this was a request to rezone property located on the south side of Pima Street, between Sonoita and Alamo Avenues, west of Wilmot Road. The Zoning Examiner and staff recommended authorization of the rezoning, subject to certain conditions.

Mayor Walkup asked if the applicant was present and agreeable with the proposed requirements.

Tim McCann, applicant on behalf of the property owners, Mirador Group, LLC, stated they were agreeable to the conditions.

It was moved by Council Member Trasoff, duly seconded and carried by a voice vote of 7 to 0, to authorize the request for rezoning as recommended by the Zoning Examiner.

14. ZONING: (C9-06-16) WEINBERG – MARY ANN CLEVELAND WAY, MH-1 TO R-2 (MH-1 TO R-1 AUTHORIZED), ORDINANCE ADOPTION

Mayor Walkup announced City Manager's communication number 681, dated December 16, 2008, was received into and made a part of the record. He asked the City Clerk to read Ordinance 10614 by number and title only.

Ordinance No. 10614 relating to zoning; amending zoning district boundaries in the area located on the north and south sides of Mary Ann Cleveland Way, approximately 1.5 miles east of Houghton Road in Case C9-06-16, Weinberg – Mary Ann Cleveland Way, MH-1 to R-1; and setting an effective date.

It was moved by Council Member Scott, duly seconded, to pass and adopt Ordinance 10614.

Mayor Walkup asked if there was any discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Romero, Glassman, Scott, Leal, and Trasoff;
Vice Mayor Uhlich and Mayor Walkup

Nay: None

Ordinance 10614 was declared passed and adopted by a roll call vote of 7 to 0.

15. ZONING: (C9-06-15) SHIPLEY – MARY ANN CLEVELAND WAY, MH-1 TO R-2 (MH-1 TO R-1 AUTHORIZED), ORDINANCE ADOPTION

Mayor Walkup announced City Manager's communication number 680, dated December 16, 2008, was received into and made a part of the record. He asked the City Clerk to read Ordinance 10616 by number and title only.

Ordinance No. 10616 relating to zoning; amending zoning district boundaries in the area located south of Mary Ann Cleveland Way, approximately one mile east of Houghton Road in Case C9-06-15, Shipley – Mary Ann Cleveland Way, MH-1 to R-1 and setting an effective date.

It was moved by Council Member Scott, duly seconded, to pass and adopt Ordinance 10616.

Mayor Walkup asked if there was any discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Romero, Glassman, Scott, Leal, and Trasoff;
Vice Mayor Uhlich and Mayor Walkup

Nay: None

Ordinance 10616 was declared passed and adopted by a roll call vote of 7 to 0.

16. PREDEVELOPMENT AGREEMENT: WITH THE DOWNTOWN TUCSON DEVELOPMENT COMPANY LLC FOR THE EAST CONGRESS STREET AREA

Roger W. Randolph, City Clerk, stated the City Attorney had a correction to read into the record.

Michael Rankin, City Attorney, said regarding page 15 of the Predevelopment Agreement, the parties agreed on a change to Section 8.2.1, to insert a cap on potential damages if they did not reach a Development Agreement, to read as follows: "In no event shall the damages payable by the City exceed nine hundred, fifty thousand dollars."

Mayor Walkup announced City Manager's communication number 694, dated December 16, 2008, was received into and made a part of the record. He asked the City Clerk to read Resolution 21182 by number and title only.

Resolution No. 21182 relating to Development; approving and authorizing the execution of a Predevelopment Agreement between the City of Tucson and the Downtown Tucson Development Company LLC relating to the redevelopment of the Congress Street and Warehouse Arts District; and declaring an emergency.

Mayor Walkup said he would now call on members of the audience who wished to comment on this Item.

