



Minutes of MAYOR AND COUNCIL Meeting

Approved by Mayor and Council
on April 3, 2018.

Date of Meeting: October 10, 2017

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 5:35 p.m., on Tuesday, October 10, 2017, 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	Vice Mayor, Council Member Ward 1
Paul Cunningham	Council Member Ward 2
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:

Karin Uhlich	Council Member Ward 3
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Staff Members Present:

Michael J. Ortega	City Manager
Michael Rankin	City Attorney
Roger W. Randolph	City Clerk

2. INVOCATION AND PLEDGE OF ALLEGIANCE AND APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

a. INVOCATION

The invocation was given by Father Earl Cantos, St. Demetrios Greek Orthodox Church.

b. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was presented by the entire assembly.

d. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

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

Mayor Rothschild announced City Manager's communication number 332, dated October 10, 2017, 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 6 to 0 (Council Member Uhlich absent/excused), to approve the appointments of Don La Vetter and Henry Johnson to the Veterans' Affairs Committee (VAC), and Sarah Fajardo to the West University Historic Zone Advisory Board (WUHZAB).

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

There were none.

c. PRESENTATIONS:

1. Mayor Rothschild proclaimed October 15 through October 21, 2017 to be Friends of Libraries Week.
2. Mayor Rothschild presented a plaque honoring Chief Critchley for his induction into the Arizona Fire Service Hall of Fame
3. Mayor Rothschild presented Employee Appreciation Certificates to Larry Alvarez, and Billy Shannon from the General Services Department.

d. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

(NOTE: This item was taken out of order and considered after item 2b.)

3. MAYOR AND COUNCIL/CITY MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

Mayor Rothschild announced City Manager's communication number 326, dated October 10, 2017 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 and the City Manager to report on current events and asked if there were any reports.

Current event reports were provided by Vice Mayor Romero and Council Members Cunningham, and Fimbres.

No report was given by the City Manager.

4. BOARDS, COMMITTEES AND COMMISSIONS: REPORTS TO MAYOR AND COUNCIL

Mayor Rothschild announced City Manager's communication number 311, dated October 10, 2017, was received into and made part of the record. He also announced this was the time scheduled to allow Boards, Committees and Commissions to provide the Mayor and Council with a report on their activities during the past year, as well as, anticipated future activities.

Reports were given by Steve Pageau, 2012 Bond Oversight Commission (BOC), and Martha McClements, Armory Park Historic Zone Advisory Board (APHZAB).

5. LIQUOR LICENSE APPLICATIONS

Mayor Rothschild stated he received a speaker card from Yolanda Herrera regarding the request for Cyclovia's permit. He stated he needed to know how to proceed with the request since he had not seen a formal objection filed regarding the request. He asked what the appropriate procedure was at this time.

Mike Rankin, City Attorney, stated that in the absence of a timely filed written protest, the testimony could not be substituted for a written protest. He said the statute allowed for testimony to be offered to the recommending body, the Mayor and Council. He said the Mayor and Council could choose to allow the testimony, but in the absence of a written protest, it was not something that ultimately could be used or presented to the Liquor Board if it were an issue.

Mayor Rothschild asked Yolanda Herrera and Kylie Walzak to speak regarding the issue. He said he felt both individuals needed to be heard, if not for the night's request, but for future requests.

Yolanda Herrera, Sunnyside Neighborhood Association President, read a letter regarding their opposition to the request for two beer gardens during the Cyclovia event.

Kylie Walzak, Applicant for the Living Streets Alliance, Cyclovia Tucson Event, said she had recently met with Ms. Herrera regarding her concerns and would take them under advisement for any future requests.

Vice Mayor Romero commented on Cyclovia Tucson and all the work they had done for the City. She also acknowledged the work of the Sunnyside Neighborhood Association and their concerns about being over saturated. She explained her position regarding the event and stated she believed very strongly the event should go as planned and, in the future, make any necessary adjustments.

