



MAYOR AND COUNCIL Study Session Minutes

Approved by Mayor and Council
on May 23, 2023.

Date of Meeting: September 27, 2022

The Mayor and Council of the City of Tucson met in study session in the Mayor and Council Chambers in City Hall, 255 West Alameda Street, Tucson, Arizona at 1:40 p.m., on Tuesday, September 27, 2022, all members having been notified of the time and place thereof.

OFFICIAL MEMBERS

PRESENT:

Mayor Regina Romero
Vice Mayor Lane Santa Cruz (Ward 1)
Council Member Paul Cunningham (Ward 2)
Council Member Kevin Dahl (Ward 3) (electronic attendance)
Council Member Nikki Lee (Ward 4) (electronic attendance)
Council Member Richard G. Fimbres (Ward 5) (electronic attendance)
Council Member Steve Kozachik (Ward 6)

OFFICIAL MEMBERS

ABSENT/EXCUSED: None

STAFF:

Michael J. Ortega, City Manager
Michael Rankin, City Attorney
Suzanne Mesich, City Clerk

Suzanne Mesich, City Clerk, announced that Council Members Kevin Dahl, Nikki Lee, and Richard G. Fimbres would be participating electronically through Microsoft TEAMS.

1. **Executive Session – Goodman v. City of Tucson, Notice of Claim Nos. 26860 and 26861; Pima County Superior Court No. 20194826 (City Wide) SS/SEP27-22-168**
3. **Executive Session – Onyemekeiha v. City of Tucson, Pima County Superior Court Case No. C20210809 (City Wide) SS/SEP27-22-170**

(This item was taken out of order.)

5. **Executive Session - Discussion of the City of Tucson's Cybersecurity and Critical Infrastructure Posture (City Wide) SS/SEP27-22-182**

(This item was taken out of order.)

It was moved by Council Member Fimbres, duly seconded, and carried by a voice vote of 7 to 0, to enter Executive Session for Items 1, 3 and 5 as noticed on the agenda.

RECESS: 1:42 p.m.

RECONVENE: 2:43 p.m.

MAYOR & COUNCIL: All present

Executive Session was held from 1:59 p.m. to 2:34 p.m.

It was moved by Council Member Cunningham, duly seconded, and carried by a voice vote of 7 to 0, to return to open session.

2. **Mayor and Council Direction Relating to Executive Session – Goodman v. City of Tucson, Notice of Claim Nos. 26860 and 26861; Pima County Superior Court Case No. 20194826 (City Wide) SS/SEP27-22-169**

It was moved by Council Member Kozachik, duly seconded, and carried by a voice vote of 7 to 0, to authorize the City Attorney to proceed as discussed in executive session.

3. **Executive Session – Onyemekeiha v. City of Tucson, Pima County Superior Court Case No. C20210809 (City Wide) SS/SEP27-22-170**

(This item was taken out of order and considered after Item #1.)

4. **Mayor and Council Direction Regarding Executive Session – Onyemekeiha v. City of Tucson, Pima County Superior Court Case No. C20210809 (City Wide) SS/SEP27-22-171**

It was moved by Council Member Fimbres, duly seconded, and carried by a voice vote of 7 to 0, to proceed as discussed in executive session and settle the matter in the amount of \$37,150.00.

5. **Executive Session - Discussion of the City of Tucson's Cybersecurity and Critical Infrastructure Posture (City Wide) SS/SEP27-22-182**

(This item was taken out of order and considered after Item #3.)

6. **Mayor And Council Direction Regarding Executive Session - Discussion of the City of Tucson's Cybersecurity and Critical Infrastructure Posture (City Wide) SS/SEP27-22-183**

It was moved by Council Member Lee, duly seconded, and carried by a voice vote of 7 to 0, to authorize the City Manager to proceed as discussed in executive session.

7. City Manager's Report and Update on COVID-19, Monkeypox Virus, Ongoing City and County Mitigation Measures; Funding and Appropriations; and Related Legal Matters (City Wide) SS/SEP27-22-172

(This item was taken out of order and considered after Item 8.)

