



Minutes of MAYOR AND COUNCIL Meeting

Approved by Mayor and Council
on December 4, 2012.

Date of Meeting: April 3, 2012

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 5:43 p.m., on Tuesday, April 3, 2012, all members having been notified of the time and place thereof.

1. ROLL CALL

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

Present:

Regina Romero	Council Member Ward 1
Paul Cunningham	Council Member Ward 2
Karin Uhlich	Vice Mayor, Council Member Ward 3
Shirley C. Scott	Council Member Ward 4
Richard G. Fimbres	Council Member Ward 5
Steve Kozachik	Council Member Ward 6
Jonathan Rothschild	Mayor

Absent/Excused:

None

Staff Members Present:

Richard Miranda	City Manager
Michael Rankin	City Attorney
Roger W. Randolph	City Clerk

2. INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was given by Pastor Roy Tullgren, Gospel Rescue Mission, after which the Pledge of Allegiance was led by the entire assembly.

Presentations:

- a. Mayor Rothschild proclaimed April as "Water Awareness Month." Ivey Schmitz, Tucson Water Deputy Director, accepted the Proclamation.

(NOTE: Vice Mayor Uhlich left at 5:48 p.m. and returned at 5:50 p.m.)

3. MAYOR AND COUNCIL REPORT: SUMMARY OF CURRENT EVENTS

Mayor Rothschild announced City Manager's communication number 112, dated April 3, 2012 was received into and made 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.

Current event reports were provided by Council Members Cunningham, Fimbres, Kozachik, and Vice Mayor Uhlich. A recording of this item is available from the City Clerk's Office for ten years from the date of this meeting.

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

Mayor Rothschild announced City Manager's communication number 113, dated April 3, 2012 was received into and made 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.

Current event report was given by Richard Miranda, City Manager. A recording of this item is available from the City Clerk's Office for ten years from the date of this meeting.

5. LIQUOR LICENSE APPLICATIONS

Mayor Rothschild announced City Manager's communication number 117, dated April 3, 2012, was received into and made part of the record. He asked the City Clerk to read the Liquor License Agenda

- b. Liquor License Application(s)

New License(s)

- 1. Sahara Cafe, Ward 3
1730 E. Prince Rd.
Applicant: Ghada Jamal Lulu
Series 12, City 2-12
Action must be taken by: February 24, 2012

Tucson Police Department and Revenue Investigations have indicated the applicant is in compliance with city requirements.

Planning & Development Services Department has indicated the applicant is not in compliance with city requirements.

City Clerk's Office has indicated the applicant is not in compliance with city requirements.

This item was considered separately.

2. Blue Star Gas Station, Ward 5
3774 S. 6th Ave.
Applicant: Thomas Robert Aguilera
Series 10, City 15-12
Action must be taken by: April 13, 2012

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

Public Opinion: Written Argument Opposed/In Favor Filed

This item was considered separately.

NOTE: State law provides that for a new license application, "In all proceedings before the governing body of a city...the applicant bears the burden of showing that the public convenience requires and that the best interest of the community will be substantially served by the issuance of a license". (A.R.S. Section 4-201)

Person Transfer

There are no application(s) for person transfers scheduled for this meeting.

c. Special Event(s)

1. Tucson Kitchen Musicians Association, Ward 1
140 N. Main Ave.
Applicant: James B. Lipson
City T24-12
Date of Event: May 5, 2012 - May 6, 2012
(Tucson Folk Festival)

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

2. Artsake Foundation, Ward 6
5th & 6th Avenues between Broadway Blvd. & Congress St.
Applicant: Jeb Bley Schoonover
City T26-12
Date of Event: April 21, 2012
(Fundraiser)

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

3. AzMAC-Arizona Media Arts Center, Ward 6
127 E. Congress St.
Applicant: Claudia Jespersen
City T28-12
Date of Event: April 20, 2012 - April 22, 2012
(Fundraiser)

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

4. United States Bartenders' Guild, Ward 6
311 E. Congress St.
Applicant: Aaron Anthony DeFeo
City T29-12
Date of Event: May 4, 2012
(Fundraiser)

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

5. The Education Foundation, Ward 2
5099 E. Grant Rd.
Applicant: Julie A. Pulliam
City T30-12
Date of Event: April 28, 2012
(Fundraiser)

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

6. St. Augustine Cathedral, Ward 6
192 S. Stone Ave.
Applicant: Gonzalo (Fr.) J. Villegas
City T31-12
Date of Event: April 29, 2012
(Fundraiser)