Michael Keith complimented those involved and said he never questioned the developers' talent or resources in delivering an excellent product downtown, but he felt a responsibility to be honest in reviewing the document. He said the preliminary rough draft was not clear about what would happen to WAMO (the Warehouse Arts Management Organization) or the warehouses in the event WAMO was unable to meet the conditions outlined in the agreement. However, the developers stated they would not receive the properties in the event of a WAMO default, and WAMO was becoming increasingly comfortable with the terms of the agreement and wished to move forward. Mr. Keith said he hoped cost savings could be revealed, but had to trust Mayor and Council thoroughly vetted the issue and were convinced they were receiving value for public land.

Mr. Keith said his involvement in the debate seemed to come late, but he remained thoroughly committed to downtown revitalization, as he had been for the previous twenty-five years. He said the project had the potential to be the boldest new development proposal to hit the downtown district since the Ice House Lofts. If the work started promptly, with vision and collaboration, it could finally provide the stimulus for downtown that many people were waiting for. Mr. Keith said he remained committed to see the downtown area become the urban oasis of his dreams and wished to offer his assistance to meet those goals.

Michael Crawford, Rialto Theatre Foundation President, said many field trips were taken in the mid-1990s, when downtown revitalization was being discussed. Phoenix and Tempe were looked at for comparison, and what Tucson was found to be missing was the public-private partnership. He praised the development team, which he said was willing to step forward with its own money and make commitments. He said the Theatre Board was comfortable moving forward with the Predevelopment Agreement, and acknowledged negotiations needed to take place in the next six months regarding the treatment of the Theatre and what improvements would be able to be made quickly. Mr. Crawford said the Rialto Board encouraged the Mayor and Council to approve the Predevelopment Agreement.

Mayor Walkup announced the development team would make a presentation.

Scott Stiteler, developer, said his relationship with the Mayor and Council was one taken very seriously. He acknowledged and applauded several notable people and places that attracted the development team and played a significant role in their decision to invest in downtown. Mr. Stiteler said when he purchased the Corbett block from the Cooper family he told them one day the Corbett block would be sensational. That opportunity was getting closer. He explained his involvement in the Mercado District and that the stars of the Mercado District were homes built by small builders who shared a passion which could be felt when walking through the homes. Mr. Stiteler said the district would become one of Tucson's finest neighborhoods.

Mr. Stiteler said Homer Williams, Dike Dame and Matt Brown asked him to fund the closing of 200 Congress Street and the MLK (Martin Luther King) Building on a short timeline; they closed in six days. He said during the process, Mike Hein, City Manager, explained the City of Tucson needed people to step up and take a chance on Tucson. The City Manager and his office were instrumental in making themselves available to keep alive the momentum and interest of the developers. For over a year the development team met with WAMO to find solutions to their needs. They worked together to secure WAMO's future with 2.5 million dollars of funding and buildings under WAMO's control. The priority was to create an art experience that would become a draw and a destination for downtown. He said a similar process led to the decision to provide financial support for Skrappy's. Skrappy's could do a lot of good in the community for many young adults if they were given a long term home. He said WAMO wanted to work together with Skrappy's to find a long term solution.

Mr. Stiteler said several in the city made it abundantly clear the Rialto area was a priority. If each of the blocks came under control of one partnership the options to master plan a rare intersection were endless. Mr. Stiteler said the commitment of five million dollars was larger than what made financial sense, but it was crucial for downtown to have a signature building. While the economy was spiraling down, they started and finished the building at One North Fifth Avenue with ninety-six newly renovated residential units.

Mr. Stiteler said the City of Tucson expressed interest in bringing several owners and properties under one umbrella so the public and private partnership was the size and scope it needed to be to make a difference. A considerable amount of money was spent to keep all parties fully engaged and working towards a common goal. The Predevelopment Agreement continued the work they accomplished with input from the City of Tucson, WAMO and others. Over the next six months the agreement would be improved and refined which would eventually lead to a Development Agreement.

