



**MINUTES OF THE
GLENDALE CITY COUNCIL SPECIAL MEETING
Council Chambers
5850 West Glendale Avenue
June 14, 2013
9:00 a.m.**

The meeting was called to order by Mayor Jerry P. Weiers. Vice Mayor Yvonne J. Knaack and the following Councilmembers were present: Samuel U. Chavira, Ian Hugh, Manuel D. Martinez and Gary D. Sherwood. Councilmember Norma S. Alvarez attended telephonically.

Also present were Richard Bowers, Acting City Manager; Horatio Skeete, Assistant City Manager; Russ Romney, Deputy City Attorney; and Pamela Hanna, City Clerk.

Mayor Weiers called for the Pledge of Allegiance and a moment of silence was observed.

Compliance with Article VII, Section 6(c) of the Glendale Charter

A statement was filed by the City Clerk that the 1 resolution and 1 ordinance to be considered at the meeting were available for public examination and the title posted at City Hall more than 72 hours in advance of the meeting.

ORDINANCE

1. INTER TECHNOLOGIES, INC. LEASE AGREEMENT FOR 5752 WEST GLENN DRIVE

PRESENTED BY: Jessi Pederson, Economic Development Specialist, Economic
Development

ORDINANCE: 2847

Staff is requesting the City Council waive reading beyond the title and adopt an ordinance authorizing the City Manager to approve a lease agreement with Inter Technologies, Inc. for approximately 1,616 square feet of storage space in the city-owned Bead Room located at 5752 West Glenn Drive.

Ms. Pederson said Inter Technologies is the parent company of Jive Mind, the recording studio which is currently located in the city-owned Bead Museum building. Since opening their doors, they have offered more than 100 events with over 175,000 attendees. Jive Mind needs additional storage space for their growing company. Staff recommends leasing the Bead Room space located adjacent to Jive Mind's current facility. The lease is for six months, with an option to

extend the lease for three additional terms in accordance with the lease agreement. The lease amount of \$2,400 will be paid over the initial six month term. This will serve as a revenue generating opportunity for the Civic Center.

ORDINANCE NO. 2847 NEW SERIES, WAS READ BY NUMBER AND TITLE ONLY, IT BEING AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE MAYOR AND/OR CITY MANAGER AND CITY CLERK TO EXECUTE A LEASE AGREEMENT WITH INTER TECHNOLOGIES, INC. FOR A PORTION OF THE BUILDING LOCATED AT 5752 WEST GLENN DRIVE, GLENDALE, ARIZONA; AND ORDERING THAT THE LEASE AGREEMENT BE RECORDED.

It was moved by Vice Mayor Knaack, and seconded by Councilmember Martinez, to approve Ordinance No. 2847 New Series. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Alvarez, Chavira, Hugh, Knaack, Martinez, Sherwood, and Weiers. Members voting “nay”: none.

PUBLIC HEARING

2. FISCAL YEAR 2013-14 PROPERTY TAX LEVY AND TRUTH IN TAXATION NOTICE (PUBLIC HEARING REQUIRED)

PRESENTED BY: Sherry M. Schurhammer, Executive Director, Financial Services

This is a request for City Council to conduct a public hearing on the proposed Fiscal Year (FY) 2013-14 property tax levy and by a roll call vote, approve a motion to levy the proposed property taxes that will be assessed by ordinance on June 28, 2013.

The primary property tax rate will increase from \$0.2252 per \$100 of assessed valuation for FY 2012-13 to \$0.4974 per \$100 of assessed valuation for FY 2013-14. The secondary property tax rate will increase from \$1.6753 per \$100 of assessed valuation for FY 2012-13 to \$1.7915 per \$100 of assessed valuation for FY 2013-14. The total property tax rate will increase from \$1.9005 to \$2.2889. Adoption of the FY 2013-14 property tax levy is scheduled for the June 28, 2013, City Council meeting.

Ms. Schurhammer said this increase is needed due to the decline in revenue from the city’s property tax rate. She said the city is in compliance with the state’s truth in taxation law which applies only to the primary levy.

Mayor Weiers opened the public hearing on Agenda Item No. 2.

George Dunn, a Glendale resident said he opposed doubling the property tax rate. He said the council should find a different way to solve their debt issues. He said these higher property taxes will burden the citizens. He said he loves the city and has lived and worked here for many years.

Mayor Weiers closed the public hearing.

