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## Minutes of MAYOR AND COUNCIL Meeting

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Approved by Mayor and Council  
on July 7, 2010.

Date of Meeting: January 5, 2010

The Mayor and Council of the City of Tucson met in regular session in the Copper Ballroom at the Tucson Convention Center, 260 South Church Avenue, Tucson, Arizona, at 5:32 p.m., on Tuesday, January 5, 2010, all members having been notified of the time and place thereof.

### 1. ROLL CALL

The meeting was called to order by Mayor Walkup and upon roll call, those present and absent were:

Present:


|                    |                                   |
|--------------------|-----------------------------------|
| Rodney Glassman    | Vice Mayor, Council Member Ward 2 |
| Karin Uhlich       | Council Member Ward 3             |
| Shirley C. Scott   | Council Member Ward 4             |
| Richard G. Fimbres | Council Member Ward 5             |
| Steve Kozachik     | Council Member Ward 6             |
| Robert E. Walkup   | Mayor                             |

Absent/Excused:

|               |                       |
|---------------|-----------------------|
| Regina Romero | Council Member Ward 1 |
|---------------|-----------------------|

Staff Members Present:

|                   |               |
|-------------------|---------------|
| Mike Letcher      | City Manager  |
| Michael Rankin    | City Attorney |
| Roger W. Randolph | City Clerk    |

- \* **City Clerk Note:** The minutes of January 5, 2010, as approved by the Mayor and Council, contained a clerical error on page six. Within the text of the document, deleted text is ~~struck through~~ and new text is **bold**. RWR:DR:yl 10/15/10 

**2. INVOCATION AND PLEDGE OF ALLEGIANCE**

The invocation was given by Chaplain John Wheat, Tucson Fire Department, after which the Pledge of Allegiance was presented by the entire assembly.

Presentations:

- a. Mayor Walkup proclaimed January 12, 2010, to be “Tucson’s 12-Minute Makeover Day”. Albert Elias, Housing and Community Development Director, accepted the proclamation.

**3. MAYOR AND COUNCIL REPORT: SUMMARY OF CURRENT EVENTS**

Mayor Walkup announced City Manager’s communication number 1, dated January 5, 2010, was received into and made part of the record. He also announced this was the time scheduled to allow members of the Mayor and Council to report on current events and asked if there were any reports.

Mayor Walkup announced and congratulated Council Member Regina Romero and her family on the birth of their daughter, Luciana.

**4. CITY MANAGER’S REPORT: SUMMARY OF CURRENT EVENTS**

Mayor Walkup announced City Manager’s communication number 2, dated January 5, 2010, was received into and made part of the record. He also announced this was the time scheduled to allow the City Manager to report on current events, and asked for that report.

No Report was given.

**5. LIQUOR LICENSE APPLICATIONS**

Mayor Walkup announced City Manager’s communication number 3, dated January 5, 2010, was received into and made part of the record. He asked the City Clerk to read the Liquor License Agenda.

- b. Liquor License Application(s)

New License(s)

- 1. Shell, Ward 4  
5502 E. 22nd St.  
Applicant: Sajid Rana  
Series 10, City 84-09  
Action must be taken by: January 8, 2010

Staff has indicated the applicant is in compliance with city requirements.

2. VFW Post 549, Ward 2  
8424 E. Old Spanish Trail  
Applicant: Dean Craig Agardi  
Series 14, City 88-09  
Action must be taken by: January 17, 2010

Staff has indicated the applicant is in compliance with city requirements.

NOTE: State law provides that for a new license application, "In all proceedings before the governing body of a city...the applicant bears the burden of showing that the public convenience requires and that the best interest of the community will be substantially served by the issuance of a license". (A.R.S. Section 4-201)

Location Transfer(s)

3. Randolph Park Hotel and Suites, Ward 6  
102 N. Alvernon Way  
Applicant: John David Cousins  
Series 6, City 87-09  
Action must be taken by: January 17, 2010

Staff has indicated the applicant is in compliance with city requirements.

NOTE: State law provides that for a location transfer, Mayor and Council may consider whether the public convenience requires and that the best interest of the community will be substantially served by the issuance of a license at that location. (A.R.S. Section 4-203; Rule R19-1-102)

c. Special Event(s)

1. Philoptochos Society of Tucson, Ward 3  
1145 E. Fort Lowell Rd.  
Applicant: Andrea H. Padinha  
City T103-09  
Date of Event: February 6, 2010  
(Fundraiser for philanthropic efforts)

Staff has indicated the applicant is in compliance with city requirements.

2. Coyote TaskForce, Inc/Cafe 54, Ward 6  
54 E. Pennington St.  
Applicant: Mindy Bernstein  
City T106-09  
Date of Event: January 23, 2010  
(Gallery showing of artwork)

Staff has indicated the applicant is in compliance with city requirements.

d. Agent Change/Acquisition of Control/Restructure

1. Sonora Market, Ward 5  
3050 E. 36th St.  
Applicant: Thomas Robert Aguilera  
Series 10, City AC9-09  
Action must be taken by: January 10, 2010

Staff has indicated the applicant is in compliance with city requirements.

NOTE: The local governing body of the city, town or county may protest the acquisition of control within sixty days based on the capability, reliability and qualification of the person acquiring control. (A.R.S. Section 4-203.F)

It was moved by Council Member Scott, duly seconded and carried by a voice vote of 6 to 0 (Council Member Romero absent/excused), to forward liquor license applications 5b1 through 5b3, 5c1, 5c2 and 5d1 to the Arizona State Liquor Board with a recommendation for approval.

**6. CALL TO THE AUDIENCE**

Mayor Walkup announced this was the time any member of the public was allowed to address the Mayor and Council on any issue except for items scheduled for a public hearing. Speakers were limited to three-minute presentations.

- a. Roy Warden spoke of his concerns regarding the use of illegal labor in the Tucson construction industry as well as the decline of area growth development in general and how it affected revenues generated by building permits.
- b. Gloria Alvillar spoke in support of the fire and police officers of the City of Tucson. She asked the Mayor and Council not to cut police officers or firemen without first considering cutting benefits to unmarried couples.
- c. Joe Sweeney spoke about the State budget crisis and how illegal immigrants affected it.

**7. CONSENT AGENDA – ITEMS A THROUGH E**

Mayor Walkup announced the reports and recommendations from the City Manager on the Consent Agenda were received into and made part of the record. He asked the City Clerk to read the Consent Agenda.

**A. INTERGOVERNMENTAL AGREEMENT: WITH THE UNIVERSITY OF NEW MEXICO FOR EMERGENCY MEDICAL SERVICES PARAMEDIC FIELD INTERNSHIPS**

1. Report from City Manager JAN5-10-7 CITY-WIDE

2. Resolution No. 21463 relating to Intergovernmental Agreements; authorizing and approving the execution of an Intergovernmental Agreement between the City of Tucson and Regents of the University of New Mexico regarding Emergency Medical Services Paramedic Field Internships; and declaring an emergency.

This item considered separately at the request of Council Member Kozachik.

**B. INTERGOVERNMENTAL AGREEMENT: WITH PIMA COUNTY FOR THE JACKSON EMPLOYMENT CENTER SUPPORTIVE HOUSING PROGRAM**

1. Report from City Manager JAN5-10-5 CITY-WIDE
2. Resolution No. 21464 relating to Intergovernmental Agreements; authorizing and approving the execution of an Intergovernmental Agreement between the City of Tucson and Pima County for the Jackson Employment Center Supportive Housing Program/Bridges for homeless men and women; and declaring an emergency.

This item considered separately at the request of Council Member Kozachik.

**C. INTERGOVERNMENTAL AGREEMENT: WITH PIMA COUNTY FOR THE JOINT PROCUREMENT AND MANAGEMENT OF SERVICE PROVIDERS FOR THE HOMELESS PREVENTION AND RAPID REHOUSING PROGRAM**

1. Report from City Manager JAN5-10-8 CITY-WIDE
2. Resolution No. 21465 relating to Intergovernmental Agreements; authorizing and approving the execution of an Intergovernmental Agreement between the City of Tucson and Pima County for the Joint Procurement and Management of Service Providers For The Homeless Prevention and Rapid Rehousing Program; and declaring an emergency.

This item considered separately at the request of Council Member Kozachik.

**D. APPROVAL OF MINUTES**

1. Report from City Manager JAN5-10-9 CITY-WIDE
2. Approval of minutes for the regular meeting of the Mayor and Council held on June 2, 2009.

**E. FINAL PLAT: (S08-045) FREEWAY INDUSTRIAL PARK P3 CONDOMINIUMS, UNITS 101 TO 105, COMMON ELEMENT, LIMITED COMMON ELEMENTS "1A" TO "5A"**

1. Report from City Manager JAN5-10-13 WARD 1

2. Staff recommends that the Mayor and Council approve the final plat as presented. The applicant is advised that building/occupancy permits are subject to the availability of water/sewer capacity at the time of actual application.

