



---

## Minutes of MAYOR AND COUNCIL Meeting

---

Approved by Mayor and Council  
on August 6, 2007

Date of Meeting: June 12, 2007

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, June 12, 2007, all members having been notified of the time and place thereof.

### 1. ROLL CALL

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

Present:

José J. Ibarra	Council Member Ward 1
Carol W. West	Council Member Ward 2
Karin Uhlich	Council Member Ward 3
Shirley C. Scott	Vice Mayor, 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
Kathleen S. Detrick	City Clerk
Mike Letcher	Deputy City Manager

## **2. INVOCATION AND PLEDGE OF ALLEGIANCE**

The invocation was given by Debra Counsellor, City Clerk's Office, after which the Pledge of Allegiance was presented by the entire assembly.

Presentations:

- a. Mayor Walkup and Jim Glock, Director of the Tucson Department of Transportation, presented awards to winners in the Arizona Equipment Safety Partnering Rodeo competitions. Darrin Meisterhans received an award for 2nd Place in the Skip Loader Competition; Ralph Shipley received an award for 1st Place in the Excavator Competition; and Michael Stanford received an award for 1st Place in the Grader Competition.

## **3. MAYOR AND COUNCIL REPORT: SUMMARY OF CURRENT EVENTS**

Mayor Walkup announced City Manager's communication number 337, dated June 12, 2007, was received into and made a part of the record. He also announced this was the time scheduled to allow members of the Council to report on current events and asked if there were any reports.

- a. Council Member Uhlich congratulated the Flowing Wells Neighborhood Association and Revitalization Area for winning an All American City Award from the National Civic League.
- b. Council Member Leal invited the public to a press conference on June 20, 2007, at the South Park Arts and Cultural Center to announce the purchase of new computers and art software for children to use. He also announced Ward 5 completed their one hundred and seventh neighborhood cleanup of the year.
- c. Council Member West announced that Robert J. Leko had retired from the City. She said he was a good City employee and had helped small businesses. She added she was elected to the Executive Committee of the Board of the Arizona Town Hall.
- d. Mayor Walkup congratulated the University of Arizona Ladies' Softball Team for winning the 2007 NCAA Softball Championship.

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

Mayor Walkup announced City Manager's communication number 338, dated June 12, 2007, 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.

No report was given.

## 5. LIQUOR LICENSE APPLICATIONS

Mayor Walkup announced City Manager's communication number 329, dated June 12, 2007, 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)

#### New License(s)

1. The Firkin & Friar, Ward 2  
6958 E. Tanque Verde Rd.  
Applicant: Richard William McKnight  
Series 12, City 31-07  
Action must be taken by: June 23, 2007  
Development Services Department and Revenue have indicated the applicant was in compliance with city requirements.  
Tucson Police Department has indicated the applicant is not in compliance with city requirements.

#### Person Transfer(s)

2. Chile Con Sol, Ward 6  
1628 E. 6th St.  
Applicant: Maritza Cruz  
Series 7, City 30-07  
Action must be taken by: June 25, 2007  
Staff has indicated the applicant was in compliance with city requirements.
3. Las Cazuelitas De Tucson, Ward 1  
1365 W. Grant Rd.  
Applicant: Hilda Frisby Montoya  
Series 6, City 32-07  
Action must be taken by: June 30, 2007  
Staff has indicated the applicant was in compliance with city requirements.

It was moved by Council Member Leal, duly seconded, and carried by a voice vote of 7 to 0, to forward liquor license applications 5b2 and 5b3, to the Arizona State Liquor Board with a recommendation for approval, and to continue liquor license application 5b1 to the meeting of June 19, 2007.

## **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.

- a. Michael Toney spoke about downtown redevelopment funding and integrated optics.
- b. Ken Scoville spoke about the need to preserve the historic Drachman and Oracle area as a gateway to downtown.
- c. Stephen Robert Baker thanked the Tucson Police Department and the Tucson Fire Department for saving his life on multiple occasions.
- d. Lee Ewing spoke about and distributed a letter of complaint he had written to the Tucson Police Department.
- e. Joseph Sweeney spoke about and distributed a letter he was sending to the President of Mexico.
- f. Roy Warden spoke about a lawsuit he was filing in federal court.
- g. J. Lisa Jones encouraged the Mayor and Council to consider incorporating the Parks and Recreation ceramics program as a revenue generating component of downtown redevelopment.
- h. Russ Dove spoke about his political activism.

## **7. CONSENT AGENDA – ITEMS A THROUGH D**

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

A. INTERGOVERNMENTAL AGREEMENT AMENDMENT: WITH THE REGIONAL TRANSPORTATION AUTHORITY FOR IMPLEMENTATION OF THE EL PASO AND SOUTHWESTERN GREENWAY PROJECT

1. Report from City Manager JUNE12-07-331 WARDS 1, 5, AND 6
2. Resolution No. 20687 relating to Intergovernmental Agreements; approving and authorizing execution of an Intergovernmental Agreement between the City of Tucson and the Regional Transportation Authority (RTA) of Pima County for implementation of the El Paso and Southwestern Greenway Project; and declaring an emergency.

Item A was considered separately at the request of Council Member Trasoff.

B. PARKS AND RECREATION: NAMING THE FUTURE OFF LEASH DOG AREA IN REID PARK “MIKO’S CORNER PLAYGROUND”

1. Report from City Manager JUNE12-07-330 WARD 6
2. Resolution No. 20688 relating to parks and recreation; naming the future off leash dog area in Reid Park “Miko’s Corner Playground”; and declaring an emergency.

Item B was considered separately at the request of Council Member Trasoff.

