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FOR CITY COUNCIL PACKET
MARCH 4, 2014

The March 4, 2014 Executive Session and Policy Session have been Cancelled

The March 5, 2014 Formal Meeting is Cancelled

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Packet Date: February 27, 2014

CITY COUNCIL REPORT

GENERAL INFORMATION

TO: Lisa Takata
Deputy City Manager

PACKET DATE: February 27, 2014

FROM: Cris Meyer
City Clerk

SUBJECT: LIQUOR LICENSE APPLICATIONS RECEIVED FOR THE PERIOD OF
FEBRUARY 17, 2014 THROUGH FEBRUARY 21, 2014.

This report provides advance notice of liquor license applications that were received by the City Clerk during the period of Monday, February 17, 2014 through Friday, February 21, 2014.

INFORMATION

The liquor license application process includes the posting of a public notice of the application at the proposed location and online for twenty days, and the distribution of an application copy or a copy of this report to the following departments for their review: Finance, Planning and Development, Police, Fire, and Street Transportation.

Additional information on the items listed below is generally not available until the twenty-day posting/review period has expired.

LIQUOR LICENSE APPLICATIONS

<u>Application Type Legend</u>					
<u>O</u> - Ownership	<u>L</u> - Location	<u>N</u> - New	<u>OL</u> - Ownership & Location	<u>AOC</u> - Acquisition of Control	<u>SE</u> - Special Event
<u>Liquor License Series Definitions</u>					
1	In State Producer	*7	On sale-beer & wine	11	Hotel/Motel-all liquor on premises
3	Microbrewery	8	Conveyance license-sale of all liquor on board planes & trains	12	Restaurant-all liquor on premises
4	Wholesaler	9	Off sale-all liquor	14	Clubs-all liquor on premises
5	Government	9S	Sampling Privileges	15	Special Event
*6	On sale-all liquor	10	Off sale-beer & wine		
		10S	Sampling Privileges		

*On-sale retailer means any person operating an establishment where spirituous liquors are sold in the original container for consumption on or off the premises and in individual portions for consumption on the premises.

Dist	App. Type	Agent/Owner Name Business Name/Address Phone	Lic. Type	Approx. Protest End Date	Within 2,000 Feet of Light Rail	Proposed Agenda Date
2	SE	Jacob Arians The Arians Family Foundation (3/8/14) 6902 East Greenway Pkwy. 205-276-1135	15	N/A	N/A	*3/8/14
2	SE	Lindsey Friend The Scottsdale League for the Arts (4/12/14) 6902 East Greenway Pkwy. 480-332-5714	15	N/A	N/A	4/2/14
3	SE	Todd Hulm Rocky Mountain Elk Foundation, Inc. (6/7/14) 1915 West Thunderbird Road 623-341-6037	15	N/A	N/A	4/2/14
4	SE	Gary Egan Phoenix Art Museum (3/22 to 3/23/14) 1875 North Central Avenue 602-257-2111	15	N/A	N/A	*3/22/14
5	N	Khalid Korkis, Agent Danny's Deli 4202 West Camelback Road, Ste. 1 602-821-4900	10	3/18/14	No	4/16/14
6	N	William Moore, Agent Short Leash Hotdogs and Sausage Eatery 2502 East Camelback Road, Ste. 148-A 480-620-8479	12	3/14/14	No	4/2/14
7	SE	Dana Johnson Alwun House Foundation (3/7/14) 111 West Monroe Street 602-253-7967	15	N/A	N/A	*3/7/14

Dist	App. Type	Agent/Owner Name Business Name/Address Phone	Lic. Type	Approx. Protest End Date	Within 2,000 Feet of Light Rail	Proposed Agenda Date
7	SE	Margaree Bigler Local First Arizona (3/7/14) 202 North Central Avenue 602-705-8456	15	N/A	N/A	*3/7/14
7	AOC	Derek Kaminsky, Agent Tappa Distribution 431 North 47th Avenue 480-322-3999	4	3/14/14	No	4/2/14

*Event Date – Application not received in time for Council review.

For further information regarding any of the above applications, please contact the City Clerk Department, License Services Section, at 602-262-6018.

RECOMMENDATION

This report is provided for information only. No Council action is required.

