

MINUTES
REGULAR WORKSESSION
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CITY COUNCIL CHAMBERS - YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
April 4, 2017
6:00 p.m.

CALL TO ORDER

Mayor Nicholls called the Regular City Council Worksession to order at 6:00 p.m.

Councilmembers Present:	Shelton, Wright, Miller, Knight, Thomas, Craft, and Mayor Nicholls
Councilmembers Absent:	None
Staffmembers Present:	City Administrator, Gregory K. Wilkinson Neighborhood Services Specialist, Tad Zavodsky Utilities Director, Jay Simonton Deputy City Administrator, Ricky Rinehart Purchasing and Contracts Manager, Robin Wilson Director of Public Works, Joel Olea Director of Community Development, Laurie Lineberry Finance Director, Pat Wicks Various department heads or their representatives City Attorney, Richard W. Files City Clerk, Lynda Bushong

I. DEVELOPMENT FEES, LAND USE ASSUMPTIONS AND INFRASTRUCTURE IMPROVEMENTS PLAN

Carson Bise, President of TischlerBise, presented an overview of the process used to determine Development Fees and develop Land Use Assumptions and Infrastructure Improvement Plans as follows:

Purpose of Development Fees

- Provide infrastructure capacity essential to accommodate new development
- Keeps the burden of funding infrastructure improvements off of the general public
- Minimize externalities such as traffic congestion
- Structured system of development charges streamlines approval process
- Integrates comprehensive planning, economic development, and revenue strategies

Legal Requirements

- One-time payments fund system improvements
- Cannot be deposited into the General Fund
- Can be used only for eligible costs
- Must meet basic legal requirements of need, benefit, and proportionality
- General methods are plan based, cost recovery, and incremental expansion

Development Fees in Arizona

- Three integrated products: Land Use Assumptions (LUA), Infrastructure Improvement Plan (IIP) and Development Fee Study
- The LUA must cover a period of at least 10 years and must be approved by elected officials
- The IIP is limited to 10 years, or 15 years for utilities
- Required to be based on the same level of service provided to existing development
- Limitations are imposed on necessary public services

Land Use Assumptions

- Documents projections of changes in land uses, densities, intensities, and populations for a specified service are over a period of at least 10 years pursuant to the General Plan
- Must be prepared by a qualified professional such as a professional engineer, surveyor, financial analyst, or planner
- Land use refers to specific residential and non-residential land uses
- Density is calculated based on units per acre, while intensity consists of floor area ratios
- A service area could be an entire city or a specific area within a city, depending on who is benefiting from the facility being evaluated

Infrastructure Improvement Plan

- A written plan that identifies each necessary public service or facility expansion that is proposed to be the subject of a development fee
- Necessary public services include:
 - Water and wastewater facilities
 - Stormwater, drainage, and flood control facilities
 - Library facilities (up to 10,000 square feet)
 - Street facilities
 - Fire and police facilities (excluding training facilities)
 - Neighborhood parks and recreation facilities (30 acres or less)
 - Debt service on facilities incurred prior to June 1, 2011

Required IIP Elements

- Description of existing necessary public services and the cost to upgrade, update, improve, expand, correct or replace those public services to meet existing needs and usage and stricter safety, efficiency, environmental, or regulatory standards
- Analysis of total capacity, level of current usage, and commitments for usage of capacity of the existing public services
- Description of all or parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development based on the approval of land use assumptions including a forecast of costs of infrastructure, improvements, real property, financing, engineering, and architectural services
- Projected service units necessitated by and attributable to new development based on approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria
- Projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.

- Table establishing specific level or quantity of use, consumption, generation, or discharge for each category of necessary public services or facility expansions and equivalency or conversion table establishing ratio of a service unit to various types of land uses
- Forecast of revenues generated by new service units other than development fees attributable to development based on the approved land use assumptions and a plan to include these contributions in determining the extent of the burden imposed by the development

Process

- Determine existing development base and project future growth/redevelopment
- Determine existing levels of service and capital needs due to new growth
- Determine appropriate indicators of demand
- Evaluate methodological alternatives
- Evaluate need for credits
- Develop infrastructure improvements plan
- Calculate fees
- Stakeholder meetings
- Adoption process

Mayor Nicholls asked at what time in the process community stakeholders are involved. **Bise** explained that Arizona's Development Fee Act gives the option of establishing a stakeholder committee to avoid an audit two years after the fee adoption and stipulates who is required to be a part of the committee. However, even municipalities who chose the audit option can do outreach as part of the process to obtain feedback. After the LUA and IIP are adopted there is a long period before the new fees are adopted that would allow time for stakeholder outreach. **Wilkinson** stated that the development community was involved in the process when it last took place, and the City plans to do the same this time around. **Mayor Nicholls** stated his desire for the City to get the required committee in place to avoid the mandatory audit, adding that the audits should still take place over the next 10 years but could be completed without the added pressure of a deadline.

Knight asked what kind of participation the City has received in the past. **Wilkinson** stated that the last committee was comprised of a group of 10 people, of which six or seven were from the development community.

