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**MINUTES OF THE  
GLENDALE CITY COUNCIL WORKSHOP SESSION  
Council Chambers – Workshop Room  
5850 West Glendale Avenue  
October 30, 2012  
1:30 p.m.**

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

**ALSO PRESENT:** Horatio Skeete, Acting City Manager; Jamsheed Mehta, Interim Assistant City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk

**1. GLENDALE LIGHT RAIL TRANSIT OPTIONS**

**Presented by:** Jamsheed Mehta, AICP, Interim Assistant City Manager  
Steve Banta, Chief Executive Officer, Valley Metro  
Wulf Grote, Director, Planning and Development, Valley Metro

Valley Metro Light Rail (METRO), in cooperation with the cities of Phoenix and Glendale, has completed a study of alternative light rail transit (LRT) corridors along Glendale Avenue (from 19<sup>th</sup> Avenue to Westgate) and along Loop 101 (from I-10 to Westgate). The study found that both corridors have merit; however, the Loop 101 corridor is a longer-term concept. It is recommended by METRO staff that the voter-approved light rail corridor from 19<sup>th</sup> Avenue to downtown Glendale be the first priority for Glendale light rail, and that the Loop 101 corridor be supported as a longer-term concept.

Staff is seeking guidance from Council to consider the study's recommendations and to endorse proceeding to the next step, which is to conduct an Alternatives Analysis for the Downtown Glendale Corridor. The purpose of the Alternatives Analysis is to develop a Locally Preferred Alternative that identifies a high-capacity transit system best suited for the corridor.

Horatio Skeete, Acting City Manager, provided the introduction and the results of the study. In 2001, Glendale voters approved funds for a Light Rail Corridor from 43rd Avenue to downtown Glendale. In 2004, regional voters approved funding for a Glendale Light Rail/High-Capacity

Corridor extending from 19th Avenue to downtown Glendale. The next step in the process is to complete an Alternatives Analysis for the Downtown Glendale Corridor. This will give a better understanding of corridor issues, opportunities and prospects for federal funding. This Alternatives Analysis does not commit the city to build a light rail line; it is just another step in the process to determine the best corridor. It is also a step to help secure federal funding. The City Councils of both Glendale and Phoenix will be provided project updates during the Alternatives Analysis process. Final approval of the Locally Preferred Alternative will be determined by the Phoenix and Glendale City Councils. It is anticipated that the Alternatives Analysis for the Downtown Glendale Corridor will be funded with 100% regional funding and will not impact the current Glendale budget.

Jamsheed Mehta, AICP, Interim Assistant City Manager, provided a summary and introduced Mr. Steve Banta, Chief Executive Officer, Valley Metro and Mr. Wulf Grote, Director, Planning and Development, Valley Metro. He stated Glendale was one of four founding cities for light rail that was voter approved. It is recommended by METRO staff that the voter-approved light rail corridor from 19<sup>th</sup> Avenue to downtown Glendale be the first priority for Glendale light rail, and that the Loop 101 corridor be supported as a longer-term concept. He discussed the explosive growth in the western area that was not envisioned when planned. He said federal funds were needed to make this happen.

Mr. Banta explained the shift in the economy moved their schedules to the right. It pushed them out farther than they wanted to 2026 instead of 2017. He indicated that as they look at advancing transit in the valley, it was very important that they recognized not only what they have done and are planning to do, but also how they communicate this among themselves. He noted projects continue to be moving along and hopes to continue moving on schedule and budget. He talked about the recent construction of the north extension in Phoenix heading up to Dunlap along 19<sup>th</sup> Avenue. He also provided details on the Tempe street car system that connects to the light rail. Additionally, through MAG they recently approved a shift of federal money from street to transit monies to expand out to Gilbert Road. There are two planning studies underway as it relates to advancing transit in the valley. The studies will look at south central corridor, Central Avenue south, Baseline and the Phoenix west corridor.