CITY COUNCIL REPORT

GENERAL INFORMATION

TO: Ed Zuercher
City Manager

PACKET DATE: February 27, 2014

FROM: Mario Paniagua
Budget and Research Director

SUBJECT: UPDATE TO FISCAL YEAR 2014-15 GENERAL FUND BUDGET STATUS

This report provides an update to the fiscal year (FY) 2014-15 General Fund budget status and informs the Council of upcoming enhancements to the budget process. On January 28, staff reported that the FY 2014-15 General Fund budget preliminarily faced a deficit ranging from \$26 - \$52 million. After reviewing updated revenue and expenditure information, staff is able to provide a more refined deficit estimate of approximately \$37 million, plus or minus \$2 million. Cost and revenue estimates for next fiscal year continue to be refined by staff as updated information becomes available.

As the City is legally required to balance its budget, a balanced Trial Budget will be brought forward to the Council on March 25. The Trial Budget will be discussed at Community Budget Hearings throughout the City in April.

THE ISSUE

Over the past four weeks, staff has continued to receive updated revenue and expense information. This allows for a more refined deficit estimate, which is now approximately \$37 million, plus or minus \$2 million. Staff is nearing the completion of the City's annual "7+5 technical review"; a detailed expenditure and revenue review process conducted after seven months into the fiscal year that enables staff to identify revisions to estimates. Additionally, final reviews of estimates for debt service costs, pay-as-you-go capital projects, and necessary fund transfers are currently in progress and will be finalized prior to the presentation of the City Manager's Trial Budget in March.

Budget Process Enhancements- In response to a request from Mayor Stanton and Councilman Gates, staff will provide more detailed reporting on the basis of General Fund revenue projections to enhance transparency and allow for greater understanding of revenue assumptions. Budget and Research will issue a full report along with the Trial Budget outlining the basis of estimates for the specific categories of General Fund revenue.

Holiday Sales and Current-Year Estimate Revisions- December sales activity resulted in General Fund City sales tax collections of \$37.9 million for the month, which means collections grew 6.1% over the same month a year ago. Year-to-date City sales tax growth is at 4.9%. Total General Fund revenue after seven months is at 5.6% growth over the same period last year. As a result of changes experienced this year, the

current year General Fund revenue estimate has been reduced from \$1.052 billion to \$1.029 billion, a decrease of approximately \$23 million. This revision reflects the 1% reduction of the food sales tax effective January 1, 2014, newly enacted state legal exemptions for commercial property rental tax, and less than estimated sales tax and user fees/fines collections. Current-year General Fund expenditures have already been reduced by \$21 million, which more than offsets the reduced revenue when included with the additional \$6 million beginning General Fund balance resulting from last year's savings. Additional expenditure savings are likely to be realized by the end of this fiscal year.

Projected 2014-15 Revenue and Total Resources- At this point, FY 2014-15 General Fund revenue is projected to total approximately \$1.059 billion, which is about 2.9% growth over the revised FY 2013-14 estimate. As noted earlier, current revenue reviews may identify the need for further adjustments to this estimate. The FY 2014-15 projection is based on the following assumptions:

- City sales tax revenue is estimated to grow approximately 2%. The growth rate accounts for current revenue trends, updated forecasts from economists regarding the local economy and sales tax, and the full expiration of the sales tax on food in April 2015.
- Primary property tax revenue is estimated to decrease approximately -3% due to the removal of tort liabilities. The primary property tax rate is projected to drop, while the secondary property tax rate will increase. The total rate will remain \$1.82 per \$100 in assessed valuation.
- State-shared revenue is projected to grow less than 7%. The largest portion of this revenue is shared income tax, for which the FY 2014-15 estimate of more than 8% growth is already known due to a two-year lag in the distribution to cities.
- Non-tax fees and fines revenue is projected to grow slightly, at less than 2%. This assumes no increases to existing General Fund user fee rates.

When adding the projected revenue to the estimated \$60 million beginning fund balance and \$20 million in projected net fund transfers in FY 2014-15, the currently estimated total resources amount for FY 2014-15 is approximately \$1.139 billion.

Projected FY 2014-15 Expenditures- General Fund expenditures are currently projected at approximately \$1.176 billion, which may be adjusted somewhat over the next several weeks as a result of detailed expenditure reviews in progress. The estimated costs are based on the following assumptions:

- Continuance of existing Council-adopted service levels to the community.
- Existing employee contracts and compensation structure. Labor contract negotiations are currently in progress; any changes to compensation outlined in new contracts beginning July 1, 2014 would change the estimated costs.
- Addition of \$2 million to the contingency fund, which increases the contingency's percentage of the operating budget from 3.9% to 4.0% and advances the City closer to the long-term goal of 5%.

