

***PLEASE NOTE: Since the Glendale City Council does not take formal action at the Workshops, Workshop minutes are not approved by the City Council.**

**MINUTES
CITY OF GLENDALE
CITY COUNCIL WORKSHOP
JUNE 5, 2007
1:30 P.M.**

PRESENT: Mayor Elaine M. Scruggs, Vice Mayor Manuel D. Martinez, and Councilmembers Joyce V. Clark, Steven E. Frate, David M. Goulet, Yvonne J. Knaack, and H. Phillip Lieberman

ALSO PRESENT: Pam Kavanaugh, Assistant City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk

1. 2007 STATE AND FEDERAL LEGISLATIVE UPDATE

CITY STAFF PRESENTING THIS ITEM: Dana Tranberg, Intergovernmental Director; Jessica Blazina, Deputy Director, and Brent Stoddard, Legislative Coordinator

This is a request for the City Council to provide direction on proposed state legislation, consistent with the approved 2007 state legislative agenda and provide an update on the 2007 federal legislative agenda.

The purpose of the federal and state legislative agendas is to affect federal and state legislation and regulations as they relate to the interests of the city and its residents.

The 2007 state and federal legislative agendas provide the policy framework by which Intergovernmental Programs staff engages on state and federal legislative issues.

Throughout the 2007 legislative sessions, policy direction will be sought on proposed statutory changes which fall under the adopted council policy statements relating to the financial stability of the city, public safety issues, promoting economic development, managing growth and preserving neighborhoods.

The Intergovernmental Programs staff recommends prioritizing the state legislative agenda to a few key issues to allow the city to have a stronger, more consistent message on the items of greatest priority. The proposed key priority issues for consideration are described in the reports that were presented to the Council at the meeting.

The legislative agenda defines the city's priorities for the upcoming session and will guide the city's lobbying activities at the Arizona State Legislature. The

Intergovernmental Programs staff will come before the Council on a regular basis throughout the session for direction on bills and amendments that may be introduced. The city's legislative agenda is a flexible document and may change, based on activities at the Legislature and Council direction.

The Intergovernmental Programs Department has conducted a city-wide assessment of potential federal funding opportunities to be included in the 2007 federal legislative agenda. Based on this assessment, staff recommends pursuing federal funding opportunities, including grant opportunities, line-item appropriations, earmarks and regulation revisions in the areas of: transportation, public safety, homeland security, historic preservation, libraries, youth workforce development, and economic development initiative projects.

The Intergovernmental Programs Department returned at the February 20, 2007 workshop to present the comprehensive 2007 federal legislative agenda inclusive of funding requests and policy areas for engagement.

On December 19, 2006, the Council approved the 2007 State Legislative Agenda, which included policy statements on municipal legislative priorities and principles.

On January 16, 2007, the Intergovernmental Programs staff presented legislative issues to the Council.

On January 30, 2007, the Intergovernmental Programs staff presented state legislative and federal issues to the Council.

On February 20, 2007, the Intergovernmental Programs staff presented state legislative issues and the 2007 federal legislative agenda to the Council.

On March 6, 2007, the Intergovernmental Programs staff presented state legislative issues and a federal legislative update to the Council.

On March 20, 2007, the Intergovernmental Programs staff presented state legislative issues and an update on the Regional Office Center to the Council.

On April 17, 2007, the Intergovernmental Programs staff presented state legislative issues and a federal legislative update to the Council.

The priorities and principles of Glendale's 2007 state legislative agenda provide the venue for the city to identify and engage on state legislative issues. The key principles of the state legislative agenda are to preserve and enhance the city's ability to deliver quality and cost-effective services to citizens and visitors; address quality-of-life issues for Glendale residents, and enhance the City Council's ability to serve the community by retaining local decision making authority and maintain state legislative and voter commitments for revenue sources.

Development of a 2007 federal legislative agenda provides the venue for the city to identify and engage on federal issues of concern to the community, which will enhance the ability of the city to deliver superior services and address quality-of-life issues for the residents of Glendale.

Staff is requesting the Council to provide policy direction on the proposed state legislative issues and federal legislative program development.

Ms. Dana Tranberg, Intergovernmental Director presented a report to the Council that included several issues. They were as follows: (1) Development Issues – Impact Fees, Vested Rights and Blue Stake/Sewer Lateral Markings. (2) Neighborhood Issues – Liquor Omnibus Bill, Sex Offender Legislation and Graffiti Abatement. (3) Municipal Finance – State Shared Revenue Reductions. (4) Luke Air Force Base – Joint Strike Fighter Resolution and County Permitting. She noted that the Legislature was still in session with work remaining on the state budget, as well as several key pieces of legislation. She stated that at the conclusion of the session, an “End of Session Report” will be presented to the Council.

Councilmember Frate asked a question on the graffiti abatement issue. He asked what the threshold was when considering criminal damage and if the damage had to be on one wall or several walls on the buildings. Mr. Brent Stoddard, Legislative Coordinator, stated that it was defined in the bill as any message, slogan, drawing of sign or symbol on any public or private building without the permission on the owner. Councilmember Frate asked if that meant that if a juvenile or adult was caught damaging only one building, they would still be prosecuted. Mr. Stoddard stated that he was correct.