8. Discussion Regarding Formally Recognizing Juneteenth as an Official City of Tucson Holiday (City Wide) SS/SEP27-22-176

(This item was taken out of order.)

Information was provided by Council Members Fimbres, Kozachik and Dahl all in support of making Juneteenth a City holiday to coincide with the federal holiday enacted by President Biden. Additional information was also provided by Ron Burton, Retired Parks and Recreation Administrator, Larry Starks, Juneteenth Festival Board President and Pastor Grady Scott, Grace Temple Baptist Church, who fielded and answered questions on the benefits of Juneteenth in serving all citizens, especially the African Americans in the City and the opportunity for diversity and equity.

Mayor Romero stated now more than ever, they must take the opportunity to highlight and celebrate the rich histories of our communities and our cultures across our country. Juneteenth was rooted in celebration and joy, it was celebrating a moment of liberation and emancipation for the black community and to recognize the important work of significant figures in the Mexican American history, the labor movement in American history as a whole. She said it was important to recognize Juneteenth which was not widely known or taught in schools, and was an important step for the City of Tucson to take. She wanted to recognize the federal holiday and make history within the City of Tucson by directing the City Manager and City Attorney to return to the Mayor and Council with a Resolution to have the City of Tucson recognize Juneteenth, as an official City holiday.

Council Member Fimbres stated that June 19, 2022, had been enacted as a federal holiday as President Joe Biden. He gave a little bit of history as to how this day came about.

Council Member Kozachik stated as they lead the rest of the state, last June, President Biden made Juneteenth a federal holiday in 24 States and the District of Columbia. He said Arizona was not one of those, and thought Tucson was again going to be setting the tone for the rest of the state in adopting this day. He commented that his only concern was where the material said that June 19th should be designated as the date in 2022, June 19th fell on a Sunday and so suggested that instead of that they adopt the third Monday in June as the designated holiday.

Council Member Dahl thanked the speakers and to all in the community who had worked actively to create this holiday and especially big thanks to his colleague Council Member Fimbres, for his strong leadership and determination to bring this along and he was to be supporting this effort.

Mayor Romero stated she recognized the hard work that this committee had put into bringing this item to Mayor and Council. She said she received the many letters of support from the community and from the NAACP, educational groups, community residents interested in the action by this Mayor and Council. She stated they understood that this was a federal holiday, and that as her colleague, Council Member Kozachik had said, "Now was the time for the City of Tucson to stand up and do the same for Tucsonans so that residents could feel the power of this day, the power of the history, the power of the progress that they had walked through and fought for and the power of the work that remained to be done for the black futures of residents.

Council Member Fimbres said were a lot of letters and great leaders in the community that supported this initiative.

It was moved by Council Member Fimbres, duly seconded, to direct the City Manager and the City Attorney to return to the Mayor and Council with a Resolution for the City of Tucson to recognize Juneteenth, as an official City holiday.

Council Member Cunningham stated that he thought there was a real significance the day should be June 19th, but if the holiday fell on a Saturday or Sunday, it would be observed either the day before or after the holiday. He stated he read a perspective piece from Barack Obama, that "Juneteenth had never been a celebration of victory, or an acceptance of the way things were. It was a celebration of progress, an affirmation that despite the most painful parts of our history, change was possible and there was still so much work to be done."

Vice Mayor Santa Cruz stated that our President and U.S. Congress declared Juneteenth, a federal holiday in the midst and height of racial reckoning, it was important to commemorate the freedom of enslaved black people. She said the meaning of Juneteenth for black community, members who had lived a reality for 156 years of freedom without safety, it served as a touchstone to reflect on the enslavement and exploitation of black people while bearing witness to the ongoing struggle for full participation in American Society.

