

**\*PLEASE NOTE: Since the Glendale City Council does not take formal action at the Workshops, Workshop minutes are not approved by the City Council.**



**MINUTES OF THE  
GLENDALE CITY COUNCIL WORKSHOP SESSION  
Council Chambers – Workshop Room  
5850 West Glendale Avenue  
January 19, 2010  
1:30 p.m.**

**PRESENT:** Mayor Elaine M. Scruggs, Vice Mayor Manuel D. Martinez, and Councilmembers Joyce V. Clark, Steven E. Frate, David M. Goulet, Yvonne J. Knaack, and H. Phillip Lieberman

**ALSO PRESENT:** Ed Beasley, City Manager; Pam Kavanaugh, Assistant City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk

**1. 2010 STATE LEGISLATIVE AGENDA AND LEGISLATIVE UPDATE**

CITY STAFF PRESENTING THIS ITEM: Brent Stoddard, Intergovernmental Programs Director and Ryan Peters, Intergovernmental Programs Administrator

This is a request for City Council to review and provide guidance on the proposed 2010 state legislative agenda and to give a legislative update.

The Intergovernmental Programs staff recommends prioritizing the state legislative agenda to a few key issues to allow the city to have a stronger, more consistent message on the items of greatest priority. The proposed key priority issues for consideration are described in the attached reports.

The 2010 state legislative agenda includes policy statements intended to protect and enhance the quality of life for Glendale residents by maintaining local decision-making authority.

Throughout the 2010 legislative session, policy direction will be sought on proposed statutory changes which fall under the adopted Council policy statements relating to the financial stability of the city, public safety issues, promoting economic development, managing growth and preserving neighborhoods.

Prior to each legislative session, the Intergovernmental Programs staff seeks Council adoption of the city's state legislative agenda. The legislative agenda defines the city's priorities for the upcoming session and will guide the city's lobbying activities at the Arizona State Legislature. The Intergovernmental Programs staff will update Council on a regular basis throughout the session for guidance on bills and amendments that may be introduced. The city's legislative agenda is a flexible document and may change, based on activities at the Legislature and Council direction.

The key principles of the proposed state legislative agenda are to preserve and enhance the city's ability to deliver quality and cost-effective services to citizens and visitors; address quality of life issues for Glendale residents; enhance Council's ability to serve the community by retaining local decision-making authority; and to maintain state legislative and voter commitments for revenue sources. Staff is requesting Council to provide policy guidance on the proposed City of Glendale 2010 state legislative agenda.

The 49<sup>th</sup> Legislature's Second Regular Session began on Monday, January 11, 2010.

Mr. Brent Stoddard, Intergovernmental Programs Director, reported on the state's deficit crises. He indicated the state was past easy solutions, tricks and gimmicks and is literally looking in every fund and place with a single dollar. He stated the cities' top priority will be to protect the state shared revenues for the cities and towns, which the state collects on their behalf. Additionally, this being an election year, politics will be in play as members look for new opportunities.

The City of Glendale's legislative priority continues to be Fiscal Sustainability. They will continue to protect the share revenues that fund critical services they provide as a city. He explained that they will also be looking for shifts in program costs passed down to the local government. He indicated this had already occurred on a county level where the state did not cancel a program, but simply shifted the cost down to the local level. He stated they will be guarding vigilantly against that possibility and watching carefully for any type of action to protect against unfunded mandates placed on cities. Another priority is economic development. The city opposes any attempt to limit local control over, or ability to execute economic projects. In addition, it supports any effort to enhance the range of economic development mechanisms at a municipality's disposal. Other priorities include: land use planning, military preservation, neighborhoods, public safety, transportation and environmental resources. He noted he will also be discussing additional priorities that have been identified in addition to the first general guiding principles.

Mayor Scruggs asked if there were any questions or comments regarding the overall priorities mentioned thus far.

Councilmember Clark asked staff to provide an example of program shifting the state might envision passing along to cities. Mr. Stoddard stated that human service programs were often targeted, such as homeless shelters and disability programs. Councilmember Clark remarked that it was already being done with the Department of Juvenile Corrections where they were basically asking the counties to absorb the cost and operations of that system. Mr. Stoddard stated that was a perfect example of a situation that might continue to happen. Councilmember Clark inquired as to having a backup plan should the protection of state shared revenue fail. Mr. Stoddard explained a Supreme Court ruling which said state shared revenues could not be taken

by the state unless they had a 2/3 majority to acquire those funds. As a result, unless the legislature receives a 2/3 majority, there was no way to change the 15% distribution level or direct funds into the State general fund. He explained that other funds, such as lottery money, were not protected. He added that they will continue to work with the legislature to ensure Glendale's voice is heard.