Councilmember Lieberman remarked on a 1990 proposal regarding creating an overhead elevator from downtown Glendale to the airport along a Glendale Avenue route. He said the project would have cost the city in the billions; however, it was still discussed as a possibility. Mr. Banta indicated that depending on the corridor, they could be talking about another billion in investment.

Mayor Scruggs commented that Councilmember Lieberman was talking about something called Val-trans which was the 1989 transportation referendum. It has very little to do with Glendale and very much to do with the City of Phoenix Valley Metro. And in regards to Glendale Avenue, people voted to have it that way.

Mr. Grote stated the study just conducted looked at two corridors. They hired a consultant to analyze the Glendale high-capacity transit corridors. This study used 100% federal funding. The analysis was reviewed by staff from the City of Phoenix, the City of Glendale, Maricopa Association of Governments and METRO. The study compares the two following corridors: Downtown Glendale Corridor: 19th Avenue to downtown Glendale. This analysis was based on an alignment along Glendale Avenue. The Loop 101 Corridor: Various alignments were considered from 79th Avenue and I-10 along I-10 and Loop 101 to Glendale Avenue. He indicated that evaluation criteria included boarding, travel times, access, capital and operating costs, cost per boarding, community/property impacts, potential for economic development and ability to implement. The study also looked at what plays best with the federal government potential 70% federal funding. Many of things they looked at were the same things the federal government evaluates.

Councilmember Martinez read from staff's communication memo stating that the Glendale Avenue corridor is determined to be the most feasible candidate for federal funding; so they were, being very specific in their recommendation. Mr. Grote explained the corridor was very wide; therefore, there were multiple alternatives or routes within that corridor. He said the next study will address specific alignment alternatives within that wide area.

Mr. Grote compares the two following corridors:

#### Advantages to the Downtown Glendale Corridor

- Best candidate to qualify for federal funding
- Supports redevelopment
- Serves well-established transit markets
- Highest boardings
- Most cost-effective
- Serves existing transit riders
- Approved in local and regional plans

#### Advantages to the Loop 101 Corridor

- Fastest travel times to central Phoenix if located adjacent to the freeway
- Supports new development in an emerging regional activity center
- Opportunity to serve commuters and major sporting/entertainment events

As a result of the study, it was concluded that both corridors have merit, but the Glendale Avenue corridor is determined to be the most feasible candidate for federal funding and is recommended for advancement to the next phase of an Alternatives Analysis. This conclusion is based on two primary considerations: The high near-term ridership potential based on the existing population levels and characteristics in the corridor and the inclusion in the fiscally constrained Regional Transit Plan. Therefore, he recommends they move to the next phase of Alternatives Analysis which will start the federal process. He suggests the area for subsequent Alternatives Analysis be broad enough to consider opportunities for future connections west of downtown Glendale. It is further recommended that the north-south connection between 79th Avenue and I-10, and the extension. He restated that as it stands today, they have a broad wide corridor and the intent is to

narrow it down to a single line on the map. The Alternatives Analysis study will help in that process of narrowing it down and to have a better handle on the cost. He said final approval of the Locally Preferred Alternative will be determined by Phoenix and Glendale City Council. They will be coming back with additional information and updates throughout this process. He stated the Alternatives Analysis is a two to three year process or sometimes a bit longer. He explained the long process involved in these types of projects.

Mayor Scruggs thanked the presenters for a great presentation and for being so thorough.

Councilmember Martinez asked if Phoenix supported the Glendale Avenue corridor since in previous years they had not been too excited about coming down to Glendale because of the cost. He asked if the corridor extended between Northern Avenue and Camelback.

Mr. Grote noted that at this point, Phoenix was encouraging the Alternative Analysis and sees some opportunities in this project. Mr. Grote outlined the Alternative Analysis process. He confirmed that they can pick anything between Northern and Bethany Home. The study area map they were starting with shows Northern at least as far as Camelback. Phoenix sees opportunities there are some good land uses and strong ridership along this corridor.