C. REAL PROPERTY: LEASE AGREEMENT WITH CHILD-PARENT CENTERS, INC. FOR REAL PROPERTY LOCATED AT THE SANTA ROSA NEIGHBORHOOD CENTER

1. Report from City Manager JUNE12-07-328 WARD 5
2. Ordinance No. 10419 relating to real property; authorizing and approving the lease of certain city-owned real property located at the Santa Rosa Neighborhood Center to the Child-Parent Centers, Inc.; and declaring an emergency.

D. APPROVAL OF MINUTES

1. Report from City Manager JUNE12-07-343 CITY-WIDE
2. Approval of minutes for the regular meetings of the Mayor and Council held on March 20, 2007, April 17, 2007, and May 1, 2007.

It was moved by Council Member Trasoff, duly seconded, that Consent Agenda Items C and D, be passed and adopted and the proper action taken.

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 Ibarra, West, Uhlich, Leal, and Trasoff;  
Vice Mayor Scott and Mayor Walkup

Nay: None

Consent Agenda Items C and D, were declared passed and adopted by a roll call vote of 7 to 0.

## **7. CONSENT AGENDA – ITEM A**

### **A. INTERGOVERNMENTAL AGREEMENT AMENDMENT: WITH THE REGIONAL TRANSPORTATION AUTHORITY FOR IMPLEMENTATION OF THE EL PASO AND SOUTHWESTERN GREENWAY PROJECT**

1. Report from City Manager JUNE12-07-331 WARDS 1, 5, AND 6
2. Resolution No. 20687 relating to Intergovernmental Agreements; approving and authorizing execution of an Intergovernmental Agreement between the City of Tucson and the Regional Transportation Authority (RTA) of Pima County for implementation of the El Paso and Southwestern Greenway Project; and declaring an emergency.

Council Member Trasoff said she wanted to highlight the El Paso Greenway item because it was very important. The project was an idea brought forward by a Barrio Viejo Neighborhood resident many years ago. It gained support from all the surrounding neighborhoods for a rails to trails conversion.

Council Member Trasoff stated funding would support a 4.8 mile route that would run from the Kino Sports complex to the area of Main and West University. She stated it would connect many neighborhoods and the project was an amenity to the City of Tucson.

It was moved by Council Member Trasoff, duly seconded, to pass and adopt Resolution 20687.

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

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Uhlich, Leal, and Trasoff;  
Vice Mayor Scott and Mayor Walkup

Nay: None

Resolution 20687 was declared passed and adopted by a roll call vote of 7 to 0.

**7. CONSENT AGENDA – ITEM B**

**B. PARKS AND RECREATION: NAMING THE FUTURE OFF LEASH DOG AREA IN REID PARK “MIKO’S CORNER PLAYGROUND”**

1. Report from City Manager JUNE12-07-330 WARD 6
2. Resolution No. 20688 relating to parks and recreation; naming the future off leash dog area in Reid Park “Miko’s Corner Playground”; and declaring an emergency.

Council Member Trasoff spoke about the role Miko and other police dogs played in protecting the public and assisting officers. She announced Miko passed away on May 28, 2006, while chasing a suspect and assisting Officer Schad. She added a tree planting ceremony was held in his honor and five-hundred and four signatures were gathered to rename the new dog park in Miko’s honor.

It was moved by Council Member Trasoff, duly seconded, to pass and adopt Resolution 20688.

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

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Uhlich, Leal, and Trasoff;  
Vice Mayor Scott and Mayor Walkup

Nay: None

Resolution 20688 was declared passed and adopted by a roll call vote of 7 to 0.

**8. PUBLIC HEARING: TUCSON CODE (CHAPTER 6) ADOPTION OF NEW AND UPDATED BUILDING CODES**

Michael Rankin, City Attorney, read a correction to Exhibit A to Ordinance 10417 into the record.

“Section 108.3.1 relating to Model plans. When two or more buildings of Group R-3 or U Occupancy, or swimming pools, are to be built from a single model plan, without substantial modification as defined by the Building Official, and the said model plan is submitted by any one agency within a period of twelve months following the approval of said plan by the Building Official, then the plan review fees for each model plan shall be paid plus a fee for each additional exterior design elevation (refer to the fee schedules adopted by this jurisdiction by separate ordinance).

Mayor Walkup announced City Manager’s communication number 332, dated June 12, 2007, 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 amendments to the building codes. The public hearing was scheduled to last for no more than one hour, and speakers were limited to five-minute presentations. He called Lori Lustig as the first speaker.

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

Lori Lustig, representing the Southern Arizona Home Builders Association (SAHBA), stated she would be brief. The Tech Committee had reviewed the codes under consideration. She said to her understanding the Tech Committee approved of the amendments and SAHBA looked forward to the passage and adoption of the codes.

Michael Toney declined to speak.

Mayor Walkup asked if there was anyone else who would like to speak. There was no one.

It was moved by Vice Mayor Scott, 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 Ordinance 10417 by number and title only.



Ordinance No. 10417 relating to Buildings, Electricity, Plumbing and Mechanical Code; amending the Tucson Code Chapter 6, Buildings, Electricity, Plumbing and Mechanical Code, Article 1 in General, Section 6-1 Administrative code adopted by repealing the uniform Administrative code and reserving Section 6-1; amending Article III, Buildings, Division 1 Building Code, Section 6-34 Building code adopted by adopting the International Building Code 2006 Edition with local amendments; Section 6-38 Residential code adopted by adopting the International Residential Code 2006 Edition with local amendments; Section 6-40 Energy Conservation Code by adopting the International Energy Conservation Code 2006 Edition with local amendments; amending Article IV Electricity, Division 1 Electrical Code, Section 6-84 Electrical Code adopted by adopting the 2005 National Electric Code with local amendments; amending Article VI Mechanical Code Section 6-167 Fuel gas code by adopting the International Fuel Gas Code 2006 Edition; establishing penalties; and declaring an emergency.

