

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL EXECUTIVE COMMITTEE MEETING
April 18, 2005
MAG Offices
302 North 1st Avenue, Phoenix, Arizona

MEMBERS ATTENDING

Mayor Keno Hawker, Mesa, Chair
Mayor Woody Thomas, Litchfield Park,
Vice Chair
Mayor Mary Manross, Scottsdale, Treasurer
Mayor Wendy Feldman-Kerr, Queen Creek

Mayor Phil Gordon, Phoenix
Mayor Joan Shafer, Surprise
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 Chairman Keno Hawker at 12:30 p.m.

Chairman 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. Chairman Hawker stated that informational materials for agenda items , #4, #6 and #7 were at each place.

2. Call to the Audience

Chairman 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. Chairman Hawker stated that there were no public comment cards received.

3. Approval of the Consent Agenda

Chairman Hawker stated that public comment will be received before taking action on the consent items. Each speaker is provided with a total of three minutes to comment on the consent agenda. After hearing public comments, any member of the Committee can request that an item be removed from the consent agenda and considered individually. Chairman Hawker stated that agenda items #3A, #3B and #3C were on the consent agenda. He noted that no public comment cards were received.

Mayor Wendy Feldman-Kerr moved to approve consent agenda items #3A, #3B and #3C. Mayor Joan Shafer seconded, and the motion carried unanimously.

3A. Approval of the February 14, 2005 Executive Committee Meeting Minutes

The Executive Committee, by consent, approved the February 14, 2005 Executive Committee meeting minutes.

3B. Discussion of the Draft FY 2006 MAG Unified Planning Work Program and Annual Budget

The Executive Committee, by consent, approved an amendment to the FY 2005 MAG Unified Planning Work Program and Annual Budget to add \$81,810.57 in FY 2004 Metropolitan Planning (PL) funds. Each year, the Unified Planning Work Program and Annual Budget is developed incrementally in conjunction with member agency and public input. The Work Program is reviewed each year by the federal agencies and approved by the Regional Council in May. This presentation and review of the draft FY 2006 MAG Unified Planning Work Program and Annual Budget represents the budget document development to-date. The elements of the budget document are about 95 percent complete.

3C. Domestic Violence Public Opinion Survey

The Executive Committee, by consent, recommended approval of a public opinion phone survey on domestic violence to be conducted by MAG and the Morrison Institute at Arizona State University. The MAG Regional Domestic Violence Council, formed in 1999, supports the collection of current statistically reliable and valid public opinion data on the issue of domestic violence in Maricopa County. This information will assist the Council as they work to prioritize their goals and objectives for the next five years. The Morrison Institute at Arizona State University has offered to partner with MAG to place a public opinion survey in the field beginning in early May 2005 through MetroTRACK. This random phone survey would seek to measure public awareness of domestic violence services currently available in the region, as well as to assess the public's perception of the most pressing domestic violence-related needs. The survey is estimated to cost no more than \$4,000 with the Morrison Institute paying for half that amount.

4. Discussion of the Draft FY 2006 MAG Unified Planning Work Program and Annual Budget

Becky Kimbrough reported on the FY 2006 MAG Unified Planning Work Program and Annual Budget. She began by reporting on the Intermodal Planning Group meeting held on April 6, 2005. She noted that there were no comments regarding changes to the FY 2006 budget. Ms. Kimbrough stated that there were complementary comments and MAG was pleased with the feedback received. Ms. Kimbrough referenced the MAG Programs in Brief. She noted that there was a change in the scope of work on the 10-Year Strategic Plan for An Elderly Friendly Regional Transportation System project. MAG staff will conduct an inventory of the member agencies to determine the elderly transportation initiatives currently in place. A staff report will be brought back to the Management Committee and the Regional Council for a recommendation before proceeding with the project. She also noted that staff recommended that the Arterial Life Cycle Program Database Maintenance project, for \$100,000, be taken out of new projects recommended

for FY 2006 and that this project would be appropriate for implementation in a later year. Ms. Kimbrough stated the Technical Assistance with Traffic Data Analysis and Reporting was proposed for inclusion in the FY 2006 Work Program. This project partners with the Texas Transportation Institute for \$57,000 in gathering traffic count information for modeling. She noted that these two projects result in a net decrease in new projects of \$43,000. Ms. Kimbrough added that the Regional Goals and Work Emphasis Areas have been incorporated into the FY 2006 Work Program.