Mayor Rothschild announced City Manager's communication number 333, dated October 10, 2017, 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. Mr. Baja Express, Ward 3
405 E. Wetmore Rd. #107
Applicant: Benjamin Lugo
Series 12, City 58-17
Action must be taken by: October 23, 2017
Staff has indicated the applicant is in compliance with city requirements.

2. Raijin Ramen, Ward 6
2955 E. Speedway Blvd.
Applicant: Thomas Robert Aguilera
Series 12, City 59-17
Action must be taken by: October 22, 2017

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

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(s)

3. Lodge on the Desert, Ward 6
306 N. Alvernon Way
Applicant: Amy S. Nations
Series 6, City 60-17
Action must be taken by: October 22, 2017

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. Tucson Breakfast Lions Club, Ward 5
4823 S. 6th Ave.
Applicant: Wayne Francis Locke
City T93-17
Date of Event: November 17, 2017 - November 18, 2017
(Fundraiser)

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

2. The University of Arizona Alumni Association, Ward 6
1303 E. University Blvd.
Applicant: Melinda Burke
City T98-17
Date of Event: October 27, 2017
(Glow)

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

3. The University of Arizona Alumni Association, Ward 6
1303 E. University Blvd.
Applicant: Melinda Burke
City T99-17
Date of Event: October 28, 2017
(UA Homecoming 2017)

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

4. Tucson Community School, Ward 3
2109 E. Hedrick Dr.
Applicant: Michelle Damon Panousopoulos
City T102-17
Date of Event: November 4, 2017
(Fundraiser)

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

5. University of Arizona-Student Union Concessions, Ward 6
565 N. Cherry Ave.
Applicant: Joel Scott Hauff
City T103-17
Date of Event: October 27, 2017
(Bear Down Block Party)

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

(This item was considered separately.)

6. University of Arizona-Student Union Concessions, Ward 6
1721 E. Enke
Applicant: Joel Scott Hauff
City T104-17
Date of Event: October 28, 2017
(Wildcat Club Tailgate)

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

(This item was considered separately.)

7. University of Arizona-Student Union Concessions, Ward 6
1721 E. Enke
Applicant: Joel Scott Hauff
City T105-17
Date of Event: November 11, 2017
(Wildcat Club Tailgate)

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

(This item was considered separately.)

8. St. Cyril of Alexandria, Ward 6
4725 E. Pima St.
Applicant: Ann C. Zeches
City T106-17
Date of Event: October 20, 2017 - October 21, 2017
(Fundraiser)

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

9. Startup Tucson, Ward 6
17 E. Pennington St.
Applicant: Justin A. Williams
City T107-17
Date of Event: October 18, 2017 - October 21, 2017
(Tenwest Community Innovation Festival)

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

10. The Center for Neurosciences Foundation, Ward 1
283 N. Stone Ave.
Applicant: Alanna Christine Gonzales
City T108-17
Date of Event: November 3, 2017
(Fundraiser)

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

11. Museum of Contemporary Art, Ward 6
265 S. Church Ave.
Applicant: Alexis Page Smith
City T109-17
Date of Event: November 2, 2017
(MOCA-UA Border Symposium & Reception)

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

12. St. John the Evangelist Catholic Church, Ward 1
602 W. Ajo Way
Applicant: Mayela Parra Bernal
City T110-17
Date of Event: October 21, 1017 - October 22, 2017
(Church Fiesta)

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

13. Rialto Theatre Foundation, Ward 6
191 E. Toole Ave.
Applicant: Curtis John McCrary
City T111-17
Date of Event: October 28, 1017
(Concert Event)

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

14. Rialto Theatre Foundation, Ward 6
191 E. Toole Ave.
Applicant: Curtis John McCrary
City T112-17
Date of Event: November 4, 1017
(Night of the Living Fest)

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

15. Kidsrock, Inc., Ward 6
8th St. between 4th Ave. & Herbert Ave.
Applicant: Scott James Cummings
City T113-17
Date of Event: October 27, 1017 - October 28, 2017
(Halloween Festival)