Vice Mayor Santa Cruz also said she was grateful that the City of Tucson had taken the step to recognize this important holiday and her hope was that this recognition would inspire all Tucsonans to take it upon themselves to understand the past so they could confront the present-day systemic anti-blackness and commit to a day of service for the community. She thanked the Juneteenth committee and community members who had been active for 52 years and who got this event started out of a Ward 1 El Pueblo Park and a special thanks to a special thank you to Pastor Grady Scott, Ron Burton, Larry Starks, Bernie starts James Christopher, Valerie Stanley and so many more advocating to get this holiday officially recognized here in the City of Tucson as well as her fellow colleges Council Members Fimbres, Kozachik and Dahl for bringing forth this item to the Mayor and Council.

Council Member Lee stated that as her colleges had mentioned as soon as the federal government passed Juneteenth as a holiday, she knew that they had started talking about how this day might actually transpire, so she was happy that they were here acknowledging all of the community efforts and input and the speakers that came out to talk about this really important issue. She said, as mentioned by one of the speakers, was talk about education and she knew some people were not really sure about the history but the educational opportunities that came with this was for a significant day and being acknowledged at the federal level. She said she really looked forward to city employees having the opportunity to have that day in the future to celebrate and also as Vice Mayor Santa Cruz said, really acknowledge the great amount of work that was still ahead of them to achieve to equality here in this country. She thanked everyone and her colleagues who brought this forward and she was really excited to be here supporting this with everyone today.

The motion was passed by a voice vote of 7 to 0.

7. City Manager's Report and Update on COVID-19, Monkeypox Virus, Ongoing City and County Mitigation Measures; Funding and Appropriations; and Related Legal Matters (City Wide) SS/SEP27-22-172

Opening comments were made by Michael J. Ortega, City Manager.

Mike Rankin, City Attorney, gave an update regarding the City's policy requirement for vaccinations. He said as of September 24, 2022, per the current legislation, there was no longer a requirement for vaccinations. And as for the city's prior requirement with respect to vaccinations of its employees that was no longer in effect and that information would be relayed to the City employees and further applicants.

Mayor Romero gave a report on vaccinations, monkey pox, and other information that was provided by Dr. Theresa Cullen, Pima County Health Department. She said Dr. Cullen sent a much more detailed report and asked the City Clerk to share that with all of her colleagues on the Council, so they would have the most updated report. No formal action was taken.

8. Discussion Regarding Formally Recognizing Juneteenth as an Official City of Tucson Holiday (City Wide) SS/SEP27-22-176

(This item was taken out of order and considered after item 6.)

9. Proposed Multi-Department Rate and Fee Adjustments; to Include Environmental Services, Tucson Water, Parks and Recreation, Park Tucson, and Planning and Development Services Fees and Rates (City Wide and Outside City) SS/SEP27-22-175

Opening comments were made by Michael J. Ortega, City Manager. He stated this was ongoing discussions which had begun in January or February of this year and would give the Mayor and Council a holistic view of the City's fee structure.

Carlos DeLaTorre, Environmental and General Services Department (EGSD) Director, gave an overview of environmental services rate adjustments for their review and consideration which encompassed the residential collection service fee, the commercial collection service fee and the disposal service fee.

With regard to the residential fee, Mr. DeLaTorre said the proposal was to adjust the fee in two phases: in phase one your typical 95- gallon container would increase from \$16.75 to a \$20 a month with the proposed effective date of January 1st, 2023, and \$23.00 per month by January 1, 2024. He said the adjustment was to ensure that current level services, fluid replacement program and capital improvements programs were not compromised. He stated their goal was to improve their financial position and to continue to provide reliable and effective services to the residents of Tucson. He said the residential fee encompassed the following services: weekly garbage pickup, recycling services every other week, brush and bulky pickup twice a year, and monthly rotating household hazardous waste events throughout the city.

Mr. DeLaTorre said for commercial fees, they were recommending a 10% adjustment across the board for all commercial collection services and would include all dumpsters, all roll out services and all trash compactors.