Councilmember Martinez said he had not been opposed to light rail in 2000. He remarked on several positive comments he received from students and seniors regarding this project. Also, he commented on a city that opted not to join into the system and later wanted to be included.

Mayor Scruggs said the ballot language should be very specific. And her point is she was not arguing for the North or South thing, she was distressed to hear the words used that the vote of the people is just advisory. She thought the city was treading onto very dangerous ice there because of many things that people vote on. And she thought it would be very disconcerting if they think their vote is solely advisory and the jurisdiction or whatever is going to be what they want any way. 'Thanks for your opinion but we are going to do what we want.'

Councilmember Lieberman commented that going east, west on Glendale Avenue had the problem of I-17 and the six way intersection at 59<sup>th</sup> Avenue and Grand. He commented on early discussions in the 1990's of putting in one-way streets in downtown Glendale because the streets were very narrow.

Councilmember Clark stated this project has exciting possibilities no matter where the alternative is proposed. She said that Camelback was not a bad idea at all since it lends itself to redevelopment of areas that certainly need them, both in Phoenix and Glendale. She was delighted to hear it will not cost the city any money. She inquired as to the options being considered such as buses, trolleys and light rail in Glendale. Mr. Mehta stated that when the economy was down, there were significant changes that occurred in transportation such as discontinuing a significant portion of bus routes and reduction in services.

Councilmember Clark noted her concern about bus service if they have another economic downturn. She hopes that factor is included in the study. She inquired if they were studying the

entire valley and the potential for extending transportation throughout the west valley. Mr. Grote explained the area they will be studying on the map was at a much smaller scale. As a result, their intent was not to solve the entire west valley issues in transportation with this study but will focus on the corridor. Their primary focus was with the part that funded the area from downtown Glendale and to the east. They will be looking beyond that only to give them a better understanding of how everything works together into the future.

Councilmember Clark stated her full support in moving forward with this. She hopes to receive some hard data that will move things faster.

Mayor Scruggs commented the Camelback idea is relatively new. She was also thinking Camelback Road in certain places is wider. It goes back to the election and that would have to be worked with. But she could see just on the surface, Camelback is very interesting, because of the spring training baseball area. But what she would like for Mr. Grote to do and Councilmember Clark brought up the whole subject as well – we don't want to lose some service because somebody doesn't want to pay for something. She would like you to address, especially for the viewing public, the total dependence that the city of Glendale has on the city of Phoenix in the area of transit whether it is bus service or light rail in the future. Because when Glendale went through the setbacks, what you did not mention in terms of what routes were chosen to be reduced was the aspect of the routes that the city of Phoenix discontinued or the frequency of either the route itself or the time frame. So Glendale can do whatever we want, buzz around inside Glendale, but if we are not hooking up to service across that border, we have no service.

Mayor Scruggs continued that was a big part of the reduction of buses as it would be for light rail. And also when we have the advantage here in Glendale of having a permanent transportation tax, Phoenix does not. Phoenix must go for reauthorization and she believed their tax will end in 2020. So, just as Glendale has to plan far in advance for things, they are probably going to need to start up that whole election cycle. She was guessing 2016, 2017. So there needs to be some full disclosure and honesty. And the honest truth is if that tax is not reauthorized in Phoenix, their light rail just shuts down. Glendale was dependent, and just can't start something on the borders; we have to know what Phoenix is doing. She asked for an explanation so the public understands that Glendale does not make all the decisions.

Mr. Benta agreed. He explained that at their next board meeting, they will hear about their efforts to look regionally at the transit system and start discussions on how they can connect the communities, buses and light rail system to provide the public timely transfers outside city borders. The intent is to shift these discussions to the public.