It was moved by Council Member Fimbres, duly seconded, that Consent Agenda \* Items A ~~and~~ **through** E, with the exception of Items A-~~C~~, **B, and C**, which were considered separately, be passed and adopted and the proper action taken.

Mayor Walkup asked if there was any discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, Fimbres, and Kozachik;  
Vice Mayor Glassman and Mayor Walkup

Nay: None

Absent/Excused: Council Member Romero

\* Consent Agenda Items A ~~and~~ **through** E, with the exception of Items A-~~C~~, **B, and C**, which were considered separately, were passed by a roll call vote of 6 to 0.

## 7. **CONSENT AGENDA – ITEM A**

### A. INTERGOVERNMENTAL AGREEMENT: WITH THE UNIVERSITY OF NEW MEXICO FOR EMERGENCY MEDICAL SERVICES PARAMEDIC FIELD INTERNSHIPS

1. Report from City Manager JAN5-10-7 CITY-WIDE
2. Resolution No. 21463 relating to Intergovernmental Agreements; authorizing and approving the execution of an Intergovernmental Agreement between the City of Tucson and Regents of the University of New Mexico regarding Emergency Medical Services Paramedic Field Internships; and declaring an emergency.

Roger W. Randolph, City Clerk, announced the first item to be considered separately was Item A at the request of Council Member Kozachik.

Council Member Kozachik asked if the two hundred fifty dollar per student fee represented full cost recovery for the program.

Patrick Kelly, Fire Chief, said the Tucson Fire Department (TFD) mentored a number of different agencies for paramedic ride-a-longs. The program was through the U. S. Air Force (USAF) and the University of New Mexico and had been in place for a number of years. He explained that parajumpers came to Tucson and the TFD provided an ambulance for them to ride in for a number of weeks as interns, giving them some

hands-on-experience. He reported the TFD was now asking for a fee and had already spoken to the USAF who sent the parajumpers through the University of New Mexico. The USAF has agreed to pay for the internship whereas before the TFD had not charged for the service.

Council Member Kozachik asked for confirmation that there was no negative cash flow out of the general fund as a result of the program.

Chief Kelly affirmed there was no real cost to the TFD for the program as interns were assigned to a paramedic on a unit. He said the only expense would be for administrative costs for scheduling.

It was moved by Council Member Kozachik, duly seconded, to pass and adopt Resolution 21463.

Mayor Walkup asked if there was further discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, Fimbres, and Kozachik;  
Vice Mayor Glassman and Mayor Walkup

Nay: None

Absent/Excused: Council Member Romero

Consent Agenda Item A was declared passed and adopted by a roll call vote of 6 to 0.

**7. CONSENT AGENDA – ITEM B**

**B. INTERGOVERNMENTAL AGREEMENT: WITH PIMA COUNTY FOR THE JACKSON EMPLOYMENT CENTER SUPPORTIVE HOUSING PROGRAM**

1. Report from City Manager JAN5-10-5 CITY-WIDE
2. Resolution No. 21464 relating to Intergovernmental Agreements; authorizing and approving the execution of an Intergovernmental Agreement between the City of Tucson and Pima County for the Jackson Employment Center Supportive Housing Program/Bridges for homeless men and women; and declaring an emergency.

Roger W. Randolph, City Clerk, announced the next item to be considered separately was Item B at the request of Council Member Kozachik.

Council Member Kozachik said he was curious because the Intergovernmental Agreement (IGA) ran from July 2009, to June 2010 and asked why they were voting on the item now.

Albert Elias, Housing and Community Development Director, stated it was a renewal of an existing program that had been in place for a number of years so there had not been any imperative to try to get it scheduled in a more timely manner. He added that there was also a sequence involved as the City was approving the IGA following approval by the Pima County Board of Supervisors.

It was moved by Council Member Kozachik, duly seconded, to pass and adopt Resolution 21464.

Mayor Walkup asked if there was further discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, Fimbres, and Kozachik;  
Vice Mayor Glassman and Mayor Walkup

Nay: None

Absent/Excused: Council Member Romero

Consent Agenda Item B was declared passed and adopted by a roll call vote of 6 to 0.

**7. CONSENT AGENDA – ITEM C**

**C. INTERGOVERNMENTAL AGREEMENT: WITH PIMA COUNTY FOR THE JOINT PROCUREMENT AND MANAGEMENT OF SERVICE PROVIDERS FOR THE HOMELESS PREVENTION AND RAPID REHOUSING PROGRAM**

1. Report from City Manager JAN5-10-8 CITY-WIDE
2. Resolution No. 21465 relating to Intergovernmental Agreements; authorizing and approving the execution of an Intergovernmental Agreement between the City of Tucson and Pima County for the Joint Procurement and Management of Service Providers For The Homeless Prevention and Rapid Rehousing Program; and declaring an emergency.

Roger W. Randolph, City Clerk, announced the last item to be considered separately was Item C at the request of Council Member Kozachik.



Council Member Kozachik said he noticed the program was sunseting and asked if any financial obligations continued for the City after the sunseting. If so, he asked what the funding source would be for those program obligations.

Albert Elias, Housing and Community Development Director, stated the Homeless Prevention and Rapid Rehousing Program was actually American Recovery and Reinvestment Act funds. He said they were stimulus funds and when the funds had been expended, the program would end.

Council Member Kozachik asked for confirmation that there was no ongoing obligation for the City after the funds were expended.

Mr. Elias confirmed there would be no obligation for the City after the funds were expended,

It was moved by Council Member Kozachik, duly seconded, to pass and adopt Resolution 21465.

Mayor Walkup asked if there was further discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, Fimbres, and Kozachik;  
Vice Mayor Glassman and Mayor Walkup

Nay: None

Absent/Excused: Council Member Romero

Consent Agenda Item C was declared passed and adopted by a roll call vote of 6 to 0.

**8. PUBLIC HEARING: ZONING (SE-04-13) UNIVERSITY MEDICAL CENTER CORPORATION – CAMPBELL AVENUE, SPECIAL EXCEPTION LAND USE, REACTIVATION, TIME EXTENSION, CHANGE OF CONDITION AND ORDINANCE ADOPTION**

Mayor Walkup announced City Manager's communication number 6, dated January 5, 2010, and the report from the Zoning Examiner were received into and made part of the record. He also announced it was the time and place legally advertised for a public hearing on a request for a special exception land use, reactivation, time extension, and a change of condition on property located on the northeast corner of Campbell Avenue and Allen Road.

Mayor Walkup asked if the applicant or representative was present and if they had any concerns or comments to make prior to the public hearing.

Keri Silvyn, Lewis and Roca, said she was representing the University Medical Center Corporation and AT & T. She stated they did not have any comments to make, but if there were any questions that needed to be answered, she had Lynn Harris from University Medical Center and Scott September from AT & T present with her.

Mayor Walkup announced the public hearing was scheduled to last for no more than one hour and speakers were limited to five minute presentations.

Bonnie Poulos stated she was representing the Campus Farm Neighborhood Association (CFNA). She said they had worked with University Medical Center (UMC) on the redevelopment of the old Tucson General Hospital parcel for a number of years. She stated the CFNA was in support of a cell communication tower at the site. She explained they felt it was an appropriate site and once the buildings were completed with the cell tower placed on top of the building, no one would notice it. She said, as a result of the current economic situation, the CFNA realized there had been a delay in getting the buildings completed. She said she was present to support the request for renewal of the special exception permit for the cell phone tower.

Ms. Poulos added, on a personal note, that she had been very distressed by the recent news about an effort to recall some members of the Council. She said she wanted to tell them she and many of her neighbors supported the hard work that the Council members did. She stated they respected the office held by the Council and felt the members had done a good job. She said they recognized how difficult it was to work as a public official during the present economic times.

Mayor Walkup asked if there was anyone else that wished to speak on the subject at that time. There was no one.

It was moved by Council Member Scott, duly seconded and carried by a voice vote of 6 to 0 (Council Member Romero absent/excused) to close the public hearing.

Mayor Walkup asked the City Clerk to read Ordinance 10744 by number and title only.

Ordinance No. 10744 relating to Zoning; special exception land use – reactivation – time extension – amending certain conditions and the approved development plan as established by Ordinance No. 10075 for a temporary seventy-five (75) foot tall cellular tower in Case No. SE-04-13 – University Medical Center Corporation – Campbell Avenue, PAD-11 Zone; and declaring an emergency.

Mayor Walkup announced that before proceeding there was someone who wished to speak.

Christie Campos said she was sorry to interrupt, but she had put in a card requesting to speak and did not know why she had not been called. She asked the Mayor if she could be allowed to have a few moments to speak, which the Mayor allowed.