Finally, he said, they were recommending that this pulse rate allows for realistic sustainability campus be adjusted from \$32 per ton to \$35 per ton for all commercial haulers. He said they were not recommending any adjustments to the safe hauler fee which would remain at \$15 for disposal, up to a ton of waste with the hopes to reduce illegal dumping.

Last Thursday, Mr. DeLaTorre said the Environmental Services Advisory Committee (ESAC) voted 6-1-1 to recommend to the Mayor and Council the adoption of the fee structures as proposed.

John Kmiec, Tucson Water Department Director, said TW's proposed rate and fee schedule comes after several months of activities, including a five-year financial plan, cost of service study and then an eventual rate design. He said the needs for the water department as proposed was a five and a half percent across the board increase over. He spoke about the proposed rate increases and the effects on the Utility over the next 4 fiscal years starting July 1st, 2023, that included a borrow of \$60 million to supplement capital improvement programs for the next three years and Central Arizona Program (CAP) running between \$85 and \$95 million a year. He said during this time frame and moving forward the overall expected change in revenue under this plan, if adopted, would move the current revenue from about \$250 million a year to approximately \$305 million by a fiscal year 2027.

Mr. Kmiec said inflationary effects were increasing costs for materials, labor, chemical deliveries, and the things that go into a water utility and in addition to the across-the-board increases, they were asking for a CAP surcharge to increase from the current \$0.70 per ccf to a dollar effective January of 2023. He said that in their materials there was

information from the Citizens Water Advisory Committee (CWAC), and they had recommended a plan as shown to support the overall fiscal stability of the utility while meeting the unique challenges of the changing economic condition. In addition, CWAC recommended a future look at the possibility of creating a commercial tiered water rates structure to encourage greater conservation for those in their commercial class. CWAC also recommended a change to the title of the CAP surcharge fee and water resource fee. This change would provide clarity in the future for the allowance of the utility to acquire and create additional water resources in addition to the direct purchase of CAP water. Lastly, he said, CWAC recommends the Utility to continue to study opportunities to bring knowledge of our low income assistance programs that can be offered to the community as a whole.

Mr. Kmiec said, if the plan was adopted as presented, the change in the average single family residential customer will go from just above \$41.00 a month in Fiscal year 23 to \$53.08 in fiscal year 27 or roughly a \$12.00 a month increase over four years. He stated that as a general reminder, conservation rates and green stormwater infrastructure fees were not included in this rate proposal. Those programs would be addressed sometime in the future if necessary.

Sam Credio, Department of Transportation and Mobility Director, gave a brief overview of the proposed parking rate changes for Mayor and Council's consideration. He said the adjustments fell into three main categories. First, was an increase to flat rates at garages and lots on nights and weekends. This would result in a \$1.00 increase to all applicable entertainment district locations. The early week rate Monday to Tuesday to Wednesday, would increase from \$3 to \$4 the late week weekend rate Thursday to Sunday would increase from \$5 to \$6. He said they were also proposing another \$1.00 increase in 2026 to both rates. He commented that these increases would allow Park Tucson to remain competitive with similar parking options in the area while still providing a good value for customers.

Mr. Credio stated next, they were proposing an increase to the monthly permit rates for garages and lots by \$5 a month. Again, this would allow them to remain competitive while also covering the increased cost of security. He said a detailed summary of the garage and lot increases could be found in Exhibit D of their materials for this item.

Lastly, Mr. Credio said they were proposing an increase to the annual commuter and student permit rates around the University of Arizona campus. The top rate would increase from \$475 per year to \$550 per year, a \$75 increase in year one; with annual \$25 increases years 2-3 and four. He said the 4th Ave area on street commuter permit would also increase from \$120 per year to \$150 per year, a \$30 increase in year one with the following \$30 increase in 2024. He said proposed parking fee increases would allow Park Tucson to keep up with increasing cost of maintaining facilities and providing for much needed security while keeping up with market competition. He said hourly metered parking rates were not being considered at this time. However, extending the hours and days when meters were enforced was as well as the payment and time limits.