Mayor Scruggs commented she wanted the people in Glendale who are not going to be at the board meetings to hear that not all decisions are made here. Vice Mayor Frate and Councilmember Martinez were at the meeting about the park and ride site and heard people are not happy about the limited express route service, correct? Absolutely not happy and that wasn't a good place to try to get into the intricacies of how everything inter-connects. But for people who listen and that go back on the internet site and listen to these meeting later, she would like people to understand that it's not all Glendale's decision. Glendale has to connect with

something else to get them there. And if that's something that somebody else decides, they don't want that service anymore for whatever reason; it does jeopardize Glendale's and destroys the interconnectivity.

Mr. Mehta stated she was correct in her assumptions. The RPT system is what brings jurisdictions together. The transit goes through several jurisdictions; therefore, several jurisdictions must agree to fund the transits together. He stated those were the realities everyone must face. He explained it was not only Phoenix that has to agree on alignment and operation costs but other cities as well. He acknowledged that Phoenix has to be reauthorized for the transit tax. He noted Glendale has set aside these funds for these projects and now decisions have to be made on those funds.

Mayor Scruggs expressed her hope that Glendale residents would receive more information about transportation and get more knowledge on this.

Vice Mayor Frate stated he was very excited that finally west Glendale is being considered. He commented that Glendale had to wait on Phoenix to bring this to their border for them to finally figure out where to connect. He talked about how the transit system works in other cities and how it can work well here too. He does not want anyone to speculate on where the route will be or if businesses or homes may be displaced. He said there is still a lot of thought that has to go into this project and hopes to have public input on this matter.

Councilmember Knaack said she was looking forward to seeing this project move forward. She added it was very intriguing to think about using Camelback as a possible route especially because of the economic potential and development possibilities.

Mayor Scruggs commented the point she made is really – getting light rail to downtown Glendale to the 101 and Glendale Avenue, it will fall on Glendale and nobody will help. But the Camelback Road being the divider line between Phoenix and Glendale, obviously there would be some interest on Phoenix's part because they have a lot of areas they need to redevelop and they have development along the 101 too.

Councilmember Clark commented the Council was all being drawn to the possibilities of Camelback. She said it made perfect sense since it will be far cheaper and a quicker route. This will also benefit both cities sharing the cost. She suggests they look hard at Camelback Road.

Mayor Scruggs concluded Council was for Camelback Road and moving forward.

## 2. FISCAL YEAR 2013-14 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING PRIORITIES

Presented by: Sam McAllen, Interim Executive Director, Neighborhood & Human Services  
Gilbert Lopez, Revitalization Administrator  
Richard Schwartz, Chair, Community Development Advisory Committee (CDAC)

Staff is seeking guidance on the funding priorities for the FY 2013-14 Community Development Block Grant and other programs, as the Community Development Advisory Committee (CDAC) begins its annual grants process to formulate funding recommendations to the City Council.

Horatio Skeete, Acting City Manager, provided the introduction on the FY 2013-14 Community Development Block Grant and other programs. This is a request for City Council to review the Community Development Block Grant and other related funding priorities for FY 2013-14, and to provide feedback to staff and members of the Community Development Advisory Committee

Sam McAllen, Interim Executive Director, Neighborhood & Human Services provided a brief summary and introduced Richard Schwartz, Chair, Community Development Advisory Committee, and Gilbert Lopez, Revitalization Administrator, to speak on this item. They will provide the Council with background information and then would like to receive guidance on next year's funding priorities which will assist the Community Development Advisory Committee with the funding recommendation they will be presenting to them next spring.

Gilbert Lopez, Revitalization Administrator, stated the City of Glendale receives annual allocations of federal funds from the U.S. Department of Housing and Urban Development (HUD), to address critical community needs. These include the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME) program, and the Emergency Solutions Grants (ESG) program. These funds currently total over \$2.58 million and must be used for community development activities that provide quality housing and expand economic opportunities, primarily for low-to-moderate income citizens or low-to-moderate income areas within our community. Council established the CDAC to consider all grant applications and formulate funding recommendations to assist the city in allocating these funds.

