Mayor & Council Retreat

One City One Team
&
Capital Reinvestment

August 8, 2016

Michael J. Ortega, P.E.
City Manager
Our plan “1 city/1 team”
(Examples of actions to be taken)

• Implement retirement incentive
• “Employee Town Halls”
• Communicate with public
• Meet with M&C regularly
• Reorganize Departments
  – Efficiency/effectiveness
• Prepare for election
• Review funding to all programs

• Begin combining functions
  – HR
  – Finance/Budget
• Deliver Manager’s Budget (balanced)
• Reach out to potential partners
• Evaluate staffing resource distribution
• Evaluate Probationary Employees
• Employee training

*Slide duplicated from 12/4/15 M&C Retreat*
Good things happening in Tucson

— Structurally balanced budget
— Caterpillar
— Tucson Roadrunners Hockey
— Non-stop flight to New York
— Continued Development Downtown
STAFF DEVELOPMENT

— Employee Focused
— Clarity of Direction
— Employee Engagement
— Ownership
— Succession Planning
ECONOMIC DEVELOPMENT

— Focus
— Regional Approach/Partnerships
— Marketing/Branding
— Geographic
  • Downtown
  • Airport
  • Bridges
  • Tech Park
CHALLENGE HOW WE DO BUSINESS

—Assure Value Added
—Centralization of Services
—Adaptability
—Partnerships (Internal/External)
FUTURE REVENUE STREAMS

— Confidence of the voter
— Property Tax
— Sales Tax
FY 17/18 BUDGET

— Structural Balance
— Employee Compensation
  — Competitive
  — Retention
— Capital Needs/Reinvestment
— Self Insurance
One CITY...One TEAM

Mayor and Council      Procurement      Environmental Services      General Services
Attorney’s Office      City Court      Transportation      Clerk’s Office
Planning & Development Services      Housing & Community Development
Manager’s Office      Tucson Water      Finance      Police      Human Resources
Information Technology      Parks & Recreation      Fire      Public Defender
Capital Reinvestment

• Potential Capacity
• Needs
  – Based on unmet needs list
  – Development of CIP
• Options
• Process/Next Steps
# Capital Reinvestment Funding Options

5 year planning horizon

<table>
<thead>
<tr>
<th>New Revenue Source</th>
<th>5 Year Revenue</th>
<th>Voter Approval needed</th>
<th>Charter Change Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary Property Tax</td>
<td>up to $100,000,000</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>(under current $1.75 cap)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Tax</td>
<td>$250,000,000 per ½ cent</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
## Capital Reinvestment Overview

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Capital Reinvestment Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks and Recreation</td>
<td>$ 113,000,000</td>
</tr>
<tr>
<td>Police</td>
<td>$ 85,000,000</td>
</tr>
<tr>
<td>Fire</td>
<td>$ 114,000,000</td>
</tr>
<tr>
<td>Road Repair</td>
<td>$ 700,000,000</td>
</tr>
<tr>
<td>Sidewalks &amp; Connectivity</td>
<td>$ 211,000,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$ 1,223,000,000</td>
</tr>
</tbody>
</table>
Capital Reinvestment
Parks

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Capital Reinvestment Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sports Field Lighting</td>
<td>$ 18,000,000</td>
</tr>
<tr>
<td>Pools</td>
<td>$ 14,000,000</td>
</tr>
<tr>
<td>Playgrounds &amp; Shade Structures</td>
<td>$ 13,000,000</td>
</tr>
<tr>
<td>Irrigation</td>
<td>$ 16,000,000</td>
</tr>
<tr>
<td>Restrooms</td>
<td>$ 13,000,000</td>
</tr>
<tr>
<td>Recreation Centers</td>
<td>$ 8,000,000</td>
</tr>
<tr>
<td>Zoo Facilities</td>
<td>$ 3,000,000</td>
</tr>
<tr>
<td>Ramadas</td>
<td>$ 3,000,000</td>
</tr>
<tr>
<td>Parking Lot/Court Resurfacing</td>
<td>$ 10,000,000</td>
</tr>
<tr>
<td>All Other (equipment, bridges, urban lakes)</td>
<td>$ 15,000,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 113,000,000</strong></td>
</tr>
</tbody>
</table>
Capital Reinvestment
Parks
Capital Reinvestment
Parks
Capital Reinvestment
Police

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Capital Reinvestment Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities</td>
<td>$ 27,000,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>$ 21,000,000</td>
</tr>
<tr>
<td>Vehicles</td>
<td>$ 37,000,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 85,000,000</strong></td>
</tr>
</tbody>
</table>
Capital Reinvestment
Police
# Capital Reinvestment

## Fire

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Capital Reinvestment Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities</td>
<td>$ 66,000,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>$ 8,000,000</td>
</tr>
<tr>
<td>Vehicles</td>
<td>$ 40,000,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 114,000,000</strong></td>
</tr>
</tbody>
</table>
Capital Reinvestment
Fire
## Capital Reinvestment

Road Repair

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Capital Reinvestment Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Streets</td>
<td>$ 160,000,000</td>
</tr>
<tr>
<td>Local/Neighborhood Streets</td>
<td>$ 540,000,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$ 700,000,000</td>
</tr>
</tbody>
</table>

Customer Service   Accountability   Ownership   Direction/Focus
Capital Reinvestment
Road Repair
## Capital Reinvestment

### Sidewalks & Connectivity

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Capital Reinvestment Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sidewalks - major streets</td>
<td>$ 83,000,000</td>
</tr>
<tr>
<td>Street lights</td>
<td>$ 33,000,000</td>
</tr>
<tr>
<td>HAWK Crossings</td>
<td>$ 32,000,000</td>
</tr>
<tr>
<td>Bike Boulevards</td>
<td>$ 31,000,000</td>
</tr>
<tr>
<td>Greenways</td>
<td>$ 32,000,000</td>
</tr>
</tbody>
</table>

**TOTAL** $ 211,000,000
Capital Reinvestment
Sidewalks & Connectivity
Capital Reinvestment
Process & Next Steps

- **August 8** – initial discussion

- **September 20** –
  - Direction on funding options
  - Start Development of CIP

- **September-December** - Work with stakeholders to develop program

- **January-February** – direction on 2017 actions
One CITY...One TEAM

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