Michael Rankin, City Attorney, interjected it was worth highlighting some of the provisions in the building codes before a motion was made on Ordinance 10417. Among the local amendments to the building code provisions was a new provision adding a process that would be required for any proposed demolition of a building within the historic central core of the city defined as the area within the City limits since 1953. He said the process included a requirement of a submission of a survey documenting the historical significance and impact of the property and how it related to adjoining properties in the context. He also said it required a review by the Plans Review Subcommittee of the Tucson-Pima County Historical Commission. He said these were things the Mayor and Council had been interested in and it was important to point them out.

Council Member Leal asked Mr. Rankin if that meant properties on the National Register of Historic Properties or the Municipal Registry, or was if it was for properties potentially eligible for the National Register, even if they were not on it.

Mr. Rankin stated it was defined broadly enough to capture the area within the City that included all of those things. It would include the areas within the City as of 1953, which would capture those properties eligible or already designated.

It was moved by Council Member Uhlich, duly seconded, to pass and adopt Ordinance 10417, with the corrections read into the record by the City Attorney.

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

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Uhlich, Leal, and Trasoff;  
Vice Mayor Scott and Mayor Walkup

Nay: None

Ordinance 10417 was declared passed and adopted by a roll call vote of 7 to 0.

**9. PUBLIC HEARING: PROPOSED DEVELOPMENT IMPACT FEES FOR POLICE, FIRE, AND PUBLIC FACILITIES**

Mayor Walkup announced City Manager's communication number 342, dated June 12, 2007, 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 proposed development impact fees. The public hearing was scheduled to last for no more than one hour, and speakers were limited to five-minute presentations. He called Lori Lustig as the first speaker.

Lori Lustig, representing the Southern Arizona Home Builders Association (SAHBA), submitted a letter for the record. She thanked Nicole Gavin for her hard work. She said new information was brought forward as they moved through the process, and a number of changes were made to the ordinance. She said she would comment on one change that had transpired between the last meeting on May 23, 2007, and this evening. She stated SAHBA and the City of Tucson had agreed to disagree on the methodology that was used. She said SAHBA did not believe the project developed overlaid well with the consumptive methodology. She said it was what it was, and they accepted that and appreciated the City's hard work in getting the list developed and bringing it to SAHBA during the process. She said SAHBA appreciated the use of a rooftop fee, particularly since there was one benefit area with the fees and SAHBA knew that would make a good difference. She said there were concerns about credits and her understanding, from conversation with staff, was the definitions used in the ordinance referred to the allowance for credits for in-kind donations for any item that was used in the calculation of the fee. She said that was how credits generally worked with impact fees and SAHBA agreed with that. SAHBA wanted to confirm that understanding with City staff.

Ms. Lustig stated SAHBA also looked forward to Senate Bill 1423 that was signed by Governor Napolitano several months ago, but had yet to go into effect because the Legislature was still in session. She said the bill allowed the deferral of payment of impact fees at close of escrow and a process was incorporated in the bill. She said she looked forward to it going into effect and coming back and amending the ordinance so SAHBA could take advantage of that. She said SAHBA believed the fees were low enough so people would be able to pay for either police or fire or public facilities at close of escrow. She said they appreciated staff's efforts.

Ms. Lustig stated one item that she wanted to bring to the Mayor and Council's attention was on page four of the redlined ordinance she saw online. When it came to indexing fees, previously the date the first indexing of fees would take place was on January 15, 2008. She said she believed that date was inserted because at the time they did parks and roads there was an implementation period and they were not going to do indexing until next January. That was deleted. It probably was not that significant since it was six months until they got to January 2008. The issue that arose was that they were implementing new impact fees and the language failed to include mention that the fees should be in effect for one full calendar year before annual indexing began. Since they were adopting new fees, the way the language read, conceivably there could be inflationary indexing of new fees that would not take effect until July 2007. She said she thought they needed more "wordsmithing" on that. She said she included a sentence in her letter the Mayor and Council could use if they wished to adopt it as part of the ordinance and they could bring it back in two weeks. If there was any additional drafting that needed to be done, SAHBA was prepared to assist staff to ensure they got it right. She thanked the Mayor and Council and stated it had been an interesting six months. She expressed to Council Member Trasoff that they did do it in six months. She did not know that it would have been possible, but said if they could have more time in the future, it might be helpful.

Ramon Gaanderse, Executive Director of the Metropolitan Pima Alliance (MPA), thanked the Mayor and Council for allowing the stakeholder process to be conducted to dissect this topic. He said he felt it was very important and it proved to be very useful for the MPA and its members who were also part of the stakeholder group. He thanked Nicole Gavin for her hard work. He stated there were a lot of diversity and differing opinions in the group. To have put it together and presented it to the Mayor and Council was a job well done. The only item the MPA would like the Mayor and Council to consider was moving the grandfathering clause in Section 23A-86(F)(3), regarding the development plan or plat submittals, to December 1, 2007. In the same section, he asked the Mayor and Council to change the outside approval date to June 1, 2008. The reason they asked for this time was to allow developers to have more time to bring in their plats and development plans on time. That was the only amendment they were asking for. He asked the Mayor and Council to call him if they needed any assistance.

Michael Toney said he felt the development community had not realized Mr. Modeer was not making up stories when he said there was going to be a drought. It was not "if", it was "when," and it would happen in three to five years. He stated it seemed impact fees had nothing to do with the runoff that caused the lowering of the water table and exacerbated the local global warming because foliage cooled down the area in Tucson and it had been getting hotter, especially in Phoenix.