- Inclusion of \$10 million to address critical capital fleet equipment replacement needs, such as Fire pumpers and ladders, that have reached expected end of life resulting in risk of operational failure and increased maintenance costs.
- Inclusion of about \$6 million to address critical general fund information technology needs, such as funding needed to keep the City's telephone system operational and funds needed to ensure Public Safety radio communications are maintained.
- Approximately \$1 million additional pay-as-you-go capital facility maintenance necessary to ensure safe and continued operation of existing City buildings.

Projected FY 2014-15 Deficit- Updated General Fund revenue and expenditure projections show a funding gap of approximately \$37 million, plus or minus \$2 million. A range is still necessary at this stage due to adjustments that may result from current budget reviews. A more final amount will be set prior to the presentation of the Trial Budget. By law, the City must balance its budget. A balanced City Manager's Trial Budget will be presented on March 25, 2014 and will be discussed at Community Budget Hearings throughout April.

RECOMMENDATION

This report is for information only.

CITY COUNCIL REPORT

GENERAL INFORMATION

TO: Mayor And Council

PACKET DATE: February 27, 2014

FROM: Ed Zuercher
City Manager

SUBJECT: FOLLOW-UP: FEBRUARY 25, 2014 POLICY SESSION

Attached are the February 25, 2014 Council Information, Follow-Up Requests, and Policy Session Minutes.

City Council Requests for Information and Announcements
City Council Policy Session
February 25, 2014

Councilman Nowakowski

Councilman Nowakowski expressed the Council's thoughts and prayers for the family of the drowning victim in Arcadia, and acknowledged the firefighters who walked throughout area neighborhoods to provide water safety education to residents in response to the tragedy.

Councilman Nowakowski announced that on Saturday, March 29, 2014, the District 7 Council Office would partner with the Neighborhood Services Department and several non-profit organizations to participate in clean-ups throughout south Phoenix for the Cesar Chavez Day of Service. Councilman Nowakowski reported that he attended a community meeting on Monday, February 24, 2014, to discuss redevelopment projects in South Phoenix with neighborhood leaders, Councilwoman Gallego, and City staff.

Councilwoman Gallego

Councilwoman Gallego acknowledged the volunteers of the National Civilian Conservation Corps (NCCC) that were in the audience, and thanked them for their hard work and dedication to preserve trails and open spaces throughout the city. Councilwoman Gallego noted NCCC was affiliated with Americorps, and was responsible for promoting a national culture of volunteerism.

Councilwoman Gallego announced that Eastlake Park Neighborhood Association turned 100 years old and invited the public to attend a neighborhood tour as a part of the celebration. Councilwoman Gallego also welcomed the Council of Engineering and Scientific Society Executives to Phoenix, and thanked the District 7 Office for partnering with District 8 to host its first movie in the park at Herrera School.

Councilman Valenzuela

Councilman Valenzuela commended Mayor Stanton for adding a discussion of SB 1062 to the Policy Session agenda. Councilman Valenzuela stated the City of Phoenix voted to strengthen its anti-discrimination ordinance to protect the rights of the disabled and members of the Lesbian, Gay, Bisexual, and Transgender (LGBT) communities approximately a year ago. Councilman Valenzuela remarked that SB 1062 would infringe upon the rights of the above-mentioned groups if the bill was ratified. Councilman Valenzuela noted that while the members of the City Council were unable to cast a vote in the Legislature, they did have the ability to send a clear message to everyone in the country that Phoenix embraced diversity and inclusiveness, and was open for business.

Councilman Gates

Councilman Gates thanked his colleagues on the Council and City staff for their support during his tenure as Vice Mayor, and congratulated Vice Mayor Waring on his recent appointment to the position. Councilman Gates announced that he and Councilman Valenzuela would co-host a Community Meeting in the Royal Palms neighborhood on Tuesday, February 25, 2014, at 6:00 p.m. Councilman Gates invited the public to attend a meeting regarding the revitalization of North 32nd Street at Shea Middle School on Thursday, February 27, 2014, at 5:30 p.m.