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

7. Ben's Bells Project, Ward 6
40 W. Broadway Blvd.
Applicant: Colleen Anne Conlin
City T33-12
Date of Event: April 28, 2012
(Fundraiser)

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

8. Anne Rita Monahan Foundation, Ward 3
4502 N. 1st Ave.
Applicant: Rachel A. Busch
City T34-12
Date of Event: April 28, 2012
(Festival)

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

d. Agent Change/Acquisition of Control

1. Club Turbulence, Ward 5
6608 S. Tucson Blvd.
Applicant: Brian Kent Jameson
Series 6, City AC4-12
Action must be taken by: April 13, 2012

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 Scott, duly seconded, and carried by a voice vote of 7 to 0, to forward liquor license applications 5c1-5c8 and 5d1 to the Arizona State Liquor Board with a recommendation for approval.

5. LIQUOR LICENSE APPLICATIONS

b. Liquor License Application(s)

New License(s)

1. Sahara Cafe, Ward 3
1730 E. Prince Rd.
Applicant: Ghada Jamal Lulu
Series 12, City 2-12
Action must be taken by: February 24, 2012

Tucson Police Department and Revenue Investigations have indicated the applicant is in compliance with city requirements.

Planning & Development Services Department has indicated the applicant is not in compliance with city requirements.

City Clerk's Office has indicated the applicant is not in compliance with city requirements.

Roger W. Randolph, City Clerk, announced the first item to be considered separately was Item 5b1, Sahara Cafe located in Ward 3.

Vice Mayor Uhlich asked if the applicant was present. She also asked staff from the Planning and Development Services Department to address the zoning issues with the item after which she asked the applicant to say a few words.

Ernie Duarte, Planning and Development Services Director, stated the application was in a C-1 zone that required a mitigation process. This involved an offer to meet with surrounding property owners to take input associated with that notice and adjust the application accordingly if necessary. Mr. Duarte stated that the process had not been completed.

Vice Mayor Uhlich asked if there had been an opportunity to work with the applicant. She apologized for not having given the applicant the opportunity to state her name.

Mr. Randolph stated a continuance from the State had been requested.

Vice Mayor Uhlich explained to the representative that it seemed as though there was enough time for the item to be addressed after the applicant had resolved some of the issues.

Christina Knerr, Sahara Café representative, said there had been some financial issues and that she had called to find out about being in compliance and was told to wait until the meeting.

Vice Mayor Uhlich said there was only one more step in order to resolve the issues and if those were resolved, the Mayor and Council would then take another look at the application.

It was requested by Vice Mayor Uhlich that item 5b1 be continued until the Planning and Development Services Department indicated the applicant was in compliance.

A verbatim transcription of the above item is available from the City Clerk's Office.

5. LIQUOR LICENSE APPLICATIONS

c. Liquor License Application(s)

New License(s)

2. Blue Star Gas Station, Ward 5
3774 S. 6th Ave.
Applicant: Thomas Robert Aguilera
Series 10, City 15-12
Action must be taken by: April 13, 2012

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

Public Opinion: Written Argument Opposed/In Favor Filed

This item was considered separately.

Roger W. Randolph, City Clerk, announced the second item to be considered separately was Item 5b2, Blue Star Gas Station located in Ward 5.

Council Member Fimbres asked if there was a representative present to speak on behalf of the applicant. He also said he had four cards from people requesting to speak in protest of the license.

Thomas Aguilera, representative for the Blue Star Gas Station and owner Nagib Algathy, gave an overview of their contacts with City representatives and with various neighborhood representatives concerning the application. He said a previous license application, approved by the City for that location, had indicated there was a distance of 350 feet to the church nearby and that by his interpretation of certain regulations; this would make this application in conformity with the 300 foot rule. He also noted that it had been less than two years since that license had been in use.

Mr. Algathy gave an account of his personal business experience and his efforts to address the concerns regarding minors purchasing beer at his business.

Council Member Fimbres asked the City Attorney to clarify the distance from the church which the application stated was 294 feet.

Michael Rankin, City Attorney, stated the Tucson Police Department representatives had measured the distance and found it to be a 281 foot separation. He said although he did not necessarily agree with Mr. Aguilera's interpretation of the statutes, in this case, the business was within 300 feet of the church and there had been a previously allowed license at this location, thereby allowing the Mayor and Council to consider the application.

Council Member Fimbres asked if Sarah Fox, Nelda Ruiz, Irma Rojas, or Diana Mendoza were in the audience and that they come forward and address the Council.