He said the Glendale expended over \$2.58 million in federal grant funding to help more than 40,000 people access public service programs, such as the provision of food/meals, homeless prevention and shelter, as well as programs for seniors, youth, domestic violence victims, and other services to those in need. Currently, the city receives about \$2.5 million from the federal government, however, he was not sure how much they will receive because of the bad economy and expects an 8% possible reduction. He noted CDAC will be receiving their binders with all the grant applications for review in mid-November and will conduct their public hearings in January. This will allow the grant applicants the opportunity to present to the committee and answer questions. The last step will be in April where they go before Council to get this approved. In keeping with previous Council direction, the CDAC priorities are as follows: Keeping people in their homes, keeping neighborhoods stabilized, providing emergency home repairs and assistance with core needs such as food, utilities, and shelter.

Councilmember Martinez asked if people looking at foreclosure were also considered as keeping people in their homes. Mr. Lopez stated that aspect was included in the funding.

Councilmember Alvarez asked if the non-profit applied for was for only Glendale. Mr. Lopez explained they did have some non-profits that apply which are not located in Glendale. He added the city's help was for Glendale residents.

Councilmember Alvarez asked how many homes have been revitalized starting from the beginning of the program. Mr. Lopez replied the program started in 1978. The amount of homes must be in the 100s, however, he will forward exact figures to them as soon as possible.

Vice Mayor Frate commented on the importance on how best to show where the money was going. He believes the grants usually go to the areas that have produced results. He said most want to know where the money is being spent and if it was really helping the individual. He gave different examples of how things can happen very quickly to someone such as a handicap or illness and will need help. He added it was not only the homeless. He noted a large emphasis has always been on food. He asked them to try and find how many people were helped and where the money ultimately went.

Mayor Scruggs commented the elephant in the room right now was the City of Glendale was removing GF funding from the YWCA senior meals program and other services. Those agencies have already been notified that because of Glendale's financial problems, they are going to have new financial problems. So they have already been notified they are going to lose their GF funding. It has been suggested to them by Glendale staff that they ask for more food out of the CDBG funding. And it has been suggested to the Council that their directions be amended to focus in on those core services. She was in favor of that message in case you are not aware of it because it needs to have this right up front and center. You know there are a lot of great programs like Vice Mayor Frate said. Some of those organizations give their money to pay for staff to implement programs versus actually giving direct services to folks. And she thought in the past, the various committees as well as the various Councils have tried to help as many different types of needs as possible. There is a majority that agrees that at this point with funding being cut in other areas – that the city really focus on the core services – people in their houses, food, utilities. That, she believes is what Council wants to do today, is to ask you to put a heavy emphasis on those Glendale residents who need to receive and are counting on those funds and might not be receiving them because of Glendale's budget problems.

Councilmember Clark said she supported Mayor Scruggs' comments. She stated that as long as the economy was bad, they should focus on programs that provide immediate needs for Glendale residents.

Mr. McAllen stated he understands Council's directive and will endeavor to guide the committee to do what the Council is directing.

Mayor Scruggs commented in the past, Council has for the last few years been pretty loose in the direction given in these areas and said 'oh whatever you think'. But now Council was being more direct. Thank you very much for being here.

3. MUNICIPAL PROPERTY CORPORATION AND WESTERN LOOP 101 PUBLIC FACILITIES CORPORATION DEBT REFINANCING

Presented by: Diane Goke, Chief Financial Officer  
Nancy Feldman, Managing Director – Public Finance Credit Strategies,  
Wells Fargo

As part of the city's efforts to refinance existing debt for interest savings, staff has identified outstanding bonds which may be refinanced to achieve short-term and long-term debt service savings goals. The bonds to be refinanced were issued by the Municipal Property Corporation (MPC) and Western Loop 101 Public Facilities Corporation (PFC) of the city. This presentation will outline the bonds to be refinanced, along with the anticipated savings to the city. The proposed refunding will not extend the repayment term of the existing debt. No new capital projects are included in this proposal.

