

GLENDALE CITY COUNCIL WORKSHOP SESSION
Council Chambers – Workshop Room
5850 West Glendale Avenue
February 07, 2006
1:30 p.m.

WORKSHOP SESSION

1. [DEVELOPMENT IMPACT FEES ANALYSIS](#) – 90 MINUTES
2. [2006 STATE LEGISLATIVE UPDATE](#) – 30 MINUTES

CITY MANAGER’S REPORT

This report allows the City Manager to update the City Council about issues raised by the public during Business from the Floor at previous Council meetings or to provide Council with a response to inquiries raised at previous meetings by Council members. The City Council may only acknowledge the contents to this report and is prohibited by state law from discussing or acting on any of the items presented by the City Manager since they are not itemized on the Council Workshop Agenda.

COUNCIL COMMENTS AND SUGGESTIONS

EXECUTIVE SESSION

1. **PERSONNEL MATTERS**

A. The City Council will meet to discuss and consider the annual performance evaluation of the City Manager. (A.R.S. §38-431.03 (A)(1))

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (i) discussion or consideration of personnel matters (A.R.S. §38-431.03 (A)(1));
- (ii) discussion or consideration of records exempt by law from public inspection (A.R.S. §38-431.03 (A)(2));
- (iii) discussion or consultation for legal advice with the city’s attorneys (A.R.S. §38-431.03 (A)(3));
- (iv) discussion or consultation with the city’s attorneys regarding the city’s position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. §38-431.03 (A)(4));
- (v) discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03 (A)(5)); or
- (vi) discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03 (A)(7)).

Confidentiality Requirements Pursuant to A.R.S. §38-431.03 (C)(D): Any person receiving executive session information pursuant to A.R.S. §38-431.02 shall not disclose that information except to the Attorney General or County Attorney by agreement of the City Council, or as otherwise ordered by a court of competent jurisdiction.



CITY OF GLENDALE

Council Communication

Workshop Agenda

02/07/2006

Item No. 1

TO: Honorable Mayor and City Council

FROM: Ed Beasley, City Manager

PRESENTED BY: Sherry M. Schurhammer, Management and Budget Director
Ken Reedy, Deputy City Manager

SUBJECT: **DEVELOPMENT IMPACT FEES ANALYSIS**

Purpose

- This is a request for City Council to review the proposed increases in Development Impact Fees (DIF), as presented in reports prepared by TischlerBise and Black & Veatch for the following DIF categories: library; parks, recreation and open space; police; fire/emergency medical services; general government; solid waste; roadway improvements; water; and sewer.
- Staff is also requesting direction on conducting DIF updates every two years instead of three years and to conduct a separate DIF study for the proposed annexation areas west of 115th Avenue.

Council Policies Or Goals Addressed

- The DIF update is consistent with the Council's goal of maintaining the city's financial stability.
- The city's financial policy, as published in the city's annual budget document, states that "Revenues from growth or development should be targeted to development, or invested in improvements that will benefit future residents or make future service provision efficient."

Background

- On October 12, 2004, Council approved the selection of Tischler & Associates (subsequently named TischlerBise) to provide this update for the city's development impact fees, with the exception of water and sewer. TischlerBise completed the city's prior DIF

updates in 2000 and 2001. TischlerBise also has done impact studies for Avondale, Buckeye, Carefree, Casa Grande, Coolidge, Eloy, El Mirage, Flagstaff, Gilbert, Goodyear, Northwest Fire District, Peoria, Phoenix, Queen Creek, Scottsdale, Surprise and Tolleson.

- Impact fees are one-time charges to developers that are used to offset capital costs resulting from new development. They are necessary to expand and develop new facilities to serve new growth so cities can continue to provide the same level of service to new growth as that provided to existing residents.
- In addition, by having growth pay for growth, the city is able to maintain the existing level of service for current residents. Otherwise, existing residents could potentially experience a decline in the level of services they receive.
- Developers pay DIFs when they construct new residential and commercial developments. Development fees relate only to capital facility development/expansions benefiting new development and are not to be utilized for rehabilitation efforts or operating expenses.
- TischlerBise prepared an updated report that reflects proposed increases to the city's impact fees, excluding water and sewer.
- Black & Veatch prepared an updated report that reflects proposed increases to the city's impact fees for water and sewer.
- The two FY 2004-05 DIF studies document the city's cost to maintain current levels of service while accommodating new development.
- The two DIF updates are based on planning and zoning information, existing levels of service provided to current residents, and the FY 2005-14 Capital Improvement Plan.
- The proposed fees do not include proposed annexation areas west of 115th Avenue. Staff recommends a separate update to include recently annexed areas.
- The proposed fees do not include projects funded by the Glendale Onboard Transportation Program because the capital projects in that program have a separate and dedicated funding source.

