



**CITY OF PHOENIX
CITY COUNCIL POLICY SESSION
TUESDAY, FEBRUARY 11, 2014 - 2:30 P.M.
CITY COUNCIL CHAMBERS
200 WEST JEFFERSON**

Pursuant to A.R.S. §38.431.02, notice is hereby given to the members of the City Council and to the general public that the City Council will hold a meeting open to the public on Tuesday, February 11, 2014, at 2:30 P.M. located in the City Council Chambers, 200 West Jefferson, Phoenix, Arizona.

1:00 P.M.- AN EXECUTIVE SESSION WAS CALLED FOR THIS TIME AT THE POLICY SESSION OF JANUARY 28, 2014.

THE TIMES LISTED FOR AGENDA ITEMS ARE ESTIMATED. ITEMS MAY BE DISCUSSED EARLIER OR IN A DIFFERENT SEQUENCE.

Mayor Stanton called the meeting to order at 2:39 P.M. with Councilmembers Sal DiCiccio, Laura Pastor, Thelda Williams, Vice Mayor Bill Gates, Jim Waring, Michael Nowakowski, Daniel Valenzuela, and Kate Gallego present.

ESTIMATED COUNCIL INFORMATION AND
1. 2:30 P.M.- FOLLOW-UP REQUESTS.

This item is scheduled to give City Council members an opportunity to publicly request information or follow-up on issues of interest to the community. If the information is available, staff will immediately provide it to the City Council member. No decisions will be made or action taken.

Action Taken:

Councilman DiCiccio requested staff research the possibility of developing public-private partnerships with organizations to build charter schools in the most challenging areas of Phoenix. Councilman DiCiccio added the City should explore the use of vacant land, transportation, and alternative funding mechanisms to attract organizations, and should develop measures to judge the performance of charter schools.

Councilman DiCiccio also asked that ethics reform, including a gift ban, be enacted by March 2014.

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Councilmembers made general comments.

CONSENT AGENDA.

This item is scheduled to allow the City Council to act on the Mayor's recommendations on the Consent Agenda. The Consent Agenda has been publicly posted.

Action Taken:

There was no Consent Agenda.

CALL FOR AN EXECUTIVE SESSION.

A vote to call an Executive Session may be held.

Action Taken:

Vice Mayor Gates moved that the City Council, pursuant to Arizona Revised Statute Section 38-431.02.A, meet in Executive Session on Wednesday, February 19, 2014 at 8:30 a.m. in the Municipal Court, Conference Room 901, Phoenix, Arizona, and on Tuesday, February 25, 2014, at 1:00 p.m. in the East Conference Room, 12th Floor of the Phoenix City Hall, 200 West Washington Street, Phoenix, Arizona. Councilwoman Williams seconded the motion, which passed 9-0.

REPORTS AND BUDGET UPDATES BY THE CITY MANAGER.

This item is scheduled to allow the City Manager to report on changes in the City Council Agenda and provide brief informational reports on urgent issues. The City Council may discuss these reports but no action will be taken.

ESTIMATED

2. 3:00 P.M.-

**EMPLOYEE SERVICE
RECOGNITION
ANNOUNCEMENTS
(NO REPORT)**

**Staff: Zuercher
(Presentation 5 min.)**

This item is for information only. No City Council action is required.

Action Taken:

Ed Zuercher, Acting City Manager, announced that Phoenix and Chengdu, China would be recognized next month at the U.S.-China Sister Cities Conference in Washington, D.C. Mr. Zuercher noted both cities would receive awards for their arts and culture programs.

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Mr. Zuercher reported the Arizona Nursery Association recognized Mary Lu Nunley, Water Services Public Information Specialist, as the winner of its Person of the Year award for promoting water efficient landscaping and irrigation in regional nurseries, and supporting the Southwest Horticulture Annual Day of Education.

Mr. Zuercher stated the Arizona Hispanic Chamber of Commerce inducted the Aviation Department into its "Arizona Million Dollar Circle of Excellence" for conducting over \$1 million of business transactions with organizations owned by minorities and women. Mr. Zuercher added Sky Harbor International Airport's Navigator Program was awarded the 2013 Star of the Industry Award by the Arizona Lodging and Tourism Association.

ESTIMATED

3. 3:05 P.M.-

**CITYWIDE VOLUNTEER
PROGRAM UPDATE**

Staff: Takata, Aguilar
(Presentation 10 min.)

This report provides an update to the City Council on the citywide volunteer program.

This item is for information and discussion. No City Council action is required.

Back-up included in Council packet/City Clerk's Office.

Action Taken:

Lisa Takata, Deputy City Manager, introduced the item and Cynthia Aguilar, Volunteer Coordinator from the City Manager's Office.