Mayor Scruggs asked a question on the sex offender legislation. She asked what the new legislation said in regards to level one and level two offenders. Mr. Stoddard stated that the legislation only recognized level three sex offenders under the residency restriction. He said it also prohibits cities and towns from enforcing additional regulations that would be of greater distance than 1000 feet for level three offenders. However, it does not stipulate any restrictions for level one or level two offenders.

Mayor Scruggs asked if they could place additional restriction on level one and two offenders since it does not stipulate any restrictions. Mr. Tindall stated that he would look into it. Mayor Scruggs remarked that this had been a topic brought forth by the Council as an item of special interest. She asked if they could have that analysis done by the next time that item comes up. Mr. Tindall said he would have it ready.

Councilmember Goulet asked a question on the graffiti abatement issue. He said the restitution was between \$300 and \$1000 as reported by staff. He asked if there was a provision that included man hours and time spent to be included as a fine.

Mr. Stoddard stated that the fine of \$300/\$1000 was just a fine for the violation. He stated that the restitution of other monies paid would be whatever damage was done. He added that there were no limits to those fines. Ms. Tranberg noted that neither staff’s time nor man hours were calculated in those fines.

Councilmember Clark asked if this graffiti bill was crafted to only include buildings. Mr. Stoddard said that the definition was for buildings; however he would take a look at the

specific language and report back to Council. Councilmember Clark stated that graffiti was not only limited to buildings.

Councilmember Knaack asked if there was an age limit for those offenders. Mr. Stoddard stated that the bill was specific to juveniles which was 18 years and under. Mr. Tindall noted that the age was generally 18 years of age, however in some statues they are lowered to 16.

Ms. Tranberg reported on the Sign Walker Bill which stated when and where sign walkers could be located. She stated that this bill was defeated and secured a veto from the Governor on April the 16th.

Councilmember Frate commented that he had seen a sign walker and asked if they were allowed to be there. Mr. Tindall stated that the ordinance does prohibit sign walkers.

Ms. Tranberg reported on the Luke Force Base legislation. She stated that the Joint Strike Fighter Resolution, which was to support military bases and enhance the mission capabilities of Arizona's Military facilities, passed the legislature and was sent to the Department of Defense. She also reported on the County Permitting residential buildings in the potential zones. She said they had not been successful on this because of concerns from Prop 207 issues as well as opposition from home builders. The West Valley partners plan to address all these concerns during the next legislative session.

Ms. Blazina reported on House Bill 2780 – The County Island Fire District bill. She stated that the Governor allowed this bill to become law without her signature. She provided information on letters in opposition from the City of Glendale. She provided background information regarding this issue, explaining that two years ago rural metro fire announced they would be discontinuing service to county island areas within the town of Gilbert municipal planning area. The town of Gilbert announced that they would not provide service to those county island residents unless they annexed into the town. Those residents chose to remain in the county island and were left with no fire protection services.

Ms. Tranberg said they had adamantly opposed Bill 2780 since it was introduced because of the mandate put on cities to provide fire protection services to county islands. She explained that they had continually communicated with legislators their concerns with implementation of the bill, as well as start-up cost. She also expressed the unique situation Glendale was in, in being able to provide service. The bill gained support as it went through the process and headed to the Senate. She stated that they had been successful in getting an amendment put in the bill addressing Glendale's unique situation. Since the City of Gilbert intended to legally challenge the language of the bill, they removed all amendments which they deemed fit, including removing the Glendale amendment. She noted that they were successful in requiring a 12 month notice of intent to withdraw from service and in also removing the secondary levy cap. This removal would insure that the county island residents would pay for the actual cost of service. This bill will become effective September 2007 or 90 days after the legislature concludes.

Councilmember Clark asked for clarification on there being only one fire district per municipal planning area. She asked how they would define a planning area. Ms. Jessica Blazina, Deputy Director, stated that it would be within the municipal planning area of the municipalities. She noted that in their strip annexation area, they could only have one non-contiguous county island fire district and once that district was formed,

those boundaries could not be changed.

Mayor Scruggs stated that she was extremely upset by this legislation and that the legal department was reviewing this bill with hopes some sort of action can be taken. She said she intends to inform the citizens of what had taken place and the negative impact it would have on the City of Glendale.

Mayor Scruggs asked Chief Burdick at what point a city is required to provide fire service to an area with a specific population threshold. Chief Burdick stated that around 10,000 people was a rule of thumb used by the fire department; however it was not a state statute.

Mayor Scruggs expressed her disappointed that the firefighters union supported this legislation. She explained that what it came down to, was that they were being held hostage by the desires and the balance sheets of a for profit company. She added that Rural Metro decided not to provide service because it was not economically viable for them. She stated that it was a very serious problem when a for-profit company can impose this restriction on a municipality. She added that the citizens needed to know their lives and property would be put at risk with this legislation. She believes it is wrong to serve a community when the community does not wish to be annexed into the city and yet still demand fire service. She said this action would take away precious services needed here in the City of Glendale.

