

Minutes of the Work Session held March 14, 2016 at 6:00 p.m. in the Council Chambers.

MEMBERS PRESENT

Mayor Kenn Weise and Council Members

Stephanie Karlin, Vice Mayor
David Iwanski (Via Telephone)
Bryan Kilgore
Jim McDonald
Sandy Nielson
Lorenzo Sierra

ALSO PRESENT

David Fitzhugh, City Manager
Gina Ramos Montes, Assistant City Manager
Kevin Artz, Assistant City Manager
Abbe Yacoben, Finance and Budget Director
Andrew McGuire, City Attorney
Carmen Martinez, City Clerk

1 ROLL CALL BY THE CITY CLERK

2 OPTIONS FOR THE EXTENSION OF THE ALTERNATIVE EXPENDITURE LIMITATION (HOME RULE)

Abbe Yacoben, Finance and Budget Director, discussed the state-imposed expenditure limitation and options for alternative expenditure limitations. The Arizona State Constitution and Arizona Revised Statutes impose a statutory maximum on all expenditures of cities and towns in the state. The Economic Estimates Commission (EEC) starts from a Fiscal Year 1979-80 baseline and adjusts expenditures each year in accordance with population increases and general inflation figures. Specific expenditures such as bond proceeds, interest income, grants, and intergovernmental revenue are excluded from the cap.

Ms. Yacoben said Avondale's state-imposed expenditure limitation is about \$50 million, while the City's current budget is about \$176 million. There are a few reasons why the limitations do not work for the City. The legislation assumed that 1980 budget levels of service would be sufficient and that residents would not change their expectations of service levels. New revenue sources are not included in the limitations. Citizens in 2001 and 2003 voted to impose a half cent sales tax for public safety and infrastructure. They valued these priorities and directed the City to spend money on these items. The legislation does not account for development of new commercial activity, nor is there an exemption for spending development fees.

Ms. Yacoben stated that once the exemptions in the law are factored in, Avondale would be required to cut \$82 million out of its current budget. To put that into perspective, the City's capital improvement program is \$65 million; water, sewer, and sanitation is about \$37 million; and public safety is about \$30 million. The State offers four different options for cities in this situation:

- Permanent adjustment of the expenditure base
- Capital projects accumulation fund
- One-time override option

- Home Rule

Ms. Yacoben said Avondale has used the Home Rule option since 1981. Home Rule allows the City Council to set the expenditure limitation when the budget is adopted each June. This authority is granted by the voters and lasts for four years. The most recent approval came in 2013 when voters approved it by a large margin. She recommended that the City move forward with the Home Rule option since the public understands and is comfortable with it. It has been used successfully since 1981, and allows service levels to remain the same. The next vote will occur this year and take effect next year if it passes.

Vice Mayor Karlin noted that even though Avondale has approved Home Rule since 1981, it is conceivable that this will not always be the case. When voters in El Mirage did not approve Home Rule, it caused a lot of trouble. If Avondale continues to move forward with Home Rule, the example of El Mirage would be a good way to win voter approval for passage. On the other hand, Buckeye is a small city that set a much higher cap so that they do not have to risk a vote every four years.

Council Member Nielson felt that the City should offer a set of informational meetings, beyond the two required public meetings, to better inform citizens leading up to the vote. Council Member McDonald inquired whether debt service would be counted under the cap. Mr. Artz explained that the principal would be exempted, but the interest would fall under the limitation. Council Member McDonald agreed that the City should make an effort to inform the public how crippling it would be if the vote does not pass. Council Member Iwanski agreed with the comments made by Council Members Neilson and McDonald.

Council Member Sierra said the ability to predict what the electorate is going to do this year is uncertain, and the more information that can be provided to citizens the better. Council Member Kilgore said the City has been successful in getting citizens to vote for it since 1981, but that it will be very important to get the word out this year. He proposed asking the school districts to help.

Mayor Weise inquired about the City Council's roles in this situation. Andrew McGuire, City Attorney, said individual Council Members have the ability to advocate any way they want. The City, on the other hand, is restricted to informational items only, and must take care not to express advocacy.