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

16. Tucson Alumnae Club of Pi Beta Phi, Ward 6
1512 E. 1st St.
Applicant: Catherine McGinty
City T114-17
Date of Event: October 28, 1017
(Pi Beta Phi Alumnae Tailgate)

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

17. University of Arizona-Fraternity & Sorority Programs, Ward 6
1512 E. 1st St.
Applicant: Kathy Adams-Riester
City T115-17
Date of Event: October 27, 1017
(Greek Alumni Homecoming Celebration)

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

18. Borderlands Theater, Ward 6
151 S. Granada Ave.
Applicant: Patricia M. Benton
City T116-17
Date of Event: November 4, 1017
(Pachanga Fundraiser)

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

19. Southern Arizona Roadrunners, Ward 1
101 N. Stone Ave.
Applicant: Randy Accetta
City T117-17
Date of Event: October 29, 1017
(Charity Running Event)

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

20. Living Streets Alliance, Ward 1
701 W. Calle Ramona
Applicant: Jose A. Jimenez
City T119-17
Date of Event: October 29, 1017
(Sunnyside All-Class High School Reunion)

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

21. Living Streets Alliance, Ward 5
5201 S. 12th Ave.
Applicant: Kylie M. Walzak
City T120-17
Date of Event: October 29, 1017
(Cyclovia Tucson)

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

22. Fox Tucson Theater Foundation, Ward 1
115 N. Church Ave.
Applicant: David Anthony Volk
City T121-17
Date of Event: October 22, 1017
(Fundraiser)

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

23. St. Ambrose Catholic School, Ward 6
300 S. Tucson Blvd.
Applicant: Diego Daniel Rivera
City T126-17
Date of Event: October 12, 1017 - October 14, 2017
(Fundraiser)

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

24. Film Fest Tucson, Ward 6
160 S. Scott Ave.
Applicant: Herbert R. Stratford
City T154-17
Date of Event: October 19, 2017 - October 22, 2017
(Arts & Cultural Film Festival)

Tucson Police Department has indicated the application is in compliance with city requirements.

Planning and Development Services Department review is in process.

d. Agent Change/Acquisition of Control/Restructure

1. Mulligan's Sports Grill, Ward 4
9403 E. Golf Links Rd.
Applicant: April Santangelo McMahon
Series 12, City AC44-17
Action must be taken by: October 14, 2017

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

2. Zona 78, Ward 2
7301 E. Tanque Verde Rd.
Applicant: Thomas Peter Firth
Series 12, City AC45-17
Action must be taken by: October 23, 2017

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 Cunningham , duly seconded, and carried by a voice vote of 5 to 1, (Council Member Fimbres dissenting and Council Member Uhlich absent/excused) to forward Items 5b1 through 5b3, 5c1 through 5c4, 5c8 through 5c24 and 5d1 through 5d2 to the Arizona State Liquor Board with a recommendation for approval.

5. LIQUOR LICENSE APPLICATIONS

c. Special Event(s)

5. University of Arizona-Student Union Concessions, Ward 6
565 N. Cherry Ave.
Applicant: Joel Scott Hauff
City T103-17
Date of Event: October 27, 2017
(Bear Down Block Party)

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

6. University of Arizona-Student Union Concessions, Ward 6
1721 E. Enke
Applicant: Joel Scott Hauff
City T104-17
Date of Event: October 28, 2017
(Wildcat Club Tailgate)

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

7. University of Arizona-Student Union Concessions, Ward 6
1721 E. Enke
Applicant: Joel Scott Hauff
City T105-17
Date of Event: November 11, 2017
(Wildcat Club Tailgate)

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

It was moved by Council Member Scott, duly seconded, and carried by a voice vote of 5 to 0 (Council Member Kozachik recused and Council Member Uhlich absent/excused), to forward liquor license Items 5c5 through 5c7 to the Arizona State Liquor Board with a recommendation for approval.