Lara Hamwey, Parks and Recreation Department Director, gave a quick review of some of the fee recommendations that they had made in regard to the area of expanding and enhancing current services. She said they proposed a commercial use park permit fee. Basically, what they had learned during the pandemic was that they had a lot of entities out there that could provide recreation, fitness, outdoor activities that charged a fee to their patrons. She said the City did not have a mechanism for them to come in and be able to rent a designated area. A good example of that was a boot camp instructor that wanted to do an outdoor boot camp; they do not have a current fee structure in place to facilitate them to be in city parks. Therefore, they were proposing to do an up to daily fee of \$30 and up to monthly fee of \$200 or if they wanted to they could do a quarterly commitment of \$500 for the quarter. She said they were also open to entering into a long term use agreement.

Ms. Hamwey said, additionally, what they were looking at was enhancing and revising their discount program. The current discount program only allowed for families who met the eligibility criteria to get a maximum discount of 50% off of Youth Services, such as KIDCO and in betweeners and also for a facility access pass. She said part of the new discount program would change it to depending on their eligibility rate to get a discount of anywhere between 70 to 90% for youth services and add in leisure classes and their annual or facility passes for 70% 60% and 50% off. She said they felt this was a really smart move for them to do because it allowed them to make parks and their services more equitable and accessible to those who really needed it the most.

Ms. Hamwey said, in addition to that, they were recommending to remove neighborhood center fees. Currently, you need to pay a \$1 in order to get into our neighborhood centers. She said they felt that in order to encourage more folks to come after school or during the hours the center was open, they wanted to remove that barrier which kind of mimicked what they had done with pool facilities. She also spoke about fees for sports fields, use of lights, and ramada reservation fees four years, and as a general reminder, there conservation rate and our green stormwater infrastructure fees were not included in this rate proposal as those programs would be addressed sometime in the future if necessary.

Tim Thomure, Assistant City Manager, presented information relating to Planning and Development Services fees such as development permits and related activities to be implemented across the board over a two-year period. He said the item on the evening's regular meeting agenda relating to rates and fees were changes to the effective date of when the current fees went into effect under the new on-line permitting system known as Ener-Gov.

Mr. Thomure clarified the conversation to change rates and fees to bring forth a comprehensive outline across the rates and fees charged by the city. He said, depending on the Mayor and Council's direction, the next step was to initiate the Notice of Intention.

Discussion continued. Comments were made by Council Member Cunningham, Vice Mayor Santa Cruz, Council Member Dahl, Council Member Kozachik regarding setting water rates, residential and commercial, effects on the customers, county sewage fees, Park Tucson fees, parks, youth sports, concerns over the time lapse for increase fees, community outreach, infrastructure improvements, water used by golf courses, community gardeners, tiered rate for commercial water users, subsidies for small scale food producers, fund balance for Park Tucson, Central Arizona Project (CAP) surcharge fee, water conservation, PFAS remediation, reclaimed water system, additional Full Time Employee in Planning Department Services Division, and conversation about Pima County fee increases.

Mayor Romero stated she felt conversations needed to continue. She said she knew staff had indicated the possibility of action being taken on this item at the October 5th Mayor and Council meeting. She asked if it was possible to push the action item to October 18th, to allow for continued off-line input and feedback to staff. She said as a city, they needed to look at how to ease into the fees and charges for each department. She requested staff give a report on the low-income assistance program as they moved forward with this decision and that the City Manager plan on updating the Mayor and Council regularly.

Mr. Ortega replied staff could provide in writing answers to the questions posed, but said he wanted clarity regarding the October 5th meeting. He said by delaying the item, rates would not go into effect on January 1st, rather more than likely around February 1st.

