

**MINUTES OF THE FLORENCE TOWN COUNCIL MEETING HELD ON MONDAY, JULY 20, 2015, AT 5:00 PM, 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 5:03 pm.

**ROLL CALL:**

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

**WORK SESSION ON TOWN LEASE POLICY**

Ms. Evans, Management Analyst, stated the proposed Lease Policy addresses the concerns of Council that were previously stated at the prior work sessions. She stated that the lease rate range is from \$2.50 to \$6.00 per square foot for retail space and \$6.00 to \$10.00 per square foot for non-retail use, which are the same rates as those listed in the Silver King Marketplace Lease Policy. The proposed policy would have the Town continue to maintain the utility accounts and bill the tenants accordingly on a monthly basis. She stated that the Town will continue to pay for the costs associated with the common areas and for the telephone line needed for the fire suppression system. The tenants will contact and pay for their own cable and telephone.

Mayor Rankin inquired who were the tenants in Suites 102 and 202 in 2013.

Ms. Evans stated that Second Hand Rose was in Suite 102 and RZN8 Media, LLC, was in Suite 202.

Mayor Rankin inquired what the total loss has been year-to-date for the Silver King Marketplace.

Ms. Evans stated that the year-to-date loss for the Silver King Marketplace is \$3,200.

Mayor Rankin inquired if there was a tenant pending for Suite 102.

Ms. Evans stated that there is a tenant ready to sign a lease for Suite 102.

Councilmember Woolridge stated that utility bills are now being metered allowing for tenants to pay for their exact usage.

Mayor Rankin inquired what the anticipated increase would be for the tenant of each suite.

Ms. Evans stated that it is too early to track the water usage, but the electrical could increase or decrease, depending on the nature of their business.

Mayor Rankin asked if the HVAC unit can be shut off in Suite 202 while it is vacant. Ms. Evans stated that the unit can be shut off but staff does keep the temperature raised in the suite which is averaging an electric bill of \$25 per month.

Mayor Rankin inquired if staff has spoken with the tenants of the Silver King Marketplace in regards to their utility bills increasing.

Ms. Evans stated that she has spoken to the manager of The Fudge Shop and will be speaking with the owner of Silver King Hair Salon in the near future. She stated that the utility bill may or may not increase depending on the individual suite usage now that each suite will have its own meter so they will be billed according to usage and not square footage.

Ms. Lisa Garcia, Interim Town Manager/Town Clerk, stated that the leases for the tenants at the Silver King Marketplace are on a month-to-month basis at this time due to the following reasons: to allow for the new Lease Policy to be approved, to allow for the new meters to be in place, and to allow for a billing cycle to occur to allow the tenants to see what a monthly cycle would be. She stated the metered program allows for accurate billing based on usage.

Councilmember Hawkins inquired if staff had received any positive feedback on the new metered program.

Ms. Garcia stated that the tenants are still operating under the square-footage billing program as that is what the current lease requires. She stated the meters are in place and operating but they are not being used for billing purposes until the new Lease Policy is approved by Council and the new leases are in effect.

Ms. Doretta Allison, Manager of The Fudge Shop, stated that they have been tenants of the Silver King Marketplace for three years and only became fully sustainable this summer. She stated that they operate on a very small margin as 10% of all sales are donated to the Love Works Pregnancy Center servicing the citizens of Florence. She believes that Padilla Park is a great asset to the Silver King Marketplace and though the events are great at the park, the patronage to their establishment has not been profitable. She is confident the next season of events will prove to be a benefit to all businesses in the area.

Mayor Rankin thanked Ms. Allison for her continued support of the Town and the great work she and her team are doing at The Fudge Shop.

Ms. Kathy Adam, Florence resident, stated that she believes the two businesses currently in the Silver King Marketplace are they best businesses on Main Street. She stated that she is concerned about the health and wellbeing of Main Street. She is also concerned that the businesses stay successful as the Silver King Marketplace is the most desirable building on Main Street. She inquired if the shortfall currently being

experienced is due to the two suites not being leased out or is the Town not charging enough per suite.

Ms. Evans stated that the downfall is due to the two suites standing empty.

Ms. Adam inquired if the new utility meter billing program is direct billing or does it include a surcharge.