Mr. Toney said he felt a study on impact fees to put white or cream colored spray on the roads was in order since the heat island effect was rather extensive. The heat island effect, the increase in temperature, and the change in weather patterns had been somewhat slow, although continuous, and the slow exponential growth became quite intense. If anyone had seen pictures of the floating rocks in Sabino Canyon, they would

realize that rather significant events had taken place. The question of smog impact fees had nothing to do with the situation, and if two million people were here by the year 2050, it would be unbelievable.

Mr. Toney said he thought the development community would enjoy seeing that. It was selfish and it would destroy a lot more than the beautiful landscapes like in Green Valley. They would have to start calling it "Grey Valley." He also stated that about four hundred pounds of copper went into each new residence. The impact of development at the Rosemont mine was there would be mining for copper going on as a result of increase in development.

Mr. Toney said he would like people who were involved with impact fees to realize it was obvious state shared revenue may have been a political incentive for the Council to embrace more development as an economic engine, but there were numerous bad consequences to that. He stated there were three hundred dollars per capita for each new resident that moved in. There were two and half or three residents per each residential unit, and the result was more chaos than could be dealt with. Establishing some stability through conservation was very important. He would be interested in seeing a lot of impact fees involved with any future development. He said it also had nothing to do with reestablishing a blighted environment in terms of revegetation with natural cacti, and so forth. He said he felt it was a fog. They were doing what they thought was right according to what he read in the meeting materials, but he would like them to look at the total picture of what was going on. He said he thought the homebuilders would need to find something else to put their money in, perhaps a laser-optic corporation.

Bob Cook thanked the Mayor and Council and staff for the work done in 2004, and this year, on the development impact fee program. He said he felt it was a good start three years ago and he still believed that. It was a very important issue for the community but it needed significant improvement before it was approved this round. He said he was going to read some points from an email and letter he wrote to the Mayor and Council and staff. He said currently, the impact fee ordinance was a very minimal cost recovery program for funding new growth. Last year the City collected only eight million dollars from the road impact fee part of it. This would not have even paid for one road widening project near his neighborhood three years ago. As the Mayor and Council knew, the Regional Transportation Authority sales tax election from a year ago was designed to collect two billion dollars over the next twenty years in sales taxes the community contributed. It was focused only on deficiencies in the existing system. It was very important they did not create further deficiencies as they continued to grow. This proposed ordinance, specifically Section 23A-812, was a very important point he thought needed correction in this particular version as soon as possible. It continued the unjustified practice of City residents having to subsidize increases in construction costs.

Mr. Cook asked the Mayor and Council to remove the five-percent cap, which limited the amount the fee could be adjusted each year. This was the indexing Ms. Lustig had described. This annual fee inflater was based on real cost increases based on an index of the previous year. It did not even capture the current cost increases. This was from a study that was done a year ago for Pima County. The cost of construction materials for roads, steel, asphalt, and concrete doubled in the last five years. An Arizona Daily Star article from a couple of weeks ago pointed out that the cost of asphalt doubled in 2006. They were facing major increases in the cost of building infrastructure to support new growth.

Mr. Cook said if they capped development impact fees for facilities that used these materials, they were essentially subsidizing them. The City should not have to take on these private investment risks. If they did not believe these were private investment risks, he asked the Mayor and Council to look at the ten thousand empty houses looking for buyers in the community. That was all private investment risk and he said they should not be subsidizing it as a community.

Mr. Cook said state enabling legislation for development impact fee programs prohibited discrimination in the application of the fee. Contrary to what the notice suggested for this hearing, he said he did not believe the fees represented a proportional share of the impact new development had on various public impacts like police, fire, and public facilities, as well as roads. For example, if they looked at the commercial side of the impact fee program, various industries were given schedules depending upon the relative and proportional impacts. He said he did not think it was proportional. If they looked at the construction industry, the only thing the road impact fee program applied to was the storage yards for the materials and the vehicles involved. The enormous impact construction had on roads, such as the daily traffic of trucks and passenger vehicles to and from the sites, were not captured by the program, and they had no way of recovering the costs of this particular impact.

Mr. Cook said if he was in one of the industries that was subject to any of the commercial impact fees he would be a little upset that one of the major industries that constituted approximately fifteen percent of the local economy was not subject to the fees. Proportionality was very important in the development of the schedules. Recovering the costs of new public infrastructure required to serve new development was an important public finance issue in Tucson and the metro region. He said he believed the issue was touched on in the regional town hall recently and despite what they have heard by previous speakers, he felt the stakeholder process was totally weighted toward the development community. He did not attend the last meeting because of family health problems, but there was very little community representation. He asked where community interests were represented in the stakeholder process. He said he wondered why he was the only person speaking on this, as this was a major issue. Inadequate public cost recovery for growth always meant that the City had less funding available to provide for the general welfare to the extent that they were subsidizing new growth. It meant they had fewer funds to deal with existing general welfare demands.

Mr. Cook stated the notion that impact fees contributed to unaffordable housing was laughable. Housing became unaffordable long before impact fees, and minimizing impact fees, as proposed, would not create affordable housing. The best way to achieve affordable housing in the future was transit oriented development, but as current regulations were written, transit facilities were excluded as eligible public facilities to apply development impact fees. He questioned why this was. He said he wanted to remind everyone that in the general election of 2001, voters overwhelmingly approved the Growing Smarter amendments to the General Plan. In that General Plan was an implementation component that called for a total cost of growth and development study and model that tracked actual costs. They had yet to see this. When they talked about making growth pay for itself, if they did not know what the cost of growth truly was, how would they be able to manage those costs.