Nelda Ruiz, representative of Tierra y Libertad Organization, said she was protesting the application because of its closeness to several schools, churches and to Barrio Wakefield, a community with a large population of under eighteen year olds. She expressed other concerns about the applicant's trouble in New York for selling alcohol to minors. She also noted that neither the applicant, nor his representative had made any attempt to contact anyone from Barrio Wakefield.

Diana Mendoza, who spoke in Spanish assisted by a translator, expressed her concerns for the effects another liquor store would have on the community. She spoke

about the projects that had positively improved the community and her worry that this would be undone by the addition of another liquor store. She said she believed the applicant was only in this for personal benefits.

It was moved by Council Member Fimbres, duly seconded, and carried by a voice vote of 7 to 0, to forward liquor license application 5b2 to the Arizona State Liquor Board with a recommendation for denial.

A verbatim transcription of the above item is available from the City Clerk's Office.

6. CALL TO THE AUDIENCE

Mayor Rothschild 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 Rothschild also announced that pursuant to the Arizona Open Meeting Law, individual Council Members may ask the City Manager to review the matter, ask that the matter be placed on a future agenda, or respond to criticism made by speakers. However, the Mayor and Council may not discuss or take legal action on matters raised during "call to the audience."

Comments were made by:

Rev. Stuart Taylor	Jessica Shuman	Steve Shenitzer
William Hubbard	Ruth Beeker	Keith Van Heyningen
Susan Willis	Robert Reus	Ben Korn
Ken Scoville	Raven Valdez	

A recording of this item is available from the City Clerk's Office for ten years from the date of this meeting.

7. CONSENT AGENDA – ITEMS A THROUGH D

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

a. APPROVAL OF MINUTES

1. Report from City Manager APR03-12-114 CITY WIDE
2. Mayor and Council Regular Meeting Minutes of October 5, 2011

b. BOARDS, COMMITTEES, AND COMMISSIONS: EXTENDING THE TERM OF SERVICE FOR THE GRANT ROAD CORRIDOR PLANNING TASK FORCE

1. Report from City Manager APR03-12-116 WARDS 2, 3 AND 6
 2. Resolution No. 21872 relating to Boards and Commissions; amending Section 5 of Resolution No. 20632 (adopted April 10, 2007, and previously amended by Resolution No. 21713 on April 12, 2011) to extend the term of the Grant Road Corridor Planning Task Force to April 10, 2013; and declaring an emergency.
- c. TRANSPORTATION: AUTHORIZING AND APPROVING COUNTY HIGHWAY ESTABLISHMENT PETITIONS FOR CONSTRUCTION OF THE JULIAN WASH AND HARRISON GREENWAYS MULTI-USE PATH PROJECT
1. Report from City Manager APR03-12-119 WARD 5
 2. Resolution No. 21873 relating to Transportation: authorizing and approving County Highway Establishment Petitions for Country Club Road, Drexel Road to Milber Street, and Drexel Road, Alvernon Way to Benson Highway, for construction of the Julian Wash and Harrison Greenways Multi-Use Path Project; and declaring an emergency.
- d. INTERGOVERNMENTAL AGREEMENT AMENDMENT: WITH PIMA COUNTY FREE LIBRARY DISTRICT FOR THE CONVEYANCE OF ECKSTROM-COLUMBUS LIBRARY
1. Report from City Manager APR03-12-120 WARD 5
 2. Resolution No. 21876 relating to Intergovernmental Agreements and Real Property; approving and authorizing the execution of Amendment Two to the Intergovernmental Agreement between the Pima County Free Library District, Pima County, and the City of Tucson; Providing for the conveyance of the Eckstrom-Columbus Library to the District; and declaring an emergency.

It was moved by Council Member Scott, duly seconded, and passed by a roll call vote of 7 to 0, that Consent Agenda Items a – d be passed and adopted and the proper action taken.

8. PUBLIC HEARING: VALENCIA CROSSING ANNEXATION DISTRICT

Mayor Rothschild announced City Manager's communication number 121, dated April 3, 2012, was received into and made part of the record. He also announced this was the time and place legally advertised for a public hearing for the proposed Valencia Crossing Annexation District. He said staff wanted to make a brief presentation before beginning the public hearing.

Byron Howard, City Manager's Office, gave a presentation on the proposed Valencia Crossing Annexation District. He detailed the location as being in the vicinity of Valencia Road and Interstate-10, with Davis-Monthan, Air Force Base to the northeast, the Julian Wash to the north, and Craycroft Road to the east. He said the petitioner had the property in trust and with almost thirty owners in Tucson.