Vice Mayor Waring

Vice Mayor Waring thanked Chief Garcia for attending District 2's Monthly Community Meeting on February 11, 2014. Vice Mayor Waring stated Congressman David Schweikert would be the guest speaker at the District 2 Community Meeting on March 22, 2014, at 8:00 a.m. Vice Mayor Waring reported he would be speaking at the Mayo Clinic to commemorate the installation of its proton therapy devices, which would be used to treat pediatric cancer.

Councilwoman Williams

Councilwoman Williams announced the District 1 Community Breakfast would be held at the Deer Valley Airport at 7:30 a.m. on Friday, February 28, 2014. Councilwoman Williams stated Jill Hicks, the Government Relations and Community Activist for the Washington School District would be the guest speaker. Councilwoman Williams noted the Glendale Community College Exceptional Students were participating in a clean-up on Dunlap Avenue between 35th Avenue and 43rd Avenue from 2:00 p.m. to 5:00 p.m. on Saturday, March 1, 2014.

Councilwoman Pastor

Councilwoman Pastor stated that District 4's Coffee Chat with the Mayor would be held on Thursday, February 27, 2014 at 7:30 a.m. at Ollie Vaughn's Kitchen and Bakery. Councilwoman Pastor announced that the first Neighborhood Action Summit would also be held on Thursday, February 27, 2014, at 6:00 p.m. at Golden Gate at 1625 North 39th Avenue. Councilwoman Pastor commented that the Coronado Home Tour would begin this weekend on Saturday, March 1, 2014, and congratulated The Landmark on its 50th Anniversary. Councilwoman Pastor urged the public to contact the Violent Crimes Bureau at (602) 262-6141 to report any suspicious persons or activities in light of the attempted kidnappings that recently occurred.

Councilman DiCiccio

Councilman DiCiccio expressed his sympathies to the family members of the drowning victim in District 5.

Councilman DiCiccio reported he was selected to judge the Oratorical Contest at the American Legion on Saturday, March 1, 2014. Councilman DiCiccio stated the Taste of Kyrene, an annual fundraiser for the Kyrene School District, would be held on Friday, February 28, 2014, at The Foothills Golf Club from 7:00 p.m. to 10:00 p.m.

Councilman DiCiccio requested staff to investigate the City's costs related to the union release time court case, including what the City has spent internally on the case, the cost of obtaining private legal services, and the number of staff hours that were expended. Councilman DiCiccio asked staff to research the long-term projected costs of fully implementing the Affordable Health Care Act by 2017 on a national and municipal level.

Mayor Stanton

Mayor Stanton congratulated Desert Botanical Garden on its 75th Anniversary, and Eastlake Park and Grace Lutheran Church on their 100th Anniversaries. Mayor Stanton announced Discovery Triangle has created Fresh Express, a mobile grocery store designed to provide fresh fruit and vegetables to local school districts in Phoenix and Tempe. Mayor Stanton commented that Fresh Express is one of the solutions that would help address the existence of food deserts in the City. Mayor Stanton identified and thanked some of the organizations that have partnered with Discovery Triangle to develop Fresh Express, including Chase Bank, Blue Cross Blue Shield, the Arizona Community Foundation, Junior League, and St. Luke's Initiative.

CITY COUNCIL AND CITIZEN REQUESTS
February 19, 2014

CITY COUNCIL INFORMATION REQUESTS

INFORMATION REQUESTS	DATE AND COUNCIL PERSON	DUE DATE	ASSIGNED TO	STATUS
Councilman DiCiccio requested staff to 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 a standardized rubric to judge the performance of charter schools.	February 11, 2014 Councilman DiCiccio	2/25/14	Blue, Valencia	Pending
Councilman DiCiccio requested staff to investigate the costs associated with the union release time court case, including what the City has spent internally on the case, the cost of obtaining private legal services, and the number of staff hours expended.	February 25, 2014 Councilman DiCiccio	3/11/14	Zuercher, Brown	New
Councilman DiCiccio asked staff to research the long-term projected costs of fully implementing the Affordable Health Care Act by 2017 on a national and municipal level.	February 25, 2014 Councilman DiCiccio	3/11/14	Zuercher, Lyons	New