Mr. Cook suggested that before they launched into major growth or planned community development on Houghton Road and elsewhere in this community, that they got better control of what the real costs were, or else they would continually subsidize new growth, create deficiencies in the existing City, and in another ten years they would have to have another sales tax election to deal with new deficiencies that were created.

Anne Mehochko, representing the Tucson Association of Realtors, thanked the Mayor and Council for letting her participate in the stakeholder meetings. She commended Nicole Gavin for doing a fantastic job of organizing the meetings and addressing concerns raised by the stakeholders. They were able to address several issues at the meetings that came up during the stakeholder process, which was probably why not many people were speaking this evening. She said she wanted to point out a few concerns the Association had with the proposal as it read, particularly with the impact this proposal would have on affordable housing. She said they shared SAHBA's concerns with the consumptive method that was used. They were particularly concerned with the proposal that new development carry the cost of these facilities.

Ms. Mehochko said they felt a more comprehensive approach was needed to look at the true needs of police and fire. The Association was one hundred percent supportive of additional funding for those services. Their concern was that to rely on new development and impact fees for the funding of those facilities could be short sighted and they did not know how many permits there would be in 2008 and 2009. Granted the study was complete in projecting what those permits might be, she said they felt a more comprehensive approach was needed to look at the true needs of police and fire for the community. In addition, they had concerns with the proposal going ahead at this time with the change occurring with state law in the fall, depending on when the legislative session ended. She said they would like to see how the City planned to amend the ordinance to comply with state statutes, given that the law was probably going to change within months.

Mayor Walkup asked if there was anyone else who would like to speak. There was no one.

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

Council Member West said as she understood, state law required the Mayor and Council to bring this item back in fourteen days.

It was moved by Council Member West, duly seconded, to direct staff to schedule the adoption of the impact fee ordinance for July 10, 2007.

Mayor Walkup asked if there was any further discussion.

Vice Mayor Scott said she wanted one comment inserted, and would like the City Attorney to let everyone know whether or not the verbiage would alter the ordinance in any significant way.

It was moved by Vice Mayor Scott, duly seconded, to amend the motion to include language under Section 23A-72, Intent, in paragraph one, after the first semicolon, adding the phrase, "to ensure that the expenditure of impact fees result in beneficial use to the fee generating development..."

Michael Rankin, City Attorney, explained the language Vice Mayor Scott was proposing tracked statutory language, which required that development impact fees result in beneficial use to development, which was one of the subsections of the enabling legislation.

Council Member West asked if that was an amendment to her motion or if it was a separate motion.

Vice Mayor Scott stated it was to add the language to the ordinance they had before them.

Council Member West asked if that was an amendment.

Vice Mayor Scott stated it was an amendment to the original motion.

Mayor Walkup asked Council Member West if she agreed to the amendment.

Council Member West stated she agreed with the amendment to the motion. She stated she felt it had been a wonderful process. She said she wanted to pay tribute to Nicole Ewing Gavin because Ms. Gavin had sat through stakeholder meetings, worked with people, and developed a fabulous book that should be required reading for everyone. She said there were not enough good things to say to thank Ms. Gavin for what she had done to get it through in a six month time period. Council Member West said it was absolutely wonderful and she thanked Ms. Gavin.

Council Member West added she wanted to make some points that were on the first page of the communication she thought were important and should be summarized for the record. It said on average thirty-five hundred residential units and one hundred and sixty commercial developments were constructed in the community each year. As this growth occurred it meant more police, fire and public facilities were needed. This could not be any clearer. Without impact fees, current residents bore the full burden of funding growth related facilities and the City had to borrow money and use General Fund dollars to finance these facilities. It was not just impact fees that were used to fund these. They still had to find other dollars. When people became concerned that impact fees were going to pay completely for these facilities, that was not what would happen. Because the City's bonding capacity was limited, and recurring General Fund revenues were needed to pay for ongoing service needs like street maintenance and public safety operations, impact fees would help reduce the City's reliance on non-sustainable funding sources and made good financial sense. It was another way of diversifying the City's revenues. She said she did not know why this was not done ten or fifteen years ago. Not having impact fees in place hindered the City's ability to provide adequate facilities to new development and detracted from the quality of life in the community. She said no one on the Council could have said it better than Ms. Gavin had.

Vice Mayor Scott stated she was asked to inquire whether the language in this document could include that full impact fees be in effect for one full calendar year before undergoing an additional adjustment. She asked the City Attorney if that would be acceptable language to include at this time and how they would do it.

Michael Rankin, City Attorney, explained if Mayor and Council directed, the way to accomplish this, with respect to the indexing and when it would go into effect, would be an amendment to Section 23A-81, subparagraph 2, just to specify the dates when the indexing would begin. For the road and park fees that would be in 2008, and for the police, fire, and public facility fees it would begin in 2009 for the residential and 2010 for the non-residential, which would mean that each of those would be in effect a year prior to the indexing commencing.

Vice Mayor Scott asked for another amendment to the motion to include new language, which allowed for the new impact fee to be carried through for one full year before it was indexed again.

Council Member West agreed, as did the second, to the amendment to the motion.

Mayor Walkup asked if there was further discussion.

Council Member Trasoff asked to clarify a few things, one on the more recent amendment Vice Mayor Scott made. She said she understood the principal of why Vice Mayor Scott wanted to do it for a full year in order to give people a chance to plan ahead, but when some of the plans were not going to start for two years, she wondered why they had to be implemented. She said she also understood Ms. Lustig's point and accepted that it was not fair to have these things escalate before the fee went into effect.