Ms. Evans stated that the meter program is billing exactly what the suite uses and is under control of the tenant.

Mayor Rankin asked Ms. Evans to explain the common area expense of \$2,400 year-to-date.

Ms. Evans stated that the common area is estimated at 800 square feet which multiplied by \$0.61 per square foot equals the Town's portion of the utilities for those areas which includes the bathrooms and the small hallway.

Mayor Rankin inquired if the common areas are being metered separately.

Ms. Evans stated that the common areas are being metered separately. She said that currently the common areas have the second highest utility bill without the meter reading.

Ms. Kim Ehlebracht, Owner for Bucks 4 Style, LLC, stated that she is the new tenant for Suite 102 and looks forward to the opportunities the Silver King Marketplace will afford her business. She hopes the lease rates will remain low as her business is new. She stated that the businesses work together and support each other's efforts and unique business offerings.

Ms. Carol Johnson, Owner of the Silver King Salon, stated that she was eager to switch over to the metered utility program as it will be a fair and equitable program for all tenants in the building. She stated that she was concerned about the handicap parking for the building as it is located by the dumpster corral and is far from the front doors for the businesses.

Mayor Rankin requested that Public Works look into the parking and determine if there is a better option for handicap parking.

### **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. Ruth Harrison, Florence resident, suggested that Council have the meeting minutes transcribed by an outside agency to allow for the minutes to be approved by Council quicker and posted for the public in a timely fashion.

## **PUBLIC HEARINGS AND PRESENTATION**

Public Hearing on an application received from Piero Buccellato for a zone change on approximately .36 acres, located at 680 East 1st Street, Florence, Arizona, from Neighborhood Multi-Family Zoning District to Highway Business Commercial Zoning District; and first reading of Ordinance No. 631-15.

Ms. Lisa Garcia, Interim Town Manager/Town Clerk read Ordinance No. 631-15 by title only.

**AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING A ZONE CHANGE ON .36 ACRES, FROM NEIGHBORHOOD MULTIPLE FAMILY ZONING DISTRICT TO HIGHWAY BUSINESS COMMERCIAL ZONING DISTRICT (APN 200-47-001B).**

Mr. Mark Eckhoff, Community Development Director, stated that the intent of the application is to rezone the subject lot from Neighborhood Multi-Family Zoning District (R-2) to Highway Business Commercial Zoning District (B-2). He said they would then expand onto the existing development on the B-2 lot by adding parking, landscaping and other needed improvements. The combination of the lots is vital to the proposed commercial/retail uses in order to accommodate site improvements, setbacks and Arizona Department of Transportation (ADOT) required right-of-way. The subject parcels are designated s Highway mixed Use (HMU) in the Town 2020 General Plan.

Mr. Eckhoff stated that the Town is starting to see movement in revitalization in the older areas of Town with this application and the recently approved Taco Bell rezoning a few blocks south of these lots.

Mayor Rankin stated that the addition of the traffic light on Highway 79 in this area should aid in making the lots safer and easier to access.

Chairman Rankin opened the public hearing.

There were no comments.

Chairman Rankin closed the public hearing.

**Public Hearing on an application for a zone change to change existing zoning from Neighborhood Office, Highway Business Commercial and Multi-Family Residential to Downtown Commercial in an area bounded by Ruggles Street to the north, Butte Avenue to the south, Quartz Street to the west and Pinal Street to the east; and first reading of Ordinance No. 632-15.**

Ms. Lisa Garcia, Interim Town Manager/Town Clerk read Ordinance No. 632-15 by title only.

**AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE DOWNTOWN COMMERCIAL (DC) ZONE CHANGE LOCATED IN AN AREA GENERALLY BOUND BY RUGGLES STREET TO THE NORTH, BUTTE AVENUE TO THE SOUTH, QUARTZ STREET TO THE WEST AND PINAL STREET TO THE EAST (PZ-15-37 ZC/PZC-37-14-ZC).**

Mr. Eckhoff stated that that in 2013 Council approved changes to the Downtown Commercial Zoning District (DC) to improve reinvestment opportunities and enhance economic development in the District. These changes included; allowing hotels, bed and breakfast facilities, movie theaters and grocery stores as principally permitted uses in the DC zone; providing consistency in setback requirements for commercial and residential uses; and eliminating most on-site parking requirements in the District.

