

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL EXECUTIVE COMMITTEE MEETING
September 12, 2005
MAG Offices
302 North 1st Avenue, Phoenix, Arizona

MEMBERS ATTENDING

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| Mayor Keno Hawker, Mesa, Chair | * Mayor Phil Gordon, Phoenix |
| * Mayor Woody Thomas, Litchfield Park,
Vice Chair | Mayor Joan Shafer, Surprise |
| * Mayor Mary Manross, Scottsdale, Treasurer
Mayor Wendy Feldman-Kerr, Queen Creek | Mayor James M. Cavanaugh, Goodyear |

* Not present

Participated by videoconference or telephone conference call

1. Call to Order

The Executive Committee meeting was called to order by Chair Keno Hawker at 12:04 p.m.

Chair Hawker stated that transit tickets were available from Valley Metro/RPTA for those using transit to come to the meeting. Parking validation was available from MAG staff for those who parked in the parking garage.

2. Call to the Audience

Chair Hawker noted that according to MAG's public comment process, members of the audience who wish to speak are requested to fill out the public comment cards. He stated that there is a three minute time limit. Public comment is provided at the beginning of the meeting for items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Chair Hawker stated that there were no public comment cards received.

3. Approval of the July 18, 2005 Executive Committee Meeting Minutes

Mayor Shafer moved to approve the July 18, 2005 Executive Committee meeting minutes. Mayor Cavanaugh seconded, and the motion carried unanimously.

4. Building Lease Working Group Update

Denise McClafferty stated that in July, the Regional Council approved authorizing MAG to proceed with advertising an Request for Qualifications (RFQ) for architectural and engineering

services. They also suggested adding to the scope of work by expanding the search on site locations and focusing on accessibility to the facility and parking garage.

Ms. McClafferty summarized the recent events. She noted that the RFQ was advertised on August 1 and a pre-submittal conference was held on August 11, 2005, with approximately 20 firms in attendance. The RFQs were due on August 26th and 16 Statement of Qualifications (SOQ) were received. Ms. McClafferty stated that a seven-member, multi-jurisdictional evaluation team that included the City of Phoenix, the City of Peoria, the City of Scottsdale and MAG staff met on August 31st to review the SOQs. A short-list of four firms, including Jones Studio, Inc., Dick & Fritshe Design Group (DFDG), SmithGroup, and Langdon Wilson, were selected and interviewed on September 8th. She reported that the evaluation team is unanimously recommending Langdon Wilson for architectural and engineering service for the Regional Governmental Service Center.

Ms. McClafferty noted some of the reasons why the team chose Langdon Wilson include their experience in similar type projects (large buildings/governmental buildings); they provided a thorough presentation; they understood the multiple ownership aspect of the project; and they reported that they have always completed their projects within budget. Some of the projects they have worked on include Phoenix City Hall, Prescott Valley Town Hall and Library and the Sandra Day O'Connor U.S. Courthouse & Federal Building.

Ms. McClafferty stated that Mayor Ron Clarke was unable to attend the Building Lease Working Group (BLWG) meeting, but his suggestion regarding providing some flexibility when it comes to the real estate component of the project was brought forward. She noted that the real estate firm Cushman & Wakefield had worked on a preliminary analysis on this project. Valley Metro Rail (VMR) also used Cushman & Wakefield to help with their office space needs. Ms. McClafferty reported that Langdon Wilson was the only firm interviewed that included a real estate component in their SOQ. She stated that the BLWG concurred with the review team's recommendation to authorize the Executive Director to enter into a contract with Langdon Wilson and added that there be further discussion on the real estate component. MAG staff contacted Langdon Wilson to inform them that their firm had been recommended for this project and updated them on the discussion regarding the real estate component. She reported Langdon Wilson indicated they are flexible when it comes to real estate services and that they would like to utilize the expertise of both firms. They are in the process of discussions with both firms to find a good combination.

Ms. McClafferty stated the if this Committee concurs with the recommendation of Langdon Wilson, then it will move forward to the Regional Council on September 28, 2005 for approval. Chair Hawker thanked Ms. McClafferty for the update. Mayor Cavanaugh asked that if using two real estate firms would increase the cost. Mr. Smith replied that the real estate firms are not paid out of the contract amount, but are paid by the land owner or the developer when the site is sold.

Mayor Cavanaugh moved to approve recommendation to authorize the Executive Director to enter into a contract with Langdon Wilson, not to exceed \$100,000 and to amend the FY 2006

MAG Unified Work Program and Annual Budget to include the project using contingency funds. Mayor Feldman-Kerr seconded, and the motion carried unanimously.