Staff is seeking Council direction to move forward with the MPC and PFC debt refinancing.

Horatio Skeete, Acting City Manager, provided a brief summary. He explained the existing MPC and PFC bonds are paid from excise tax revenues that accrue to the city's General Fund. The refinancing of the existing obligations is expected to produce significant cash flow benefits to the General Fund over the life of the transaction. He said that revenues not expended on debt service payments may be used to fund city operations at the direction of the Council.

Diane Goke, Chief Financial Officer, introduced Nancy Feldman, Managing Director, Public Finance Credit Strategies, Wells Fargo. She noted Ms. Feldman was serving as their underwriter. Ms. Goke explained that today they were presenting an update on bonding financing. They have been working with financial advisors and underwriters to identify opportunities to refinance the MPC and PFC and take advantage of lower interest rates and the favorable market conditions.

She indicated that municipalities routinely utilize excise tax bonds in order to finance projects and facilities for their communities. The City of Glendale has used MPC excise tax bonds to finance many Council-approved projects including: City Hall, Glendale Regional Public Safety Training Facility, Jobing.com Arena, the conference and media center, and the parking garage at Westgate City Center. In addition, the city has issued PFC excise tax bonds for Camelback Ranch Stadium. The total amount of outstanding MPC debt is \$273 million and the total amount of outstanding PFC debt is \$199 million. The majority of these funds were issued for a 30 year term. Their proposed refinancing is to refinance all of the PFC Bonds and a portion of the MPC bonds totaling approximately \$252 million. She said this amount may change due to current market condition. The expected interest rates are 1.65% to 5%. She noted this refinancing will not extend the final maturity of the bonds. The net present value savings from this refinancing is estimated to exceed \$28 million and cash flow savings over the next five years is approximately \$35 million. This will provide cash flow saving for the GF and align the debt service payments for future years. She stated their proposed timeline on this transaction is meeting with the rating agencies in the next couple of weeks. They will also have an MPC board meeting in early November and an ordinance that will be brought forward to Council at the November 13

evening meeting. They will have the sale of the bonds in mid December and have the final closing in late December.

Councilmember Lieberman noted he sees some savings in the first seven to eight years, however, in the last five years of the transaction; it seems to be costing them more. Ms. Goke stated he was correct. She explained this was set up for saving in the next five years, therefore, aligning the payments in the outer years when they will be receiving payments from the AZSTA and possibly sales tax from the development in that area.

Councilmember Lieberman questioned the possibility of the city receiving the 1% to 1.1% rates. Ms. Feldman said those rates were a possibility since interest rates were at an all time low. She stated these will be fixed rates. Councilmember Lieberman said those were amazing rates and the city should jump on them immediately.

Mayor Scruggs asked if Ms. Goke was looking for direction to continue.

Mr. Skeete stated staff wanted to give Council a summary of the presentation and what staff was working on the bond issue. They will bring this back to an evening meeting. He explained they usually attach an emergency clause to be ready to activate the sale as soon as possible after the decision. He didn't want to surprise Council on the 13<sup>th</sup> of November without a discussion on this item, therefore took the opportunity to present it today.

Mayor Scruggs commented she had discussed this with Mr. Skeete and there were two motions available, one with an emergency and one without. A majority of the members of the Council was needed which will only be six or a majority of the seven that Council was supposed to have and so it's questionable. She was not going to be here and this has been known for many months. She will try and call in but where she will be it is questionable if she will have phone service. Mr. Skeete stated they will need a 2/3 majority of seven vote. He said he will still need six and if she can't be here, the ordinance will not include an emergency clause.

Vice Mayor Frate remarked the purpose of the emergency clause is to take advantage of the interest rate and to be ready to proceed at a moment's notice. Mr. Skeete replied he was correct.

## ADJOURNMENT

The meeting was adjourned at 3:19 p.m.