Vice Mayor Karlin proposed that the Arizona League of Cities and Towns consider supporting new legislation to address this problem. Mr. McGuire explained that the change would require a constitutional amendment. The cities that are having the most problems with this law are those that grew rapidly from a very small base at the wrong time. The only other option that would work for Avondale is a permanent base adjustment, but that also carries risks.

Mayor Weise said Avondale has never taken these votes lightly and he feels the citizens understand the ramifications if the authorization does not pass. He encouraged the Council Members to raise their individual voices in support of its passage.

3 AN UPDATE FROM ARIZONA STATE UNIVERSITY

Barbara Shaw-Snyder, ASU Community & Municipal Relations Director, presented an update on some of Arizona State University's recent academic, research and athletic successes. ASU enrollment is over 91,000 across all campuses and online. The downtown Phoenix campus is the closest to Avondale. Aggregate earnings for ASU graduates in the Valley are \$11.4 billion, with \$819 million in state tax contributions. Last year, the legislature cut \$99 million from the budget for the three state universities, with ASU taking the biggest cut. The state's investment will now shift to in-state student tuition support to keep the cost of in-state tuition low. Governor Ducey has proposed \$8 million in replacement funds, and the three universities are asking the legislature to consider raising it to \$32 million.

Ms. Shaw-Snyder said ASU was ranked the most innovative school in the nation in 2016 by U.S. News and World Report. The ASU/Starbucks College Achievement Plan makes employees eligible for 100 percent tuition reimbursement for their first four-year degree. This applies to online programs only. The online program offers over 100 degrees, including the first online engineering degree in the country. The Global Freshman Academy works to make college accessible. It offers the first year of online studies free. If they do not do well, they have not lost any money. Those who do well can have the credits transferred for a reduced tuition fee.

Ms. Shaw-Snyder stated that more than 75 companies so far have been launched from ASU's innovations. ASU Venture Catalysts partners with businesses willing to commercialize the school's patents. The W.P. Carey School of Business is offering 120 full-scholarships to the Masters of Business Administration degree program next year for full time students at the Tempe campus. This will be the first year of a curriculum change to make the program more relevant, and the school is looking to recruit top students from around the world. The deadline for application is April 1. ASU currently has two faculty members that are Nobel Prize winners in economics. The university's Mars Program is among the best of the world. One ASU faculty member and team discovered a white light laser, which many had thought impossible. This discovery was named one of the most important innovations in the world.

Ms. Shaw-Snyder said one graduate of the Early Childhood Education program wrote a successful book for children called *The Tiniest Tumbleweed*. Another alumnus last year won a MacArthur Genius grant. Sun Devil Stadium is undergoing renovations. The first phase is completed and the second phase will start next year. One student athlete won the Pac-12 Scholar Athlete of the Year for 2015. The coach for the 2016 U.S. Olympic Swimming Team, Bob Bowman, is now coach of the ASU swimming and diving teams. Michael Phelps will join his coaching staff after the Summer Olympic Games in Rio de Janeiro. Women's lacrosse and triathlon have been added as varsity sports. The ASU men's ice hockey program was elevated to NCAA Division I.

Ms. Shaw-Snyder explained that ASU is ranked among the top schools for veterans. In 2008, 973 veterans were enrolled, and that has grown to 4,084 today. The university offers specialized support and services to help veterans adjust to a college environment.

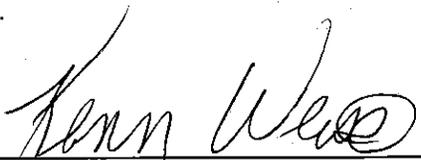
Council Member Sierra noted that Michael Crow defined Arizona's Economic Imperative (AEI) as increasing Latino degree attainment. If this does not happen, Arizona will drop from 80 percent of per capita GDP relative to average, to only 60 percent. Avondale and the surrounding area have a high concentration of Latino students, but for many of them, accessing the existing campuses is very difficult without access to cars. He encouraged ASU to consider a more assertive presence in Avondale or the southwest Valley so that the gap identified in the AEI can be closed. Ms. Shaw-Snyder responded that many of the programs that make tuition free for students target Latino and low income populations. There is also an initiative to support having students live on campus. She said ASU is happy to discuss campuses in any city, but existing facilities were only made possible because of considerable financial commitments from hosting cities. There also has to be a demonstrated interest among students who want to use a proposed campus. ASU currently has a great partnership with Estrella Mountain Community College (EMCC). Council Member Sierra encouraged Avondale to imagine the possibilities.

