

MINUTES OF THE FLORENCE TOWN COUNCIL MEETING HELD ON MONDAY, FEBRUARY 17, 2015, AT 6:00 P.M., IN THE CHAMBERS OF TOWN HALL, LOCATED AT 775 NORTH MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER

Mayor Rankin called the meeting to order at 6:04 p.m.

ROLL CALL:

Present: Rankin, Walter, Woolridge, Hawkins, Montaña, Guilin, Anderson

MOMENT OF SILENCE

Mayor Rankin called for a moment of silence.

PLEDGE OF ALLEGIANCE

Mayor Rankin led the Pledge of Allegiance.

CALL TO THE PUBLIC

Call to the Public for public comment on issues within the jurisdiction of the Town Council. Council rules limit public comment to three minutes. Individual Councilmembers may respond to criticism made by those commenting, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take action on any matter during an open call to the public unless the matters are properly noticed for discussion and legal action.

Ms. Cathy Adam, Historic District Advisory Commissioner, thanked Council for their support of the Historic Home Tour that took place on February 14, 2015. She stated not only did the event receive financial support, but having members of Council attend the event supports the Florence community lifestyle. The Parks and Recreation Department went above and beyond assisting the volunteers of the event, and the Planning and Zoning Department helped with many of the homes on the tour.

Mr. Gem Cox, Florence resident, stated that he would like to see the Cuen building restored. He stated that he believes the building can be stabilized and restored for a cost that is less than noted in the current estimates. As a representative of the Florence Heritage Foundation, the Foundation would like to offer the Town \$1,000 to purchase the building and comply with the stipulations of the previous public auctions that were recently held for the building. He requested that Council consider the Foundation's offer.

Ms. Ruth Harrison, Florence resident, stated that she is concerned with the design of the signs for the new library and would like to submit suggestions to improve the readability of the proposed signs.

Ms. Bonnie Bariola, Chandler resident, stated that when she was the Community Development Director for Florence, several efforts were made to restore the Cuen Building to no avail. She stated that the Florence Preservation Foundation successfully sponsored an Arizona State Heritage Fund Grant which would have provided \$93,750 for the owner to put towards the rehabilitation of the Cuen Building. Due to the down turn of the economy during this time, the owner was not able to provide his portion of the financial obligation required by the grant. She stated in late 2009 the State cancelled all Heritage Fund Grants. The building has been neglected for 25 years with many rehabilitation efforts unsuccessful and she supports staff's recommendation to tear down the Cuen Building.

PRESENTATION

Presentation by the Greater Florence Chamber of Commerce recognizing Holiday Inn Express and Suites as the Business of the Month.

Per the request of the Greater Florence Chamber of Commerce, the presentation to the Holiday Inn Express and Suites was moved to the March 2015 Council meeting.

CONSENT: All items on the consent agenda will be handled by a single vote as part of the consent agenda, unless a Councilmember or a member of the public objects at the time the agenda item is called.

Recommendation of approval to the Arizona Department of Liquor Licenses and Control on the Greater Florence Chamber of Commerce's application for a Special Event Liquor License for their First Thursday Mixer on March 5, 2015.

Recommendation of approval to the Arizona Department of Liquor Licenses and Control on the San Tan United Sports Academy's application for a Special Event Liquor License for their Spring Festival Community Event on March 14, 2015.

Recommendation of approval to the Arizona Department of Liquor License and Control on Kokopelli Moon Saloon's application for a Temporary Extension of Premises Patio Permit.

Recommendation of approval of the purchase of a SCBA communication system from L. N. Curtis & Sons, in an amount not to exceed \$34,993.

Approval of the January 5, January 20, and January 26, 2015 Town Council minutes.

Receive and file the following board and commission minutes:

- i. November 19, 2015 Historic District Advisory Commission minutes.**
- ii. October 15, 2014 Parks and Recreation Advisory Board minutes.**
- iii. December 18, 2014 Planning and Zoning Commission minutes.**

On motion of Councilmember Montaña, seconded by Vice-Mayor Walter, and carried to approve the Consent Agenda, as written.

NEW BUSINESS

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, read Resolution No. 1497-15 by title only.

RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING A WAIVER OF FEES FOR FLORENCE APARTMENTS ASSOCIATES, LLC.