CITIZENS REQUESTS

REQUEST	REQUEST DATE AND NAME OF CITIZEN	DUE DATE	ASSIGNED TO	STATUS
<p>Ms. Harrison stated Sally Chavez, Human Services Senior Programs Supervisor I, would be transferred from the Adam Diaz Senior Center to another facility in the City. Ms. Harris remarked that many members of the Adam Diaz Center would not return if Ms. Chavez was moved to another facility, and reported that she had a petition that was signed by approximately 100 people that were opposed to Ms. Chavez's relocation. Ms. Harrison requested that Ms. Chavez be allowed to continue working at the Adam Diaz Center.</p>	<p>February 19, 2014 Ms. Harrison</p>	<p>3/05/14</p>	<p>Jonovich, Gallegos</p>	<p>Pending</p>
<p>Mr. Jones reported the property at 777 West Campbell Avenue has been abandoned for approximately two years. Mr. Jones stated that the construction of a fence around the site has not prevented homeless persons from residing on the property, fires, or criminal behavior and activities from occurring on the premises. Mr. Jones requested that something be done to resolve this issue completely.</p>	<p>February 19, 2014 Mr. Jones</p>	<p>3/05/14</p>	<p>Takata Hallett</p>	<p>Pending</p>
<p>Mr. Sierakowski offered to partner with the City to help alleviate some of the congestion and parking concerns that were triggered when Echo Canyon area and trails reopened. Mr. Sierakowski suggested the establishment of a bus or shuttle service to access the area and trails would adequately resolve these issues, minimize the use of Police Officers to direct traffic, and ensure that tourists had an enjoyable time during their visit to Echo Canyon.</p>	<p>February 19, 2014 Mr. Sierakowski</p>	<p>3/12/14</p>	<p>Takata, Burke</p>	<p>Pending</p>

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

POLICY SESSION AGENDA

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TUESDAY, FEBRUARY 25, 2014



**CITY OF PHOENIX
CITY COUNCIL POLICY SESSION
TUESDAY, FEBRUARY 25, 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 25, 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 FEBRUARY 11, 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 2:40 P.M. with Councilmembers Sal DiCiccio, Laura Pastor, Thelda Williams, Bill Gates, Vice Mayor 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.

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

POLICY SESSION AGENDA

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TUESDAY, FEBRUARY 25, 2014

Action Taken:

Councilman DiCiccio requested staff to investigate the City's costs related to the union release time court case, including what the City has spent internally, the cost of obtaining private legal services, and the number of staff hours that were expended.

Councilman DiCiccio asked staff to research the long-term projected costs of fully implementing the Affordable Health Care Act by 2017 on a national and municipal level.

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:

Vice Mayor Waring moved to approve the Consent Agenda. Councilman Gates seconded the motion, which passed 9-0.

CALL FOR AN EXECUTIVE SESSION.

A vote to call an Executive Session may be held.

Action Taken:

Vice Mayor Waring moved that the City Council, pursuant to Arizona Revised Statute Section 38-431.02.A, meet in Executive Session on Tuesday, March 25, 2014 at 1 PM, in the East Conference Room, 12th Floor of the Phoenix City Hall, 200 West Washington Street, Phoenix, Arizona. Councilman Gates 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.

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

POLICY SESSION AGENDA

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TUESDAY, FEBRUARY 25, 2014

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, City Manager, announced the Human Services Department has received the 2013 Program of Excellence Award from the National Institute of Senior Centers for the FitPHX Senior Champions Passport Program. Mr. Zuercher stated the Champions Passport Program was selected from more than 100 program submissions nationwide.

Mr. Zuercher reported the City's Security and Privacy website received the 2013 Best of the Web award from the Multi-State Information Sharing and Analysis Center. Mr. Zuercher congratulated the Information Technology Services Department, which administers the website that provides useful information for protecting privacy and identity.

Mr. Zuercher recognized Officer Robert Frazier of Sky Harbor Airport's Police Bureau for being named a CBS 5 Pay-It-Forward honoree. Mr. Zuercher reported that Officer Frazier elected to donate his reward of \$500 to a cancer research center.

Councilman Gates acknowledged Thomas Day, Solid Waste Environmental Specialist, for his outstanding work and dedication in the Public Works Department for 25 years. Councilman Gates stated that Mr. Day received a Pre-Supervisory Certificate, and has been asked numerous times to work out-of-class as a foreman in his division. Councilman Gates noted that in addition to receiving a number of awards for his exceptional customer service and attendance record, Mr. Day has been a consistent volunteer in various community events.