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:

Nicole Snook
James Pack

Edward Cizek

Yolanda Herrera

Council Member Cunningham and Vice Mayor Romero requested that the schedule to clean up buffel grass in the area leading out of the airport and down Valencia Road be tweaked so that there was an optimum median during the Cycloviva Tucson event.

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 M

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 OCT10-17-331 CITY WIDE
2. Mayor and Council Regular Meeting Minutes of January 24, 2017
3. Mayor and Council Study Session Legal Action Report and Minutes of January 24, 2017

- b. PARKS AND RECREATION: AUTHORIZING AND APPROVING A FACILITY DEVELOPMENT AND USE AGREEMENT WITH CHANGEMAKER HIGH SCHOOL FOR WATER HARVESTING IMPROVEMENTS AT SWAN PARK
 - 1. Report from City Manager OCT10-17-340 WARD 5
 - 2. Resolution No. 22828 relating to water harvesting improvements at Swan Park; authorizing and approving Facility Development/Use Agreement between the City of Tucson and Changemaker High School; and declaring an emergency.

- c. INTERGOVERNMENTAL AGREEMENT: WITH THE AMPHITHEATER UNIFIED SCHOOL DISTRICT FOR THE SCHOOL RESOURCE OFFICERS PROGRAM
 - 1. Report from City Manager OCT10-17-339 CITY WIDE
 - 2. Resolution No. 22826 relating to Police and Intergovernmental Agreements (IGA's); approving the IGA between the City of Tucson (City) and Amphitheater School District (Amphi) for joint funding of a School Resource Officer (SRO) for the 2017-18 school year; and declaring an emergency.

- d. PRE-ANNEXATION AND DEVELOPMENT AGREEMENT: WITH ARON RAMIREZ PADRON, OWNER OF PARCEL 140-45-010E, FOR WATER SERVICE
 - 1. Report from City Manager OCT10-17-328 WARD 4 AND OUTSIDE CITY
 - 2. Resolution No. 22822 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 Aron Ramirez Padron, owner of Parcel No. 140-45-010E.

- e. PRE-ANNEXATION AND DEVELOPMENT AGREEMENT: WITH DAVID W. MONTGOMERY, OWNER OF PARCEL 114-27-4300, FOR WATER SERVICE
 - 1. Report from City Manager OCT10-17-329 WARD 2 AND OUTSIDE CITY
 - 2. Resolution No. 22823 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 David W. Montgomery, owner of Parcel No. 114-27-4300.

- f. PRE-ANNEXATION AND DEVELOPMENT AGREEMENT: WITH MARC CARGILL, OWNER OF PARCEL 205-35-078C, FOR WATER SERVICE
 - 1. Report from City Manager OCT10-17-330 WARD 2 AND OUTSIDE CITY
 - 2. Resolution No. 22824 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 Marc Cargill, owner of Parcel No. 205-35-078C.

- g. FINAL PLAT: (S17-007) FOR SAGUARO TRAILS, BLOCKS 1 THROUGH 10
 - 1. Report from City Manager OCT10-17-334 WARD 4
 - 2. Staff recommends that the Mayor and Council approve the 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.

- h. FINAL PLAT: (S16-085) IRVINGTON AND I-19 COMMERCIAL CENTER, LOTS 1 THROUGH 47, BLOCKS 'A', 'B', 'C', 'D' AND 'E'
 - 1. Report from City Manager OCT10-17-335 WARD 1
 - 2. Staff recommends that the Mayor and Council approve the 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.

- i. TRANSPORTATION: ADOPTION OF THE RUTHRAUFF BASIN MANAGEMENT PLAN
 - 1. Report from City Manager OCT10-17-342 WARD 3

(This item has been continued at the request of staff.)