Ms. Aguilar reported that approximately 30,000 volunteers contributed nearly 570,000 hours of time to the Citywide Volunteer Program in fiscal year 2012-2013. Ms. Aguilar noted volunteers performed a range of services that included supporting public safety departments and combatting graffiti and blight in neighborhoods.

Ms. Aguilar stated the Volunteer Program launched a new website which provided more information about volunteer opportunities and streamlined the volunteer application process. Ms. Aguilar also commented the Volunteer Program has established partnerships with local colleges and universities to expand its recruitment of current students and recent graduates.

Ms. Aguilar listed some of the Volunteer Program's ongoing initiatives, such as CPR training, Cool Roofs, and Let's Grow Phoenix Gardens, and acknowledged several volunteers in the audience for their hard work and dedication.

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TUESDAY, FEBRUARY 11, 2014

ESTIMATED

4. 3:15 P.M.-

STATE LEGISLATIVE UPDATE

Staff: Takata, Remes
(Presentation 10 min.)

This report seeks approval, guidance, and direction from the Mayor and City Council on state legislation of interest to the City.

This item is for information, discussion, and possible action.

Back-up included in Council packet/City Clerk's Office.

Action Taken:

Tom Remes, Government Relations Director, introduced the item and John Wayne Gonzales, Government Relations Management Assistant II. Mr. Remes announced the bills brought before Council fit into two categories: bills the Council should support or oppose, and bills the Council should monitor.

Councilwoman Williams made a motion to monitor, rather than support or oppose, HB 2587 regarding animal cruelty violations. Councilman Nowakowski seconded the motion, which passed 9-0.

Councilman Waring moved to support HB 2454 regarding the fight against human trafficking. Councilman DiCiccio seconded the motion, which passed 9-0.

Vice Mayor Gates moved to support HB 2590 regarding the regulation of graffiti tools and implements. Councilwoman Williams seconded the motion, which passed 8-1. Councilman Waring noted his opposition to the motion was due to the lack of information that was available regarding the potential impact the bill could have on businesses.

Councilwoman Williams moved to support the formation of a bill that requires landlords to provide heating and cooling systems in multi-family rental properties. Vice Mayor Gates seconded the motion, which passed 9-0.

Councilman DiCiccio moved to support HB 2092 regarding the inspection of alternative fuel vehicles. Councilman DiCiccio asked staff to propose an amendment to the bill that would allow government, commercial, and personal alternative fuel vehicles to be regulated by the same policies and guidelines. Councilman Waring seconded the motion, which passed 8-1; Councilwoman Gallego opposed.

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Vice Mayor Gates moved to support, in omnibus, the formation of a bill regarding Highway User Revenue Funds, HB 2136 regarding the Public Safety Communications Commission, HB 2092 regarding the Department of Environmental Quality, HB 2128 regarding Vapor Recovery Systems, and HB 2114 regarding Land Conveyances. Vice Mayor Gates also moved to oppose HB 2546 regarding the Regulation of Alarm Businesses. Councilwoman Williams seconded the motions, which passed 9-0.

Mr. Remes asked the Council to continue to monitor SB 1413 regarding Manufacturer's Electricity Sales, SB 1134 regarding Reduced Reporting Requirements for Sales Taxes, SB 1161 regarding Municipal Policies, and HB 2273 regarding the Regulation of Ride-sharing Networks.

Councilman Nowakowski asked staff to investigate legislative options that would solidify current regulations that monitor businesses that recycle scrap metal in an effort to reduce copper wire theft.

ESTIMATED

5. 3:25 P.M.-

**NORTH MOUNTAIN
REDEVELOPMENT AREA PLAN**

Staff: Naimark, Blue, Chan,
Stephenson, Santana
(Presentation 15 min.)

This report provides information to the City Council regarding the North Mountain Redevelopment Area Plan.

This item is for information and discussion. No City Council action is required.

Back-up included in Council packet/City Clerk's Office.

Action Taken:

Paul Blue, Senior Executive to the City Manager, introduced the item and Chris Hallett, Neighborhood Services Director, John Chan, Community and Economic Development Director, and Alan Stephenson, Acting Planning and Development Director.

Mr. Hallett reported previous redevelopment efforts emphasized improving neighborhoods or housing and eliminating blight. Mr. Hallett stated the new focus of revitalization plans was the establishment and expansion of economic development opportunities.

Mr. Stephenson stated the first three components of the redevelopment plan for the North Mountain Area were connectivity, recreation, and safety and code compliance. Mr. Stephenson explained each component was divided into three phases that targeted the achievement of short and long-term goals.

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Mr. Chan stated the last two components of the North Mountain Area redevelopment plan were community education and engagement and economic development. Mr. Chan also reviewed the short and long-term goals that were associated with each component, and commented that they were designed to promote entrepreneurship.

Mr. Blue noted the ultimate goal of all redevelopment efforts was to elevate the effectiveness and efficiency of the revitalization process through the construction and utilization of successful tools, and the adoption and implementation of best practices.