Mr. Howard stated the property constituted of 358 acres which was mostly vacant. He said seven parcels of vacant land were owned by Pima County. He noted that Sunnyside School District had two schools located in the District. He said the property was a master planned community with plans for prime retail, office and industrial development by way of a Planned Area Development (PAD) process. He mentioned that a financial analysis would be done for cost of services in order to show potential revenue over a ten year period.

Mr. Howard said the City's Finance Department, in cooperation with the owners' representative, estimated a \$32.5 million revenue projection through the year 2022. He stated the PAD already had been through the Zoning Examiner public hearing process and the findings were due within 8 to 10 days. He asked the Mayor and Council to approve the Pre-Annexation Development Agreement (PADA), as submitted, and instruct staff to continue to receive additional signatures.

Mayor Rothschild announced the public hearing was scheduled to last for no more than one hour and speakers were limited to five-minute presentations. He asked if there was anyone wishing to speak on the item. There was no one.

Mayor Rothschild asked if there was any discussion.

Council Member Fimbres asked what the difference was between the Annexation District and a Pre-Annexation Development Agreement (PADA) and what happened to an annexation district if only a specific part was annexed.

Christopher Avery, Principal Assistant City Attorney, responded that the difference between the PADA and an Annexation District was that the Annexation District encompassed a large area of territory that the City expected to annex. He said the PADA was an agreement with the property owners within a particular segment of the proposed Annexation District which sets forth the terms in which the annexation could be accomplished.

Mr. Avery stated an annexation district was formed at the expiration of the 30 day notice period and they were in the last 10 days of that last notice period. He said if petition signatures were obtained from a majority of the property owners by value and a majority of property owners by number of tax paying parcels within the annexation district then an annexation could be accomplished. He added if an annexation could not be accomplished within one year, the annexation district expired.

Council Member Fimbres asked for clarification on Section 5.3 of the proposed agreement.

Mr. Avery clarified Section 5.3 of the proposed PADA in detail. He explained that there would be an exchange of parcels necessary to realign the Littleton Road and Valencia Road intersection. He said that intersection was located several hundred yards west of where it was planned to be located and the developer agreed to exchange rights-of-way within that area for rights-of-way that were owned by Pima County. He said if the transaction took place after the annexation, the rights would be owned by the City instead of Pima County.

Council Member Fimbres asked if the City had contacted the Pima County Administrator regarding the letters he sent to the City on April 3rd, March 1st and March 29th, in regards to the County's parcels within the annexation district.

Mr. Avery stated the City received correspondence from Pima County which indicated they had no interest to include their parcels in the annexation district but they had not given any reason for their objection. He said the parcels the City was looking to annex within Pima County were located right on the eastern boundary of the Annexation District. He stated there was a regional park and the Pima Air Museum located within the City limits and to the east of the Annexation District. He commented that staff attempted to meet with Pima County in order to discuss the issue but were unsuccessful.

Richard Miranda, City Manager, stated he received an email from the County Administrator asking the City to submit his correspondence for the record which he had done.

Mayor Rothschild asked if the City had agreed to the five conditions stated in the County Administrator's letter.

Mr. Avery said there were a few changes that he wanted to discuss when the PADA was discussed, but essentially an agreement had been reached with the property owner which accomplished what the County was looking for.

Council Member Fimbres asked what the City's responsibilities were if the Mayor and Council approved the proposal and the potential financial cost.

Mr. Avery said according to the financial analysis, the City would incur about \$440,000 in costs for the annexation district over the next ten years and receive approximately \$33 million in revenue. He said most of the net revenue of \$32.5 million came from sales and utility taxes with a significant amount from impact fees and property taxes.

Council Member Cunningham said he wanted to clarify for the record that the annexation and the PADA did not affect the ability to have the great bicycle loop around all the rivers.

Mr. Avery said the City had been able to deal with the substantive issues that had been raised by Pima County as a consequence of the annexation and one of them was the realignment of the Littletown Road intersection and the other issue was the construction of the Julian Wash Greenway. He said the PADA basically set up the template by which the Julian Wash Greenway improvements could be constructed.

Council Member Romero asked what happens to the seven parcels that Pima County did not want as part of the annexation district. She asked if the City could move forward or what the next step would be.