Mayor Weise said the Student Veterans of America rate ASU highly, but they identified the need for a presence in the southwest Valley. He inquired whether ASU would help facilitate a facility at EMCC or elsewhere nearby. Ms. Shaw-Snyder responded that ASU would be willing to explore anything the City of Avondale proposes in that regard.

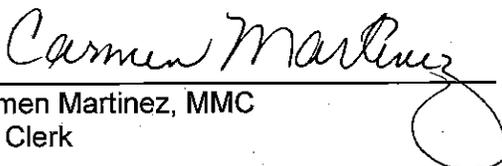
4 ADJOURNMENT

There being no further business before the Council, Council Member Sierra moved to adjourn the regular meeting into executive session. Council Member Nielson seconded the motion, which carried unanimously.

City Council meeting adjourned at 6:43 p.m.



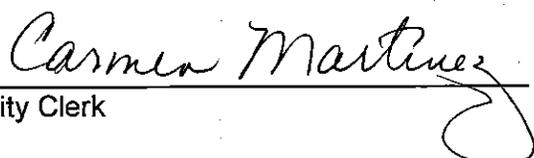
Mayor Weise



Carmen Martinez, MMC
City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session of the Council of the City of Avondale held on the 14th day of March, 2016. I further certify that the meeting was duly called and held and that the quorum was present.



City Clerk

Minutes of the Regular Meeting held March 14, 2016 at 7:00 p.m. in the Council Chambers.

MEMBERS PRESENT

Mayor Kenn Weise and Council Members

Stephanie Karlin, Vice Mayor
David Iwanski (Via Telephone)
Bryan Kilgore
Jim McDonald
Sandy Nielson
Lorenzo Sierra

ALSO PRESENT

David Fitzhugh, City Manager
Gina Montes, Assistant City Manager
Kevin Artz, Assistant City Manager
Rick Williams, Planner II
Carmen Martinez, City Clerk

1 ROLL CALL AND STATEMENT OF PARTICIPATION BY THE CITY CLERK

Carmen Martinez, City Clerk, read a statement of participation regarding public appearances.

2 UNSCHEDULED PUBLIC APPEARANCES

Siobhan McCarthy addressed the Council on behalf of Pendergast School District to inform the Council about upcoming events and programs being offered at the different schools within the school district.

Mayor Weise commented that the three minutes that speakers are allowed during unscheduled public appearances is not enough for her to adequately update the Council about the district's activities and invited Ms. McCarthy and her peers to schedule a time during a work session on a quarterly basis where she can speak for 15 minutes.

Stephanie Wash addressed the Council to introduce the Binary Bots a group of students from Imagine Avondale who competed in the recent Arizona State Championship/ Rep to Worlds VEXIQ Robotics and will be representing Arizona in the upcoming national competition in Louisville Kentucky.

3 CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session. They are intended to be acted upon in one motion. Council members may pull items from consent if they would like them considered separately.

a. APPROVAL OF MINUTES

1. Regular Meeting of February 1, 2016
2. Work Session of February 16, 2016
3. Regular Meeting of February 16, 2016

b. AUTHORIZATION TO PROCEED - LAKIN RANCH ANNEXATION

A request from Mr. Cameron Carter from the Rose Law Group PC on behalf of the majority of property owners to begin the annexation process of approximately 1,256

acres of land located between Avondale Blvd. and Dysart Road and between Illini Street and Sunland Avenue.

c. SPECIAL EVENT LIQUOR LICENSE - COMEDY NIGHT AT TRINITY FAMILY LIFE CENTER

A request to approve an application for a Special Event Liquor License submitted by Ms. Keri Sparks to be used at the Trinity Life Center on Saturday, April 9th from 5:30 pm to 10:30 pm in conjunction with a fundraiser comedy night dinner and auction.

d. LIQUOR LICENSE EXTENSION OF PREMISES - AMERICROWN AT PIR

A request to approve an application submitted by Mr. Joseph Michael Henderson for an extension of Americrown's Series 6 - Bar license to sell all spirituous liquors at PIR to be used in conjunction with the Phoenix Grand Prix scheduled for April 1, 2016 through April 3, 2016.