Ms. Campos said she was the wife of a Tucson Police Department officer and wanted to personalize the hardships that would be placed on her family.

Mayor Walkup interrupted her to remind her that the public hearing was for a special exception land use. He told her that she would have the opportunity to speak during the next item on the agenda regarding new revenues. He apologized for the confusion.

Council Member Uhlich said she appreciated the efforts of the neighborhood, UMC and AT & T representatives to work together to bring the item forward with consensus.

It was moved by Council Member Uhlich, duly seconded, to reactivate the rezoning case and adopt Ordinance 10744.

Mayor Walkup asked if there was any discussion. Hearing none he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, Fimbres, and Kozachik;  
Vice Mayor Glassman and Mayor Walkup

Nay: None

Absent/Excused: Council Member Romero

Ordinance 10744 was declared passed and adopted by a roll call vote of 6 to 0.

**9. PUBLIC HEARING: REGARDING NEW REVENUES FOR THE CITY OF TUCSON**

Mayor Walkup stated before beginning the public hearing he wanted to summarize what happened at the afternoon's Study Session. He said he thought the Council made significant progress on balancing the budget. He stated the first order of business was to make a statement that the Council would not effect any layoffs of police or fire individuals.

Mayor Walkup said the second order of business was that the Council was unanimous in stating they would not entertain a renter's tax. He said there was considerable dialogue associated with the fact that renters in the City of Tucson needed every financial advantage they could get in the current troubling times. Mayor Walkup said the Council was very compassionate with the information they had been receiving from citizens through the Council Ward Offices. He said he wanted everyone to know the Council agreed it was inappropriate for balancing of the budget and that they would find other ways to cut.

Mayor Walkup stated the third order of business was adopting the suggestions from, Mike Letcher, City Manager, which would close the gap on the thirty-two million dollar deficit for the current fiscal year. He said they did not know the degree with which they closed the gap, but thought it was substantial. He stated Council Member Kozachik submitted a list of considerations for Mr. Letcher to bring back to the Council the following week, gave explanations of the nature of his concerns and questions and potential savings that could be received from the items. He said he thought that by the next Mayor and Council meeting, they would be considering items to close the gap that would not involve layoffs of police and fire personnel and would not consider a tax on renters.

Mayor Walkup announced City Manager's communication number 14, dated January 5, 2010, was received into and made part of the record. He also announced it was the time and place legally advertised for a public hearing relating to new revenues for the City of Tucson. He said the public hearing was scheduled to last for no more than one hour and speakers were limited to five minute presentations. Mayor Walkup stated he had many requests to speak so if anyone felt their concerns had been adequately addressed it was not essential that they come forward to make comments, but were certainly welcome to do so.

Sam Newsome, Southern Arizona A. Phillip Randolph Institute President, and a part of the Arizona State AFL-CIO Standing Committee, the Pima Area Federation of Labor, and the International APRI Activist Group, said he was in support of the public service employees. He stated he hoped and trusted there would be no cuts in those jobs and that the Mayor and Council did everything in their power to see where other cuts could be made so they could maintain the City's level and possibly increase the level of public service employees. He mentioned the A. Phillip Randolph Institute was also in support of the "mom and pop" businesses of the United States. He said businesses earning less than five hundred thousand dollars a year were the number one breadbaskets for cities. He said the institute, to date, was targeting twenty-three states to become local, green, and American. He stated a few months ago the Mayor and Council encouraged citizens to buy American. He asked the Mayor and Council to consider doing business with small businesses in Tucson because that was where the jobs were and they paid the greatest amount of taxes.

Bruce Slabaugh, American Federation of State, County and Municipal Employees (AFSCME) Local 449 President and the Pima Area Labor Federation Political Chair, pointed out that all labor was important. Not only public safety, but also the people that worked in streets, environmental services, fleet services, parks, and all the other people who made a city a great place to live. He said one group could not be propped up to the detriment of all the other groups. He stated blue collar and white collar employees represented by the Communication Workers of America (CWA) and AFSCME took the brunt of the cuts last year and it was time for someone else to pick up and carry some of that load. He also pointed out that some other employee groups from the City supported Proposition 200. AFL-CIO unions from the Pima Area Labor Federation stepped up and devoted many hours and dollars because they knew it was bad for the City and it was bad

for the residents. He emphasized members from the CWA, the electricians, the boilermakers, the carpenters, the writers union, the Tucson Education Association and Jobs with Justice were present and said it was their city too. He asked the Mayor and Council and all those he had worked with to remember their friends; no layoffs for white and blue collar employees and no outsourcing public jobs.

Kate McGee, AFSCME Local 449 representative and employee of the City of Tucson for almost seventeen years said she had a coworker with three children and a wife that was slated for layoffs and had no other income. She stated it was abuse for him to be laid off while department heads were still driving City cars or had a car allowance. She said if anyone went to any fire station, any water station, or any city facility they would see nothing but city vehicles from all departments, because department heads drove their city vehicle to the closest facility, parked it, and drove their own vehicles two blocks home. She said that had to stop; it was hundreds of thousands of dollars that were on employees' backs and her coworker was going out the door while those people were abusing city vehicles. She said the car allowance program had to be stopped as everyone was highly compensated for their jobs, especially department heads that should no longer get a free ride on the backs of blue collar workers.

A male speaker who did not state his name for the record said he was in support of the fire and police officers but wanted to tell Mayor and Council that the fire and police departments did not get their equipment by going to a store to purchase it. He said he provided the equipment they needed for all the people to be safe, everything they used including Band-Aids. He said now he was getting laid off and asked who was going to get them the items they needed.

Michael Corio, AFSCME Local 449 Chair, said he represented those individuals that were now referred to as the outcasts of the City, the individuals that were going to lose their jobs. He stated the City Manager proposed a 3.5 percent cut in pay for City employees on top of the five day furloughs that blue collar and white collar employees were currently taking. He said members were asking how they would pay their mortgage pay for their child's tuition, pay for daycare and he could not answer them. He said, in one proposal, eighty-nine more city workers would lose their jobs and head for the unemployment line. Yet, there was a failure to look at why there were hundreds of thousands of dollars put into cell phone use and why hundreds of thousands of dollars were put into real estate the City was paying for but no one occupied the buildings. He said he wanted someone to explain to him premium salary pay and what the ratio of employees to supervisors was in the City of Tucson. He said he had been before the Mayor and Council previously stating that enough was enough and stated again, enough!

Mikki Niemi said one of the things in the budget that bothered him the most was debt service. He said the City was swimming and had one hundred fifty-five million dollars in debt service; that was a lot of money. He said the City borrowed fifteen million dollars to put up the metal at the Tucson Convention Center and paid eleven and a half million dollars to one architect to put another box on the Rio Nuevo shelf of things the City would really like to have but knew it would not get. He said the City Manager wrote

that the main thing was to save the City's bond rating. He stated he would like to see the rating go down to 'F', if it went that low, because then the City would not be able to borrow any more money. He said the City could not afford it.

Mr. Neimi reported that last year, with the Council's blessing, the City borrowed eighty million dollars for Rio Nuevo. He said he did not know what was done with the money as he had not seen anything. He stated they did not have the resources to pay for it, nor did the State or the Country; no one had the resources. He said, if Rio Nuevo defaulted, who would bail them out; the citizens. He said the City needed to stop borrowing money.

Roberto Bedoya, Tucson Pima Arts Council Executive Director, said that twenty-five years ago, the Mayor and Council created the Tucson Pima Arts Council to support Tucson's creative industry. He said he understood the difficult task the Mayor and Council faced and wanted to speak to the issue the Mayor spoke of earlier about trying to close the gap. He said he understood the decision not to impact the police and fire departments and not to impose the renter tax, but that gap was still significant. The proposal to take sixty percent from outside agencies was a harsh one, especially to agencies like his, TREO and MTCB that were set up to serve the City and provide services on its behalf designated arts councils.

Mr. Bedoya stated that, as an outside agency, he was a bit different than a parade. He provided many services and last year when he spoke to the Mayor and Council he shared the fact that out of the fifty-one organizations that they supported they generated an income of about fifty-seven million dollars annually to the City's economy. He said the cut would have severe impacts on the cultural industry and as was spoken earlier, he said there were all kinds of laborers in the City and that was what made it so wonderful. He stated to suddenly ignore a small business community, but a very important one, was a difficult pill to swallow. He asked that as the Mayor and Council considered all outside agencies, they looked closely at those that had been asked to do a particular charge on behalf of the City and to act as an intermediary on the Council's behalf. He asked that the Mayor and Council not cut funds so severely that the agencies could not do their jobs.