Mr. Eckhoff stated that a range of uses permitted within the DC Zoning District are intended to encourage and promote pedestrian-oriented specialty retail by encouraging the improvement of the pedestrian environment, delineating the appropriate land uses within the District and ensuring that new buildings are designed to be compatible with the historic fabric of the area and development continues to occur at the appropriate scale.

Mr. Eckhoff stated that the requested changes to the DC District are in line with the goals of the 2020 General Plan and Redevelopment Plan and mirror the core of the Downtown Historic Business District. He stated that staff has been working with property owners to expand the DC District. The Town is sponsoring the application for a zone change which includes five private property owners, four Pinal County owned properties and one Town owned property.

Mr. Eckhoff stated that staff had presented the zone change to the Historic District Advisory Commission and they were supportive of this proposed rezoning. Public hearings were held on June 10, 2014, and at the Planning and Zoning Commission meeting held on June 18, 2015. He stated that the planning and Zoning Commission found that the DC zoning change request was in compliance with the Town's 2020 General Plan and is in the interest of general welfare, health and safety of the public

and forwarded a unanimous favorable recommendation on this zone change to the Mayor and Town Council, subject to the following conditions:

- The development of the subject sites shall be in conformance to any applicable Town Codes, Guidelines and Ordinances.
- Property owners agree to waive claims for diminution in value pursuant to Proposition 207 [A.R.S. §12-1134].

Mayor Rankin inquired if the value of a property increases or decreases if located within the Downtown Commercial Zoning District.

Mr. Eckhoff stated that in his opinion, the work that has been done in the downtown area and along Main Street have generated interest in the area and the Town is seeing positive growth opportunities. He stated that Main Street promotes pedestrian traffic and the environment is conducive to assist new or smaller boutique type businesses where as Highway 79 is geared for high-traffic vehicular businesses which both areas are seeing an increase in interest by business owners.

Mayor Rankin stated that he is concerned if a homeowner is in the Historic District and wanted to make improvements to their home, they would have additional requirements to follow then a home that is not in the Historic District.

Mr. Eckhoff stated that Mayor Rankin was correct that if a residential home in the Historic District wanted to exterior changes or changes that would change or alter the appearance of the building, the owner would have to go through HDAC to receive approval to ensure the historic validity of the building is preserved.

Chairman Rankin opened the public hearing.

There were no comments.

Chairman Rankin closed the public hearing.

**a. Presentation by the Greater Florence Chamber of Commerce recognizing American Legion Post #9 as the Business of the Month.**

Mr. Jim Gilloon, Office Manager, Greater Florence Chamber of Commerce, recognized the American Legion Post #9 as the Business of the Month for the continued service to the community, their youth programs and supporting homeless veterans.

Mr. David Wall, Commander of the American Legion Post #9 received the award and thanked the Greater Florence Chamber of Commerce and the community for their continued support of their programs and donations. He stated that this was the first in many years they have been able to sponsor a junior and senior baseball team. He stated that the organization will be sponsoring teen dance nights sporadically throughout the year for the high school students in the community.

Mayor Rankin thanked the American Legion for their service to our country and extended Councils support for the Armed Services.

**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.**

**Resolution No. 1530-15:**

Ms. Lisa Garcia, Interim Town Manager/Town Clerk read Resolution No. 1530-15 by title only.

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE MAP OF DEDICATION FOR MAIN STREET AND FIRST STREET FOR INSTALLATION AND DEDICATION OF REQUIRED PUBLIC IMPROVEMENTS.**

**Resolution No. 1531-15:**

Ms. Lisa Garcia, Interim Town Manager/Town Clerk read Resolution No. 1531-15 by title only.

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ACCEPTING TRIBAL GAMING FUNDS GRANTED BY THE GILA RIVER INDIAN COMMUNITY.**

**Resolution No. 1532-15:**

Ms. Lisa Garcia, Interim Town Manager/Town Clerk read Resolution No. 1532-15 by title only.