5. Regional Development Staffing Update

Mr. Smith reported that since the beginning of the fiscal year, two regional development positions have become open. He noted that MAG has the opportunity to fill these position or reexamine current needs. Mr. Smith noted that Rita Walton, MAG Information Services Manager, is involved in a national organization, and is the lead for a national annual meeting for Information Services/GIS managers. Ms. Walton recommended that MAG replace the Senior Development Project Manager position with a regional economist. Mr. Smith stated that this replacement would strengthen the MAG population estimates and projections process and assist all MAG modeling efforts.

Chair Hawker asked if this would be duplicating efforts that are provided by the Greater Phoenix Economic Council (GPEC). Mr. Smith asked Eric Anderson, who is a regional economist, to address this issue and how it will benefit MAG. Mr. Anderson stated that a regional urban economist understands the underlying forces that affect growth. He noted that the REMI model is a complex econometric model with a high level of theory behind its modeling. Mr. Anderson noted that this position will fill a major need at MAG. Chair Hawker asked if there would be any overlap and would it make sense to share this resource with another organization. He also asked what MAG would be giving up. Mr. Smith responded that both positions will be filled and only the senior level position will change. The planner position will continue to focus on work that is regional development in nature. Mayor Feldman-Kerr agreed that this is a good idea for MAG and the region.

6. Human Services Committee Update

Amy St. Peter stated that the MAG Human Services Division is in the process of examining the core functions of all Human Services committees. She noted that this will support the need to provide regional planning for human services. Ms. St. Peter gave an example that Employers Against Domestic Violence (EADV) has become more of a program than a committee. She noted that MAG would continue to support the efforts of this program, but the need for a committee may no longer exist. It may be recommended to move EADV to a new agency that can staff it as a program. Ms. St. Peter stated that there are some committees that have an issue with quorum and some that may have an issue with purpose. She stated that each committee will be assessed for its continuing relevance to the priority and appropriateness given MAG's structure and scope of work. Ms. St. Peter added that Supervisor Mary Rose Wilcox is leading this effort and is committed to doing the right work in the right places.

Chair Hawker asked MAG's relationship to the United Way. Ms. St. Peter replied that she serves on the Board of Directors for the Emergency Food & Shelter Program hosted by Mesa United Way, and MAG is involved in the West Valley Human Services Alliance in partnership with Valley of the Sun United Way. She also noted that MAG participates in the Valley of the Sun United Way Campaign each year. Chair Hawker suggested looking at government service

programs and establishing a core presence. Ms. St. Peter agreed that there should be a clear focus and things should tie together. Chair Hawker suggested to not only establish goals, but also exit strategies. He noted that MAG could be more of a teaching institution as far as some issues are concerned. He suggested being careful of duplication. Mayor Shafer asked if the senior mobility program was just for the elderly. Ms. St. Peter replied that United We Ride is the federal program and Arizona Ride is the State program. She noted that it focuses on those with the least resources and they serve people with disabilities, as well as older adults.

7. Update on the Regional Workforce Housing Task Force

Gregg Holmes, Chair of the Regional Workforce Housing Task Force, reported on activities of the Task Force. In the Fall of 2004, the Task Force secured approval to obtain housing related data from MAG and to have MAG committees provide input to the project. Since that time, MAG has supplied the Task Force with data and they have prepared an action plan to increase the supply of workforce housing in the MAG Region. Mr. Holmes stated that the vision of the Task Force is that within 15 years, sufficient and affordable workforce housing will be available throughout the Valley to the population of people currently making \$20,000 - \$42,000 per year, thus providing them the opportunity to live and work in the same community. He said that many of the people in this income category are those we depend on--teachers, firefighters, nurses, and lab technicians. Mr. Holmes stated that Arizona has one of the lowest levels of home ownership in the country, with a rank of 40 in the nation. He said that according to the Arizona Census, over the past 30 years, the percent of the population able to purchase the median-priced home has declined by almost 30 percent. He explained an analysis of cost-burdened renters, those who pay more than 30 percent of their income on housing. Mr. Holmes noted that home prices and some rents have exceeded our target population's ability to afford them.

Mr. Holmes stated that the target price of affordable homes for the target population is \$150,000. With the price of a single family home at \$203,000, home ownership is quickly becoming unattainable for area residents.

Mr. Holmes stated that local General Plan policies and local development and zoning practices inhibit workforce housing production and economic development efforts, and current funding is inadequate. He stated that sustainability and efficient use of new and existing funding sources combined with land use policies linked to workforce housing production are necessary to solve this problem.