e. LIQUOR LICENSE TEMPORARY EXTENSION OF PREMISES - 8-BIT ALEWORKS

A request to approve an application submitted by Mr. Ryan Scott Whitten for a temporary extension of premises to be used in conjunction with the first anniversary celebration for the establishment on Saturday, April 9, 2016.

f. TRANSFER OF FUNDS TO ADDRESS FIRE STATION SECURITY

A request to transfer funds from 319-1217-00-8230 (fire capital projects) to 101-6310-00-8230 (fire administration) in the amount of \$50,000 to address fire station security issues.

g. ORDINANCE 1603-316 POWER TRANSMISSION EASEMENT 107TH AVENUE FROM ROOSEVELT STREET TO VAN BUREN STREET

An ordinance granting a Power Transmission Easement to Salt River Project Agricultural Improvement and Power District for power facilities associated with the 107th Avenue, Roosevelt Street to Van Buren Street, Improvement Project, and authorize the Mayor, City Clerk, and City Attorney to execute the necessary documents. The Council will take the appropriate action.

h. ORDINANCE 1605-316 - AMENDING AVONDALE CITY CODE, CHAPTER 24 - WATER, SEWERS AND SEWAGE DISPOSAL - DECLARING AN EMERGENCY

An ordinance amending Avondale City Council Chapter 24 Water, Sewer and Sewage Disposal relating to the removal of water and wastewater rates and several other minor changes, declaring an emergency and setting an effective date. The Council will take the appropriate action.

Council Member Nielson moved to approve the consent agenda as presented including Ordinances 1603-316 and 1605-316. Council Member Kilgore seconded the motion.

ROLL CALL VOTE AS FOLLOWS:

Council Member McDonald	Aye
Council Member Iwanski	Aye
Council Member Nielson	Aye
Mayor Weise	Aye
Vice Mayor Karlin	Aye

Council Member Kilgore Aye
Council Member Sierra Aye

Motion carried unanimously.

4 PUBLIC HEARING - ORDINANCE 1604-316 - PALM VALLEY-AVONDALE PAD AMENDMENT (PL-15-0258)

A public hearing and consider an ordinance approving an amendment to the Palm Valley-Avondale Planned Area Development located approximately 300 feet south of the southeast corner of Dysart Road and Thomas Road to allow an Assisted Living Facility as a conditionally permitted use within the Palm Valley-Avondale PAD, allow an increase in the maximum allowable height from 30-feet to 38-feet for the tower element of the building, reduce the required landscape buffer from 25-feet to 5-feet, and reduce the required parking from 260 parking spaces to 120 parking spaces.

City Manager David Fitzhugh indicated that items #4 and #5 are related and introduced Rick Williams, Planner II to present both items with one single presentation. He added that separate actions will be required for each item.

Mr. Williams reviewed the particulars of this item as more specifically described in the council report. Mr. Williams indicated that the first request is for an amendment to the PAD to:

- Allow for an Assisted Living Facility as a Conditionally Permitted Use
- Allow for an increase in Height from 30' to 38' for the tower feature of the building
- Reduce the required landscape buffer from 25' to 5'
- Reduce the required parking from 260 spaces to 120 spaces

Mr. Williams indicated that the proposed development will be located on 5.27 acres of land just south of the recently approved QT on the southeast corner of Thomas and Dysart Roads and will house 170 assisted and memory care units. Mr. Williams provided more details regarding the separation between the proposed development and the existing residential development. While the requirement is for a 25 ft landscape buffer between a residential and commercial development, the request is for reduction in the landscape buffer, the onsite landscaping has been increased from 20 to 28% so in essence the landscaping has been relocated to give a more welcoming and residential feeling. Regarding the reduction in parking, Mr. Williams indicated that the elderly residents are less likely to drive requiring less parking spaces.

Mr. Williams explained that two neighborhood meetings were held; a total of sixteen residents attended the meetings.

Mr. Williams explained that the Planning Commission is recommending approval of the PAD subject to five stipulations, however staff has added stipulation #6 to codify the addition of a left turn lane to facilitate access to the development.