Council Member Trasoff said she was in a quandary. It seemed if they had to wait two years for them to start, and then wait a year as Mr. Cook pointed out, costs increased all the time. She said she wondered if they could compromise. She said she hated doing this at the spur of the moment, but since there would not be a vote on it for two weeks perhaps they could consider it at a study session or at some other point. She said she would love to have a study session to look at this section. She said she understood the spirit they were aiming for and she did not disagree with it. It would be unfair for these fees to increase before they went into effect. Because she knew how far in advance people worked, she questioned if they needed to have a full year before some of the more long-term fees escalated. She asked if they could anticipate the escalation so developers could plan for it in advance and not be caught unaware.

Mike Hein, City Manager, stated that it was possible. He reminded the Mayor and Council that it was capped at five percent, so that would be moving the cap. He believed when the speaker spoke to this issue, the item dealt with the annual adjustment and that was what they were talking about in the amendment as far as waiting for one full year of implementation until it could escalate up to five percent.

Council Member Trasoff said the question she was asking was whether they should wait a full year for the fees that were a year and a half out. If no one else was concerned about that then she would defer.

Council Member West said that she agreed with Council Member Trasoff and would like to hear the City Attorney's opinion on it.

Michael Rankin, City Attorney, stated the Mayor and Council set the policy and he would write the ordinance the way they wanted him to. As the City Manager pointed out, the existing code already capped the annual adjustment at five percent, so the provision in question was the annual adjustment based on the Consumer Price Index (CPI) and the construction cost index. The Mayor and Council could bring it back as per the direction that had been made and discuss it at the next session or even the study session.

Mayor Walkup said they could put it on the agenda and bring it back for the study session.

Council Member Leal asked for clarification. If they waited a year to raise the cap, and the cap was five percent, and they made eight million dollars last year, did that mean the difference between now and waiting a year was four hundred thousand dollars to the City.

Mike Hein, City Manager, stated that the eight million dollars referenced was the revenue of the roads; this was the public safety. It would be an estimate based on Mr. Lueck's study and others. The idea was they would come back and complete the study and justify the increment of the increase.

Council Member Leal stated he understood.

Council Member Uhlich said she wanted to pursue this line of questioning a bit further. She said her understanding of the amendment was when they talked about the impact fees becoming effective, she thought it was the adoption of the fees and that they would wait a full year from the adoption date in order for it to be indexed. If that was not the case, she said she thought it was a good idea to bring it back for further discussion because in two years they would lose ten percent. They would basically lose ground. She said she misunderstood the waiting and the effective date.

Vice Mayor Scott stated that waiting was not part of it. When the fees went into place, exactly from that moment on, a year would be allowed to pass before they started raising them again, so theoretically, in two months, or five months, six months, if the CPI indexes went up, that one year allowed for a person who had money on the line doing something in the community, who was building more community, would have an opportunity to take a breath and know that once that year was up, they would then be hit with another fee increase. So once the impact fee went in place, a full year passed. If there was an increase of any kind they attached to this, that was attached to that, and so on and so forth. She said she did not know where the business of waiting and not having it start and so forth came in to play. It simply started, when it started and let them have it for a full year.

Mayor Walkup said he thought the Mayor and Council wanted further discussion and he suggested they do it at a study session. He suggested they withdraw this from Council Member West's motion and they would put it on the Agenda Committee.

Council Member Trasoff stated she was comfortable with Vice Mayor Scott's earlier amendment to the motion. It was what the state law indicated and for the record, she wanted to make sure in the language "beneficial to the fee generating development," the definition of "beneficial" included centralized facilities necessitated by that development, such as an expansion of the headquarters for the fire department or police department or the expansion of evidence facilities, and so forth.

Michael Rankin, City Attorney, said that was correct and was consistent with the study.

Mayor Walkup said he wanted to verify Council Member West was comfortable in withdrawing the second amendment to her motion.

Council Member West said yes.

Mayor Walkup stated it would be put on the agenda tomorrow for the meeting of July 10, 2007.

Council Member West said she thought that was where it belonged, because all they were doing this evening was directing staff to schedule the adoption of the ordinance for July 10, 2007. By having a study session discussion, the Mayor and Council could work that all out before July 10, 2007.

The motion by Council Member West, duly seconded, to direct staff to schedule the adoption of the impact fee ordinance for July 10, 2007, including the amendment to language under Section 23A-72, as proposed by Vice Mayor Scott, was carried by a voice vote of 7 to 0.

**10. PUBLIC HEARING: TRUTH IN TAXATION HEARING FOR THE PRIMARY PROPERTY TAX; NOTICE OF PRIMARY PROPERTY TAX INCREASE**

Mayor Walkup announced City Manager's communication number 333, dated June 12, 2007, was received into and made a part of the record. He also announced this was the time and place legally advertised for a truth in property tax public hearing. The public hearing was scheduled to last for no more than one hour, and speakers were limited to five-minute presentations. He called Michael Toney as the first speaker.

Michael Toney stated he had to keep coming back to state shared revenue. He said he thought people would have gotten the idea if they had listened about state shared revenue and other topics concerning finances with the City given the fact this was taxpayer money. It was public money, therefore when resources were wasted on the science center, one hundred billion dollars, it was an awful lot of money. That was an abusive ripoff. He added the Mayor and Council had forty days to try to stop those funds from being burned to a crisp.

Mr. Toney said the situation with truth and taxation, property tax, primary tax, secondary tax, was not that it was much of an increment per population increase but they were already rather considerable. He said he was not sure what the total of the primary and secondary taxes were. He said he felt people's money was being hit up over and over again, it was like spare changing, they had seen people out there that just went after it. It was because of the prioritization of the budget. He said he thought it was basic, the prioritization of the budget.