**A RESOLUTION OF TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING AND AUTHORIZING MAYOR TOM J. RANKIN, INTERIM TOWN MANAGER LISA GARCIA, AND INTERIM FINANCE DIRECTOR MARCIA GOERDT TO ACT AS SIGNATORIES FOR THE TRANSACTION OF BUSINESS ON THE TOWN OF FLORENCE BANKING ACCOUNTS, AND DECLARING AN EMERGENCY.**

**Resolution No. 1533-15:**

Ms. Lisa Garcia, Interim Town Manager/Town Clerk read Resolution No. 1533-15 by title only.

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING AND AUTHORIZING MAYOR TOM J. RANKIN AND INTERIM TOWN MANAGER LISA GARCIA TO ACT AS SIGNATORIES FOR THE TRANSACTION OF**

**BUSINESS ON THE POLICE EVIDENCE TRUST FUND AT NATIONAL BANK OF ARIZONA, AND DECLARING AN EMERGENCY.**

**Approval of the June 1, June 10, June 15, June 18, June 22 and June 22, 2015 Council minutes.**

**Receive and file the following board and commission minutes:**

- i. April 9 and May 11, 2015 Arts and Culture Commission minutes.**
- ii. May 27, 2015 Historic District Advisory Board minutes.**
- iii. May 20 and June 17, 2015 Joint Use Library Advisory Board minutes.**
- iv. April 23, 2015 Parks and Recreation Advisory Board minutes.**
- v. May 7, 2015 Planning and Zoning Commission minutes.**

On motion of Councilmember Woolridge, seconded by Councilmember Guilin, and carried to approve the Consent Agenda, as written.

**NEW BUSINESS**

**Discussion/Approval/Disapproval of the Property Lease Policy.**

Ms. Garcia stated that this item was discussed previously in the meeting and staff is available to answer any questions.

Councilmember Wall stated that she did not believe the 5% administrative fee is in the best interest of all parties involved as the fee is not currently being charged. It appears that the Town is piling on fees to the lease rate. She stated that the administration and management of the leases is a part of staff's responsibility not an additional responsibility.

Mayor Rankin stated that he agreed with Councilmember Wall regarding the 5% administrative fee not being appropriate and inquired as to what the monthly amount would be if the fee were collected.

Ms. Jennifer Evans, Management Analyst, stated that the monthly administrative fee would range from \$7 to \$17 per month depending on the suite lease rate.

Mayor Rankin stated that he did not believe the accumulative fee amount would be something that would make a difference in the fiscal operations of the Silver King Marketplace and suggested that the fee be removed.

Vice-Mayor Walter agreed that the fee should be removed.

On motion of Councilmember Wall, seconded by Councilmember Anderson, and carried to approve the updates to the Property Lease Policy with the removal of a 5% administrative fee assessed on leases based on the lease rate located in Section 5.311.

**Discussion/Approval/Disapproval to enter into a Lease Agreement with Bucks 4 Style, LLC, for Suite 102, in the Silver King Market Place.**

Ms. Evans stated that Bucks 4 Style, LLC, is currently located just north of the Silver King Marketplace and approached the Town regarding Suite 102. The layout of the space better fits here business needs and her current location is going to be changing. She stated that a lease rate has been negotiated with Ms. Ehlebracht, and would be a welcome addition to the Silver King Marketplace.

On motion of Councilmember Guilin, seconded by Vice-Mayor Walter, and carried to enter into a Lease Agreement with Bucks 4 Style, LLC, for Suite 102, in the Silver King Marketplace.

**MANAGER'S REPORT**

Ms. Garcia introduced Mr. Gabe Garcia as the new Finance Director. She stated that Mr. Garcia grew up and graduated high school in Coolidge earning his Bachelor of Science degree in Finance from Arizona State University, and his MBA with an accounting emphasis from the University of Phoenix. She stated that for the past two and a half years, Mr. Garcia has worked for the Finance Department in the City of Coolidge. He has also served as a Senior Internal Auditor for the Gila River Indian Community, owned his own tax and accounting business, and was the Fiscal Service Manager at the Creighton School District in Phoenix.

Mr. Gabe Garcia, Finance Director, thanked Council and the Town for the opportunity to serve the community. He stated that he is excited to be a part of Finance Department, which has a very strong staff and hopes during his tenor as the Director that Council will find the Department excelling in accountability, transparency and accuracy as it provides excellent customer service to the citizens of Florence. He stated that he has been a life-long member of Pinal County and currently is a resident of Florence.