Steve Tofel, representative of the Arizona Multihousing Association (AMA), said he had prepared some points to convince the Mayor and Council to not vote in favor of the renter's tax, but they had already put that on the table, and thanked them for that. He also thanked them for doing it a second time in six months. He wanted the Mayor and Council to understand that every time the renter's tax came up there were tens of thousands of renters in the community whose hearts went into their throats because they would be seriously impacted. He said they were the most vulnerable of the City's population and the rental tax was a regressive tax that targeted that most vulnerable part of the population. He implored the Mayor and Council to put it on the back burner and not bring it back again. He also stated, on behalf of the AMA, they supported police and fire personnel and were pleased that the Mayor and Council had taken the actions they had.

Manuel Roca-Ekonen thanked the Mayor and Council for allowing him to express his sincere gratitude for not passing the two percent rental tax. He said he just got a job that day and was two months behind in his rent. He stated the sixteen hundred dollars he would be getting at the end of the month would be eaten up by the nine hundred dollars he was behind in rent and the additional two percent would have put him in dire straits. He said he had not planned on attending the meeting, but when he returned home from work, many of the people in his apartment complex were talking about the possible increase and that they might be kicked out of their apartments. He stated he was satisfied and thankful that the tax was not passed, but as the other speaker said, if it kept being brought up it would cause much anxiety.

Mr. Roca-Ekonen said he also wanted to thank the Mayor and Council for the decision regarding the Police and Fire Departments and all public safety. He said speaking from experience, when he lived with his wife on Columbus Avenue and Twenty-Ninth Street, there was a hostage situation across the street at the Circle K. A man was holding all the customers at gunpoint. He explained a police sergeant talked the man into releasing the hostages and several times the sergeant put himself in the line of fire while trying to reason with the man. He said when the man came out of the store he started pointing the gun at the officers and in such a busy area any shots would have hurt many people. He said the Police Department did their job and protected the citizens.

Mr. Roca-Ekonen reported that he was driving along Alvernon Road recently, coming back from a meeting, and he saw eight patrol cars going by very fast. He stated they were doing their job. He said his neighborhood had been cleared of gangs and he could walk the street without getting mugged or anything like that. He stated everyone needed a job to pay for a place to live, and they needed public safety to protect, serve and maintain the place where they lived. He said according to the pamphlet that had been passed out there were other programs that could be cut to reduce spending. He said the City of Douglas had used inmates to clean the City and saved a million dollars. He concluded by saying that the Mayor and Council had restored his faith in their decisions and asked them to keep doing a good job for the citizens.

Robert Black, Oro Valley resident, thanked the Mayor and Council for taking a step in the right direction by maintaining police and fire services at their current levels and by not implementing the rental tax. He said the Mayor and Council had a tremendous challenge before them and he personally did not envy that. He stated he knew there were Democrats and Republicans present and he thought it was time that curtain be taken down so everyone could work together for the citizens of Tucson. He explained all the people in the room, no matter what they did, paid taxes and those taxes were taken and managed by each of the Council members.

Mr. Black said each Council Member was a servant and thought that was the greatest calling one could have in their life. He said they had a responsibility to that. He stated there had been things done in the past that he thought they could learn from. He challenged each member to look at what was done in the past and he was sure they would find some mistakes along the way; to him those were lessons learned and it was going to

be hard to accomplish the things that needed to be done in 2010, but thought it could be done.

Mr. Black said if he had sixty-four extra dollars a year to pay and five hundred thousand people had sixty-four dollars a year to pay that would cover thirty-two million dollars. He jokingly said, if there were five hundred thousand people that smoked and gave up one cigarette a day, amounting to something like over eighteen cents that would be well over thirty-two million dollars. He emphasized there was so much that could be done with the little things; he challenged each of them to look at the little things.

Mr. Black stated, in conclusion, not too long ago there were questions regarding the sale of land and if he remembered correctly, sales were challenged by the statement that the City would lose money. He said that was what citizens faced when confronted with being insolvent and that was how the taxpayers faced their responsibilities to problems in challenging times, they were not afforded the opportunity to hold on until things got better, they did the best they could to preserve the well being of their family. He said the concern of losing money could have been and should have been addressed earlier in many of the City's ventures and activities of the Council. He said they needed that concern now and in all future things. What went on in the City of Tucson affected every person inside the city limits and outside. Again he thanked the Mayor and Council, commended the job they would be doing in 2010, and said he would pray for them to make the right decisions for the right reasons at the right time.

Julian Roy Garcia, retired Tucson Police Officer, said in October of 1978, he was dispatched to a call in South Tucson through a mutual aid agreement that the City had with the City of South Tucson. He said a citizen of South Tucson was killed, and he was paralyzed. Later he found out the City Mayor and Council had passed items reducing the amount of people they were able to hire, train and so on. He said a very large lawsuit ensued. The City was told they either had to raise taxes or sell land, and they ended up doing a combination of both. He urged them not to cut the City's public safety employees' benefits, salaries, or number of people. He said that was exactly what happened in South Tucson and he asked them not to repeat history.

Christie Campos said she was the wife of a Tucson Police Department Officer and wanted to personalize the hardships they would bear depending on the range of pay cuts the officers took. She said just a few thousand dollars cut out of their budget would be a serious hardship reaching far beyond the Dish Network, the gym membership and the occasional dining out. She explained a seemingly small cut would potentially put public safety officers out of their homes, especially the single income households with small children. She said in her home, keeping the house and keeping their four-year-old in preschool, were going to be the two things they desperately grasped on to, depending on what the pay cuts were. She said she was not sure if the pay cuts were going to be 3.5 percent or up to twelve percent and if they still included a cut in assignment pay that many of the families depended on. She said, on a personal note, the choice of whether to complete their family with one more child would be ruled out unless the situation with the budget and lack of revenue were to be worked out in the immediate year or two.



Ms. Campos said she knew other families were in the same predicament. She stated the families of public safety never asked for any entitlements or rights to anything except to be paid for the job they had earned and she did not find it acceptable or appropriate to make TPD officers or TFD personnel bear the burdens of flawed budget planning. She asked who was going to pay their budget when they fell short and could the Mayor and Council pay their basic bills and mortgage if their pay was cut by 6.1 percent or more. She said it seemed cruel to retain police officers, acknowledge the contribution they played in keeping the City safe or to ask them to protect the Mayor and Council and their homes when public safety would probably be kicked out of theirs.

Steven Valencia, Tucson Coalition of Jobs with Justice, stated the blue and white collar workers were the unsung heroes of the community. He said there was something important to the deliberation and discourses of the day in that they had to create a unity within the community. He said there had to be way to go forward and as the labor movement they had always encouraged a unity of labor. There also had to be a unity of the community and elected officials. He said the AFL-CIO national union had a five point program that would revitalize the economy in the country and he thought it was incumbent upon the City Manager, elected officials and themselves as community members to push such a program. He said it was simply 1) to extend the lifeline of jobless workers, 2) to rebuild America's schools, roads and energy systems, 3) to increase aid to state and local governments and maintain vital services, 4) to put people to work doing the jobs that needed to be done in the communities, and 5) to put the troubled asset relief program funds to work for Main Street by increasing lending to small and medium sized businesses. He said he thought that was a way to could go; in a unified fashion where one set of workers was not more important than others because it took all of them to make the community work. He said he thought if everyone could find the will and determination to work together, not only for the benefit of the community but the nation as well, because it was in deep trouble.

Paul Parisi, Tucson Metropolitan Chamber of Commerce, said they were well aware of the budget crisis facing the City of Tucson. He said as businesses in Tucson had suffered in recent years, so had sales tax revenue to the City. He thanked the Mayor and Council for not imposing the renter's tax and said they all thanked them for that. Raising taxes and fees to businesses might appear to temporarily solve the problem, but from past history, he could unequivocally tell them that money taken out of the economy hurt not only the businesses but the consumers as well. Therefore, he said, the Chamber was opposed to raising fees for businesses and services above the cost to provide such services and any tax increase to businesses was unacceptable. He said though the Chamber opposed Proposition 200, as they were against unfunded mandates, the Chamber had always supported the highest level of police and public safety employees.

Mr. Parisi thanked the Mayor and Council again for not cutting those people, as those were the people that saved lives. He said evaluating efficiencies within departments must continue to ensure every dollar spent for public safety was utilized to protect the citizens of Tucson. Revenue enhancements could be achieved by evaluating fees for such services as public transportation and parks and recreation. He stated fees

should mirror the costs to deliver such services and subsidies should only be extended to the truly needy. He said over the years, the City of Tucson had accumulated a vast inventory of property that might not be utilized to the greatest extent. He said, whenever possible, those properties should be divested and returned to the tax rolls. He suggested the City of Tucson bring all partners to the table to renegotiate contracts and agreements and it appeared they were doing that. He said when the economy improved; those who sacrificed should be recognized and rewarded for their contributions later. He stated as Tucson businesses prosper, Tucson governments and citizens benefited as well.