Mr. Jess Knudson, Assistant Town Manager, stated that a request has been made to the Town to approve the waiver of certain fees for plan review, building permit, development impact fees and/or other fees, in an amount no greater than \$80,000, to be incurred during the substantial rehabilitation construction project of three apartment complexes in Town. He stated that the Florence Apartment Association, LLC, is submitting a tax credit application to the Arizona Department of Housing (ADOH) to request funding to purchase and rehabilitate three low income affordable housing complexes: Florence Heights Apartments, Western Sunrise Villas and Widdowfield Manor. If the application is successful, the complexes will be renamed Florence Sunrise Apartments.

Mr. Knudson stated a critical component of a successful tax credit application to ADOH is to receive 10 points for local government contribution. He stated the contribution must be 2% of direct construction costs in an amount not to exceed \$80,000. Florence Apartments Associates, LLC, is requesting waiver of the following fees:

- Plan Review Fees:	\$10,000
- Building Permit Fees:	\$16,000
- <u>Development Impact Fees:</u>	<u>\$64,000</u>
Total Fees Waived:	\$80,000

Mr. Knudson stated that the waiver of fees is contingent upon Florence Sunrise Apartments, LLC, successfully being awarded a tax credit from ADOH. The Town is not bound to the waiving of fees if the tax credit is unsuccessful.

Dr. David Cordes, Florence Apartments Associates, LLC, Representative, stated that the proposed rehabilitation project will create jobs, provide income to the community and will continue to provide safe affordable housing. It is estimated that the direct hard

cost of the construction is approximately \$3.9 million which will increase the overall economic activity by the purchase of local goods and services during the build-out process. He stated that for a period of ten years post construction, Florence Apartments Associates, LLC, will provide a number of tenant social services that will include computer training, job training and after-school care.

Dr. Cordes stated that the existing apartments were constructed 25 to 30 years ago, and although maintained relatively well, many of their initial components and systems are well beyond their useful life and most require replacement. He stated the proposed plan will convert and add 18 additional bedrooms to the complex increasing the occupants by 27 individuals. He stated the project proposes to build a fully accessible and functional community space including a classroom, computer room, handicapped bathroom and general space for parties and group functions which the complex currently does not have. He stated the proposed plan will implement a wide range of energy efficient improvements; improving the overall unit amenities, such as adding dishwashers, correcting water drainage problems and make the site compliant with current ADA standards. The water meters will be upgraded to provide service efficiencies and to accommodate planned project modifications.

Dr. Cordes stated that because of the extremely competitive nature of the tax credit application process, Florence Sunrise Apartments, LLC, will not have a chance of winning without the 10 points associated with the Town's contribution.

Mayor Rankin inquired if the project has a back-up plan if they are not awarded the tax credit from ADOH.

Dr. Cordes stated that if the credit is not received, it will be up to the current owner if she would like to try again next year with the hopes of increasing the overall point score for the project. He stated that the mega projects that are being proposed out of the Phoenix area are going to require a great deal of funds and he hopes that they will be passed over due to those large numbers and this project will be awarded due to the smaller fund amount.

Vice-Mayor Walter inquired as to where the programs for the tenants will be held.

Dr. Cordes stated the programs will be held on site in the new community building which will contain classrooms.

On motion of Vice-Mayor Walter, seconded by Councilmember Guilin, and carried to adopt Resolution No. 1497-15.

Discussion/Approval/Disapproval to approve the Town of Florence 2015 General Plan Amendment application and hearing schedule.

Mr. Mark Eckhoff, Community Development Director, stated the adoption of the General Plan Amendment will set forth an official process for hearing 2015 General Plan Amendments. He stated that Major General Plan Amendments can only be heard once a year and that the Planning and Zoning Commission will hold two meetings, each in a different location, to hear Major General Plan Amendments. He stated that one of the Commission's two meetings will be held at the Sun City Anthem at Merrill Ranch Union Center which complies with the State of Arizona's requirement to increase the level of public participation for Major General Plan Amendments, and holding a meeting in Anthem at Merrill Ranch area provides the opportunity to have a public hearing outside the Town core.

Mr. Eckhoff stated the 2015 General Plan Amendment application and hearing schedule will set the deadline for proposed amendment submittals, set the dates for public hearings and the date the amendment(s) will be brought to Council for consideration.

Councilmember Anderson inquired how a tie vote is handled by the Planning and Zoning Commission.

Mr. Eckhoff stated that previously the policy was unclear, and with the assistance of the Town attorney, the policy had been clarified and is stated in the amendment application.

