

City of Tucson

Real Estate Advisory Council

Date: October 15, 2015, 3 p.m.

Location: City Hall, First Floor Meeting Room

Page: 1



1. Tucson voters approved \$100 million for road repair bonds in 2012. How much has been spent and when will the work approved in this package be completed? If the County's bond package is not approved, what is the City's plan when the 2012 approved funding runs out?
Funds from Proposition 409 are currently about 60% spent. If Proposition 425 fails in November, the City will run out of roadway maintenance funds in FY2018 and will have to go back to voters.
2. It was recently reported that the Department of Justice awarded \$1.5 million to the City of Tucson/CODAC Behavioral Health Services to help combat human trafficking in Southern Arizona. What will this be used for?
Of the \$1.5 million, \$743k will go to the City of Tucson. The funds will be overseen by the Tucson Police Department and will be used to track and prosecute people involved in human trafficking.
3. Tucson Water
 - ◆ It seems like the Marana wheeling agreement is moving very slowly and that means that potential regional growth in Marana is on hold. Answers have been vague as to when this might be completed.
 - What is holding up the process? What can be done to speed it up to allow developments to move forward?
A new version of the IGA was recently received from legal staff of both municipalities. The goal is to have an IGA in place within 90 days. It should be understood that once the IGA is in place that doesn't mean that water begins flowing, it just means that the agreement will be in place as it was before. Once it is in place, it allows Marana and Tucson to negotiate specific agreements to serve individual parcels, but this is done on a parcel by parcel basis as it was in the past.
 - ◆ It was reported last week that Tucson residents in the area of Silverbell and Goret are experiencing very low to no water system pressure.
 - What is the cause of this and will it affect future growth in the area?
The City experienced a water line break in the area, but the real problem was that some valves that should have been open had been closed which kept the system from operating as it should. It took some time to figure out what valves had been closed but once that was determined water pressures rose back to normal. It was not something that would impact future development in that area.
4. The Tucson Police Officers' Association recently told the Mayor and Council that they want a double merit pay increase, a \$2 cost-of-living adjustment and Council support for a half-cent sales tax increase to pay for police services.
 - ◆ Is the City Council able to lobby on behalf of the Officers' Association?
Police salaries currently cost the City about \$16 million. About \$14.8 million of that comes from the general fund. The City has told the Police Officers' Association that all City employees are in the same position as the police officers but there is no money at this time to provide salary increases. While City Council members can endorse propositions individually, the City cannot lobby on behalf of any issue or candidate.
5. It looks like backyard chicken farming may be in the City's future. It seems that most of the public input is coming from the "We Want Urban Ag" groups. How does our current code (and potential future code) compare to what other urban communities of our size allow?
This has been an ongoing discussion within the City of Tucson for some time. A national consultant has been working with City staff and stakeholders on this issue. While some in the community have opposed it, people have been doing this illegally for some time with almost no zoning violations filed. In September, the Planning Commission approved the current version unanimously but stipulated that they want a 2 year sunset on it to force the policy to be reviewed. The proposal going to Mayor & Council proposes varying the allowed number of chickens from 16 for 16,000 s.f. lots to 48 for 144,000 s.f. lots.

City of Tucson Real Estate Advisory Council

Date: October 15, 2015

Page: 2

6. The Mayor recently announced that thanks to a policy that was endorsed in 2013, by the end of 2015 that there will be no more homeless veterans in Tucson.
- ◆ Is the City investing money in this program or just working to help make it happen?
 - ◆ Who are the City's "partners" in this effort and what still needs to be done to see it completed?
- This has been an ongoing priority with the City and specific programs were created to address this issue. The City partners with the local VA and created a shared database of veterans and veteran resources including housing, medical assistance, and job placement services. The City also works with the Pima County One-Stop to assist veterans in finding resources.*
7. Can you share with us the details of the two new employee incentive programs that you recently announced?
- ◆ What was the Council's reaction to the suggestion?
- There are two programs being discussed with City staff.*
- *Cost Savings Program: for ideas from any City employee that provide cost benefit or cost savings. This program started 5-6 years ago. If the savings can be quantified, the employee receives 1% of the overall savings, up to \$2,500.*
 - *Bigger Plan: Setting financial goals within each department or organization. If the annual financial goal is met (or exceeded meaning the department spent less money than originally budgeted), the excess, or "delta", goes back to the staff/employees. This is still being discussed as a future program.*
8. Now that details of the conclusion to the bus strike are being made public, can you clear up some confusion?
- ◆ The City has stated that they used savings from the strike (\$1.5 million) to settle it, so taxpayers are not out any extra money. However, it has also been reported that each Teamsters striker will get a one-time lump sum payment of \$3,303.37 plus pay raises from 30 cents to \$5 per hour. Other released information suggests that they total package totals about \$4.3 million dollars. Where does the additional money come from?
- There was an 11.5% decrease in pay this year with workers being off for 6-weeks during the strike, but it still cost more per bus driver during the strike because supervisors were driving the buses and running the limited service. There was no revenue during this period of time, so the overall savings wasn't what was originally reported, but there was some savings. This strike cost the City ridership and the City is looking to re-work some of the routes with decreased ridership if this remains unchanged.*
9. The City Council and City Manager's office are discussing selling naming rights to the Sunlink Streetcar. Has there been a discussion with property owners or business owners along the route regarding this or has anyone reached out to stakeholders to see if there are other ways of generating funds for the streetcar that don't negatively impact the historic nature of the distinct areas the streetcar serves?
- Yes, the City is open and will consider ideas for revenue generation. The Sun Tran buses already allow bus "wraps" for advertising purposes and this will be considered for the streetcar as well. However, it is very expensive to advertise on the bus and there is not a long list of companies asking to participate.*