Robert Compton said his biggest concern was taxes. He said it seemed as though every little thing was being taxed to find money. He said what needed to happen was that everyone had to think smart. Many good things had been brought up, like the city cars and how the money was being spent. He said the Mayor and Council should have incentives on how money was spent, employees that could save money instead of just saying it was someone else's money. It was the taxpayers' money. He said he was glad the renter's tax did not go through because it was taxing people to live, and that did not make any sense. He said they needed to be smart about it because they were all in the same boat whether Republican, Democrat or Independent. Tucson was their city and they all wanted to make it work. He said the Mayor and Council should start setting examples that citizens could follow, as it would be a good way to get people up and going again.

Jim McShea, Tucson Police Command Association, said they appreciated the work being done by the Mayor and Council, the Manager's Office and staff to solve problems. He said they also appreciated the opportunity provided by the Manager's Office to participate in the process. Through the Manager's Office, the Tucson Police Officers Association, the Firefighters Association and the Fire Chiefs Association they had some productive sense of understanding of each other's needs.

Mr. McShea said a letter was delivered to the Mayor and Council that day before the Study Session. He said he wanted to encourage them to read it thoroughly, as members of his association would be in touch with them to discuss the items that were listed in the letter. He thanked the Mayor and Council for taking steps to protect probationary employees of the Police and Fire Departments. He said they appreciated all the Mayor and Council and all the organizations had done to get to the current point. Although progress was made that day, there was still more work to be done both with commissioned and noncommissioned staff city wide and he hoped to achieve further progress as a result of the day's efforts.

Jerry Wharton stated times were tough and there was a shortfall. He said some of that shortfall would be made up of by cuts in pay and compensation. He said it had been said before, but was important enough to say again, that all employees and services of the City were important. He asked if there were to be further cuts where would they come from; they could not all come from the bottom where people were already less fortunate. He stated the cuts had to come from up and down the line, from the lowest to the top

including the Mayor and Council, City Manager and executives and not just burden those who could least afford it.

Margarita Rodriguez thanked the Mayor and Council for their decision regarding the renter's tax. She said she was really torn because she was a renter and was barely making it, but she also worked for the Police Department as well as the Chief Prosecutor in the Pima County Attorney's Office; she could see both sides. She stated it was the third time she had spoken before the Mayor and Council regarding the renter's tax and hoped she would not have to again, but she would if she had to. She stated she also hoped there were no cuts to the Mental Health Court. She said she thought a lot had been accomplished that day and that her vote had worked.

Rick Grinnell, President/Founder of Smart United Business Strategies, said he was present to speak on two issues; business and mental health. He pointed out it was not actually the Mental Health Court that was being recommended for closure, it was the prosecutor from mental health, the Chief Prosecutor for the City Prosecutor's Department. He said they were looking at streamlining the process of the mental health properties, the neighborhood protection area, and additional full-time employees of the City Prosecutor's Office. He explained public safety was a four legged stool; fire, safety, prosecution and the public defenders. If one leg was cut off, all the other legs would be affected. If two legs were cut, potentially the Public Defender's Department and the Prosecutor's Office, the problem would be pushed back on the other two legs. He said it meant more officers would spend more time in the court system waiting for things to be heard. He stated it would be putting people back on the street at a much faster rate and not being prosecuted for certain crimes because of the lack of staff to be able to do it and it would be increasing incarceration time for those waiting for trials to be heard. He asked the Mayor and Council to consider the City Attorney's proposal for cuts and not accept the proposal at that time.

Mr. Grinnell said, with respect to businesses, they came to a community because there was an environment of safety, educated work force, opportunities to do business and a streamlined government process of getting business done. He said increasing fees to businesses was counter-productive. He understood what it was like to cut; he had taken a cut himself recently. He pointed out what had not been talked about was how to enhance the economic opportunities for the City's future. He asked what they the Mayor and Council were going to do to build an opportunity where people could look forward to going to work. He said he knew the budget was a tough issue with thought the immediate next step needed was to bring the bright minds to the table. He said they should start talking about creating jobs and cutting taxes instead of increasing taxes. He said the City had the people who could do it, and asked the Mayor and Council, as leaders of the community, to take the lead in getting the City there.

Vicki Davis said she did not live in the City, but what was done in the City affected those in the County greatly. She stated she was concerned, as the Mayor and Council looked at ways to make up the deficit, that she had not heard anything about lowering taxes. She said historically speaking; every time taxes were lowered revenues

were increased. She urged the Mayor and Council to consider lowering taxes on some of the things they kept thinking of raising taxes on. She said the larger revenues would amaze them.

Karen Scrimshaw said she was concerned about public safety. She thanked the Mayor and Council for their decision not to lay off any police or fire employees at that time, but she did not think that was enough. She said she knew morale in both departments was low with the threat of pay cuts. She was fortunate; she never had to call on any of them to come save her life, but if she did, she wanted them to be happy about going to work that day not worrying about furloughs, pay cuts or anything of the sort. She said something else to consider was that a lot of the police officers were responsible for purchasing their own safety equipment, like bulletproof vests and tazers, and pay cuts would affect their ability to purchase those items.

Linda Hatfield, representative of the Communication Workers of America's (CWA) who represents seven thousand white collar workers, said she wanted to reiterate some of the things she spoke about earlier that day. She said she thought that many good ideas had been heard, things that had not been pursued and questions that had not been answered. She said she hoped, before any people were laid off, that every avenue and every rock would be turned over and looked at for alternate ways to find funding. She said she believed the City Manager's Office was doing a good job in trying to find alternate ways, but thought that everyone was in it together. She added that they had members who were losing their homes and did not have their utilities turned on; it was a sad state of affairs. She said she understood everyone in the community was suffering in these current hard times, and their members were as well. She again appealed to Mayor and Council to look at all avenues before any personnel cuts were made and people were laid off.

Brian Delfs, Tucson Firefighters Association, thanked the Mike Letcher, City Manager, Cindy Bezaury, Human Resources Director, the department heads and all others who had allowed the different unions to take part in the discussion. He thanked Jon Justice and Rob O'Dell and the news media for giving the community a seat at the table, because it was a community-wide issue. He also thanked the Mayor and Council and their aides who had been willing to work so hard over the past weeks to come up with solutions to what was a very unenviable problem.

Mr. Delfs said he thought the fact that several ideas were laid on the table that day for potential revenue sources was admirable and the Association applauded their efforts in looking at cuts to other areas. He said taking public safety layoffs off the table met one of the Association's first priorities. He said securing what they believed were bearable cuts to employee wages, though it would be hard for every member of the organization, was the right thing to do. He stated as the Mayor and Council moved forward, he would like for them to consider, should additional revenues or additional monies be identified through some of the other things brought up, salvaging any of the jobs scheduled for layoffs. He said firefighters and was sure police officers along with others would come to the table to help identify some solutions to avoid those layoffs.

Mr. Delfs stated he still had concerns regarding future cuts that were proposed for the Fire Department. He understood that audits needed to be done to look at efficiencies and that they needed to do everything they could to be the most efficient fire department in the nation. He said they had already taken great strides to do that. He said, however, the two ladder trucks on the east side of town that were currently on the chopping block for the next month, were vital to the community. He pointed out that they were placed in service to fill a need and taking them out of service was not going to do anybody any justice. He explained that taking the ladder trucks out of service could mean that they had inadequate personnel at a fire or an EMS call when it was required.

Mr. Delfs stated that the fact that the trucks did not run a large number of calls was irrelevant when it was their house or business on fire. He reported not having adequate apparatus or personnel at a scene meant that a fire was knocked down, or not knocked down quickly. It meant that they did not have the resources to rescue someone who was trapped inside a burning building or that they did not have the backup personnel that were required to rescue firefighters who were trapped inside a burning building. He asked, as the Mayor and Council moved forward through the process and identified further cuts that could be made in some areas, or identified other revenue sources that could reasonably be enacted, that they keep priorities in mind, including all of the City employees that would be impacted, the ladder trucks, and the Fire Department stations projected to be shut down over the next eighteen months.

Otome said no one had mentioned something he had heard that day, regarding a salary bonus Mr. Raul M. Grijalva, Representative Congressional District 7, had given himself. He said it that was true; it was one of the things that should be the opposite. He heard that some employees from the City would have to give up hours and earn less money. He asked if those present representing the City would also take a cut. Otome said revenues needed to be increased, why not put a one-cent tax on each gallon of gas sold in the City. He stated if the City sold a million gallons a week that would be a million pennies that could help increase revenue. He said he appreciated that the Mayor and Council had not approved the renter's tax and cuts to the employees that saved and protected the people anytime 9-1-1 was dialed.