Councilmember Frate commented on the Pay Day Loan legislation and how it keeps coming up when it was voted down by the voters. He stated he has received calls regarding this issue and his constituents were very concerned. He would like staff to track this issue and report back to Council with any updates. Mr. Stoddard stated they will be monitoring this issue closely. He added that the 10 year trial period will sunset on July 2010. He noted that staff will inform Council of any new developments and receive direction. Councilmember Frate reiterated the concerns of citizens and how they had been very involved and watchful on this issue. Mr. Stoddard indicated this issue will be a major discussion topic of the legislature and once they have the specific package of reform being proposed, they will be back for Council's direction.

Mayor Scruggs asked staff to find out specifics regarding the Pay Day Loan legislation which was created in 2000. She asked about the consequences of when the trial period ends and how much time is given for these establishments to close. She indicated that her concern was should these places all close at once, some strip malls will be left vacant immediately. She explained how the high interest rate these establishments were allowed to charge was the reason communities wanted them closed. She estimates close to 100 storefront vacancies in Glendale could occur and would like to know the time frame in order to prepare city departments. Mr. Stoddard stated that staff will review the information and notify the Council as to the authorizing statutes and time frames proposed.

Mr. Stoddard continued with the two additional priorities that have been identified in addition to the first general guiding principles. He asked Council's direction on the Maricopa Library District which was created in the 1970's to fund the building of libraries and maintain them in the counties. He explained that the citizens of Glendale were paying taxes to fund the County library services; however, they were not receiving any real benefit. Through meetings and discussions with the county facilitated by MAG, the city made a proposal that some of the levied money would come back to the cities to help them with their own library reductions and financial assistance. However, the county stated they were prohibited from providing any funds because of state law. He described the large disparity in citizens paying this tax and receiving little benefit. He noted that there have been some discussions as to how to reform state law and would like Council's support for staff to be able to participate in those discussions.

Vice Mayor Martinez asked staff to explain where the city benefits now from what it currently receives. Mr. Stoddard explained the funding supported the electronic database and additional ancillary items. He noted that benefits did not fund items such as books, hardware, facilities or personnel. He noted the citizens of Glendale pay approximately \$774,000 a year and receive only \$45,000 in benefits annually from the Maricopa Library District.

Councilmember Clark inquired if the Glendale Library Director had been involved in any of the meetings relating to this issue. Mr. Stoddard stated that the Director had been involved in all of the stakeholder meetings at MAG and was a leader in the discussions attempting to a mutual agreement with the County to help the city with funding.

Mayor Scruggs stated there was support from the Council for staff to participate in seeking a fair and equitable distribution from the Maricopa Library District tax revenue. Several City Councilmembers voiced agreement.

Mr. Stoddard continued with the next priority identified. He indicated that sports have become a big discussion topic in Arizona, and that Glendale has been a leader in creating destination opportunities. He asked for Council's support for staff to be able to participate in discussions

pertaining to funding sports and facilities in the State. He explained that it is important for Glendale to have a seat at the table to protect existing revenue sources, as well additional revenue enhancements that may be created.

Councilmember Goulet asked if other cities with significant sports interest would also be participating. Mr. Stoddard stated he was not sure at the moment; however, he does anticipate other cities becoming involved. Councilmember Goulet indicated that he would like to see cities that host extraordinary events have a parallel stream of funding in order for it to take place. Mr. Stoddard indicated they will be looking for every available opportunity for Glendale throughout the process.

Councilmember Frate stated his support for staff's recommendation for Glendale to have a seat at the table. Other City Councilmembers voiced agreement.

Mayor Scruggs agreed to support this recommendation. She believes there needs to be representation to ensure what's authorized was fair and equitable. She related the delay in seeing revenue from the baseball stadium given that other functions also need to be supported. She anticipates that since the stadium was built, with the full encouragement of state leadership, the city should not have to wait to be repaid. She would like staff to evaluate not only the revenue stream but all the other commitments that go along with the projects or events. She noted there has to be a sharing of those other responsibilities if it was to work for everyone's benefit.

Councilmember Clark remarked on the possibility of Glendale hosting the next Super Bowl and other major events. She indicated that host cities required additional assistance in terms of cost sharing with the high cost for major events. She explained that at some point, the city has to look to others for assistance since these major events provide great economic stimulus to the region and to the state. She suggested they look at other states and what they do to compensate the host communities. Mr. Stoddard stated that with Council's direction, they will take these comments and use them as they work the process.

Mayor Scruggs remarked that on a positive note, this was the clearest indication that the leadership in the state believes sports are a profitable business in the state of Arizona. She stated it was reassuring to see the state legislature recognizes sports in Arizona as important and valuable.

Councilmember Lieberman inquired if it was known who would be sponsoring this type of legislation. Mr. Stoddard stated that at the moment he did not know; however, he will communicate to Council once the language and sponsor is known. Councilmember Lieberman remarked that it would be good to know so they can make sure to help in any way they can.

As there were no further comments, Mayor Scruggs adjourned the meeting.

## ADJOURNMENT

The meeting was adjourned at 2:10 p.m.