- The following table reflects the proposed changes for a single-family detached residential unit for the categories reviewed:

Single Family Detached Residential Unit			
Categories	Current	Proposed	Variance
Library	\$514	\$606	\$92
Parks, Recreation, Open Space	\$1,091	\$2,072	\$981
Police	\$359	\$395	\$36
Fire/EMS	\$339	\$409	\$70
General Gov't	\$660	\$847	\$187
Solid Waste	\$264	\$301	\$37
Roadway Improvements*	\$613	\$1,160	\$547
Water (3/4-inch meter)	\$4,200	\$6,660	\$2,460
Sewer (3/4-inch meter)	\$1,740	\$2,330	\$590
TOTAL	\$9,780	\$14,780	\$5,000

* Formerly named Transportation

- As the preceding table shows, the current impact fees for a single-family detached residential unit total \$9,780. The proposed impact fees total \$14,780.
- The comparison of DIF for various cities is not an apples-to-apples comparison because each city offers different levels of service to its residents. The impact fees charged vary by city for each category based on the level of service that each city currently provides for its residents.
- In addition, many cities do not charge impact fees for each category. For example, Mesa does not charge a DIF for the Roadway Improvements and Solid Waste categories. Gilbert does not charge a DIF for the Library category. Queen Creek does not charge a DIF for the Fire/EMS category and the Solid Waste category.
- Below is a listing of other communities and the total impact fee charged for a single-family detached residential unit:

Peoria - North (effective March 1 st)	\$17,025
Glendale (proposed)	\$14,780
Chandler (effective Feb 1 st)	\$14,238
Peoria -Central (effective March 1 st)	\$13,731
Gilbert	\$13,576
Queen Creek (effective May 16 th)	\$13,503
Goodyear	\$10,963
Phoenix - DVI	\$10,689
Avondale	\$9,999
Glendale (current)	\$9,780
Surprise	\$8,613
Mesa	\$4,789

- Once Council has determined if the impact fees need to be adjusted, the city is required to follow an adoption process that complies with Arizona State laws pertaining to fees and rates. That process will include:
 - Posting the study for public review
 - Publishing a notice in the newspaper
 - Adopting a resolution of intent to raise fees
 - Conducting a public hearing to allow input on the proposed fees, and
 - Adopting an ordinance amendment making the desired changes.
- The new fees will become effective 90 days after the adoption of the ordinance.

Previous Council/Staff Actions

- DIF for parks, water and sewer have existed for several years. Fees for streets, library and public safety were implemented in 1997. Fees were implemented for solid waste (sanitation and landfill), roadways and general government in 2000. The public safety fee was separated into police facilities and fire/emergency medical services in 2001.
- In 1997, the Council requested that the fees be revisited and updated every three years.
- The last update for library; parks, recreation and open space; police; fire/emergency medical services; general government; solid waste; and roadway improvements was completed in 2001 and adopted by City Council on October 9, 2001, with an effective date of January 10, 2002.
- The last update for water and sewer DIF was completed in 2003 and adopted by City Council on May 25, 2004, with an effective date of August 2, 2004.

Public Input

- On January 4, 2006, staff met with representatives from HBACA and AMA to discuss the material provided to both organizations on December 21, 2005 regarding technical aspects of the development fee methodology and supporting data for the proposed development impact fees for all categories including water and sewer.
- On December 21, 2005, HBACA and AMA representatives were provided by e-mail and written report or letter a response to the October 3, 2005 questions, as well as the revised DIF reports from TischlerBise and Black & Veatch.
- On October 3, 2005, HBACA submitted a series of questions to the city regarding the discussion on the technical aspects of the development fee methodology and supporting data for the proposed development impact fees for all categories except water and sewer.

- On July 18, 2005, staff and Black & Veatch met with representatives from the Homebuilders Association of Central Arizona and the Arizona Multifamily Housing Association to discuss the technical aspects of the development fee methodology and supporting data for water and sewer DIF.
- On June 14, 2005, staff and TischlerBise met with representatives from the Homebuilders Association of Central Arizona (HBACA) and the Arizona Multifamily Housing Association (AMA) to discuss the technical aspects of the development fee methodology and supporting data for the proposed development impact fees for all categories except water and sewer.

Direction/Policy Guidance

- Provide staff with direction on proposed DIF increases in the following categories: library; parks, recreation and open space; police; fire/emergency medical services; general government; solid waste; roadway improvements; water; and sewer.
- Provide staff with direction regarding the recommendation to conduct DIF updates every two years rather than every three years.
- Provide direction regarding the recommendation to conduct a separate DIF study to include the proposed annexation areas west of 115th Avenue.



CITY OF GLENDALE

Council Communication

Workshop Agenda

02/07/2006

Item No. 2

TO: Honorable Mayor and City Council

FROM: Ed Beasley, City Manager

PRESENTED BY: Dana Tranberg, Intergovernmental Programs Director

SUBJECT: [2006 STATE LEGISLATIVE UPDATE](#)

Purpose

- This is a request for City Council to provide direction on proposed state legislation, consistent with the approved 2006 state legislative agenda.
- The purpose of the 2006 state legislative agenda is to affect state legislation in relation to the interests of the city and its residents.

Council Policies Or Goals Addressed

- The 2006 state legislative agenda provides the policy framework by which Intergovernmental Programs staff engages on state legislative issues.
- Throughout the 2006 state legislative session, 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.

Background

- 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 attached reports.
- 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.

Previous Council/Staff Actions

- On January 17, 2006, Council provided policy direction on bills of municipal interest.
- On December 20, 2005, Council approved the 2006 State Legislative Agenda, which included policy statements on municipal legislative priorities and principles.

Community Benefit

- The priorities and principles of Glendale's 2006 state legislative agenda provides 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; to address quality of life issues for Glendale residents, and to 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.

Direction/Policy Guidance

Staff is requesting Council to provide policy direction on the proposed state legislative issues.