Bruce Wheeler said it was the first time he had been before the Mayor and Council in the fourteen years since he left his seat on City Council. He stated what brought him there was the same thing that brought everyone else. He thanked the Mayor and Council for taking the two percent tax off renters, the City's most vulnerable population and said he thought it was admirable. He explained that obligation to the Tucson City Charter and the imperative of public safety he believed was the highest single priority of the community. He said they were obligated by the Charter to provide public safety. He stated everyone owed a tremendous amount of gratitude to each and every single City employee. He said he loved his parks and he loved his museums; there was so much in the community that they should be grateful for. But, he said, response time, emergency medical and police response times were something different from everything else. He said it affected each and every single one of them and anyone who had an emergency at home where they had to call 9-1-1 clearly understood.

Mr. Wheeler stated the difference between three minutes or three and a half or four minutes and four and a half was a matter of life and death. He said he was troubled listening to some of the proposals. SWAT and emergency medical response times would be affected. He said he was familiar with the mentioned aspirin calls. He had friends in the Fire Department, and was astounded by the amount of time and personnel that was wasted by people who just wanted to have their hands held and have an aspirin versus real emergencies. He said there were distinctions, and not everything was equal. He stated it was something that was really, really important.

Mr. Wheeler asked the Mayor and Council to consider Council Member Kozachik's budget proposals. He read what the Council Member Kozachik had distributed that afternoon and was impressed that he had a detailed amount of recommendations to be looked at. He said he was bothered by the City Manager's statement that he could not come back in a week with the necessary cuts that were recommended. He pointed out that Council Member Kozachik's proposals should have already been looked at in the past year.

Mr. Wheeler said he was also troubled by what had been brought up about the eleven million dollars for a hotel design. He said there had been no answer about where the funds came from; the general fund, Rio Nuevo or bonds. He stated if the funds were from the general fund then it would be a paradigm change, which meant that police, fire and other City employees did not have to face some of the cuts that they had been looking at and citizens were told were necessary. He explained the economic crises was structural it was not cyclical; it was the worst since the depression of the 1930's. He said according to Gerald Swanson, Eller College of Management, since March of 2007 at the economic peak, Tucson had lost twenty-six thousand jobs and Arizona had lost two hundred seventy-five thousand jobs.

Mr. Wheeler said Council Member Kozachik was asking them to examine tens of millions of dollars in possible cuts. He said maybe they could avoid some of the staff and service cuts not only from police and fire, which were a matter of life and death, but from other city employees as well. He asked them to stick to the City Charter obligations for public safety first and to please not affect emergency response times.

Melanie Morrison, owner of Morrison, Ekre and Bart Management Services, explained her company provided quality rental housing to over eight thousand rental households in the Tucson area and employed over three hundred people. She said many of their rental residents were City employees, firefighters and police officers. She stated they valued them both as residents and for the wonderful service they provided as City employees. She said she was struck by the inter-connectedness of all the groups present and how everyone depended on each other. The renters depended on the fire department, the police department, and on all the City employees. She said everyone had their jobs to do and everyone provided a great service. She thanked the Mayor and Council for the vote they had taken earlier in support of the rental residents, the firefighters, the police officers and other City employees. She said she knew the Mayor and Council had a difficult job and she did not want to be in their place, but she thought that they could all

look forward and do everything they could to make Tucson run as efficiently as possible. If new sources of revenue were found, she hoped it would allow everyone to equally share the burden and not ask a small group, especially renters who were probably the least able to do so, to fund the deficit. She again thanked Mayor and Council for their support, on behalf of the renters they represented and the Arizona Multi Housing Association.

Karen Falkenstrom said she had a couple of points to make. She explained she had a problem with the term “outside agencies” because they were talking about a whole realm of services, everything from funding for civic events to teen halfway houses. She said a sixty percent cut would be devastating to some of the agencies and did not think they all should be treated in the same way. She said she thought each one should be looked at with a little bit of care as there were a lot of people served by those agencies that were disenfranchised and did not even know they could come to talk to the Mayor and Council.

Ms. Falkenstrom said she was an arts advocate and the arts were part of the outside agencies. She said she thought there were other agencies that needed to be looked at and examined. She explained if they wanted a need for more police, eliminating a few more teen halfway houses would warrant the need for more police. She stated she loved the police and what they did. She loved public safety, but said public safety was everybody’s business. Everyone needed to be aware of what was going on in their neighborhoods and take on some civic duty because public safety was the citizens’ job too.

Ms. Falkenstrom said the second point she wanted to talk about was a gas tax. She said she was not in favor of taxes, and was not in favor of the renter’s tax; however the renter’s tax not going through meant there would be a sixty percent cut to outside agencies. She stated she had done some research and learned there was a sales tax exemption on gas. She said Tucson had the lowest priced gas in the country, which meant the lowest priced gas in the world. She said she thought it was something like a two percent tax sales exemption and if it were calculated, it came up to something like fifteen million dollars. She asked the Mayor and Council to look into a sales tax on gas and said if it was a matter of being stopped by the County then they should sit down with the County and work it out. If it was something with the statutes, then they should go to the State and make it happen. She stated a gas tax, or removal of the exemption would affect everybody equally; rich, poor, disenfranchised, overly enfranchised. She explained it would encourage use of public transportation services and encourage people to drive more economical vehicles, which was what Tucson, the Solar City, was all about.

Council Member Scott thanked all those who came to share their opinions.

It was moved by Council Member Scott, duly seconded and carried by a voice vote of 6 to 0 (Council Member Romero absent/excused) to close the public hearing.

**10. TUCSON CODE: AMENDING (CHAPTER 19) RELATING TO TAXATION ON THE BUSINESS OF LEASING OR RENTING REAL PROPERTY**

Mayor Walkup announced City Manager's communication number 12, dated January 5, 2010, was received into and made part of the record. He asked the City Clerk to read Ordinance 10745 by number and title only.

Roger Randolph, City Clerk, announced Michael Rankin, City Attorney, had a statement to make regarding the item.

Michael Rankin, City Attorney, announced that due to action taken at the Study Session by the Mayor and Council, no action would be taken on the item.

**11. TUCSON CODE: AMENDING (CHAPTER 21) RELATING TO FEES FOR PARKS AND RECREATION; AND AMENDING FEES CHARGED BY THE PLANNING AND DEVELOPMENT SERVICES DEPARTMENT AND REAL ESTATE SERVICES**

Mayor Walkup announced City Manager's communication number 15, dated January 5, 2010, was received into and made part of the record. He asked the City Clerk to read Ordinances 10747, 10748, and 10749 by number and title only.

Ordinance No. 10747 relating to fees for Building and Development; amending fees charged by the Planning and Development Services Department for development, plan review, code review and permits; renumbering the Development Standard providing for fees related to Protected Development Rights; amending the Protected Development Rights Standard to reflect the renumbering; and declaring an emergency.

Ordinance No. 10748 relating to fees for Parks and Recreation; amending Tucson City Code, Chapter 21, operation and Regulation of Parks, as it pertains to various fees charged by Parks and Recreation Standard to reflect the renumbering; and setting an effective date and declaring an emergency.

Ordinance No. 10749 relating to fees for Real Estate Services: repealing Ordinance No. 5584 adopted by the Mayor and Council on June 7, 1982; establishing a new fee schedule for Real Estate Services; and declaring an emergency.

Council Member Kozachik said several of the items were incorporated in the series of questions he asked earlier in the day. He reiterated he was opposed to any fee increases for Development Services. He said he thought those were a disincentive to business development in the community and if his questions were addressed, then the items would be addressed. He said he did not think there was anything to move on these items.

Mike Letcher, City Manager, said he wanted Ernie Duarte, Planning and Development Services Director, to talk about the City's development services fees. He



stated staff wanted to make sure the City's development fees were competitive and directly related to the Council's concern regarding recovering costs for services. He said if fees were not increased, the City would have to cut people in the department which meant more delays in obtaining building permits and everything else. He said it was a two edged sword and wanted Mr. Duarte to address.

Ernie Duarte, Planning and Development Services Director, stated the proposed fee increase was consistent with the Mayor and Council's policy adopted in July of 2009. He said the policy was also consistent with the 1995 David M. Griffins and Associates report that said the City should strive to recover the full cost of providing services that principally benefit specific groups or individuals. He said his department took a thirty percent cut in staff in the last fiscal year and, as Mr. Letcher pointed out, the City's fees went to provide services in the department. He said an increase in fees would prevent the department from having to make further cuts this fiscal year and next. He stated the full cost recovery study done by the Finance Department called for a 32.3 percent increase in fees, but the recommendation he made to the City Manager was for only ten percent.

Mr. Duarte said staff met with stakeholders and though fee increases in a good economy were a tough adjustment, in a down economy they were extremely difficult to absorb. The stakeholders reluctantly agreed to a ten percent increase given the fact that there had not been a fee increase in ten years and the increase would allow for preservation of staffing and service levels. He remarked that the proposed fee increase put the City of Tucson fees for the southern Arizona region in the middle, under Oro Valley and Sahuarita and above Marana and Pima County. He stated the City was right in the ballpark in terms of the surrounding valley jurisdictions.