- j. TRANSPORTATION: APPROVING AND AUTHORIZING AN AGREEMENT WITH PIMA ASSOCIATION OF GOVERNMENTS FOR ROAD SAFETY ASSESSMENTS
 - 1. Report from City Manager OCT10-17-341 CITY WIDE
 - 2. Resolution No. 22827 relating to Transportation; approving and authorizing the Agreement for Services between the City of Tucson Department of Transportation (TDOT) and Pima Association of Governments (PAG) for Road Safety Assessments (RSA) during Fiscal Year (FY) 2018; and declaring an emergency.

k. INTERGOVERNMENTAL AGREEMENT AMENDMENT: WITH THE REGIONAL TRANSPORTATION AUTHORITY OF PIMA COUNTY FOR THE REGIONAL TRANSPORTATION DATA NETWORK COMMUNICATION SYSTEM

1. Report from City Manager OCT10-17-336 CITY WIDE AND OUTSIDE CITY
2. Resolution No. 22825 relating to Intergovernmental Agreements (IGA) and Transportation; authorizing and approving Amendment No. 1 to the IGA between the Regional Transportation Authority of Pima County (RTA) and the City of Tucson (City) for the Regional Transportation Data Network (RTDN) Communication System; and declaring an emergency.

l. INTERGOVERNMENTAL AGREEMENT: WITH RIO NUEVO MULTI-PURPOSE FACILITIES DISTRICT AND THE REGIONAL TRANSPORTATION AUTHORITY OF PIMA COUNTY FOR BROADWAY BOULEVARD SURPLUS REAL PROPERTY ASSET TRANSFER AND REDEVELOPMENT (CONTINUED FROM THE MEETING OF SEPTEMBER 19, 2017)

1. Report from City Manager OCT10-17-337 WARDS 5 AND 6
2. Resolution No. 22817 relating to Intergovernmental Agreements (IGA) and Transportation; approving and authorizing the execution of an IGA between the City of Tucson (City), the Regional Transportation Authority of Pima County (RTA), and the Rio Nuevo Multipurpose Facilities District (District) for Broadway Boulevard surplus real property asset transfer and redevelopment; and declaring an emergency.

(This item was considered separately at the request of Council Member Kozachik.)

m. MAYOR AND COUNCIL: MEETING SCHEDULE FOR 2018

1. Report from City Manager OCT10-17-338 CITY WIDE
2. Ordinance No. 11494 relating to Administration; establishing the Mayor and Council's 2018 Meeting Schedule; and declaring an emergency.

It was moved by Council Member Scott, duly seconded, to pass and adopt Consent Agenda Items a – m, with the exception of Item i, which was continued and Item l, which was considered separately.

Council Member Cunningham asked if, on the Meeting Schedule for 2018, the problem with the July 3rd date was fixed.

Roger W. Randolph, City Clerk, explained the Tucson Charter required that a meeting be scheduled the first full week of the month, which was the July 3rd date. He said that meeting date would remain on the calendar, and as that date got closer, staff would check the Mayor and Council's schedules to determine what would be an appropriate time to actually hold the meeting and amend the adopted schedule.

The motion to approve Consent Agenda Items a – m, with the exception of Item i, which was continued, and Item l, which was considered separately, was passed and adopted and the proper action taken by a roll call vote of 6 to 0 (Council Member Uhlich absent/excused).

7. CONSENT AGENDA – ITEM L

1. INTERGOVERNMENTAL AGREEMENT: WITH RIO NUEVO MULTI-PURPOSE FACILITIES DISTRICT AND THE REGIONAL TRANSPORTATION AUTHORITY OF PIMA COUNTY FOR BROADWAY BOULEVARD SURPLUS REAL PROPERTY ASSET TRANSFER AND REDEVELOPMENT (CONTINUED FROM THE MEETING OF SEPTEMBER 19, 2017)

1. Report from City Manager OCT10-17-337 WARDS 5 AND 6
2. Resolution No. 22817 relating to Intergovernmental Agreements (IGA) and Transportation; approving and authorizing the execution of an IGA between the City of Tucson (City), the Regional Transportation Authority of Pima County (RTA), and the Rio Nuevo Multipurpose Facilities District (District) for Broadway Boulevard surplus real property asset transfer and redevelopment; and declaring an emergency.