Dennis Smith stated that on the 10-Year Strategic Plan for An Elderly Friendly Regional Transportation System project takes a look at signage to make it more readable by senior citizens. He added that the Federal Highway Administration has issued guidance that only Florida has implemented. Vice Chairman Thomas asked if this includes the County. Mr. Smith replied that it does include the County. Chairman Hawker noted that the City of Tempe started a similar program several years ago. Mayor Gordon noted that the City of Phoenix and MAG staff are working on the concerns on two projects in the Work Program. Ms. Kimbrough confirmed that staff has been communicating with Phoenix on these projects.

Mr. Smith noted that the Executive Committee has been kind to MAG in regards to staffing needs. He noted that there are several requests from ASU regarding internships. He stated that MAG has 66 employees on payroll. Twenty-two of those employees are over the age of 55 and 2/3 of those 22 employees are in senior positions. He noted that MAG would like the flexibility to use interns, which would not be a strain on the budget at approximately \$9,600 a semester. Mr. Smith noted that space would be a problem. Mayor Feldman-Kerr agreed that internships are a good alternative. She noted that the employer gets good work and the interns receive great experience. The town of Queen Creek has hired almost everyone of its interns. Vice Chairman Thomas agreed and noted that the Department of Agriculture has also encouraged internships.

5. Department of Housing and Urban Development Stuart B. McKinney Continuum of Care Consolidated Application Process for Maricopa County

Amy St. Peter discussed the Department of Housing and Urban Development Stuart B. McKinney Continuum of Care consolidated application process. She noted that the Federal Government released the HUD applications. Locally, we are working on applications, which are due Friday, April 22, 2005. She noted that 60 applications are expected from nonprofit organizations in the region. A rating and review process will be administered on April 22, 2005 by the Valley of the Sun United Way. Ms. St. Peter stated that the strategic rating and ranking process will be complete by May 13, 2005, and everything is due to HUD on June 10, 2005. She noted that all information regarding rankings and the final application will be provided to the MAG committees for comment and these comments will be given to the Continuum of Care Committee before submission of the application to HUD.

Chairman Hawker asked about giving extra points on the application to ensure geographic diversity. Ms. St. Peter replied that the homeless population exists throughout the Valley, not just in Phoenix and Mesa. Therefore, service should be available throughout the region. Ms. St. Peter stated there has been discussions with some cities and towns outside of Phoenix and Mesa on providing or improving these services. Vice Chairman Thomas noted that 60 percent of homeless

have mental health issues and 25 percent are veterans. He asked if there has been any additional interest in providing these services. Ms. St. Peter replied that there has been significant progress with U.S. Vets and in working with Value Options. She noted that on the federal and local levels, we are looking at permanent support of housing, which is aimed specifically at people with mental illness. Ms. St. Peter stated that this category of people comprises 10 percent of the homeless population, but uses 50 to 60 percent of the resources. Chairman Hawker asked what is being done to track those coming in and out of stated on a national level. Ms. St. Peters replied that there are coordinated actions and information, such as the Homeless Management Information System (HMIS). Chairman Hawker expressed his concern regarding the encouragement of this population moving to Arizona.

6. Building Lease Working Group Update

Denise McClafferty updated the committee on the Building Lease Working Group. She stated that at its January 10, 2005 meeting, the Executive Committee discussed the current MAG lease expiring on June 30, 2006 and notification of intent needs to be given to the City of Phoenix by September 30, 2005. The committee suggested that a group be formed to advise MAG on the options available regarding future office space, potentially with Valley Metro, Valley Metro Rail and the Arizona Municipal Water Users Association (AMWUA) in one building, due to their close working relationship over the next 20 years. She noted that staff was advised by the working group to explore four options: staying in the current building and working with the City of Phoenix on additional space, built to suit alone or with other regional agencies, purchase land adjacent to the League of Arizona City and Towns, or lease to own. Ms. McClafferty stated that an analysis determined that purchase or building would be more economical than leasing long-term.