Mr. Stiteler said the agreement made it clear the developers must deliver WAMO, Skrappy's, the Rialto Theatre and the Rialto building, paying for all the work that was ahead of them when it was difficult or impossible for the City to do so. He recalled speaking with Council Member Leal about urban renewal and what eventually became Skrappy's, and sharing a moment of excitement with Council Member Trasoff and City staff over the changes happening in downtown Tucson. He said the agreement asked the

City to follow through on prior promises of a streetcar and street improvements. The development team also asked for options on parcels that worked out to approximately twenty-five dollars per foot if they followed through on a long list of investments. He said the team offered to fund over eleven million dollars in an economic environment that was frozen with fear. He said if the Mayor and Council committed to the development team, he would celebrate the beginning of a necessary partnership that had the ability to make downtown great and, together, would deal with any success and setbacks.

Marvin Shaver, WAMO President, explained WAMO was established four years prior, to create an Arts District described in the Historic Warehouse Arts Master Plan adopted by the Mayor and Council in 2004. Its purpose was to preserve the historic warehouses as affordable art spaces for current and new tenants. The Predevelopment Agreement allowed WAMO to realize its purpose and lay the groundwork for the preservation of the warehouses. Mr. Shaver said they reviewed the agreement and, while they would like to see language that strengthened their position, they had the cooperation from Downtown Tucson Development Company LLC (DTDC). He said he believed WAMO, Scott Stiteler, Jim Campbell, and Williams and Dame could work together towards an Arts District in downtown Tucson. The community would benefit from the preservation of the warehouses and the creation of an Arts District that would be protected from the economic pressures that often drove artists out.

Kwang An, a small business owner, said he watched growth in Tucson occur outside of downtown. He saw a really good opportunity in the Rialto Building, so he was willing to work with Mr. Stiteler. Mr. An's business would provide downtown with a destination that would benefit other nearby businesses. He said if Mayor and Council did not proceed with the agreement, he thought development would be set back three to five years. He asked them to help with downtown improvements.

Steve Dean, Senior Vice President of Alliance Bank of Arizona, stated they were a community bank that was dedicated to Tucson and Arizona. They supported efforts to move downtown redevelopment forward and were already actively invested in downtown. He said they had a branch downtown with approximately forty million dollars in deposits, and they already invested fourteen million dollars financing commercial real estate developments in downtown. He said they supported DTDC and urged the Mayor and Council to move forward with the Predevelopment Agreement.

Joyce Serido, Tucson Youth Collective, also known as Skrappy's, said she was a researcher at the University of Arizona in positive youth development. She said she had the privilege of working with the youth at Skrappy's and Kathy Wooldridge. She said Ms. Wooldridge and the children at Skrappy's gave so much and received so little. They were a jewel in the City of Tucson, and people failed to realize children did not stay children for long. She said it was time for Skrappy's to have a home.

Homer Williams, Williams and Dame, explained why they were attracted to the Tucson area. Tucson's circumstances were similar to what they encountered in Portland's Pearl District. He said one of the things they learned about urban development was the importance of connections. The plan would develop its own energy once the vision was communicated and moved forward. The important thing was to plan and create a vision that people would engage. He said they learned if there was political will, private willingness and capital, one could move mountains.

Council Member Romero thanked Scott Stiteler, Homer Williams, Dike Dame, Matt Brown, Jim Campbell, WAMO, Skrappy's, the City of Tucson and the people who worked on the agreement. She said it was wonderful Mr. Brown and Mr. Williams were working with WAMO and going out to a community interested in living, working and playing downtown. She said she questioned the value the City of Tucson and the community would gain from the Predevelopment Agreement. The team gave WAMO the opportunity to be involved in a plan to move forward. Council Member Romero said she ran her campaign talking about neighborhood reinvestment, a downtown for all, and being able to live, work and play downtown. The agreement incorporated those elements. It allowed the artists, Skrappy's, and owners of the properties to reinvest and create a downtown that had a workforce and affordable housing.