On motion of Councilmember Guilin, seconded by Councilmember Woolridge, and carried to approve the Town of Florence 2015 General Plan Amendment application and hearing schedule.

Discussion/Approval/Disapproval of issuing a Notice of Award to Garney Companies, Inc., for the South Wastewater Treatment Plant Filtration System Project, in an amount not to exceed \$859,000 and to authorize the Mayor to execute the contract documents on behalf of the Town.

Mr. John Mitchell, Utilities Director, stated that the project was originally approved by the Town with the execution of loan documents with the Water Infrastructure Finance Authority (WIFA) in late 2009. He stated in June 2014, the Town approved a task order with Waterworks Engineers for the design and preparation of construction documents for the filtration design, and for expansion of the south wastewater treatment plant from its current approved capacity of 2.5 MGD to 4 MGD. He stated the issuing of Notice of Award is only for the installation of the designed filtration system. The expansion will occur when demand warrants expansion.

Mr. Mitchell stated that eight companies submitted bids ranging from \$859,000 to \$1,305,528 with the lowest responsive and responsible bidder being Garney Companies, LLC, at \$859,000. He stated the current budget for the installation is \$1,300,000 in WIFA funds.

On motion of Councilmember Montaña, seconded by Vice-Mayor Walter, and carried to issue a Notice of Award to Garney Companies, Inc., for the South Wastewater Treatment Plant Filtration System Project, in an amount not to exceed \$859,000 and to authorize the Town Manager to execute the contract documents on behalf of the Town.

Discussion/Approval/Disapproval to proceed with the demolition of the Cuen Building.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated that the Town has received a Notice of Interest to purchase the Cuen building. She stated it will be up to Council to decide to move forward with the demolition of the building or to direct staff to resubmit the building for auction to allow for additional bids, and if so directed, lower the minimum bid price.

Councilmember Hawkins stated that he is not sure the rehabilitation price for the Cuen Building of \$177,000 is accurate and inquired who provided the estimated cost.

Mr. Eckhoff stated that Swan Architects and structural engineers looked at the building and reviewed the architectural plans that were previously developed and provided the estimated costs to stabilize and rehabilitate the building. He stated the costs could be lowered if modification were made to the plans reducing some of the preservation portions. He stated that Swan Architects has offered to provide free architectural services for all architectural aspects associated with stabilizing the building and that Low Mountain Construction has offered a \$15,000 contribution to be put towards the stabilization of the building and believes they can obtain construction services from their vendors who are already in Town working on the Library/Aquatics project which could afford the Town reduced rates in comparison to someone coming into Town specifically for the stabilization project.

Councilmember Hawkins recommended tabling the agenda item to allow for a plan to be developed looking fully at all proposals and options.

Mayor Rankin stated that the last two bid processes did not bring forth any bidders for the purchase the building. He stated the cost to rehabilitate the building in comparison to the square footage of the building is not economical. He inquired if the Council would like to go back out to bid and sell the building to a private party or have the rehabilitation of the building become a Town project.

Mr. Charles Montoya, Town Manager, stated that the offer of funds and services from Swan Architects and Low Mountain Construction only applies if the Town decides to take on the stabilization and rehabilitation of the Cuen Building.

Councilmember Montaña stated that he did not believe the Town currently had the funds for this type of project.

Mayor Rankin inquired if the offers from Swan Architects and Low Mountain Construction could be afforded to the Florence Heritage Foundation if they should become the owners of the building.

Mr. Eckhoff stated that if the Town had a conversation with Swan Architects and Low Mountain Construction, they would take the conversation seriously.

Mayor Rankin inquired if the Florence Heritage Foundation has the funds available to them to complete the stabilization and rehabilitation project.

Mr. Cox stated that the Foundation would have hold fundraisers but felt they could raise \$75,000 within 6 months, not counting any fees waived by the Town.

Mayor Rankin inquired as to what the bid minimum was for the purchase of the building and what the purchasing stipulations were in the last public auction.

Mr. Montoya stated that the last bid minimum was \$5,000 with the highest bidder winning the closed bid auction and the purchasing stipulations were in compliance with Arizona State Statutes.