Council Member Kozachik said it was all about jobs. He sensed that if Tucson wanted businesses to thrive in the community they could not keep increasing fees on businesses. He said, in respect to loss of staff, he would encourage an examination of the list he submitted, as he was not suggesting Mr. Duarte cut his staff, but was suggesting they make the community a more efficient and friendly community for businesses to operate. He said if the City wanted businesses to hire people, then they could not continue to make it more expensive for them to operate in the community. He stated he understood Tucson was in the middle of the pack as far, as surrounding jurisdictions were concerned, but the City should be at the front of the pack, drawing businesses in and not pushing them out.

Mayor Walkup asked Mr. Letcher if the Council could postpone the item for a week.

Mr. Letcher stated the item included all the City's fees his office was recommending to help balance the budget. He said if the item was deferred by the Mayor and Council, the City was back to square one.

It was moved by Council Member Uhlich, duly seconded to pass and adopt Ordinance 10747.

Council Member Uhlich said it was her recollection, in hearing widely from the business community and even from the representative of the Chamber of Commerce during the evening, that there was a real understanding of the need for full cost recovery even in the business community. She repeated that the Chamber of Commerce representative said no fee increases beyond those needed for full cost recovery. The fee increase being proposed did not even get them to that point. She said they had recently heard, at a Study Session, from a leader of the stakeholder group who advised them on how to cut red tape, streamline the processes, simultaneously bring development projects through the system rather than sequentially, and due to the changes, the City had cut six months off many projects' time tables. She said that was what saved money.

Council Member Uhlich said she felt they had adequately heard from the business community. She said she knew it was a difficult decision, however, if they were going to ask people who were utilizing childcare programs and parks and recreation programs to bear a higher percentage of cost recovery, she said she thought they needed to be fair and ask all segments of the community to step up and help the City do that. She said she believed the business community understood the need to do it. She announced she would be making motions to pass all three of the Ordinances beginning with 10747.

Vice Mayor Glassman asked Mr. Duarte if he had met with the Southern Arizona Homebuilders Association (SAHBA) and if so, what their stand on the increase was.

Mr. Duarte said they had more time to do an extensive outreach the last time they had a fee increase in 1999. He said they went out to meet with individual stakeholder groups including architects, engineers, and the homebuilders. He stated they did not have adequate time to do that with the current increase, so they invited everyone to come to a couple of meetings they scheduled and the SAHBA was part of that group as were the American Institute of Architects, Pima Alliance, Tucson Metropolitan Chamber of Commerce, Tucson Association of Realtors, and Arizona Sign Association. He stated staff tried to get as much input as possible in the short amount of time they had. He mentioned, as he said before, with the development community stakeholders the response was in good times fee increases were not popular and in difficult economic times increases were even less popular. But, he said the ten percent increase being proposed, as opposed to the full cost recovery of 32.3 percent, was viewed as being reasonable.

Mayor Walkup asked if there was any further discussion. Hearing none he called for a roll call vote.

Upon roll call, the results were:

|                 |  |
|-----------------|--|
| Aye:            | Council Members Uhlich, Scott, and Fimbres; Mayor Walkup |
| Nay:            | Council Member Kozachik and Vice Mayor Glassman          |
| Absent/Excused: | Council Member Romero                                    |

Ordinance 10747 was declared passed and adopted by a roll call vote of 4 to 2.

It was moved by Council Member Uhlich, duly seconded, to pass and adopt Ordinance 10748.

Vice Mayor Glassman asked for a clarification regarding the Parks and Recreation Department verifying income levels when waivers took place. He asked if the income verification, based on waiver requests, was a component of the recommended fee increases.

Mr. Letcher stated staff was currently putting in place, and expected to be fully implemented by fiscal year 2011 with the Council's blessing, a program where income verification could take place not only in the Parks and Recreation Department but in other areas where the City provided fee waivers to citizens. He said it was important to cover those in need of the waivers, but they also needed to make sure that the folks that had the ability to pay were paying.

Vice Mayor Glassman asked if was possible to get that language crafted and make it a component of the current increase. He said if the City was asking people to pay more, he was sure that everyone had to pay more would feel better about paying more if they knew it was an equitable system where everyone was going to be accountable and that their dollars were going to fund the programs.

Mr. Letcher stated the verification program was going to take some time to put together. It was definitely something that, from his standpoint as City Manager, he was very interested in and was moving forward with. He also wanted to make sure that it was not just applied to Parks and Recreation; it had to be applied to all the City's programs. He deferred to the City Attorney as to whether language could be added on the fly and get the fees they needed adopted that evening.

Michael Rankin, City Attorney, responded that Vice Mayor Glassman could offer an amendment to the motion giving additional direction to the City Manager to return to the Mayor and Council with the proposed verification of eligibility requirements that would apply to Parks and other services that the City provided.

Vice Mayor Glassman said he would like to support the increase and he asked that the friendly amendment be applied.

Council Member Uhlich agreed to the amendment.

Mayor Walkup asked if there was any further discussion. Hearing none he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, Fimbres, and Kozachik;  
Vice Mayor Glassman and Mayor Walkup

Nay: None

Absent/Excused: Council Member Romero

Ordinance 10748, as amended, was declared passed and adopted by a roll call vote of 6 to 0.

It was moved by Council Member Uhlich, duly seconded, to pass and adopt Ordinance 10749.

Mayor Walkup asked if there was any discussion. Hearing none he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, Fimbres, and Kozachik;  
Vice Mayor Glassman and Mayor Walkup

Nay: None

Absent/Excused: Council Member Romero

Ordinance 10749 was declared passed and adopted by a roll call vote of 6 to 0.

(NOTE: Discussion of Item 11 resumed after Item 12.)

**12. TUCSON CODE: AMENDING (CHAPTER 19) RELATING TO TAXATION ON BUSINESS LICENSE FEES AND CERTAIN SPECIAL EVENT LICENSE FEES**

Mayor Walkup announced City Manager's communication number 16, dated January 5, 2010, was received into and made part of the record. He asked the City Clerk to read Ordinance 10746 by number and title only.

Ordinance No. 10746 relating to taxation; amending certain portions of the Tucson Code, Chapter 19, by increasing certain Occupational and Transaction Privilege License Fees; repealing Cost of Land Deduction for Transaction Privilege Tax on Speculative Builders; and declaring an emergency.

It was moved by Council Member Fimbres, duly seconded, to pass and adopt Ordinance 10746.

Michael Rankin, City Attorney, announced that Section 6 of the Ordinance contained errors. He said there was incorrect language regarding the Model City Tax Code option relating to the exclusion of the value of land with the respect to speculative builder construction contracting. He asked that rather than correct the language on the fly that it be brought back as a stand alone ordinance with the correct language. He advised the Mayor and Council to consider adopting the Ordinance with the exception of Section 6.

Council Member Kozachik said he had heard that the Gem Show vendors were being given a substantial fee increase by the Tucson Convention Center and street fair vendors were struggling. He said he sensed this was a disincentive to local businesses and vendors in the community. He said, in regards to the comment in the background information that continuing economic recession had shaken consumer confidence in the future, resulting in fewer purchases by increasing fees that was not going to spur more purchases. He said it was another disincentive to the economic engines that ran the community.

Mayor Walkup asked if there was further discussion. Hearing none he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, and Fimbres

Nay: Council Member Kozachik, Vice Mayor Glassman and Mayor Walkup

Absent/Excused: Council Member Romero

Council Member Uhlich said she respected the comments made by Council Member Kozachik and had been an ardent advocate of small businesses in the community. She said they had done great work through the City's own purchasing and contracting that demonstrated giving a real edge to locally owned small businesses that were the drivers of the economy and created eighty-five percent of the jobs. She stated she believed that what the City was trying to do in the series of actions the Council was taking was to request that everyone participate in solving the budget crisis and that no one segment be burdened. She said she thought to insolate certain segments of the community, just as burdening renters with a tax alone, was unfair; picking and choosing and insulating certain segments was not the right direction.

Council Member Uhlich said one other thing that Council Member Kozachik had offered was a list of possibilities to help balance the budget. She said if the list or other proposals being brought forward by the Mayor and Council and staff helped them identify how to fill the holes, she would be the first to work with them to begin to look at what cuts could be diminished or what fees could be reduced. But until those had been identified that she said she believed delaying those kinds of revenue sources would

deepen the pain, because next week they would be back at the table without a balanced budget. Therefore, she said she supported the motion.

Council Member Kozachik said he was voted no and respectfully accepted Council Member Uhlich's invitation to join later on when and if the Mayor and Council came up with the necessary monies. He said sales tax revenue was the mother's milk of the budget and they were not insulating segments of the community by exempting small businesses from cuts, they were encouraging small businesses in generating sales tax revenue, which fed the budget.

