

City of Tucson Real Estate Advisory Council



Date: September 17, 2015

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1. Hiring updates

- ◆ You have seen a great deal of interest and anguish over the loss of the City's Development Services Director and Chief Building Official. Where are you at relative to filling interim positions and what is the process that will be used to fill them permanently?

Currently analyzing the overall process used by Development Services – looking for operational efficiencies that will provide better customer service along with efficiency to City of Tucson. All projects will be processed as they have been in the past – there should be no repercussions to Ernie leaving. An internal escalation process will be implemented that allows rapid resolution if problems do arise. There is a current IGA with Pima County that will allow for building review.

- ◆ How can the development community help in any transitions that are needed?

The City will be bringing in an outside resource that will be assessing the current process and making a recommendation to the City Manager regarding potential changes in operations. That individual will be soliciting stakeholder input.

- ◆ Any update on the filling of the Water Director position?

The position is open and the preliminary response has been good. Albert Elias is overseeing water as needed.

2. Transit – It was reported that last Wednesday, the council passed a motion seeking to intervene by telling Sun Tran management what money to use in negotiations with striking drivers and mechanics, and not to hire replacements.

- ◆ If the operation of Sun Tran has been turned over to outside operators, how can the Council get involved with settling the strike? And if additional money is provided to settle the strike won't this just exacerbate future budget deficits?
- ◆ PAG/RTA has hired Portland's Jarrett Walker and Associates to develop a regional vision for transit in the future. They have stated that in 10 years the city will be larger and the core part of the city will be denser which will require increased service – either frequency or coverage. Is the City addressing this in its analysis of future budgeting?
- ◆ There has been talk in the past of the RTA taking over what truly has become a regional transit system. Recognizing that the RTA has authority to generate their own income and the City's future revenue shortfalls, do you think the Council will be open to such discussions now?

3. It was recently reported the City will contract with a new consortium so that Public Access TV will continue in Tucson. How much does this cost the Tucson taxpayers and is this really an indispensable service?

In the past, Access Tucson has been about \$1 million per year, paid for by the City. Under the new plan it will be about \$300k per year moving forward.

4. Tucson Parks and Recreation has begun hosting open houses to discuss their 5-year plan. Do you see any opportunity for combining Tucson and Pima County parks groups to create economies for the region's taxpayers?

Currently not actively pursuing any consolidation but looking for opportunities to partner with the County or other municipalities. The Manager just needs more time before he will be in a position to detect issues/savings that would warrant consolidation. Reducing future costs is very high on his priority list.

- ◆ Golf has been a tax drain on the community for many years. In the recent past, operations of the golf courses was privatized. How much is the City subsidizing the operator to continue public golf and will the City consider closing some of its current courses in the future?

The City currently operates five golf courses. El Rio and Fred Enke are the two that operate with the largest deficit.

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Randolph Golf Course does well. They are a couple of years into the new management contract. The management firm has not found the operation to be quite as cost effective as they had anticipated however, users of the courses have been very complimentary of the improvements over previous years. Any consideration of closure must consider both the operational savings as well as the cost of closure. In most cases closed golf courses end up being parks and generally parks have a higher operational cost than golf courses. Currently the City subsidizes golf at between \$250k and \$500k per year. Golf does have an economic development/tourism benefit in addition to the benefit to Tucson residents.

5. It appears that the auto mall annexation may be getting closer to a reality. How close is it really, what is the magnitude of the revenue will it generate, what steps still have to be completed and what are the chances it gets done this time?
Annexation of the auto mall is projected to generate approximately \$2 million per year in additional Tucson revenue. It is expected to be approved in late October. The additional \$2 million has been accounted for in next year's budget.
6. What are your biggest areas of focus coming out of the Tucson Comprehensive Economic Development Strategy which was published last year?
Science & Technology, Sonoran Corridor, Job force training, Start-Up Tucson
 - ◆ There were recent reports that the Tucson industrial market is getting new attention from distribution companies. What is driving the interest and what is the City doing to ensure that some of these deals get closed?
7. What are the details to the Tucson homeless ordinance update that the Council is considering and when is it likely to move forward?
The ordinance update that is being proposed is really to pull all current codes, ordinances, policies, etc. that deal with homeless issues (urban camping, blocking sidewalks, etc.) and pulling them into a single comprehensive document.
8. The beautification project that is beginning along Campbell Avenue started out with a focus on improving pedestrian and bicycle safety because sidewalks were intermittent and parked vehicles backed out onto Campbell. Is the safety still a part of this project or is it purely a beautification project at this point?
The focus is on aesthetics and creating a more walk-friendly neighborhood. Sidewalks will be added as budget and right-of-way are available.
9. The City of Tucson recently found out it will receive \$300,000 from a grant from the US Bureau of Justice Assistance Program to reduce crime and increase officer and public safety. Has it been determined how the funds will be used?
Bomb squad and mobile fingerprint unit.
10. A recent study indicated that the Colorado River situation will force shortages to be declared within the next several years. What plans does Tucson Water have in place to assure continued adequate water supply if such shortages are declared?
 - ◆ Is it time to go back to the public and ask for permission of treated CAP water without going through the costly process of "inject" it into the aquifer and then withdrawing it? What would be needed to make that allowable?
Although there is talk of future shortages in Colorado River water being declared, the municipalities are very low on those entities that will receive reduced water allocations and if they kick in it is only 10% of overall allotment. Since they are putting about 40% of the current usage into Avra Valley storage, we could go for a long time without an issue.