ESTIMATED

6. 3:45 P.M.-

STATE LEGISLATIVE UPDATE

Staff: Takata, Remes
(Presentation 10 min.)

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

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

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

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

Action Taken:

Mayor Stanton asked Council to make a motion regarding SB 1062 and HB 2153: Exercise of Religion; State Action.

Councilwoman Gallego stated that the City of Phoenix should protect and preserve its reputation to fight against discriminatory policies and practices. Councilwoman Gallego moved to request that Governor Brewer veto SB 1062. Councilman Valenzuela seconded the motion.

Martin Schultz, resident of Phoenix, stated it was appropriate to veto SB 1062 because of the collective needs and interests of all of the businesses in the City.

Greta Rogers, resident of Phoenix, described SB 1062 as a proposal that sanctioned discrimination and was therefore reprehensible. She stated SB 1062 should be vetoed without reservation.

Mayor Stanton commented that as the economy of the City and State continued to recover from the recession, SB 1062 would move everyone backwards instead of forward. Mayor Stanton stated that Phoenix embraces diversity and strives to be a place where everyone can succeed, and that it was important to send a strong and clear message to Governor Brewer and representatives in the Legislature that the City values people and businesses.

Councilman Gates proposed an amendment to Councilwoman Gallego's motion. Councilman Gates motioned that in addition to requesting that Governor Brewer veto SB 1062, the Governor should bring all of the stakeholders involved in this issue together to investigate methods to protect religious freedom. Councilman DiCiccio seconded the motion.

Councilwoman Pastor suggested that the only direction Governor Brewer needed was to veto SB 1062. Councilwoman Pastor stated it was important that the Council not overstep its limits of authority.

Councilman Nowakowski commented that he was not sure if all of the parties involved in this issue had time to speak with one another and reach a consensus. Councilman Nowakowski stated such an opportunity was needed to reach a compromise.

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

POLICY SESSION AGENDA

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TUESDAY, FEBRUARY 25, 2014

Mayor Stanton asked for a vote on Councilman Gate's motion. Councilman Gate's motion failed with a 4-5 vote; Councilwoman Gallego, Councilwoman Pastor, Councilwoman Williams, Councilman Valenzuela, and Mayor Stanton opposed.

Mayor Stanton asked for a vote on Councilwoman Gallego's motion. Councilwoman Gallego's motion passed with an 8-1 vote; Councilman DiCiccio opposed.

Tom Remes, Government Relations Director, introduced the item and John Wayne Gonzales, Government Relations Management Assistant II. Mr. Remes stated the Department was seeking Council support or opposition for the first category of bills that would be reviewed.

Councilman DiCiccio exited the meeting at 3:44 P.M.

Mayor Stanton asked that SB 1031: License Plate Covers; Prohibition and SB 1127:Municipalities; Counties; Energy Efficient Codes were voted on separately.

Vice Mayor Gates made an omnibus motion to support HB 2164: Laser Pointer; Aircraft Violation; Violation; and the State Appropriation for the Arizona Counter Terrorism Information Center. Vice Mayor Waring also moved to oppose SB 1397: Liquor Omnibus, SB 1400: Public Safety Assistance; Commission; Fund, and HB 2690: Photo Radar; Calibration; Traffic Tickets. Councilman Gates seconded the motions, which passed 7-0.

Councilwoman Williams moved to support SB 1031: License Plate Covers; Prohibition. Councilman Gates seconded the motion, which passed 7-1; Vice Mayor Waring opposed.

Councilwoman Gallego moved to oppose SB 1227: Municipalities; Counties; Energy Efficient Codes. Councilman Gates seconded the motion, which passed 7-1; Vice Mayor Waring opposed.

Mr. Remes stated the Department recommended Council to continue to monitor the second category of bills presented.

Mr. Remes explained that HB 2546: Alarm Businesses; Alarm Agents; Regulation should be monitored because concerns the Council expressed regarding a prior version of the bill had been addressed. Councilman Nowakowski moved to monitor HB 2546. Councilman Valenzuela seconded the motion, which passed 8-0.

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

POLICY SESSION AGENDA

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TUESDAY, FEBRUARY 25, 2014

Councilwoman Gallego exited the meeting at 3:53 P.M.