Ms. McClafferty stated that MAG met with the City of Phoenix who confirmed that the 4th floor would be available in 2008, when the Phoenix consultants occupying that floor move to their new building. She noted that the City of Phoenix said that they are committed to making it work for MAG. MAG also met with the City of Phoenix Downtown Development Office to discuss available vacant land, and Steve Nielsen, ASU's Director of Physical Campus Planning, to discuss options to partner with the ASU Downtown Campus.

Ms. McClafferty noted that back in 1997, before MAG moved into this building, purchasing land adjacent to the League building was explored. At that time, it was determined that there would be public confusion on the responsibilities of the League and MAG. She noted that the League was contacted again regarding having MAG adjacent to their building and it is believed that the confusion would continue to be a concern.

Ms. McClafferty reported that MAG also contacted other COGs and MPO's that have built their own office building. The Association of Bay Area Governments (ABAG) partnered with other agencies in a 130,000 square foot building. The City of Oakland acted as a conduit for ABAG on a lease purchase. She noted that the San Joaquin COG could not find a building that offered good meeting room space in the City of Stockton, so they built their own 10,000 square foot building. They purchased the land for \$1.00 from the City of Stockton and financed the construction with transportation sales tax money. She continued with the Tampa Bay Regional Council who constructed a 25, 000 square foot office building on a 3.2 acre parcel. This project was put on the

fast track and completed in just over one year. Ms. McClafferty explained that they went out for bid for financing in late 2002 and moved into the office space in January 2004.

Ms. McClafferty stated that at the March 29, 2005 Building Lease Working Group meeting, it was requested that staff focus on 1) determining the commitment of other regional agencies, 2) building different size buildings and the costs, 3) working with ASU and the City of Phoenix Downtown Development Office on a combination building and 4) comparing potential costs to current costs and determining short-term options. She reported that RPTA and Valley Metro Rail have expressed interest in partnering on the purchase or construction of a building. Both of their leases expire at the end of 2005. She also noted that Valley Metro Rail has a potential short-term option, which is temporarily moving into the Securities Building, which is owned by Maricopa County. Ms. McClafferty reported that AMWUA is also interested in partnering on a building, but they have approximately six years remaining on their current lease and would have to negotiate a buy out. If MAG did partner with these agencies, they would need to address how to establish ownership of space, such as setting up a property corporation with a board of directors, or developing a condominium arrangement where the floors are owned by each individual agency. The meeting space would be shared. Ms. McClafferty then reviewed six options available to MAG.

Mayor Shafer stated that a downtown location should be reconsidered. She noted that the traffic will be bad after the ASU campus is built. She stated that she would prefer being located by the State Capitol. Mr. Smith responded that before MAG moved out of the League building, the female employees needed to be escorted to their cars if they worked after hours. Mayor Gordon noted that the State has expressed interest in that area. Mr. Smith stated that there continues to be a concern that the Legislature may have difficulty distinguishing between the responsibilities of the League and MAG. He noted that this is the reason MAG picked their current location. Mayor Manross stated that her top considerations should be 1) how much space is needed, 2) partnering with other regional agencies and 3) less inclined to partner with ASU because their issues are different. She also noted that MAG should be located in the central, downtown Phoenix area. Chairman Hawker stated that he prefers the Central Avenue corridor adjacent to the light rail, and the idea of a build to suit that fits all of MAG's needs and is convenient for elected officials. He noted that the option to partner with ASU should not be excluded. Mayor Gordon suggested that staff check on the Fillmore and 1st Avenue site by calling Marsha Wallace, Phoenix Deputy City Manager. He noted that site may be assembled for a workforce housing project. He agreed that it is the appropriate time to think about building because costs will only continue to rise. He stated that it sounds like there is a need for an interim solution. He noted that the City of Phoenix will be flexible and help with an interim solution. Mayor Gordon noted that the Board of Regents is scheduled to meet at the end of the month and then go to Council. He noted that there may be more options after these meetings. He also noted that the City of Phoenix and Maricopa County are conceptually working on a joint planning and development building and that this may be another option for MAG. Mayor Manross stated that sites off the light rail line should not be excluded. Mayor Gordon asked when MAG envisions being in a new facility. Mr. Smith replied in approximately 3 years - in 2008 when the light rail opens and the ASU campus is in its final stages. He noted that Valley Metro Rail will need a short-term solution.