1. The Palm Valley-Avondale PAD Development Plan and Ordinance, including all stipulations of prior approval, shall remain in full force and effect, unless expressly modified by this amendment.

2. Development of an assisted living facility on the subject parcel shall conform to the PAD Amendment Project Narrative, date stamped January 25, 2016, and included as staff report Exhibit D.
3. Applicant shall provide cross access to the property to the north at the location and as depicted on the site plan submitted under case PL-16-0010, Legacy House Avondale, and applicant shall dedicate a cross access easement over the portion of the property identified for cross access at the time the property to the north is developed and reciprocal cross access easement is granted by the property to north owner in favor of applicant.
4. The owner/developer shall dedicate additional right-of-way along Dysart Road for a deceleration lane if warranted by future development.
5. The proposed modifications to height, setbacks, and parking requirements shall only be valid for an assisted living facility in general conformance with Exhibit E.
6. At the time of development, the developer shall modify the median along Dysart Road and install a left-turn lane into the proposed development at the northern most driveway location as shown on the Legacy House Avondale site plan (PL-16-0010), as approved by the City."

Mayor Weise opened the public hearing.

Betty Lynch addressed the council to express her support for approval of this request. She indicated this type of facility is needed in the area and will allow families to stay closer. Ms. Lynch also pointed out that this location will provide nursing students at EMCC with the opportunity to volunteer, intern or even get a job.

Pat Dennis addressed the Council to also express her support for approval of the request. She added that while she was against the rezoning for QT, she is in favor and supportive of the proposed development. She added that while the developer is not part of the development of the remaining property, she has suggested that he look at potential uses for the remaining property.

Paul Gilbert, addressed the Council to note that he was in agreement with the additional stipulation requested by staff.

Mayor Weise closed the public hearing.

In response to a question from Council Member McDonald, Chad Griffiths addressed the council on behalf of the applicant and indicated that the memory care unit portion of this facility will be secured in accordance to applicable requirements. He added that this portion of the facility will not be accessible from the street.

Council Member McDonald commented that typically the landscape plan includes retention basins and asked if there would still be adequate retention. Mr. Williams explained that in-ground retention will be used and the plan is currently being reviewed by Engineering.

City Manager David Fitzhugh explained that dry wells are underground basins installed under the street or parking lots and while expensive to install and maintain they are common throughout the metro area and offer another option for water retention that meets all requirements related to the 100 year/2 hour storm. He added that developers may use a combination of strategies in order to meet requirements.

Vice Mayor Karlin commented that she feels the proposed care facility is an appropriate use for this neighborhood and agrees with former Council Member Lynch that the facility will offer families and area residents a convenient alternative to meet their families' needs as well as opportunities for EMCC students to volunteer in the facility. She added that she sees this as a more appropriate use than the recently approved gas stations and wondered why the proposed use was not originally included as part of the C-1 zoning so that a CUP would not be required. Vice Mayor Karlin added that she was pleased to see the additional stipulation to facilitate access to the property because that had been a concern of hers. While she does not have a problem with the reduction in parking spaces, she is concerned with the reduction in landscaping. Mr. Fitzhugh explained that the primary separation of the landscaped buffer is to provide separation between the development and the residential neighborhood and while it is not consistent with other developments throughout the city, the location of the building and the separation between the facility and the neighborhood provides the necessary buffer.

Council Member Sierra suggested that a Zoom stop be added in front of this facility. In response to a question from Council Member Sierra, Mr. Griffiths indicated that while most residents are private pay, they do accept Medicare waiver programs. Council Member Sierra was pleased to hear that this will ensure diversity in residents and proceeded to ask a few more questions. Regarding Veterans, Mr. Griffiths explained that the VA operates similar communities for their members and while they do not have a program specific for Veterans, Veterans are welcome and celebrated at these facilities. The application process is relatively quick and because most of the time the family is involved in the decision and many seniors are able to complete the process in one day. Mr. Griffiths explained that they are hoping to break ground in the next few months, construction period will be about 14 months; they expect to be at full capacity about 20 months after opening. Regarding jobs, they expect to add about 100 jobs to the local economy and will include positions such as CNAs, medical technicians, culinary staff, administration, and others. He added that the proximity to EMCC was a factor they considered when making the decision to locate in Avondale.