Shelton asked what TischlerBise's role is in the process. **Bise** explained that while the development fee study, IIP, and LUA were completed four years ago the Development Fee Act requires a review every five years to ensure that municipalities are not using outdated assumptions or Capital Improvement Programs and are not using fees as a revenue raising mechanism. **Shelton** asked if anyone in the community – not just developers – is able to provide feedback. **Bise** stated that the committee makeup is determined by the Development Fee Act, but it is beneficial to have members who are not in the development community such as concerned citizens or graduates of the Neighborhood Leadership Academy.

Thomas asked if Bise had a recommendations for the City with regard to the State withholding HURF funds. **Bise** stated that they would be happy to do a revenue enhancement study for the City. **Thomas** asked if Bise had heard of any plans to update the gas tax to take into consideration solar powered and

alternative fuel vehicles. **Bise** stated that he has not been involved in any studies related to gas tax or those types of vehicles.

II. 2017 NEIGHBORHOOD LEADERSHIP ACADEMY

Mayor Nicholls explained that the Neighborhood Leadership Academy was originally created in 1996 at the request of Mayor Marilyn Young with a goal of improving communication between the City and the community, training citizens to bring community issues forward to City staff and City Council, and encouraging and preparing individuals for appointment or running for office. Each year 20-25 citizens who are selected through an application process participate in the course that consists of 15 three-hour sessions. Participants receive an overview of the departments that make up the City and the services they provide as well as training sessions on leadership and team building.

Zavodsky introduced the following graduates of the 2017 Neighborhood Leadership Academy:

- Maria Aguirre
- Michael Alberga
- Mary Baldwin
- Tanja Eiben
- Michael Escamilla
- Tracy Escamilla
- Jake Faris
- Julie Osborn Garner
- Nikki Hoogendoorn
- Tyrone Jones
- Jessica Kennedy
- Raye Ann Mayle
- Christine McConnaughay
- Danielle McConnaughay
- Kristina McNair
- Maria Ortiz
- Marlene “Mo” Salvesson
- Ann Wilkinson

Mayor Nicholls thanked the graduates for their participation in the Neighborhood Leadership Academy and thanked Lineberry, Zavodsky, and all of the City staff who facilitated the program for their hard work.

III. REGULAR CITY COUNCIL MEETING AGENDA OF APRIL 5, 2017

Miller declared a potential conflict of interest on Motion Consent Agenda Item B.3 due to his employment.

Motion Consent Agenda Item B.4 – Bid Award: 40th Street Multi-Use Pathway and 32nd Street Pedestrian Refuge (award construction contract to Lincoln Construction in the amount of \$248,741.63) (Public Works)

Thomas asked if a paved bicycle path will be included as a part of this project. **Simonton** clarified that this is a connection point to get people on 40th Street up from the canal to a paved surface on Avenue A. **Knight** asked if a conceptual drawing was available for the 32nd Street pedestrian refuge. **Simonton** explained that this is basically a cut through the median on 32nd Street to help pedestrians and cyclists to safely cross. **Knight** asked if this would allow those crossing to wait in the median for traffic to clear rather than trying to cross all lanes of traffic at once. **Simonton** stated that is the intent of the pedestrian refuge.

Mayor Nicholls declared a potential conflict of interest on Motion Consent Agenda Item B. 9 due to his firm representing the applicant.

Motion Consent Agenda Item B.7 – Contract Increase: Heating, Ventilation, and Air Conditioning (HVAC) & Refrigerant Services (approve an increase to the estimated expense from \$280,000 to \$470,000) (City Admin)

Knight asked if any of the four contracted vendors are local. **Rinehart** stated that they are currently using local vendors for this job. **Knight** asked the status of the contract since it expired in January. **Wilson** stated that the contract was extended until a new solicitation is in place, adding that they may potentially utilize the school district's contract.

Motion Consent Agenda Item B.5 – Bid Award: Streetlight – Standard and Non-Standard and Traffic Signal Poles (estimated first-year cost of \$50,000, will exceed \$100,000 over the five-year contract with Cem-Tec Corporation and Valmont Industries, Inc.) (Public Works)

Thomas asked what is meant by standard and non-standard traffic signal poles. **Olea** stated that it is just a variation as it relates to Arizona Department of Transportation (ADOT) standards. All products will meet City of Yuma and ADOT standards. **Thomas** asked how bad the condition is of the poles that are being replaced. **Olea** stated an initial study has been completed as well as identification of the location, associated structures, lumens, and the assigned number for each streetlight pole. They are currently reviewing an assessment but hope to present the project, which is attempting to address over 7,500 streetlight poles, to City Council within the next three months.

Mayor Nicholls and **Miller** declared a potential conflict of interest regarding the adoption of Ordinance O2017-008 due to their employment.

Introduction of Ordinance O2017-013 – Zoning Code Text Amendment: Accessory Dwelling Units (amend Title 15, Chapter 154, Section 01.07 to add definitions and Title 15, Chapter 154, Section 15.16 to provide regulations) (DCD/Planning)

Knight asked if the amendment will allow the use of Accessory Dwelling Units (ADUs) for financial gain. **Lineberry** stated that as long as the property owner lives on the parcel, a second unit can be rented. **Thomas** requested clarification on a section of the code referring to cooking facilities that states that while guest houses are permitted they may not provide cooking facilities and may not be used for financial gain. **Lineberry** explained that this is a section of the old code which was written before the advent of microwaves when a large stove would have been required in order to cook.