Mr. Toney asked if they were going to take a good look at the star cell garbage recycler that created fifteen million dollars worth of energy. He said Pima County Administrator Chuck Huckelberry was interested in it. He added it would be a good split between Mr. Huckelberry and Mr. Hein and he suggested they invest in this because of the price of energy going up. It was like chess, they made one move and there were three implications to that move. He said he did not see that happening all the time. He said he saw state shared revenue, business and primary tax, secondary tax, and impact fees. He said the Mayor and Council already knew his feelings about these. He said it was nice to hear another gentleman mention the same ideas. Maybe that was a dispositive statement about that, maybe it was rather factual.

Mr. Toney said the rate at which they were taking to increasing the primary and secondary taxes would not be reduced in Pima County's primary and secondary taxes much, because Pima County Supervisor Ray Carroll would not allow them to have the one half cent sales tax. Therefore people in the City would pay extra through the County's primary and secondary taxes and the City's primary and secondary property taxes.

Mr. Toney said he thought it was the planning, the fog of the future, and it was not "Free Wheelin'" like Bob Dylan sang unfortunately, but this big brother business was a tremendous black hole in this situation. He thought with truth in taxation, it was the truth about what priorities were and where were those monies were going to be spent.

Mr. Toney asked if they were going to hold back and take ten years to bring the roads up to grade, or, if they would drop the University of Arizona Science Center and transfer funds around, they would be able to go around and do the chip sealing on the roads. He said he wished they would use cream color. He said he had taken a good look at chip sealing. It took a long time and it was crumbly. People drove over it for three days, then it became rippled, but even with ripples in it, it settled nicely. But as it was rather rippled, it might need a little perfecting. It was very hard for the Department of Transportation to leave it out for three days and come back to do the final touches. With the truth in taxation, Mr. Toney said he was looking forward to transparency as to the intention of what the funds were going to be used for in the future and what the priorities were.

Mayor Walkup asked if there was anyone else who would like to speak. There was no one.

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

It was moved by Council Member West, duly seconded, to close the public hearing and direct staff to perform all functions required by law.

Mayor Walkup asked if there was any further discussion.

Council Member West said she usually did not notice the notice in the newspaper, but this time she had. She told Jim Cameron, Finance Director, that she found it a little misleading because it implied the tax rate for fiscal year 2007 was .3219 per one hundred dollars of assessed valuation, when in fact it was .3411. She asked if he could explain that for the record.

Jim Cameron, Finance Director, stated that was correct and the notification tried to take that into consideration and eliminate different changes in valuations. The current tax rate was thirty-four cents and the proposed tax rate for the next fiscal year was thirty-three cents, a one cent decrease; however, because of increased valuation in homes,

which averaged about six percent, homeowners would likely pay more due to that valuation change. On a hundred thousand dollar home, as the notice indicated it was seventy-seven cents for the full year the homeowner would pay. They were not capturing the full valuation increase; it was only about 2.4 percent out of the six percent. It was a bit confusing how they reflected the variations in the valuation.

Council Member West stated that it was not really truth in taxation.

Michael Rankin, City Attorney, said that it was the truth as a matter of law.

Mayor Walkup asked if there was any further discussion. There was none.

The motion by Council Member West, duly seconded, to close the public hearing and direct staff to perform all functions required by law was carried by a voice vote of 7 to 0.

Mayor Walkup stated the adoption of the ordinance was scheduled for June 26, 2007.

**11. PUBLIC HEARING: 2008 BUDGET AS TENTATIVELY ADOPTED ON JUNE 5, 2007**

Mayor Walkup announced City Manager's communication number 340, dated June 12, 2007, 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 budget as tentatively adopted on June 5, 2007. The public hearing was scheduled to last for no more than one hour, and speakers were limited to five-minute presentations.

Mayor Walkup asked if there were any requests to speak.

Kathleen S. Detrick, City Clerk, indicated there none.

Mayor Walkup asked if there was anyone who would like to speak on this item.

Michael Toney stated he had a few more comments on the budget. With state shared revenue at three hundred dollars per person, that was over one hundred and fifty million dollars the City received from this source. That was half of the rainbow bridge. The star cell recycler was about two hundred and twenty-five to two hundred and fifty million dollars. He said he thought it would be good to start contemplating the possibility of an investment in the recycler with the County because of the problem with energy and because it created fifteen million dollars worth of energy, which over a twenty year period was three hundred million dollars. That was not insignificant.

Mr. Toney said he wanted to mention Steinfeld Warehouse. Joining the Rio Nuevo budget in contemplation of this budget was part of the budgetary process, and there was potential there. He said he thought it was rather statutory. They could not

always move something over, even though it might be small it might be too heavy to move statutorily. Shifting some of the Tucson Convention debt to the Tucson Convention Center and taking it out of the budget would leave around nineteen million dollars for affordable housing or other types of things that were necessary, or for the star cell generator. He said the recycler looked very good and he thought Mayor Walkup thought that it looked interesting as well.

Mr. Toney said he would like to discuss Rio Nuevo and Town West versus the arena. There was very nice architecture, and Council Member Ibarra had reflected Mr. Toney's thoughts, it was an evolution. He said he thought it was very nicely done. What he said he saw happening in the whole budgetary scheme with the arena, which was the crown jewel of Rio Nuevo, was that the arena should have as much artistry put into it as the Town West development. If they made it nice and lush, people would come from the Town West development. They might even walk if there were shade trees and foliage along the way. He said Town West was very sparse with natural vegetation. He suggested the City infrastructure and City-owned areas should be made lush. This was what people liked and with more people downtown, a lot more needed to be invested. If they chose to have an existential experience he suggested they take a walk downtown during a big event on a calm day with no wind blowing at the arena or anywhere downtown. They would see there was not enough fresh air.