Council Member Kozachik stated he had a few questions that needed clarification in relation to the agreement with Rio Nuevo for the sale of surplus properties on Broadway Blvd. He said in #2 under the agreement, it stated that, “real property shall be declared surplus” One of the descriptions listed said, “if it provides no reasonable usefulness in curing impacts caused by the Project...” He commented that when the City signed on with Rio Nuevo, one of the reasons was because of their ability to go in and provide cures for property owners along the corridor. He asked, if the only properties the City was allowing them to deal with were those that had no usefulness in curing impacts, why was the City in a deal with Rio Nuevo.

Robin Raine, Tucson Department of Transportation Deputy Director, stated they were looking at properties that could cure individual parcels. She said a land owner who stayed on the corridor could not be removed by having some property directly adjacent to them was the sort of cures being discussed. She said it was a cure for individual property taking along the corridor so other more long cures for whole groups of properties were the type of things Rio Nuevo would handle under the agreement.

Council Member Kozachik asked if it was likely that a property owner could benefit from Rio Nuevo's involvement in immediately adjacent properties. He asked for clarification on what would be done with those properties if they are not made available.

Michael J. Ortega, City Manager, stated if there was another property along the corridor that could be used as a cure for that acquisition it would not be deemed as surplus. A single parcel would be used to resolve any ongoing issues. He said if any property was left over from surplus, the idea was to give Rio Nuevo the first right or the right of first refusal. He said taking advantage of their other tools; there were other opportunities the City did not necessarily have. He said he thought the language in the agreement was specific so that the City could retain ownership of some of those parcels as they went through acquiring properties along the corridor.

Council Member Kozachik commented the language specifically stated that the only parcels the City was giving them were parcels that provided no useful benefits to anybody in terms of remedying their deficiencies, which was inaccurate.

Mike Rankin, City Attorney, stated the idea was not to make properties available to Rio Nuevo as surplus property, unless first, the City was sure that all of the property necessary for the public project could be taken and that the properties in question were cure property and not needed to cure a situation so that a particular property was not condemned. He said as an example, if a little bit of a parking area was taken, but because of a take of the adjacent property, a piece of that could be used to cure the parking of the property. He stated that was something they wanted to do so that the property owner did not have to be compensated for the take. He specified that whatever was left would then be the surplus property because it would not be used in the context of another taking.

Council Member Kozachik reiterated that which was left could still potentially be used as a cure if Rio Nuevo used some of those other tools they had which the City did not. He said he was maintaining this language was inaccurate because Rio Nuevo might be able to put it to use.

Mr. Ortega stated that when a piece of property was identified as not being necessary for the project, the City would offer it to Rio Nuevo. Rio Nuevo would then have the opportunity to basically form a small parcel of several pieces and use their tools for future development. He said that was basically the process the City followed and he understood Council Member Kozachik's concern about the language in the agreement. He said what staff was trying to do was to articulate what surplus meant which was basically property that was not needed.

Council Member Kozachik stated that was not accurate and it was not accurate to say it could provide no reasonable usefulness in curing impacts. He said if that was all the City was allowing them to do, then there should not be an agreement.

Mr. Ortega replied staff could revise the language. He explained the impact caused by the project was intended to be the roadway itself. If the City did not need it for

the roadway, it was not useful for the roadway itself. He said the language could be revised to be more explicit about the roadway since it is referred to as “caused by the project” to the adjacent or affected properties.

Council Member Kozachik explained that the remedies the City was trying to resolve had nothing to do with the curb-to-curb asphalt and had to do with the land uses that occurred outside the curb line.

Council Member Kozachik stated that in #7 of the Agreement, the Regional Transportation Authority (RTA) was going to credit the City for ninety percent (90%) of the appraised value. He said the City had agreed to deal with the RTA and pay them 6.5% on the bond package. He asked why the City was giving up 10% on this project when the City was only giving up 6.5% towards the County road project for their oversight.