Mr. Avery stated that under state law the only signatures relevant for an annexation petition were signatures from owners of real and personal property that was subject to taxation and in that case, the Pima County parcels were not subject to taxation. He said there was also a provision in state law that required the consent of Pima County for annexation of land that was designated as a County park and at that time, the parcels had not been designated as a County park.

Council Member Kozachik asked for clarification on the impact fee credits as a funding source if the Desert Parcel 510 Associates completed certain work. He also wanted to know what the funding source would be if the impact fees were changed legislatively at the State level.

Mr. Avery said if the impact fees went away then the City would be unable to provide reimbursement. He added that what the City had tried to do was to provide reimbursement to the extent possible that the Desert Parcel 510 Associates would do in constructing the spine road that connected Valencia Road to Drexel Road and the Julian Wash Greenway improvements.

Council member Kozachik asked for clarification if the city would incur any costs if the impact fees became problematic.

Mr. Avery answered no and said one particular cost the City would incur would be discussed during the PADA item. He said in the letter from the Pima County Administrator there included five provisions regarding the Julian Wash Greenway. He gave further details concerning this agreement.

Mayor Rothschild asked if there was anyone else in the audience wishing to speak on this item.

Ken Scoville offered his perspective on the annexation process in general.

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

It was moved by Council Member Fimbres duly seconded, and passed by a roll call vote of 7 to 0, to proceed with the Valencia Crossing Annexation District process as recommended by the City Manager.

11. PRE-ANNEXATION AND DEVELOPMENT AGREEMENT: WITH PROPERTY OWNERS WITHIN THE VALENCIA CROSSING ANNEXATION DISTRICT

(NOTE: This item was taken out of order.)

Mayor Rothschild announced City Manager's communication number 122, dated April 3, 2012, was received into and made part of the record. He said this was a pre-annexation development agreement with the property owners within the Valencia Crossing Annexation District. He asked the City Clerk to read Resolution 21877 by number and title only.

Resolution No. 21877 relating to Pre-Annexation and Development Agreements; authorizing and approving the execution of a Pre-Annexation and Development Agreement between the City of Tucson and Desert Parcel 510 Associates, L.L.C. for properties within the Valencia Crossing Annexation District; and declaring an emergency.

It was moved by Council Member Fimbres, duly seconded, to pass and adopt Resolution 21877.

Christopher Avery, Principal Assistant City Attorney, announced that Section 4.5.3 of the agreement had revised language. He stated that on page 10, the second line from the end, there should be a period after "510 Expense Cap." He added the language following that period ... "and such funds expended as a part of the 510 Expense Cap" should be deleted.

Mayor Rothschild reminded Mr. Avery he was to explain the clarifications that Mr. Charles Huckleberry, Pima County Administrator, had made regarding the five outstanding issues.

Mr. Avery clarified that, in this agreement, the property exchange as referenced in Mr. Huckelberry's letter would occur thirty days after the adoption of the PAD. He said the agreement was changed so that the property exchange could occur in advance of that time period if necessary so long as the City consented to the transfer and that it did not obstruct the annexation in any way; otherwise the default position was that the property exchange would occur after annexation.

Council Member Fimbres asked if mitigation could occur with Littletown Road in this process.

Mr. Avery said it could, the object being to make the Littletown Road and Valencia Road intersection safer.

Resolution 21877, as amended, was passed and adopted by a roll call vote of 7 to 0.

9. PUBLIC HEARING: ZONING (C9-06-29) BURNS - PROSPECT LANE, MH-1 AND R-2 TO R-1 - REACTIVATION, FIVE-YEAR TIME EXTENSION, CHANGE OF CONDITIONS

Mayor Rothschild announced City Manager's communication number 115, dated April 3, 2012, was received into and made part of the record. He said it was the time and place legally advertised for a public hearing for the proposed reactivation and five-year time extension and change of conditions for property located between Limberlost Drive and Prospect Lane, west of Campbell Avenue. He asked if the applicant or representative was present and if they were agreeable to the requirements.

Michael Owen stated he was the agent present on behalf of the applicant and they were agreeable to the requirements.

Mayor Rothschild announced the public hearing was scheduled to last for no more than one hour and speakers were limited to five-minute presentations. He asked Mr. Owen if had any comments to make.

Mr. Owen gave some background information about the previous rezoning of this property as early as 2007 and an adjacent parcel that was rezoned in 2009 stating that essentially they were able to address concerns from the neighborhood associations.

It was moved by Vice Mayor Uhlich, duly seconded, and carried by a voice vote of 7 to 0, to close the public hearing.