Mayor Walkup said this was different than the other approvals that came to the Council. He said if there was one group of people in the community that needed help; it was those who were out there struggling with special events. He stated he voted no and wanted to see how it all sorted itself out. He said if miraculously they found out they had some money that they could begin to spread about, they would take a look at it, but that group of people really struggled hard to do great things for the people, out in special events, in the streets.

Motion to pass and adopt Ordinance 10746 failed by a roll call vote of 3 to 3.

At this time, Roger W. Randolph, City Clerk, announced that Mayor and Council needed to return to Item 11.

**11. TUCSON CODE: AMENDING (CHAPTER 21) RELATING TO FEES FOR PARKS AND RECREATION; AND AMENDING FEES CHARGED BY THE PLANNING AND DEVELOPMENT SERVICES DEPARTMENT AND REAL ESTATE SERVICES**

Michael Rankin, City Attorney, apologized for going backwards on the agenda and said he neglected to bring to the Mayor and Council's attention that under Item 11, in addition to the three ordinances, there was another action item. He said it did not require the adoption of an ordinance, just a motion and was with respect to amending an existing and prior City policy relating to cost recovery for Advanced Life Support Transportation Services. He stated the item was described in the Council's communication but did not require an ordinance.

Mr. Rankin advised the Mayor and Council that if they agreed to move the policy, an appropriate motion was to amend the City policy for cost recovery for Advanced Life Support Transport Services to provide that City residents be responsible for any balance not paid by their insurance company.

It was moved by Council Member Scott, duly seconded, to amend the City policy for cost recovery relating to Advanced Life Support Services to provide that City residents would be responsible for any costs not paid by their insurance company.

Mayor Walkup asked if there was any discussion. Hearing none he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, Fimbres, and Kozachik;  
Vice Mayor Glassman and Mayor Walkup

Nay: None

Absent/Excused: Council Member Romero

Motion to amend the City policy for cost recovery relating to Advanced Life Support Services to provide that City residents would be responsible for any costs not paid by their insurance company was passed by a roll vote of 6 to 0.

**13. TUCSON CODE: AMENDING (CHAPTERS 10 AND 22) RELATING TO FISCAL YEAR 2010 COMPENSATION AND THE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**

Mayor Walkup announced City Manager's communication number 17, dated January 5, 2010, was received into and made part of the record. He asked the City Clerk to read Ordinances 10750 and 10751 by number and title only.

Ordinance No. 10750 relating to Compensation Plan; Tucson Code Chapter 10, Civil Service-Human Resources, Article II, Compensation Plan, amending Fiscal Year 2010 Annual Compensation Plan; amending salary schedules adopted under Section 10-31 for Fiscal Year 2010; and declaring an emergency.

Ordinance No. 10751 relating to Pensions and Retirement: Tucson Code Chapter 22, Pensions, Retirement, Group Insurance, Leave Benefits and Other Insurance Benefits, Article I, In General; adding Section 22-1, Contribution to Public Safety Personnel Retirement System; and declaring an emergency.

Michael Rankin, City Attorney, announced that due to action taken by the Mayor and Council at the Study Session, no action would be taken on Ordinance 10750 and that an ordinance relating to employee compensation would be brought back at the meeting on January 12, 2010.

Mr. Rankin said Ordinance 10751 related to a Code Amendment to eliminate the general fund subsidy to member contributions to the Public Safety Personnel Retirement System (PSPRS). He announced the Mayor and Council could act on the Ordinance or bring it back as part of the additional actions to be presented at the next meeting.

Vice Mayor Glassman asked for clarification that staff, at the next meeting, would be bringing back the part regarding compensation.

Mr. Rankin answered affirmatively.

It was moved by Vice Mayor Glassman, duly seconded, to pass and adopt Ordinance 10751.

Council Member Kozachik said, in as much as the Council was going to revisit the compensation plan, he suggested they revisit the entire wage and fringe benefits package at the same time, after they had a chance to review what Mike Letcher, City Manger, and staff brought back regarding the list of questions he posed earlier.

Vice Mayor Glassman said, regarding the comments made earlier, Ordinance 10751 related to benefits, as opposed to Ordinance 10750 which related to salaries. He said the discussions the Mayor and Council had disagreements with, were for the salary portion. He said he thought that Council Member Kozachik's were with Ordinance 10750, but that comments according to Ordinance 10751 everyone was on the same page.

Mayor Walkup asked for some vocal clarity to Vice Mayor Glassman's questions. He said the Council was in discussion, so if Council Member Kozachik wanted to change the direction, he had to amend the motion.

John Strader, Tucson Police Officers Association Vice President, responded to Vice Mayor Glassman's question stating the form was for the 3.5 percent; the delivery to be broken down by department. He said his department elected for furloughs.

Vice Mayor Glassman announced he was ready for roll call.

Council Member Kozachik said he thought the question Vice Mayor Glassman had asked was where he stood in response to Ordinance 10751, which had to do with the fringe benefits package for pensions and retirement.

Vice Mayor Glassman explained what he was clarifying or confirming was the comment made earlier by Mr. Strader that he was fine with the contribution package; his issue was with the salary percentages.

Mr. Strader confirmed that only the additional pension contribution was acceptable to the association, no other benefits.

Council Member Kozachik asked if that was also true of the Fire Department.

The Fire representative was no longer present.

Mr. Rankin stated that the only other correction was in the caption of the Ordinance. He said there was a typographical error; it should refer to Section 22-21. He said, otherwise, it was correctly identified in the Ordinance itself; but he needed to read that correction into the record.



Mayor Walkup asked if there was any further discussion. Hearing none, he asked for a roll call vote.

Upon roll call, the results were:

Aye: Council Members Uhlich, Scott, Fimbres, and Kozachik;  
Vice Mayor Glassman and Mayor Walkup

Nay: None

Absent/Excused: Council Member Romero

Ordinance 10751 was passed and adopted by a vote of 6 to 0.

**14. FINANCE: AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENTS TO AGREEMENTS WITH VARIOUS OUTSIDE AGENCIES**

Mayor Walkup announced City Manager's communication number 11, dated January 5, 2010, was received into and made part of the record. He asked the City Clerk to read Resolution 21466 by number and title only.

Roger W. Randolph, City Clerk announced that the City Attorney would address the item.

Michael Rankin, City Attorney, announced that based on Council Member Scott's motion at the Study Session, staff was to bring the item back with changes as directed.

**15. ZONING: (C9-09-10) QUIK TRIP – AJO WAY, R-3 TO C-2, CITY MANAGER'S REPORT**

Mayor Walkup announced City Manager's communication number 10, dated January 5, 2010, was received into and made part of the record. He also announced it was a request to rezone property located on the south side of Ajo Way, east of Mission Road between Phoebe and Pandora Avenues. He said the Zoning Examiner and staff recommended authorization to the rezoning subject to certain conditions.

Mayor Walkup asked if the applicant or representative was present and if they agreed with the conditions.

Linda Morales, The Planning Center, representing QuikTrip Corporation stated they agreed with all of the conditions.

Council Member Uhlich thanked Ms. Morales for being present. She said they had been in communication with the staff from Council Member Romero's office and it was her understanding that, through the communication of all parties involved, the recommendation was to move forward and authorize the request for rezoning as recommended by the Zoning Examiner.

It was moved by Council Member Uhlich, duly seconded, and carried by a voice vote of 6 to 0 (Council Member Romero absent/excused) to authorize the request for rezoning as recommended by the Zoning Examiner.

**16. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS**

Mayor Walkup announced City Manager's communication number 4, dated January 5, 2010, was received into and made part of the record. He asked for a motion to approve the appointments in the report.

It was moved by Council Member Kozachik, duly seconded, and carried by a voice vote of 6 to 0 (Council Member Romero absent/excused), to approve the appointment of Eric Barrett to the Design Review Board as a Registered Landscape Architect and Steve Tofel to the Metropolitan Housing Commission as a Developer/Builder Designer.

Mayor Walkup asked if there were any personal appointments to be made.

There were no personal appointments.

**17. ADJOURNMENT: 7:40 p.m.**

Mayor Walkup announced the next regularly scheduled meeting of the Mayor and Council would be held on Tuesday, January 12, 2010, at 5:30 p.m., in the Mayor and Council Chambers, City Hall, 255 West Alameda, Tucson, Arizona.

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MAYOR

ATTEST:

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CITY CLERK

CERTIFICATE OF AUTHENTICITY

I, the undersigned, have read the foregoing transcript of the meeting of the Mayor and Council of the City of Tucson, Arizona, held on the 5th day of January 2010, and do hereby certify that it is an accurate transcription.

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CITY CLERK

RWR:jr:lh