Mr. Toney also brought up the flushing of the sewers that was very bad. He said he had mentioned this issue occurring by the City/State parking lot by Circle K for a couple of years. It was very bad. He said he had spoken with Pima County Board of Supervisor Chairman Richard Elias about it, and was told they were working on it for three years. He said he thought the time had come to reinvest. He suggested they knock the Diamond Center out of the picture and it looked like approximately one hundred million dollars would open up to do some very nice finishing touches.

Mayor Walkup asked if anyone else would like to address the Council. There was no one.

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

Mayor Walkup announced they would recess the regular meeting and convene a special meeting for the adoption of the budget.

RECESS 7:15 p.m.

RECONVENE 7:17 p.m.

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

Present:

José J. Ibarra	Council Member Ward 1
Carol W. West	Council Member Ward 2
Karin Uhlich	Council Member Ward 3
Shirley C. Scott	Vice Mayor, 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
Kathleen S. Detrick	City Clerk
Mike Letcher	Deputy City Manager

**12. ZONING: (C9-07-04) BECKETT – FREEWAY DRIVE, O-3 TO C-2, CITY MANAGER’S REPORT**

Mayor Walkup announced City Manager’s communication number 334, dated June 12, 2007, was received into and made a part of the record. He also announced this was a request to rezone property located at the northwest corner of Fort Lowell Road and Freeway Drive.

Mayor Walkup asked if the applicant or representative was present. There was no one.

It was moved by Council Member Ibarra, 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. TUCSON CODE: AMENDING (CHAPTERS 10A AND 20) RELATED TO PARKING AND ASSOCIATED TRANSPORTATION ISSUES**

Mayor Walkup announced City Manager’s communication number 336, dated June 12, 2007, was received into and made a part of the record. He asked the City Clerk to read Ordinance 10418 by number and title only.

Ordinance 10418 relating to parking; revising portions of the Tucson Code to reflect organizational changes within the Tucson Department of Transportation; changing the name of the Transportation Enterprise Area Management Oversight Commission to the ParkWise Commission; clarifying language and adding definitions for commercial vehicle, curb, and traffic agent; changing authority from the traffic engineer to the director of transportation for certain responsibilities; streamlining parking rate setting processes by allowing rates to be set administratively; modifying booting procedures and incorporating administrative changes requested by Tucson City Court; changing certain parking restrictions; amending the Tucson code by amending portions of Chapter 10A, Article XIV; Chapter 20, Article I; and Chapter 20, Article VII; and declaring an emergency.

It was moved by Council Member Uhlich, duly seconded, to pass and adopt Ordinance 10418.

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

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Uhlich, Leal and Trasoff;  
Vice Mayor Scott and Mayor Walkup

Nay: None

Ordinance 10418 was declared passed and adopted by a roll call vote of 7 to 0.

**14. RECONSIDERATION OF ORDINANCES 10406, 10407, 10408, 10409, 10410, 10411, 10412, 10413, 10415, AND RESOLUTIONS 20681, 20682, 20683, 20684, AND 20685**

Kathleen S. Detrick, City Clerk, announced since Council Member Ibarra and Vice Mayor Scott were not present at the meeting of June 5, 2007, neither of them could make the motion to reconsider the ordinances and resolutions. The motion needed to be made by someone who voted on the prevailing side when they were adopted at the June 5, 2007 meeting.

It was moved by Council Member Uhlich, duly seconded, to reconsider Ordinances 10406, 10407, 10408, 10409, 10410, 10411, 10412, 10413, 10415, and Resolutions 20681, 20682, 20683, 20684, and 20685.

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



Kathleen S. Detrick, City Clerk, announced City Manager's communication number 335, dated June 12, 2007, was received into and made a part of the record. She clarified the roll call vote was for the motion to reconsider the ordinances and resolutions.

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Uhlich, Leal and Trasoff;  
Vice Mayor Scott and Mayor Walkup

Nay: None

Reconsideration of Ordinances 10406, 10407, 10408, 10409, 10410, 10411, 10412, 10413, 10415, and Resolutions 20681, 20682, 20683, 20684, and 20685 was declared passed and adopted by a roll call vote of 7 to 0.

It was moved by Council Member Uhlich, duly seconded, to pass and adopt Ordinances 10406, 10407, 10408, 10409, 10410, 10411, 10412, 10413, 10415, and Resolutions 20681, 20682, 20683, 20684, and 20685.

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

Upon roll call, the results were:

Aye: Council Members Ibarra, West, Uhlich, Leal and Trasoff;  
Vice Mayor Scott and Mayor Walkup

Nay: None

Ordinances 10406, 10407, 10408, 10409, 10410, 10411, 10412, 10413, 10415, and Resolutions 20681, 20682, 20683, 20684, and 20685 were declared passed and adopted by a roll call vote of 7 to 0.

## **15. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS**

Mayor Walkup announced City Manager's communication number 339, dated June 12, 2007, was received into and made a part of the record. He asked for a motion to approve the appointments in the report.

It was moved by Council Member West, duly seconded, and carried by a voice vote of 7 to 0, to appoint Tina E. Cook to the Environmental Services Advisory Committee.

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

Council Member Trasoff announced her appointments of Jeff Bales to the Small Business Commission and Randy Hansen to the Public Art and Community Design Committee.

**16. ADJOURNMENT:** 7:23 p.m.

Mayor Walkup announced the next regularly scheduled meeting of the Mayor and Council would be held on Tuesday, June 19, 2007, 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 12<sup>th</sup> day of June 2007, and do hereby certify that it was an accurate transcription.

---

DEPUTY CITY CLERK

KSD: ss/cdj/rm