Council Member Romero said downtown should keep its character and be able to include the youth at Skrappy's. Mr. Stiteler and Williams and Dame had the experience to be able to provide the housing diversity that the Mayor and Council would like to see. She thanked them for starting the work and said she knew they would continue to move forward and trusted they would continue to include the Mayor and Council in the conversation. She said she would gladly vote on the Predevelopment Agreement in a positive manner.

Council Member Glassman explained there were groups throughout the community that were pushing the need for private sector development and revenue generating projects downtown since the inception of Rio Nuevo. The private sector must lead the way to build a successful downtown. He said the agreement, in its present form, would move downtown in the right direction. He said he believed the Mayor and Council had a responsibility as elected leaders to support the project and other private sector development, not only downtown, but throughout the City of Tucson.

Vice Mayor Uhlich said Ward 3 encompassed the northern gateway to downtown which included Miracle Mile, Oracle Road and the Stone Avenue corridor. She said they were working hard to be good stewards of those links and encouraged revitalization. Those were pieces that would go hand in hand to uplift the area as downtown became enlivened through efforts like the Predevelopment Agreement. She said, as those elements succeeded and were integrated, she would support and work hard to reward the significant investments.

Council Member Scott said she saluted the private sector for coming forward with a collaborative effort. In order to revitalize downtown, the private and public sectors had to come together and pull resources into one vision. She said even though Ward 4 was far from downtown, the community she represented was involved in the reality and vision. She asked Mike Hein, City Manager, what made the agreement more viable than others, and whether the agreement was on solid financial ground.

Mike Hein, City Manager, said they were currently better off due to scale, security and trust. Trust could not be tangibly identified, but related to an incremental phase approach. The developers would demonstrate their commitment by moving forward, then the City of Tucson would demonstrate its commitment by moving forward. He said this agreement was different from other agreements because of lessons learned, knowledge of development deal processes, collaboration, partnership and incremental advancement. The private sector was working on elements of regional planning and the public sector was working on infrastructure investment. He said that was the beginning of the dialogue and relationship.

Council Member Scott thanked the private sector for their collaboration and willingness to put their dollars on the line in order to move the agreement forward.

Council Member Leal said the developers were not afraid of performance criteria. Mayor and Council referred to downtown as everybody's neighborhood. Many of the artists and small businesses that tried to save and cultivate downtown feared they would not be allowed to realize the success of downtown. He recognized Mr. Stiteler, Mr. Williams, Mr. Campbell and Mr. Brown for running a needle and thread through the disparate parts of the community, weaving them together. That was not in ambivalence, but in acceptance, of who they were and what they had, and how that could be strengthened through relationships and collaboration. There would be many other people contributing and investing in downtown. He said he thought the developers understood and intended to make downtown a stage where Tucsonans could live out the drama of their lives. He said the developers' actions and commitments gave him confidence in their success.

Council Member Trasoff said all of the participants came together and had the opportunity to take the first step, which they could have confidence in because of the partners involved, and their vision, leadership and willingness to invest. She said the entire community was involved, the collaboration would continue, and there would be continuity because of a shared passion. She said the developers had proven themselves, created a unique place, understood Tucson, and were willing to take a chance and work with Skrappy's and WAMO. WAMO would receive the guidance and partnership to reach its fullest potential and the arts would remain the heart and soul of downtown. She said it was a night to celebrate, with the understanding that work would continue with strict performance criteria involved.

It was moved by Council Member Trasoff, duly seconded, to pass and adopt Resolution 21182, as amended.

Mayor Walkup announced he thought the Mayor and Council were obligated to listen appropriately to everyone because this was a historic time. He asked if there was anyone else wishing to be heard on this item.

Dick Basye expressed his concerns about seventy-five acres downtown being appropriated to one developer. He spoke about various downtown real estate sales and purchases that, in his opinion, were wasting the taxpayers' money. He said the developers might seek a return if the City did not produce the Modern Streetcar. He spoke about property near Park Avenue and Broadway Boulevard and whether it was obtained under false pretense. Mr. Basye also questioned whether a conflict of interest existed because of reports that the City Manager was a personal friend of one of the developers.