ESTIMATED

6. 3:40 P.M.-

**ZERO-BASED INVENTORY OF
PROGRAMS BUDGET
DOCUMENT**

Staff: Zuercher, Paniagua
(Presentation 30 min.)

This report transmits this year's Zero-Based Inventory of Programs budget document. The report also updates the Mayor and City Council on the City's on-line checkbook and other measures that have improved fiscal transparency.

This item is for information and discussion. No City Council action is required.

Back-up included in Council packet/City Clerk's Office.

Action Taken:

Ed Zuercher, Acting City Manager, introduced the item and Mario Paniagua, Budget and Research Director. Mr. Zuercher stated the adoption of a zero-based budget was recommended by Council as a strategy to create more openness in the budget process.

Mr. Zuercher cited a number of awards the City received, including the Sunny Award and the Distinguished Budget Presentation Award, as proof the Budget and Research Department has made successful strides promoting fiscal transparency and increasing the public's ability to access the budget.

Mr. Paniagua provided a brief survey of the budget information that was available online to the public, including the City Checkbook, the Comprehensive Annual Financial Report, the Inventory of Programs, and all Internal Audits conducted by the Audit Department. Mr. Paniagua demonstrated how budget information could be accessed online, and displayed how the zero-based inventory of programs allowed Councilmembers and the public to evaluate all of the City's services by cost and staffing levels.

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Mr. Zuercher highlighted a few of the upcoming steps in the City's budget process, including the following presentations: the City Manager's Trial Budget on March 25, 2014, the City Manager's Proposed Budget on May 6, 2014, the Council Budget Decision on May 20, 2014, and the Legal Budget Adoption in June.

Councilman DiCiccio proposed separating all of the items with fixed costs in the budget from all of the items with negotiated costs. Councilman DiCiccio stated this would present a more accurate picture of the costs related to pension spiking and employee raises on an annual basis. Councilman DiCiccio advocated maintaining the current level of services to protect and prioritize the needs of the public.

Vice Mayor Gates questioned why court collections were expected to decrease, while payroll taxes, Workman's Compensation, and overtime costs were expected to increase. Vice Mayor Gates advised that as the trial budget forms, care should be taken to ensure that departments such as Planning and Development were equipped with adequate funding and staffing levels to respond to the future interests and needs of investors and developers.

Councilman Waring suggested a more conservative approach regarding projections for sales tax revenue would prove to be an effective strategy for preventing future deficits. Councilman Waring requested additional information regarding the fluctuation of staffing levels in the Police Department in regards to the number of officers per capita and the number of calls for service received. Councilman Waring also asked for a detailed list of proposed internal service cuts.

Councilman Nowakowski noted it would be helpful to know which departments created efficiencies which resulted in cost-savings, and asked if a uniform measure could be developed to judge the performance of all departments. Councilman Nowakowski commented it would be helpful to have directors and function heads explain their departments' budgets in order to fully understand the City's expenses. Councilman Nowakowski added that more detail was needed concerning the expenditures of Council Offices, and that all Districts should receive the same amount of funding.

Councilman Valenzuela stated the highest priority of every government was to protect the safety of its residents. Councilman Valenzuela commented that the City did not have to accept the continual attrition of police officers, and that more men and women needed to be added to the department.

Councilwoman Gallego stated it was important to ensure the City's regional partners were paying their fair share for pooled resources and services. Councilwoman Gallego also emphasized the need to think long-term about the budget, and identified investments in public safety and infrastructure and technology as the City's highest priorities.

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Councilwoman Pastor requested additional information regarding the number of positions that were vacant or eliminated from the Police Department.

Mr. Zuercher stated the Public Safety Funds Balancing Plan Update was scheduled for February 25, 2014, and many of the Councilmembers questions regarding the Police Department would be addressed at that time.

Mayor Stanton reiterated the City Manager's Trial Budget would be released on March 25, 2014, Budget Hearings would begin in April, and the Council Budget Decision was scheduled for May 20, 2014.

ESTIMATED

4:30 P.M. – ADJOURNMENT

Mayor Stanton adjourned the meeting at 5:12 P.M.

For further information, please call the Management Intern, City Manager's Office, at 602-262-4449.

For reasonable accommodations, call the Management Intern at Voice/602-262-4449 or TTY/602-534-5500 as early as possible to coordinate needed arrangements.

Si necesita traducción en español, por favor llame a la oficina del gerente de la Ciudad de Phoenix, 602-262-4449 tres días antes de la fecha de la junta.

PHOENIX CITY COUNCIL MEMBERS

Councilman DiCiccio
Councilwoman Gallego
Vice Mayor Gates
Councilman Nowakowski
Councilwoman Pastor
Councilman Valenzuela
Councilman Waring
Councilwoman Williams
Mayor Stanton