Vice Mayor Uhlich said she believed the rezoning extension was related to the original project plan for the twenty-one residences not for the 2009 rezoning. She asked staff if the two plans should be integrated in a single action.

Ernie Duarte, Planning and Development Services Director, responded she was correct and gave some specifics to Conditions 9 and 10 of the proposal.

Vice Mayor Uhlich asked how a broader/larger project tied into an action the Mayor and Council might make.

Mr. Duarte stated he was not aware of a larger project.

Mr. Owen said if a motion was carried forward, the other property mentioned would be in compliance, as it was already rezoned.

Vice Mayor Uhlich thanked the applicant for the clarification and stated the focus would remain on the present case. She gave some specifics about how the parties had worked together.

It was moved by Vice Mayor Uhlich, duly seconded, and passed by a roll call vote of 7 to 0, to approve the request as recommended by staff.

10. PUBLIC HEARING: DESIGNATING A REDEVELOPMENT AREA AND A CENTRAL BUSINESS DISTRICT

Mayor Rothschild announced City Manager's communication number 123, dated April 3, 2012, was received into and made part of the record. He said it was the time and place legally advertised for a public hearing for the proposed Designated Redevelopment Area and a Central Business District (CBD). He said staff wanted to make a brief presentation before beginning the public hearing.

Albert Elias, Housing and Community Development Director, gave a presentation and overview of the process to establish a Redevelopment Area and CBD. He noted that the affected property owners had been notified of this potential action and that the public hearing had been scheduled as well as holding two additional informational meetings. He reviewed the definition of a Redevelopment Area, noting that several had previously been approved by the Mayor and Council.

Mr. Elias said, with regards to the current proposal, staff had compiled a report indicating the area met the criteria. He said that a CBD afforded the Mayor and Council the opportunity to offer an economic tool, the Government Property Lease Excise Tax (GPLET) in the area. This allowed property taxes to be abated for up to eight years for projects approved by the Mayor and Council, starting one year after approval of the CBD, thereby encouraging private sector investment in the area. He went on to explain some of the details and criteria for approval of the GPLET.

Mr. Elias said a number of community members had raised questions regarding why the City was doing that and therefore staff had developed a draft statement of intent which was included with the Resolution. He said the statement was to clarify why it was appropriate to go forward by stating the GPLET was intended for projects that were deemed significant economic development activity which was to serve as a catalyst project for other development in the area. Vacant and underutilized properties were to be the focus of the GPLET.

Mr. Elias said there had been questions about the impact a GPLET agreement had on National Register historic districts and properties. He said the statement of intent within the Resolution indicated the City's intent to preserve such historic buildings, and if they were to be improved, those changes should follow the Secretary of Interior standards for rehabilitation to assure the historic status was maintained.

Mr. Elias said questions were raised about the use of eminent domain and condemnation to acquire property for the purpose of slum clearance or development in the Redevelopment Area. He said the proposed statement of intent indicated that condemnation of property was not a primary objective of the Redevelopment Area and the use of eminent domain and condemnation was not anticipated.

Finally, Mr. Elias said there were also questions raised about the process to remove or add parcels from the proposed CBD and Redevelopment Area. He said if the Mayor and Council desired to revise the boundaries and remove certain parcels, staff could work on that and return within a week or two to revise the map. He added that if the Mayor and Council wished to add parcels to the proposed map, staff would need to go through the notification process again, which would take more time.

Michael Rankin, City Attorney, reiterated most of the areas Mr. Elias had commented on with emphasis on the use of eminent domain and condemnation of property, as well as, the process for adjusting the redevelopment area by removing or adding properties indicated on the map.

Mayor Rothschild asked if the property owners should be notified either way.

Mr. Rankin said if the Mayor and Council decided not to include them within the proposed area, they would not have to be notified since they had already been notified of the possibility of being included.

Mayor Rothschild asked if the proposed CBD were approved and a couple weeks later someone said they wanted to add something, would notices be sent out.

Mr. Rankin replied yes and if the Mayor and Council approved the Resolution as was presented and if in the next week or next year they wanted to expand the existing CBD and Redevelopment Area, then staff would go through the notice process to property owners in the expansion area.

Mr. Elias said the next step was for the City to work on a redevelopment plan that contained details about how the redevelopment would occur, what the City could do and what kinds of objectives could be addressed through the redevelopment plan. He also reiterated that the GPLET could not be used within the area for one year after adoption. He said there was an informational webpage which included the findings report and other information for the community to review.