Councilman Nowakowski moved to support HB 2268: Scrap Metal Dealers due to improvements in the language of the bill. Councilwoman Pastor seconded the motion, which passed 7-0.

Vice Mayor Waring exited the meeting at 3:55 P.M.

Councilwoman Williams moved to continue to monitor HB 2587: Livestock; Animal Cruelty; Violation. Councilman Nowakowski seconded the motion, which passed 6-0.

Councilwoman Gallego returned to the meeting at 3:53 P.M.

Vice Mayor Waring returned to the meeting at 4:00 P.M.

Councilman Gates moved to monitor HB 2547: Major Even Public Safety Reimbursement. Councilwoman Pastor seconded the motion, which passed 8-0.

ESTIMATED

3. 3:05 P.M.- UPDATE TO BALANCING PLAN FOR PUBLIC SAFETY DEDICATED FUNDS Staff: Zuercher, Paniagua (Presentation 15 min.)

This report updates the Mayor and City Council on the status of the Council-adopted balancing plan for the Public Safety Dedicated Funds comprised of two sales tax funds, and an increment of the utility sales tax. This report also provides information requested by Council members regarding current and historical staffing levels in the Police Department.

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

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

Action Taken:

Ed Zuercher, City Manager, introduced the item and Mario Paniagua, Budget and Research Director, and Jeff Barton, Deputy Budget and Research Director.

Councilwoman Williams exited the meeting at 4:02 P.M.

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

POLICY SESSION AGENDA

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TUESDAY, FEBRUARY 25, 2014

Mr. Zuercher stated that a number of principles were utilized to create the Balancing Plan, including the preservation of the number of existing sworn personnel and the elimination of fund deficits. Mr. Zuercher explained that the Public Safety funds would be balanced by fiscal year 2015-2016, which would provide the opportunity to hire police officers and firefighters.

Mr. Paniagua commented that some of the factors that helped create an annual deficit included a decrease in revenue in 2009 due to the recession, and increases in Public Safety pension costs. Mr. Paniagua noted that despite those circumstances, the City was able to hire police officers through the COPS grant and firefighters through the SAFER grant.

Mr. Barton added that the ability of the Police and Fire Departments to continue to become more efficient and effective despite the City's current financial position spoke volumes about the leadership of both departments and the character of their rank and file employees.

Mr. Zuercher reiterated that the hiring of sworn police officers and firefighters would resume in fiscal year 2015-2016, and that while each department's personnel numbers would increase significantly, they would not return to pre-2009 levels.

Richard Ray, Phoenix resident, commented that the revenues the City receives must be balanced by its number of employees, and the total cost of the services it renders. Mr. Ray stated that the Fire and Police Departments were doing a phenomenal job, and encouraged everyone to work together to find solutions that fully address the City's fundamental challenges.

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

ESTIMATED

4. 3:20 P.M.-

**TRANSPORTATION
INITIATIVES AND MAJOR
PROJECTS**

Staff: Naimark, Bearup
(Presentation 15 min.)

- A. Bike Program
- B. Bike Share
- C. Complete Streets Initiative
- D. Downtown Transportation Study
- E. Other Major Projects and Initiatives

This report provides an overview of ongoing transportation initiatives and major projects that support creating a diverse and comprehensive transportation network.

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:

Mayor Stanton noted Councilwoman Williams, the Chair of the Transportation and Infrastructure Subcommittee, would not be returning to the meeting, and suggested moving Item 4 and Item 5 on the agenda to a future Policy meeting.

No action was taken on this item.

ESTIMATED

5. 3:35 P.M.-

**STREET TRANSPORTATION
CAPITAL NEEDS**

Staff: Naimark, Bearup
(Presentation 10 min.)

This report provides the City Council with information concerning the future capital needs of the Street Transportation Department and requests approval to continue to work with the Chief Financial Officer on possible financing solutions for the infrastructure needs identified by the Capital Needs Study and seek public participation to develop a plan.

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

POLICY SESSION AGENDA

-9-

TUESDAY, FEBRUARY 25, 2014

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

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

Action Taken:

No action was taken on this item.

