



Minutes City Council Issue Review Session October 7, 2010

Minutes of the Tempe City Council Issue Review Session held on Thursday, October 7, 2010, 6:00 p.m., in the City Council Chambers, Tempe City Hall, 31 E. Fifth Street, Tempe, Arizona.

COUNCIL PRESENT:

Mayor Hugh Hallman
Councilmember Robin Arredondo-Savage
Councilmember Mark W. Mitchell
Councilmember Corey D. Woods

Vice Mayor Joel Navarro
Councilmember Shana Ellis
Councilmember Onnie Shekerjian

STAFF PRESENT:

Charlie Meyer, City Manager
Jeff Kulaga, Assistant City Manager
Andrew Ching, City Attorney
Brigitta M. Kuiper, City Clerk
Various Department Heads or their representatives

Ken Jones, Finance and Technology Director
Bill Gallauer, Police Department Licensing Specialist
Shauna Warner, Neighborhood Program Director
Maryanne Majestic, Presiding City Judge

Mayor Hallman called the meeting to order at 6:12 p.m.

Call to the Audience

None.

Liquor Store Sampling License

Ken Jones, Finance and Technology Director, stated the Arizona Revised Statutes (ARS) have been amended to allow liquor store licensees the ability to distribute free alcohol samples of one ounce or less of liquor or wine and three ounces or less of beer to their customers. A Liquor Store Sampling application is scheduled for Council's consideration at the October 21, 2010 Formal Council Meeting. Only stores that have current liquor licensees or new applicants are eligible to apply for this type of license. The Police and Fire Departments are inspecting the premises to ensure that licensees have a safe environment for sampling. Staff is in the process of revising the city code to accommodate the new licensing provisions as well as proposing a revised fee schedule to cover the costs of processing these applications. These code changes will also be placed on the October 21, 2010 Formal Council Meeting agenda.

Mayor Hallman asked what staff is estimating in terms of facility inspection fees for the Fire and Police Departments. Mr. Jones stated that staff is gathering information from the Police and Fire Departments and will propose a reasonable fee to cover those costs. Currently there is a \$500 liquor license application fee, a \$200 issuance fee and a \$450 annual license fee for a #9 Liquor Store License. Sampling provisions also apply to Series #10 Beer and Wine Liquor Licenses.

Mayor Hallman asked staff to research the statute to determine whether or not a drive-thru liquor store can give samples through the drive-thru window, or if sampling can only be conducted inside the store. Bill Gallauer, Police Department Licensing Specialist, stated that all locations are different, and a City inspector will meet with the store management to ensure they understand the city code provisions governing this activity. Previously, grocery stores that conducted sampling activities were

required to obtain a sampling license for each event, including requiring a winery or distillery to be present for that event. The new law allows grocery store employees to administer sampling events. Although it is only one ounce of liquor, it is per brand. If there are multiple brands available for sampling, it is up to the store to monitor how many samples are given to each customer. Mayor Hallman stated that there is liability associated with this activity; the statutes provide compliance standards.

Councilmember Woods voiced concern about how drive-thru liquor stores would be impacted because it is not clearly stated in the statute. Andrew Ching, City Attorney, stated that the statutes prohibit open containers of alcohol in vehicles. Mayor Hallman questioned the extent of the law in terms of public versus private property. Maryanne Majestic, Presiding City Judge, noted that the law states a person cannot have an open container of alcohol in their car regardless of location.

Councilmember Arredondo-Savage voiced concern about accountability and monitoring consumption levels of customers. Mr. Jones stated that all current liquor laws apply; accountability is addressed in the statutes and procedures. Councilmember Ellis asked if a customer can sample whatever type of alcohol they want. Mr. Gallauer stated the selection available for sampling will be predetermined by the store.

Neighborhood Grant Program Funding Fiscal Year 2010/ 2011

The Mayor and Council previously allocated \$250,000 of new Capital Improvement Program (CIP) funds to the neighborhood grant program for fiscal year 2010/2011 with the understanding that staff would engage neighborhood and homeowners associations in a discussion of how to allocate the funds that best met the needs of Tempe neighborhoods. Shauna Warner, Neighborhood Program Director, provided an overview of the Neighborhood Grant Program funding recommendations totaling \$82,587.62. Eleven applicants (6 neighborhood associations and 5 homeowners associations) are recommended to receive full or partial funding of the \$82,587.62 budgeted allotment. Matching funds from associations totaled \$43,547.96 for a combined total of \$126,136 in community investment. The projects that are recommended for funding include public art, landscape, and traffic calming. These recommendations are on the Formal Council Meeting agenda tonight for Council's consideration.

Councilmember Ellis asked if a neighborhood is unable to provide matching funds for their project, is the money given to another project or does it go back in the fund for future allocation. Ms. Warner stated that unused funds are put back in the CIP for future distribution. Volunteer neighborhood associations are not required to match funds. Homeowners associations are required to match dollar for dollar. There are projects that are not completed due to lack of matching funding as well as projects that are completed under budget.

Vice Mayor Navarro asked if neighborhoods can use this program to get speed bumps constructed. Ms. Warner stated yes, that would qualify as a traffic calming project. Vice Mayor Navarro asked how long this process takes. Ms. Warner stated the grants are available once a year; the process has been completed this fiscal year. Grant applications for fiscal year 2011/12 will be available in January 2011. This grant is for organized associations only, so the community as a whole would have to show interest in wanting speed bumps.

Councilmember Arredondo-Savage thanked staff for their hard work and asked if consideration had been given to awarding smaller size grants so that more projects could be undertaken. Ms. Warner stated when each application is submitted it includes a detailed bid outlining what the money will be spent on. Detailed bids give staff the flexibility to grant money based upon each line item and to eliminate project funding for specific items, such as landscaping, in order to meet the budget. Staff works with neighborhood associations to get their input on project funding amounts. The overall intent is for projects to have a community impact.

Vice Mayor Navarro thanked staff on the great job they are doing. This grant program is an opportunity to show how things can get accomplished. Hopefully in the future the grant can include funding for rights of way and walls, etc.

Formal Council Agenda Items

None

Future Agenda Items

None

Mayor's Announcements/Manager's Announcements

None

Meeting adjourned at 6:29 p.m.

Brigitta M. Kuiper, City Clerk