Council Member Iwanski indicated that the entire property was dormant for many years and it was his feeling that QT would be a catalyst for the area and is glad to see the job creation and opportunities that are being added. He thanked the applicant for coming to Avondale.

Council Member Nielson indicated she is familiar with the facility and the amenities that are offered. She expressed support for the approving the requests.

Council Member Kilgore expressed support for the facility.

Mayor Weise asked for confirmation that access to the facility from Thomas Road will be available. Mr. Fitzhugh indicated that while a proposal for the balance of the property is yet to be received, staff already has clarified the requirement for cross access on the two upcoming developments and will be required of the future developer as well. Regarding the buffer, he indicated that he feels that the proposal is adequate.

Council Member Nielson moved to accept the findings and adopt Ordinance 1604-316 approving application PL-15-0258, a request to amend the Palm Valley-Avondale PAD subject to conditions of approval, as recommended by the Planning Commission and with the additional stipulation recommended by staff. Vice Mayor Karlin seconded the motion.

ROLL CALL VOTE AS FOLLOWS:

Council Member McDonald	Aye
Council Member Iwanski	Aye
Council Member Nielson	Aye
Mayor Weise	Aye
Vice Mayor Karlin	Aye
Council Member Kilgore	Aye
Council Member Sierra	Aye

Motion carried unanimously.

5 PUBLIC HEARING CONDITIONAL USE PERMIT (CUP) FOR AN ASSISTED LIVING FACILITY (PL-15-0257)

A public hearing and consider a request by Western States Lodging, requesting approval of a Conditional Use Permit in conjunction with an amendment to the Palm Valley-Avondale PAD to allow for the construction and operation of an assisted living facility on approximately 5.27 acres of a larger vacant 11 acre parcel located south of the southeast corner of Dysart Road and Thomas Road.

Mayor Weise opened the public hearing. There being no requests to speak, Mayor Weise closed the public hearing.

Council Member Nielson moved to approve the Conditional Use Permit for an assisted living facility, subject to the following conditions of approval. Council Member Sierra seconded the motion.

1. The Conditional Use Permit approval shall expire two years from the approval date if a permit for construction is not obtained.
2. Deliveries of supplies for the assisted living facility shall be limited to the hours between 6 a.m. and 6 p.m. All deliveries shall be received through the service yard located on the south side of the building.
3. A Minor Land Division shall be completed for the 5.27 acre site located south of the southeast corner of Dysart Road and Thomas Road prior to the issuance of any building permits.

ROLL CALL VOTE AS FOLLOWS:

Council Member McDonald	Aye
Council Member Iwanski	Aye
Council Member Nielson	Aye
Mayor Weise	Aye
Vice Mayor Karlin	Aye
Council Member Kilgore	Aye
Council Member Sierra	Aye

Motion carried unanimously.

6 EXECUTIVE SESSION

An executive session pursuant to Ariz. Rev. Stat. § 38-431.03 (A)(4) for discussion or consultation with the City's Attorney in order to consider its position and instruct the City's Attorney regarding (i) potential litigation with respect to tax matters and (ii) regarding termination of a lease agreement of city-owned property.

Council Member Nielson moved to adjourn into Executive Session. Council Member Kilgore seconded the motion.

ROLL CALL VOTE AS FOLLOWS:

Council Member McDonald	Aye
Council Member Iwanski	Aye
Council Member Nielson	Aye
Mayor Weise	Aye
Vice Mayor Karlin	Aye
Council Member Kilgore	Aye
Council Member Sierra	Aye

Motion carried unanimously.

7 ADJOURNMENT

Council Member Nielson moved to adjourn the meeting; Council Member Kilgore seconded the motion. Motion was carried unanimously.

The meeting was adjourned at 8:51 pm.



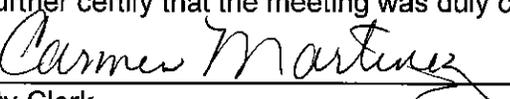
Mayor Weise



Carmen Martinez, MMC
City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Council of the City of Avondale held on the 16th day of February, 2016. I further certify that the meeting was duly called and held and that the quorum was present.



City Clerk