Mr. Elias stated the Redevelopment Area and CBD designation was not a zoning action nor was it a redevelopment zone and it had no effect on existing development regulations that were already in place.

Mayor Rothschild announced the public hearing was scheduled to last for no more than one hour and speakers were limited to five-minute presentations.

Comments in support of designating a redevelopment area and central business district were made by: Oscar Turner, John Burr, Allyson Solomon, Rob Caylor, David Godlewski, Robert Kaye, Art Wadlund, and Demion Clinco.

Comments in opposition of designating a redevelopment area and central business district were made by: Roger Pfeuffer, Barbara Grygutis, Pedro Gonzales, and Diana Hadley.

Comments in general regarding designating a redevelopment area and central business district were made by: Raul Ramirez, Tom Warne, Laura Tibili, Robert Reus, and Ken Scoville.

Council Member Kozachik stated, for the record, that he had suggested that neither Barrio Viejo nor Armory Park be included in the redevelopment until there was further discussion.

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

Mayor Rothschild asked the City Clerk to read the Resolution 21874 by number and title only.

Resolution No. 21874 relating to Redevelopment; authorizing and approving the Downtown/Gateway Redevelopment Area; approving the undertaking of surveys and planning activities in connection therewith; and approving the preparation of a Redevelopment Plan therefore; and declaring an emergency.

Council Member Romero asked staff if the Redevelopment Area changed any zoning processes that developers would have to make in the area. She also asked for an explanation of the GPLET process.

Mr. Rankin stated that the redevelopment area did not change any zoning processes. He reviewed the requirements for receiving a GPLET agreement, beginning with the requirement that no request could be made before one year after the Redevelopment Area was approved by Mayor and Council. He said before the Mayor and Council could consider entering into a GPLET agreement with a property owner, the property needed to be within the CBD and an issuance of a Certificate of Occupancy (CofO) and improvements to the property must increase its value by at least one hundred percent.

Mr. Rankin said an independent third party analysis had to confirm that the benefits realized by the City would be at least equal to or exceed the tax benefit realized by the lessee over the course of the lease agreement. The property would then be owned by the City and leased back to the lessee who could then receive an eight-year tax abatement. He added that any changes to the agreement had to satisfy these initial minimum requirements.

Council Member Romero said, regarding the Tucson Origins Heritage Park Cultural Area, she spoke with Mr. Elias about the areas she wanted to remove from the map which included the historic areas with some buffer. She said it was important to

preserve the neighborhoods and historical heritage areas. These areas included: Warner's Mill, Mission Gardens, Tucson Origins Heritage Park, Sonoran Desert Park, the Carrillo House, the Schookson Area and the Hohokam Interactive Area. She then asked what the process was to remove those areas from the map and if there could be at least seven days to return with a new map.

Mr. Rankin answered it was possible to remove the areas mentioned while maintaining a contiguous map and did not require any new notice.

Council Member Romero asked how the language in the proposal could be refined in order to address some of the concerns expressed by the previous speakers.

Mr. Rankin said staff could make the language stronger, especially in regards to the use of eminent domain and condemnation. However, he emphasized that this did not mean there would be no such activity, but that it could occur for other reasons unrelated to the Redevelopment Area purposes.

Mayor Rothschild said the map needed to be revised so the new areas were contiguous. He also asked staff to adjust the agreement language to take some of the "should" language, where appropriate, and make it more active as opposed to passive.

Council Member Romero said she wanted to ensure the four corners at Congress Street and Grande Avenue was included in the area. She said it was important to add the seven days to the process for discussions of who wanted to be removed, who wanted to be included so that an action plan could be proposed.

Mayor Rothschild asked whether Armory Park and Barrio Viejo were included in the area, to which Mr. Rankin said both were not included.

Council Member Fimbres said he spoke with staff about certain areas that needed to be added and/or removed from the map and wanted see that when the map was returned.

Mr. Elias responded staff could do that.

Council Member Cunningham spoke about the process of adding and removing areas to the Redevelopment Area map and received clarification from Mr. Rankin.

Council Member Kozachik said he thought more time was needed to work on the proposal, perhaps two weeks. He expressed concerns about some of the specifics of the map as well as the language of the proposal.

It was moved by Council Member Kozachik, duly seconded, to delay the item for two weeks to allow staff to meet with the Mayor and Council offices and refine the maps.

Discussion was held. Comments were made by Mayor Rothschild and Council Members Cunningham and Kozachik and Mr. Rankin regarding the time needed by staff to return with a revised map and proposal. It was also determined to have a discussion at the following week's Study Session on the topic.