Ms. Raine stated the 10% that would be retained by the RTA on those individual remnant parcels was more than what would be covered on what the City would normally spend on marketing. She said 7% was usually on what the agents received annually.

Council Member Kozachik asked why they were only receiving 6.5% on the County road project oversight of the \$19 million approved.

Mr. Ortega stated that part of the process for the County was that they would be selling bonds or debt and part of that was the cost of financing which was less. He said the 10% was basically what the RTA said would cost them to work through this project. He commented that from the City’s perspective, it would cost that to try and market the properties and sell them down the road. He said in essence the City was paying the RTA to do what they would do internally.

Council Member Kozachik commented that the City was the lead agency on the project and had to pay for any cost overruns and asked why the City was not receiving 100%.

Mr. Rankin explained that one other cost factor that played into the project was that Rio Nuevo was taking over ownership of the properties, therefore, they would be responsible for the cost, that sometimes the City absorbed with respect to keeping the property secure and maintained thereafter. He said he knew that was one of the factors that played into why the City thought the 90% credit was sufficient with respect to its costs.

Council Member Kozachik asked what the status was on the project for Public Safety Study that was contracted with Rio Nuevo.

Ms. Raine stated Rio Nuevo was in the process of negotiations with Project for Public Spaces and she was not aware of a set schedule at this time.

Council Member Kozachik responded that the Study directly impacted the first set of questions he had asked; use outside of the curb line, land use agreements, etc.

Mayor Rothschild stated he had questions regarding paragraphs 2, 4 and 7. He said he felt the agreement needed a little bit more thought. He said in paragraph 2, he understood the project was from staff's perspective which was curb-to-curb, but it also said, "to provide no reasonable usefulness in curing impacts caused by the Project to adjacent or affected properties." He said maybe it was language, but to him, it was saying the same thing that Council Member Kozachik had said which was, "if it had no use, it had no use." He said that needed to be made clearer.

Mayor Rothschild said that in paragraph 4, it said, "Subject to and consistent with the Recitals, after interests in real property acquired for the Project have been declared by the City as Surplus Property and the District and RTA have agreed to repurpose such property, the District and RTA may enter into a Development Agreement for the Surplus Property" He stated this was a City planned project and to exclude the City from that portion of the agreement, he could not agree to it.

Mayor Rothschild stated that the agreement continued to say that, "Upon approval of a Development Agreement by the District and RTA, the City shall convey the Surplus Property, which was fine. He continued reading that, "Property acquired by the City of the Project using non-regional funds shall not involve the RTA, but may be designed under this Agreement as Surplus Property. These properties will require a Development Agreement with the District, approved by the City Manager and the funding agency's approval authority prior to being transferred back to the District."

Mayor Rothschild commented he had complete trust in the City Manager, but the sensitivity of the Project was such that he thought that if there was any project to where there was an agreement, it be brought back to the Mayor and Council and that specific language had to be in the agreement.

Mayor Rothschild stated that in paragraph 7, he did not quite understand the percentages, but as he read it, basically the RTA was escrowing the money and crediting it back to the project. He said he needed to know more and get a better explanation of how the 10% costs worked.

Vice Mayor Romero said she was supportive of the concept of the item however, she questioned the relationship between Rio Nuevo, the City of Tucson, and the Mayor and Council. She stated staff has continually had to explain the intent of the Rio Nuevo Board along with the RTA regarding the project. She said she wanted to know what the terms, debt, and responsibilities the City and the Mayor and Council would be left with after 2025 should the TIF not be extended. She explained the Mayor and Council needed to be involved in the decision making with the Rio Nuevo Board and would like clarification of the relationship.

Council Member Cunningham asked if the remnants were unusable and the City gave Rio Nuevo the right of first refusal, did they still have to go through a Planned Area Development Agreement (PADA) or zoning process if they decide on a project.

Mr. Ortega agreed that was correct.