Chairman Hawker summarized that the committee is providing direction not to lease but to build.

Mayor Cavanaugh agreed that it is more economical to build than lease, but purchasing an existing building should not be excluded. Mr. Smith noted that it would be difficult to retrofit an existing building for meeting space. He noted that good meeting space is one of our top goals along with security and adequate parking. Mayor Manross agreed that the first choice would be to build. Chairman Hawker added that purchasing an existing building should be kept in the research at this time. Mayor Gordon stated that making a decision sooner than later would be financially beneficial. He also noted that if you wait six months, lot options may be off the market. Chairman Hawker stated that the Executive Committee suggestions should be brought to the May 3rd Building Lease Working Group meeting and then back to Executive Committee.

7. Legislative Update

Tom Remes reported on the legislative bills of interest to MAG. Mr. Remes began with HB 2123, Highway Expansion and Extension Loans. He noted that the \$200 million cap installed for fiscal year 2003-2004 on annual funding obligations incurred by the Transportation Board as part of its highway construction acceleration program is reinstated for fiscal years between 2005-2006 and 2019-2020. He added that during that time, the Board may not approve any funding obligation that matures more than 4 years after delivery of the obligation.

Mr. Remes reviewed HB 2624. He noted that this was a good bill that would have repaid \$118 million of HURF funds. This bill was transmitted to the Governor on April 15. Now, using a strike everything amendment, this bill reduces revenue sharing to all cities over 100,000 in population. Mr. Remes stated that this bill passed the House and failed on the Senate floor on April 13.

Mr. Remes discussed HB 2122, Regional Transportation Performance Audit, the strike everything amendment expands audit requirements for the light rail system and requires baseline standards for light rail to be developed. Mr. Remes noted that the language is similar to the defeated HB 2292. It failed in the Senate on April 14, but there was a motion for reconsideration on April 18. Next, Mr. Remes noted that the Cable Television Fee Reduction bill has gone away. He then addressed HB 2499 on municipal tax incentives. The strike-everything amendment discourages a municipality from offering tax incentives to businesses. He noted that the penalty for doing so would result in having the amount of the tax incentive deducted from the offending municipality's portion of state-shared revenues. Mr. Remes stated that the conditional enactment section states that the legislation is effective on August 1, 2006 unless 1) MAG develops and implements a comprehensive regional plan that is designated to eliminate excessive municipal tax incentives and bidding disputes and 2) MAG submits the plan with a report on its implementation to the Joint Legislative Budget Committee and the Committee approves the plan and its implementation.

Mayor Shafer stated that she believes that cities created this situation by competing with each other. She stated that cities should get together and come to a compromise. Mayor Manross disagreed and stated that the State Legislature created this situation with the sales tax structure. Chairman Hawker addressed the resolution passed by the Regional Council. He noted that this resolution is general and leaves it up to the municipalities to be specific. Chairman Hawker suggested that jurisdictions take a look at the most recent agreement between Tempe, Chandler and Phoenix. Mayor Gordon stated that he will make that agreement available to the committee. Mr.

Remes stated that HB 2499 will continue to be monitored.

Mr. Remes addressed HB 2781 which would allow for a gas tax rebate. It is unclear if the rebate will come from HURF. He noted that would mean a \$150 million hit that is \$.05 over 12 months. This would have a \$41 million affect on the cities. Mr. Remes stated that there is a \$2.25 trigger. Mr. Smith noted that this could have an impact on MAG's Regional Transportation Plan.

8. Adjournment

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

There being no further business, the meeting was adjourned at 1:23 p.m.

Chair

Secretary