Councilmember Martinez said from 1995 to 2001 there were some reductions in property tax those were the times that property values were going up and council reduced the rates. Then from 2002 to 2007 property tax pretty much stayed the same and since then there has been very little change. If you go back to 1994 and 1995, the rate for 2014 is .31 cents more. During that time period the average home valuation has gone down from \$ 221,830 to \$142,500 and the average property tax was \$376.59 and now is \$326.17. The property tax in Glendale has gone down 8 times and unchanged 9 times and only increased 2 times in this period. He hoped the rate would be decreased at some point in the future when revenues start getting better

Vice Mayor Knaack said her comments were similar to Councilmember Martinez. She said they did lower the tax rate when property valuations were very high. Now that property values are lower, they need to raise the property taxes for a period of time to level off what our revenues would be She was sure in the future if the valuation increases that council would lower the property tax. She agrees with the current increase.

Mayor Weiers commented on his struggle to figure out how the city is going to pay its bills. He said in the past several years, the council has tried to keep taxes as low as possible and they got behind. This has put the city in a situation where the city is struggling to keep officers and fire fighters, the city is losing employees and they have been unable to give employees a raise in over five years. He said public safety is his number one priority and he sees this as an opportunity to keep the public safe by keeping firefighters and police officers. He added if you dial 911 you want someone to respond quickly.

It was moved by Councilmember Sherwood, and seconded by Councilmember Martinez, to approve Fiscal Year 2013-14 property tax levy. Motion carried on a roll call vote, with the following Councilmembers voting “aye”: Chavira, Hugh, Knaack, Martinez, Sherwood, and Weiers. Members voting “nay”: Alvarez.

PUBLIC HEARING – RESOLUTION

3. FISCAL YEAR 2013-14 FINAL BUDGET ADOPTION (RESOLUTION)(PUBLIC HEARING REQUIRED)

PRESENTED BY: Sherry M. Schurhammer, Executive Director, Financial Services
RESOLUTION: 4692

This is a request for City Council to review the Fiscal Year (FY) 2013-14 final budget, conduct a public hearing on the final budget and convene a special meeting to adopt a resolution formally approving the final operating, capital, debt service, and contingency appropriation budget.

Ms. Schurhammer said this budget provides a multi-year path to improved financial stability. On the operating side, the FY14 budget provides for a gradual rebuilding of the general fund balance, continued evaluation of department operations and continued reductions in expenditures, and additional funds for employer’s contribution for medical insurance and employee retirement rates. There will be no rate increases for residents and continuation of the current operating hours for the city’s libraries and swim programs at the city’s pools.

RESOLUTION NO. 4692 NEW SERIES WAS READ BY NUMBER AND TITLE ONLY, IT BEING A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING THE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE CITY OF GLENDALE FOR THE FISCAL YEAR 2013-14; ADOPTING A FINAL BUDGET; ADOPTING CITY COUNCIL'S FINANCIAL POLICIES; AND SETTING FORTH THE REVENUE AND THE AMOUNT TO BE RAISED BY DIRECT PROPERTY TAXATION FOR THE VARIOUS PURPOSES.

Mayor Weiers opened the public hearing on Agenda Item No. 3. As there were no comments, Mayor Weiers closed the public hearing.

Mayor Weiers called to enter into a Special Budget Meeting to adopt Fiscal Year 2013-14 Final Budget.

It was moved by Councilmember Martinez, and seconded by Vice Mayor Knaack, to approve Resolution No. 4692 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Chavira, Hugh, Knaack, Martinez, and Weiers. Members voting "nay": Councilmember Sherwood and Alvarez.

Mayor Weiers adjourned the Special Budget Meeting and Reconvened the Regular Council Meeting.

CITIZEN COMMENTS

There were no citizen comments.

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Alvarez commented that the council needed to look at the priorities and put more attention on services that help the taxpayers. She said upper management is top heavy with salaries and they need to look at the employees' wages.

Councilmember Martinez commended staff for the great work they do. He said executive staff salaries were competitive with other cities. He added if you want the best people, you have to pay the market rate.

Councilmember Chavira said the services provided were most important. He spoke about increasing morale and working as a team. He said the city is moving in a forward direction.

Vice Mayor Knaack said things were wonderful when she first joined the council. She said times have changed, but the city is still being run extremely well. Employees are dedicated and work with much less. She said things are going to start getting better. She thanked the staff for their hard work and dedication.

Mayor Weiers spoke about the second auto show car cruise. There will be over 500 cars. He said there is no cost to the taxpayers for this event, but it brings in a lot of revenue for the local businesses in downtown.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:30 a.m.

Pamela Hanna
Pamela Hanna - City Clerk