Introduction of Ordinance O2017-014 – Zoning Code Text Amendment: Sign Regulations (amending Title 15, Chapter 154, Sections 01.07 and 17) (DCD/Planning)

Shelton asked if perhaps this amendment should be delayed until the small business owners who have issues with the current sign regulations have an opportunity to meet with the City and discuss their concerns. **Lineberry** explained that this amendment does not address those issues; it is specifically in regard to the Supreme Court ruling in Reed vs. Gilbert that states that signs cannot be regulated based on their content.

Knight requested clarification on the removal of regulations regarding flags in paragraph B.1. **Lineberry** stated that the Supreme Court has ruled that flags must either all be allowed or all not allowed and like signs cannot be regulated based on their content. This amendment will essentially remove flags from consideration as a sign. **Knight** asked if the change to paragraph C.5 meant that every sign requires a permit. **Lineberry** explained that this section needed to be eliminated because it specifically called out real estate signs, which would be a regulation based on the sign's content and therefore not permitted.

Thomas asked if this could potentially lead to signs with inappropriate content. **Wilkinson** stated that it could, explaining that the Supreme Court ruling does not allow the City to regulate the content of signs. **Mayor Nicholls** asked if the City has spoken with the Arizona League of Cities and Towns or any other statewide organizations about how this compares to what they recommend as model language. **Lineberry** stated that the City has been working on this text amendment for several years and has worked with a number of attorneys and groups. What it boils down to is that every city's sign code is different and each city needs to vet their sign code against the Supreme Court ruling.

Mayor Nicholls recessed the meeting at 7:07 p.m.

Mayor Nicholls reconvened the meeting at 7:19 p.m. with the above-noted parties present.

2017-2018 City of Yuma Preliminary Budget – Adopt the City of Yuma Preliminary Budget for Fiscal Year 2017-2018 in the amount of \$214,831,937 which includes a Capital Improvement Program Budget of \$38,550,000 and an Operating Budget of \$176,281,937 (Finance)

Mayor Nicholls declared a potential conflict of interest regarding any discussion regarding the Capital Improvement Program (CIP) Budget.

Discussion and suggestions from noted City Council and staff:

- Revenues from the 2% tax should not be used for downtown revitalization but instead focused on the Civic Center and other Parks and Recreation facilities (Shelton)
- Rather than cutting the Yuma Visitors Bureau (YVB) funding by \$250,000, the burden should be shared amongst all of the outside agencies funded by the City (Thomas)
- Public safety and providing for the common defense of the community should be a higher priority than funding outside agencies (Thomas)
- Public Safety Tax funds can only be used for equipment and buildings; they cannot be used for personnel costs to increase staffing levels (Wilkinson)

- Highway User Revenue Fund revenue is not sufficient to provide significant funding for Capital Improvement Program (CIP) projects and instead is used for road maintenance (Wicks)
- Funds should be used for road replacement rather than maintenance such as slurry seal because that is a short-term fix while a replacement would provide a 20-30 year lifespan (Miller)
- The LED streetlight retrofit project will pay for itself over a period of approximately five years through energy savings as well as an increased lamp lifespan (Wilkinson)
- The \$9 million in the CIP budget for roads next year is not sustainable; that amount has been saved up over a period of several years (Wicks)
- Road projects can take years from start to finish, with the design phase alone often taking a year to complete and CIP projects being planned years in advance (Mayor Nicholls)
- They City will fall further and further behind with road replacement unless there is a substantial change statewide that would significantly increase revenue such as a gas tax increase (Wilkinson)
- A new road with sidewalks, lighting, and other associated construction costs well over \$1 million per mile to complete (Mayor Nicholls)
- A simple and transparent budget is important so that citizens can see where money is coming from and where it is being spent (Wright)
- Outside agencies should consider partnering to eliminate duplication of services and increase efficiency (Thomas)
- Many factors affecting the budget are beyond the City's control and cannot be addressed by simply 'tightening the belt' (Mayor Nicholls)
- Reducing YVB funding so close to the completion of the Pacific Avenue Athletic Complex would be very poor timing (Knight)
- While the City receives a significant benefit from YVB, there are other agencies in the area that also benefit from their services and should be explored as additional funding sources (Mayor Nicholls)
- If the City wants to become more competitive, it should work on increasing revenues and making Yuma more attractive not only as a travel destination but as a place to live (Wright)
- There being no guarantee that the TIGER grant will be awarded to the City, the \$245,000 matching funds set aside for the Multimodal Center could instead be used for YVB and Parks & Recreation (Shelton)

IV. EXECUTIVE SESSION

There being no further business, **Mayor Nicholls** adjourned the meeting at 8:55 p.m. No Executive Session was held

APPROVED:

Lynda L. Bushong, City Clerk

Douglas J. Nicholls, Mayor