Ms. Garcia reminded Council of specific stipulations that were added to the bid process which included the building stabilization with 100 days of purchase and the rehabilitation of the building with Certificate of Occupancy within 24 months of purchase. She stated that the auction documents also stated that if the project deadlines were not met, the Town had the right to take possession of the building at that time. She stated if Council still wanted those stipulations, staff would need to work with the Town's attorney to ensure the documents are written correctly.

Councilmember Anderson inquired if it would not be more appropriate to have the bidders tell the Town what their completion dates would be.

Ms. Garcia stated that the Cuen Building has been put up for public auction twice without any bidders and she is not sure leaving it open to the bidder to determine the timeline of completion is appropriate based on the condition of the building.

Mayor Rankin inquired what the time table would be to do another public bid auction.

Ms. Garcia stated it would take 6 to 8 weeks to properly notice the auction and have a 30 day period to submit bids.

Mayor Rankin inquired as to what the timeline was in the Notice of Interest that was received from the Florence Heritage Foundation.

Ms. Garcia stated that the notice states the Foundation will have the building stabilized within 100 days of purchase and ready for occupancy within 24 months from the date of

purchase. She stated this does meet the requirements of Council's previous stipulations.

Ms. Denise Kollert, Florence resident, inquired as to what the Foundation was planning to do with the building once it was rehabilitated.

Mr. Cox stated it will be stabilized securing the utilities and preserving what can be from the original structure and rebuild the remaining exterior building so it looks like a fully operating business from the outside. He stated then during the rehabilitation portion of the project, the interior of the building will be completed so it can be rented out.

Ms. Bonnie Bariola stated if Council chooses to not take the building down, she recommended that Jim Garrison work with the owner of the building to assist with proper restoration of the building as he is an adobe expert. She also stated that she may have an attorney who would be interested in renting the building if it is restored.

On motion of Councilmember Montaña, seconded by Councilmember Woolridge, and failed to table the demolition of the Cuen Building.

On motion of Councilmember Montaña, seconded by Councilmember Anderson, and carried to authorize a public auction of the Cuen Building with a minimum bid of \$1,000 with the stipulation that the building will be stabilized within 100 days of ownership with a one-time 30 day extension and the restoration of the building with a certificate of occupancy completed within two years of taking ownership with a one-time 180 day extension. The Town of Florence will waive all fees during the two year restoration.

Discussion/Approval/Disapproval of accepting Jo Cochran's resignation from the Historic District Advisory Commission.

On motion of Councilmember Anderson, seconded by Vice-Mayor Walter, and carried to accept Jo Cochran's resignation from the Historic District Advisory Commission.

Discussion/Approval/Disapproval of appointing Jo Cochran, Georgine Duncan, and Debra Hansen to the Arts and Culture Commission.

On motion of Councilmember Anderson, seconded by Vice-Mayor Walter, and carried to appoint Jo Cochran, Georgine Duncan, and Debra Hansen to the Arts and Culture Commission with terms to expire December 31, 2016.

MANAGER'S REPORT

CALL TO THE PUBLIC

Mr. Gem Cox, Florence Resident, thanked Council for allowing the Cuen Building to go back up for auction.

CALL TO THE COUNCIL

Councilmember Anderson stated that the Historical Home Tour was very well done and very well attended.

Councilmember Montaño stated that the District Science Fair is being held at the Poston Butte High School with several participants coming from the Florence schools.

Mayor Rankin stated Florence High School baseball and softball season is starting and the Eloy Mariachi band was excellent at the Historical Home Tour event.

ADJOURN TO EXECUTIVE SESSION

For the purpose of discussion or consultation for legal advice with the Town Attorneys regarding conflict of interest laws in accordance with A.R.S. §38-431.03(A)(3).

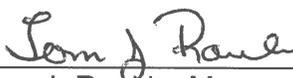
On motion of Councilmember Hawkins, seconded by Vice-Mayor Walter, and carried to adjourn to Executive Session.

ADJOURNMENT FROM EXECUTIVE SESSION

On motion of Councilmember Hawkins, seconded by Councilmember Woolridge, and carried to adjourn from Executive Session.

ADJOURNMENT

On motion of Mayor Rankin, seconded by Councilmember Montaño, and carried to adjourn the meeting at 8:50 pm.



Tom J. Rankin, Mayor

ATTEST:


Lisa Garcia, Town Clerk

I certify that the following is a true and correct copy of the minutes of the Florence Town Council meeting held on February 17, 2015, and that the meeting was duly called to order and that a quorum was present.



Lisa Garcia, Town Clerk