ESTIMATED

4:30 P.M. – ADJOURNMENT

Mayor Stanton adjourned the meeting at 4:38 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
Councilman Gates
Councilman Nowakowski
Councilwoman Pastor
Councilman Valenzuela
Vice Mayor Waring
Councilwoman Williams
Mayor Stanton

**CITIZEN REQUESTS/COMMENTS
CITY COUNCIL FORMAL SESSION
February 26, 2014**

Pat Vint

Mr. Vint stated he distributed pens bearing his name and contact information to Council members to symbolize his dedication and willingness to help improve the City. Mr. Vint reiterated his concern that the security measures implemented in the Council Chambers discouraged citizen attendance and participation for public meetings.

Follow Up: None

John Rusinek

Mr. Rusinek stated all residential driveways and parking surfaces in the city were required to be dust-proofed. Mr. Rusinek remarked that residents of the city of Phoenix were encouraged to contact their Council representatives and the City Manager's Office to address any problems or issues they might face. Mr. Rusinek commented that a meeting he scheduled with his Councilman last week was canceled without prior notification. Mr. Rusinek expressed his regret concerning the difficulty of scheduling meetings with Council representatives.

Follow up: None

Dianne Barker

Ms. Barker stated she was proud of the fact that Phoenix embraced diversity and was open for business. Ms. Barker noted her support for the contributions the City made to the Maricopa Association of Governments regarding the establishment of an economic development and trade office in Mexico. Ms. Barker encouraged the Council to investigate methods to better facilitate the movement of people and goods across the border between Arizona and Mexico. Ms. Barker questioned why videos of Council meetings that were recently uploaded onto YouTube were divided into several segments.

Follow up: None

CITY COUNCIL AND CITIZEN REQUESTS
February 19, 2014

CITY COUNCIL INFORMATION REQUESTS

INFORMATION REQUESTS	DATE AND COUNCIL PERSON	DUE DATE	ASSIGNED TO	STATUS
Councilman DiCiccio requested staff to 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 a standardized rubric to judge the performance of charter schools.	February 11, 2014 Councilman DiCiccio	2/25/14	Blue, Valencia	Pending
Councilman DiCiccio requested staff to investigate the costs associated with the union release time court case, including what the City has spent internally on the case, the cost of obtaining private legal services, and the number of staff hours expended.	February 25, 2014 Councilman DiCiccio	3/11/14	Zuercher, Brown	New
Councilman DiCiccio asked staff to research the long-term projected costs of fully implementing the Affordable Health Care Act by 2017 on a national and municipal level.	February 25, 2014 Councilman DiCiccio	3/11/14	Zuercher, Lyons	New

CITIZENS REQUESTS

REQUEST	REQUEST DATE AND NAME OF CITIZEN	DUE DATE	ASSIGNED TO	STATUS
<p>Ms. Harrison stated Sally Chavez, Human Services Senior Programs Supervisor I, would be transferred from the Adam Diaz Senior Center to another facility in the City. Ms. Harris remarked that many members of the Adam Diaz Center would not return if Ms. Chavez was moved to another facility, and reported that she had a petition that was signed by approximately 100 people that were opposed to Ms. Chavez's relocation. Ms. Harrison requested that Ms. Chavez be allowed to continue working at the Adam Diaz Center.</p>	<p align="center">February 19, 2014 Ms. Harrison</p>	<p align="center">3/05/14</p>	<p align="center">Jonovich, Gallegos</p>	<p align="center">Pending</p>
<p>Mr. Jones reported the property at 777 West Campbell Avenue has been abandoned for approximately two years. Mr. Jones stated that the construction of a fence around the site has not prevented homeless persons from residing on the property, fires, or criminal behavior and activities from occurring on the premises. Mr. Jones requested that something be done to resolve this issue completely.</p>	<p align="center">February 19, 2014 Mr. Jones</p>	<p align="center">3/05/14</p>	<p align="center">Takata Hallett</p>	<p align="center">Pending</p>
<p>Mr. Sierakowski offered to partner with the City to help alleviate some of the congestion and parking concerns that were triggered when Echo Canyon area and trails reopened. Mr. Sierakowski suggested the establishment of a bus or shuttle service to access the area and trails would adequately resolve these issues, minimize the use of Police Officers to direct traffic, and ensure that tourists had an enjoyable time during their visit to Echo Canyon.</p>	<p align="center">February 19, 2014 Mr. Sierakowski</p>	<p align="center">3/12/14</p>	<p align="center">Takata, Burke</p>	<p align="center">Pending</p>