Mayor Rankin welcomed Mr. Garcia to the Town's staff and looks forward to seeing him direct and lead his team.

Councilmember Guilin stated that she appreciated the spreadsheet that staff put together regarding Districts.

Mr. Garcia stated that Mr. Ernie Feliz, Grants and Assessment Manager, created the spreadsheet for Council.

**CALL TO THE PUBLIC**

Mr. Fred Rudman, Magic Ranch resident, stated he was concerned that the lifeguards at the Aquatic Center have not been furnished with umbrellas that they need to be safe in the sun as they perform their duties and hopes they will be installed soon.

Mayor Rankin requested that Mr. Bryan Hughes, Parks and Recreation Director, to speak with Mr. Rudman after the meeting regarding the umbrellas.

### **CALL TO THE COUNCIL**

Councilmember Anderson thanked Council for supporting the Budget Committee and the citizens of Florence for attending and participating in the budget work sessions and Councilmember Guilin for all her help and assistance. He stated that through the budget process, he learned that the Town has not had a balanced budget for several years and the expenditures exceed the revenues in the 2015/2016 Fiscal Year Budget by \$1,200,000. He stated that Council promised the citizens to not cut services if they approved Council to exceed the expenditure limitation. Council agreed to operate under an unbalanced budget with the understanding that next fiscal year the Town would balance the budget. He challenged staff and the Budget Committee to start working now to develop a balanced budget that provides adequate revenues identifying new revenue streams and addressing the need if applicable to increase fees then looking at expenses properly funding the reserves and capital improvement projects. He stated expenses cannot exceed revenues and it is now the time to balance the budget.

Councilmember Guilin stated it was a pleasure working with Councilmember Anderson as they had a hard task and many unpleasant recommendation to make but a budget was made and yes expenditures do need to be reviewed just as Council and the Budget Committee have committed to do. She thanked the Town staff for their hard work helping to develop a budget that allowed the Town to not have to lay anyone off and provided a 3% stipend to staff as a small token for all their hard work and efforts. She stated that many municipalities have not been able to provide raises or maintain a reasonable benefits plan for their staff. She stated that the Town's philosophy has always been to not harm the staff and in the benefits plan for staff, the Town picks up 100% of the employees medical insurance cost and 22% of the dependent cost which unusual in today's employment world.

Vice-Mayor Walter welcomed the Town's new employees and look forward to working with them. She stated that Parks and Recreation recently completed the Summer Camp program at both the Anthem K-8 and Florence K-8 and heard from parents that the program was successful. She stated that she looks forward to the next budget season having more opportunity to review the proposed budget and look for ways to make the budget balance.

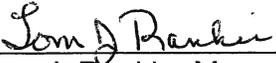
Mayor Rankin agreed with Vice-Mayor Walter encouraging citizens to be careful and mindful around school zones watching for children. He stated that in his opinion the Town does have a balanced budget utilizing reserve funds to balance and it will be a tight year looking to cut expenditures whenever possible. He stated that staff is committed to the Town of Florence dedicated in making the Town a better place, a place to come to and play and invest in. He stated that there are possibly two new entities coming to Town later in the year that they will bring economic development with

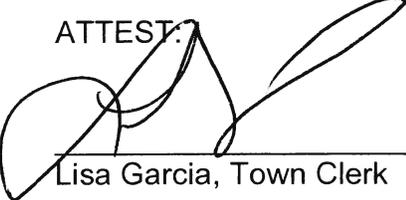
them. He stated that the old hospital on Adamsville Road has been sold and the new owners are engaged in utilizing the facility and what would be the best use of it.

## ADJOURNMENT

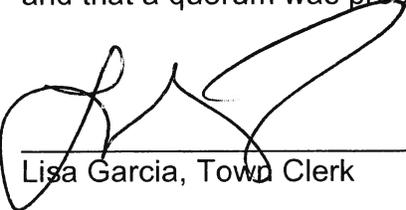
**Council may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the Town's Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3).**

On motion of Councilmember Hawkins, seconded by Councilmember Anderson, and carried to adjourn the meeting at 6:32 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 July 20, 2015, and that the meeting was duly called to order and that a quorum was present.

  
\_\_\_\_\_  
Lisa Garcia, Town Clerk