Mr. Holmes stated that education is necessary to grow high-wage jobs. Each high-wage job in turn generates two to six low/moderate income jobs. He said that the reason that USAA located here was the competitive cost of living. The likelihood that an organization such as USAA would locate here decreases with the increase in the cost of living. Mr. Holmes noted that Arizona's cost of living is likely to exceed the national average due to home prices. He stated that increasing the average density by 25 percent would result in creating 428,215 additional units at build-out. If 15 percent of these were workforce housing units 44 percent of the

problem could be solved. Mr. Holmes presented examples of new mixed income housing, and rehabilitation, infill, single family and rental projects.

Mr. Holmes stated that a solution could be developed by providing incentives to offset the cost of providing workforce housing throughout the region or ensuring approval of workforce housing projects at least at the high end of the density range; revising the housing element to provide a more effective framework to assess workforce housing needs by community and establish internal goals to address them; linking workforce housing projects to the light rail corridor; streamlining the processing of all workforce housing development applications; establishing a process to improve the capacity and capability of planning staffs Valleywide; establishing a land banking process or regional land trust that links to the production of workforce housing; pursuing new and more efficient use of existing revenue sources; and changing the public opinion by leaders' attitudes.

Mr. Smith asked about streamlining the process and if that could mean having uniform Building Codes. Mr. Holmes replied that he has concerns with getting agreement on universal codes. He noted that another solution could be to streamline the process by which plans are reviewed and approved so that it moves faster. Chair Hawker asked Mr. Holmes to explain the land banking process. Mr. Holmes replied that for example the Task Force would have \$50 million for land trust and they would buy the land now to get the land off the market to keep the price of that land from increasing. In other words, bank that land for a later use.

Mr. Holmes stated that with the involvement of stakeholders, the development of the recommendations is anticipated August to October 2005; the development of the implementation process is anticipated in November to December 2005; and implementation of the initial policy and revenue components is anticipated in January 2006 to December 2007. He stated that stakeholders can help by advocating for action to be taken and actively participating in the process in order to support the ideas and efforts of the Task Force.

Mr. Holmes stated that by inaction, we could lose the opportunity to stimulate significant consumer spending, projected at more than \$350 million annually; weaken our ability to grow high wage jobs; decrease in adequate and quality healthcare forcing an increase in government subsidies; lose the opportunity to stabilize families and strengthen neighborhoods; lessen our ability to properly educate our students and develop a high quality workforce due to increased mobility; disrupt the quality of life, stability and productivity for the target population, who will experience excessive commutes chasing affordability. Mr. Holmes stated that we need to work collaboratively and he asked for the support and involvement of member agencies.

Chair Hawker asked what the Task Force needs from the MAG member agencies. Mr. Holmes replied that they would like to have the support of the MAG Regional Council and possibly staff involvement. Mr. Holmes indicated that he would be available to meet with any member agency staff or council. He also stated that a sense of urgency needs to be created. Mayor Cavanaugh asked what the source of funding is for the land trust. Mr. Holmes explained that there are two sides to this issue: policy and funding. He stated that some ideas on how to fund a land trust are: 1) a regional general obligation (GO) bond, which is a vote of the people; 2)

tax credits; 3) tax increase; 4) increasing fees for traffic violations; and 5) the general fund at the State level. Mr. Holmes added that any recommended funding that requires legislative action would need to be on the agenda by January. He noted that workforce housing provides a value to every community and collectively that can happen. Chair Hawker thanked Mr. Holmes for his presentation.

8. Update on the MAG County Library District Stakeholders Group

Tom Remes updated the Committee on recent activities of the MAG County Library District Stakeholders Group. He stated that tremendous progress has been made in regard to the Stakeholders' recommendations. Mr. Remes expressed his appreciation to Maricopa County's Board of Supervisors, Administration, and Library District staff for moving forward on the recommendations. He stated that the Board of Supervisors, acting as the Maricopa County Library District Board, kept the FY 2005-06 Library District Secondary Tax Rate at \$0.0521. They also approved purchasing a core set of electronic databases that would be available to all libraries, and increasing the reciprocal borrowing rate to \$29 over a two year period.

Mr. Remes stated that at the August 23rd meeting, Stakeholders were informed that Library District staff had been approached by the University of Arizona Medical Center with a request for the District to purchase medical databases. He said that District staff requested assistance from the Stakeholders in reviewing the applicability of use of the medical databases by all libraries in the County. Chair Hawker stated that he does not see a direct relation to buying a medical database. Chair Hawker thanked Mr. Remes for his update.

9. Adjournment

Mayor Shafer moved to adjourn the Executive Committee meeting. Mayor Cavanaugh seconded, and the motion carried unanimously.

There being no further business, the meeting was adjourned at 1:08 p.m.

Chair

Secretary