Council Member Cunningham asked if Rio Nuevo had the right of first refusal, would the City sell land without the Mayor and Council's approval.

Mr. Rankin stated that under statute, development agreements had to come back to the Mayor and Council for approval.

Council Member Cunningham stated he was in agreement with the spirit of the project, gave the City some flexibility on what the developments would be and actually opened the door for a better PADA process with Rio Nuevo. He asked if people know how hard it was to close a deal with the City of Tucson. He said the agreement put the City ahead of the game in getting responsible development along the new corridor that was being built.

Council Member Fimbres stated that the agreement was "after-the-fact" and that the Broadway widening was moving forward. He said the item was remnants of properties that the City did not need for the widening and asked if that was correct.

Ms. Raine agreed the Broadway widening project was moving forward and Council Member Fimbres was correct.

Council Member Fimbres stated that if the item needed to be tweaked, and it did not hurt or interfere with the Broadway Widening project, he suggested it come back after some fine-tuning.

Mayor Rothschild agreed with the concept, and said he would like to work with Rio Nuevo further on the project. He stated he wanted to see the language changed and more explanation given in the agreement in terms of unusable remnants and the 10% cost issue.

Council Member Kozachik clarified the City was still in the process of negotiating with property owners and not all surplus properties had been identified. He added clarification needed to be made on Rio Nuevo's role, what properties would be made available to them and at what point in the process.

Mr. Rankin agreed with Council Member Kozachik. He said he made a really important point in that this was just to set up the protocol or procedures the City would engage in to carry out the idea to move forward and bring Rio Nuevo into the mix as an additional tool. He said the whole point was that that did not occur until all of the remnant pieces had been identified because the City's legal obligation, with respect to the acquisition of properties, was to only acquire the properties needed for the project. He

said that was why surplus property was defined only as that property that was not useful for the project by the project because then it became surplus property which was the universe of property being discussed. He said he understood the issues and staff could do a better job with language and return with the item.

It was moved by Council Member Cunningham, duly seconded, and passed by a voice vote of 6 to 0 (Council Member Uhlich absent/excused) that Consent Agenda Item 1 be continued and brought back in four weeks with a further detailed agreement.

8. ANNEXATION: SWAN AND VALENCIA EAST ANNEXATION DISTRICT, ORDINANCE ADOPTION

Mayor Rothschild announced City Manager's communication number 327, dated October 10, 2017, was received into and made part of the record. He asked the City Clerk to read Ordinance 11493 by number and title only.

Ordinance No. 11493 relating to Annexation; extending and increasing the corporate limits of the City of Tucson, Pima County, Arizona pursuant to provisions of Title 9, Chapter 4, Arizona Revised Statutes, by annexing thereto the Swan and Valencia East Annexation District property, more particularly described in the body of this Ordinance.

It was moved by Council Member Fimbres, duly seconded, to pass and adopt Ordinance 11493.

Mayor Rothschild explained this was the single largest annexation the City had done in the community in quite some time. He said it would bring, in net, approximately \$1 million per year to the City and would improve the neighborhood. He introduced Doris Abbotts as the person who approached the City with the request for annexation and responsible for obtaining over six hundred fifty signatures.

Council Member Fimbres asked if the Swan and Valencia East Annexation District residents' comments and requests could be elaborated upon and how City staff would deal with these if approved.

Mike Czechowski, Annexation Project Manager, City Manager's Office, stated they had spoken to both Rancho Valencia and Littletown neighborhoods to address their concerns and issues, which included lighting at intersections, speed bumps, drainage, and health and safety issues.

Ordinance 11493 was passed and adopted and the proper action taken, by a roll call vote of 6 to 0 (Council Member Uhlich absent/excused).

9. **ADJOURNMENT:** 7:14 p.m.

Mayor Rothschild announced the next regularly scheduled meeting of the Mayor and Council would be held on October 24, 2017 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 10th day of October 2017, and do hereby certify that it is an accurate transcription.


DEPUTY CITY CLERK

RWR:tg:dp