Mayor Scruggs stated that she believes this to be very discriminatory to the existing residents and harmful to new development. She reiterated how upset and disappointed she was that this became law. She added that she will continue to voice her concerns and see what can be done.

Councilmember Clark asked a question as to the 180 days of the dissolution of the fire district. She asked if this was the only time at which annexation would be considered. Ms. Blazina stated that it was 180 days of either the expiration of the intergovernmental agreement or the contract. Councilmember Clark asked if the contract was annual. Ms. Blazina stated that it would be a duration of five years.

Councilmember Clark asked if a municipality was mandated to enter into an IGA. Ms. Blazina said that there were three phases, the first was to voluntarily enter into an IGA, second was to enter into a contract with a private provider, and the third was to mandate for the municipality to provide service should phases one and two be unsuccessful.

Vice Mayor Martinez commented that it had been years since he had seen Mayor Scruggs so emotional about an issue. He added that this legislation creates a great disservice to the citizens and the City of Glendale.

Mayor Scruggs reiterated her dissatisfaction with this bill and vows to make the citizens aware of what this legislation would mean to the city. She said she will request that everyone doing business with Glendale understand the risks they have been put under. She added that she will continue to request that the city attorneys look at this piece of legislation from every possible angle to determine if it was unconstitutional.

Ms. Tranberg reported on legislations that were still pending. These issues included: major events, public safety funds, sales tax incentives, gun storage, payday lending and air quality.

Councilmember Frate asked who would regulate and enforce Payday Lending practices. He said he had heard of people losing their homes to them. Mr. Stoddard stated that they were regulated by the Usury Laws of Arizona. He stated that under this bill, they were now required to submit an annual report of all their dealings.

Councilmember Lieberman stated that these types of businesses do not fall under the state banking requirements and do not have a set of usury limits in Arizona. Mr. Stoddard stated that they were licensed by the state; however the usury laws in Arizona were virtually non-existing. He said this bill was attempting to address some issues.

Councilmember Lieberman asked if there were any limits on interest being charged. Mr. Stoddard stated that the bill prohibits the lender from charging fees that total more than 15% of the net transaction. It also allows for a two day waiting period between completing a transaction. Councilmember Lieberman asked the likelihood of this bill passing. Mr. Stoddard said that it was being stalled by the Sunset Provision.

Mr. Stoddard reported on the air quality issue. He reported that Arizona had continued to violate federal PM10 air quality standards and the environmental protection agency had placed Arizona in their five percent plan. He said this requires the Phoenix area to reduce the PM10 emissions by five percent each year until it goes back to compliance. It also requires that the state submit a plan to the EPA which demonstrates how this would be done. He added that failure to submit an acceptable plan would force the federal government to withhold over a billion dollars in highway funds and also would impose strict measures chosen by the EPA. He stated that a plan of action was currently underway. He noted that it may require the city to adopt new ordinances. The plan must be submitted by December 2007.

Vice Mayor Martinez asked if ATV's were mentioned in the bill because they seemed to be responsible for damaging the air. Mr. Stoddard said they had been discussed and were mentioned in the bill. He said that additional regulations were made to enforce laws already on the books.

Councilmember Frate stated that the City of Glendale had already been working aggressively on the issue of air quality and making the appropriate changes, such as paving, construction watch, as well as other preventative measures.

Ms. Tranberg reported on the state budget. She explained that the House and Senate each passed their own state budget packages. The Governor had stated her support for the Senate budget version; however House leadership and many conservatives were not in support of the Senate's version. The House and Senate Leadership are currently meeting in hopes of coming to a compromise resolution soon. She stated that the differences are nominal and none should have a significant impact on cities and towns. She added that she would keep them informed on any updates.

Ms. Tranberg provided an update on the Federal Legislative subject. She stated that Congress had discussions on several issues of importance to the City of Glendale, including the House Homeland Security Bill, COPS Funding, Community Development Block Grant Funding and the appropriations earmark process. The House judiciary committee approved authorization for COPS funding for \$1.15 billion for each of the next five fiscal years. The 2008 Presidential budget proposes a cut to the program by more than half. The budget for the program last year was \$558 million dollars. She noted that it seemed that congress and the administration were at odds on this issue. She said they would continue to support the \$1.15 billion dollars in funding. She added that CDBG was getting much attention in the Senate. She said there had been a letter

circulating requesting \$4.1 billion in formula funds for fiscal year 2008. The letter had been signed by 59 Senators. She noted that in fiscal year 2008, the HUD budget proposed by the President actually reduced the formula funding by 25%. She explained that again this was another issue in which both the Congress and the Administration were at odds.

Ms. Tranberg reported that only one program amount for Homeland Security had been released. It was for the MMRS program with funding of \$50 million which was \$17 million more than last year.

She added that there had been no news on the appropriations requests, other than that they were continuing to work the process.

ADJOURNMENT

The meeting was adjourned at 3:00 p.m.