Vice Mayor Uhlich spoke about her involvement in expanding the area map from its original size with the desire to be more inclusive and thereby spark economic development in areas that really needed it. She said she wanted to move forward quickly and revisit it in 60 to 90 days for refinement with the understanding that the Redevelopment Plan would be returned in approximately six months for formal adoption by the Mayor and Council.

Mr. Elias said there were certain statutory requirements for the Redevelopment Plan to move forward. He said it needed to be reviewed by the Planning Commission who would hold a public hearing for public involvement and then submit their recommendations to the Mayor and Council. He stated, at that time, the Redevelopment Plan could then be adopted by the Mayor and Council.

Council Member Romero asked staff to include in the next Mayor and Council communication the process of review and approval of the Redevelopment Plan.

The motion to delay the item for two weeks to allow staff to meet with the Mayor and Council offices and refine the map was carried by a voice vote of 7 to 0.

RECESS: 8:52 p.m.
RECONVENE: 9:05 p.m.

Mayor Rothschild called the meeting back to order. All members were present as they were at the beginning of the meeting.

11. PRE-ANNEXATION AND DEVELOPMENT AGREEMENT: WITH PROPERTY OWNERS WITHIN THE VALENCIA CROSSING ANNEXATION DISTRICT

(NOTE: This item was taken out of order and discussed after item 8.)

12. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

Mayor Rothschild announced City Manager's communication number 118, dated April 3, 2012, was received into and made part of the record. He asked for a motion to approve the appointments in the report.

It was moved by Council Member Fimbres, duly seconded, and carried by a voice vote of 7 to 0, to approve the appointments of Les Shipley and Elizabeth Davison to the Landscape Advisory Committee.

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

There were none.

13. ZONING: (C9-12-01) AMENDING THE EFFECTIVE DATE OF THE MAIN GATE DISTRICT OPTIONAL URBAN OVERLAY DISTRICT ORDINANCE 10968

Mayor Rothschild announced City Manager's communication number 129, dated April 3, 2012, was received into and made part of the record. He asked the City Clerk to read Ordinance 10969 by number and title only.

Ordinance No. 10969 relating to Zoning: amending Section 2 of Ordinance No. 10968 to change the effective date of the Main Gate District Optional Urban Overlay District; and declaring an emergency.

Council Member Kozachik gave some background information and perspective of the processes used in order to set up the Urban Overlay District (UOD).

It was moved by Council Member Kozachik, duly seconded, to pass and adopt Ordinance 10969, with the following change to Section 1:

Section 2 of Ordinance 10968 is amended to read as follows: "The provisions of section 1 of this ordinance become effective thirty (30) days after the date the ordinance was adopted by Mayor and Council (February 28, 2012) and was made available from the City Clerk, except that the provisions of this Ordinance relating to the portion of Area 1 bounded by Speedway Boulevard to Tyndall Avenue to Euclid Avenue to First Street shall become effective on May 9, 2012."

Council Member Scott and Mayor Rothschild both asked staff to verify the outline of the area.

Michael Rankin, City Attorney, said the boundaries described in the motion were correct. He said the effect of the motion would be the Ordinance would be adopted and the effective date would be extended regarding the provisions of the Urban Overlay District that related to that specifically described area. He said the balance of that went to effect as provided in the initial Ordinance.

Mr. Rankin stated that Council Member Kozachik also stated in his motion, although not part of the Ordinance, but part of the direction to staff was that during that time, the issues relating to the area described would go through another proceeding before the Zoning Examiner, hold another public hearing to take public comment and provide recommendations to the Mayor and Council for consideration prior to May 9, 2012.

Council Member Scott asked if it was the area called the transition area specifically. She also asked for the geography (perimeter) of the area that would be extended.

Mr. Rankin said Council Member Kozachik described it that way in the motion, but he was relying on the actual boundaries of the motion.

Council Member Kozachik said the boundaries were from Speedway Boulevard to Tyndall Avenue to Euclid Avenue to First Street.

Mayor Rothschild asked if there was any further discussion.

Comments were made by Council Member Romero on the Urban Overlay District and infill projects.

Ordinance 10969 was carried by a voice vote of 7 to 0.

14. ADJOURNMENT: 9:17 p.m.

Mayor Rothschild announced the next regularly scheduled meeting of the Mayor and Council would be held on Tuesday, April 10, 2012, 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 3rd day of April, 2012, and do hereby certify that it is an accurate transcription.

DEPUTY CITY CLERK

RWR:rb:dp