Robert Reus said he thought it was inappropriate to penalize the taxpayers for the trolley not materializing and questioned whether funding had been identified for it. He said it was a bad time, economically, to take financial chances. He expressed his concerns about developers failing to perform as promised and about giving away prime real estate.

Elisabeth Albert, representative of Skrappy's, thanked the Mayor and Council. She explained, every year that Skrappy's did not have a home, children were not being served. The developers gave Skrappy's an opportunity to have a home and continue serving the needs of its youth. She said if they had a voice in the negotiations, they would be in full support of the agreement.

Dr. Lauren Grasso-Lebeau, a physician at the University of Arizona, said she was delighted to see Williams and Dame come forward to get the momentum going. She said she supported the agreement and thought involving the private sector was a positive move.

Mayor Walkup asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Romero, Glassman, Scott, Leal, and Trasoff;
Vice Mayor Uhlich and Mayor Walkup

Nay: None

Resolution 21182, as amended, was declared passed and adopted by a roll call vote of 7 to 0.

Mayor Walkup announced he thought it was a historic moment. The public and private sectors were finally working together. They received news the Federal Transit Authority (FTA) submitted an application which would allow funding. Seventy million dollars in bonds were obtained in an extraordinarily hard time. He said that was an indication of others' views about the professionalism of the City and how it was run. He said leadership was a matter of clarity of vision, passion for actions, the ability to overcome obstacles, and understanding the common good. He congratulated everyone who put together the moment in history.

17. MAYOR AND COUNCIL: SELECTION OF VICE MAYOR

Mayor Walkup announced City Manager's communication number 674, dated December 16, 2008, was received into and made a part of the record. He asked the City Clerk to read Resolution 21171 by number and title only.

Resolution No. 21171, relating to the Vice-Mayor of the Mayor and Council; selecting a Vice-Mayor.

It was moved by Council Member Glassman, duly seconded, to pass and adopt Resolution 21171, selecting Karin Uhlich as Vice Mayor.

Mayor Walkup asked if there was any discussion.

Council Member Scott said she thought it should be clarified that Vice Mayor Uhlich already served four months as Vice Mayor. The ordinance being considered stated she would continue serving until December 2009, but that was a legal provision. In fact, the position was rotated amongst Council Members so they all served an equal amount of time as Vice Mayor.

Mayor Walkup asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Romero, Glassman, Scott, Leal, and Trasoff;
Vice Mayor Uhlich and Mayor Walkup

Nay: None

Resolution 21171, selecting Karin Uhlich as Vice Mayor, was declared passed and adopted by a roll call vote of 7 to 0.

18. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

Mayor Walkup announced City Manager's communication number 672, dated December 16, 2008, was received into and made a part of the record.

It was moved by Council Member Romero, duly seconded and carried by a voice vote of 7 to 0, to direct staff to return with a resolution appointing Fred Ronstadt to the Civil Service Commission.

It was moved by Council Member Romero, duly seconded and carried by a voice vote of 7 to 0, to appoint Robert Hastings, Jr. and Carl Ewing to the Fort Lowell Historic Zone Advisory Board.

Mayor Walkup asked if there were any personal appointments to be made.

No personal appointments were made.

19. ADJOURNMENT: 7:40 p.m.

Mayor Walkup announced the next regularly scheduled meeting of the Mayor and Council would be held on Tuesday, January 6, 2009, at 5:30 p.m., in the Mayor and Council Chambers, City Hall, 255 West Alameda, Tucson, Arizona.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATE OF AUTHENTICITY

I, the undersigned, have read the foregoing transcript of the meeting of the Mayor and Council of the City of Tucson, Arizona, held on the 16 day of December 2008, and do hereby certify that it is an accurate transcription.

DEPUTY CITY CLERK

RWR:ss:mz