Council Member Dahl said he was very supportive of getting a tiered rate on commercial water users which was the only class that did not have it and one golf course was paying a lot less per water than a residential people, which he did not think was fair. He said they had a letter from the Pima County Food Alliance, which represented the small-scale food producers, and it made sense to him that people who produce food as part of our City of Gastronomy should receive the same sort of subsidies for our community and the community gardens he would like to see both of those explored and come back to us with recommendations from staff as there would be different processes for both of those.

Council Member Kozachik said this was good, it gave them an opportunity to have the community to go through this process and say what was the cumulative impact of this was. He said he was sure that everyone was concerned about the sticker shock, and making sure that were not dipping their hands so far into people's pockets at the risk of the inflationary effect that others had already mentioned was just exacerbated and they were killing people from a financial standpoint. He said regarding ES, the last residential increase was in 2010, how did the proposed rates compare with what Republican and Waste Management (RWM) were charging residential customer and the services that the city provided such as brush and bulky that RWM did not.

Mr. DeLaTorre said that it was an average bill of about \$100 a month for unincorporated Pima County (PC) and some of the outlining communities, that was a typical bill that

they had seen in the from the private haulers and only included a 95-gallon service and recycling fee.

Council Member Kozachik asked not counting the other the extra services that they provide such as the community brush and bulky and all the work down at the sustainability campus and all that.

Mr. DeLaTorre stated that was correct, and if he recalled some of the programs they had outlined earlier, as weekly pick up, every other week recycling, the HW events that they had throughout the community, the support that they provided to all the neighborhood associations with them trying to clean up the illegal dumping program. So, there was the twice a week or twice a year brushing bulky program as well, and there was a multitude of services that essentially the residential fee covers, outside just picking up garbage and picking up recyclables every other week or every single week.

Mr. DeLaTorre stated the spread between a 30-gallon container, 60-gallon container or 95-gallon container was only a dollar. He said they wanted to provide a much bigger gap between the container sizes. One of the things they mentioned during our report was that the vast majority charge or cost associated with providing the service. Therefore, it was the administrative cost, the collection cost and not so much the disposal cost. Thus, if they looked at the difference between what a 60-gallon container looked like and what a 95-gallon container looked like the cost differential on just purely the weight was about \$0.60 per container. So certainly, from a policy perspective it a bigger gap could be instituted.

Council Member Kozachik stated he knew this was just initiating the process now, but it was something to keep in mind to reduce the sticker shock perhaps or some of the smaller residential users. He asked Mr. Credio if they got fixed costs for the ongoing debt service, for parking structures as the Vice Mayor Santa Cruz had mentioned that based on the current rates that they were charging, were they able to stay in balanced or were they dipping into general fund and how was Park Tucson holding their own treading water right now in terms of their own debt service.

Mr. Credio stated that Park Tucson's fund balance was essentially used up their fund balance last fiscal year to cover all of our operating costs as well as their debt service and the revenue associated with Park Tucson was severely depleted during the COVID pandemic and so the fund balance was utilized to get them through the end of the fiscal year.

Council Member Kozachik asked if the city was currently subsidizing their debt service to the General Fund. He also asked what the plan and the process were for adjusting the CAP fee in order to chase the Central Arizona Project (CAP) water rights when they were increased as he knew they were incremental in the plan, but also knew that the CAP's going to ask right over time and asked if the CAP board would report to Mayor and Council by April or May of next year regarding there projected increases so they could budget for it.

Mr. Credio stated that currently, there was no fund balance for Park Tucson.

Mr. Kmiec said that the other way they had been adjusting the CAP surcharge fee in the past years was by CAP doing their own rates on an annual basis. So, by choosing to be going from \$0.70 to a dollar, they were going leap ahead in the timeframe based on what their proposals were coming up as well as making sure to recovering enough, if they could always bring the CAP fee back more frequently, but this was the step and approach that they had and sometimes they did not recovered enough revenue and other times they covered just enough but that was they way they were doing now.

Mr. Kmiec stated yes essentially what they would create was a report with firm rates and proposed rates, so they could have a general guidance for a 4-year lookout to track the CAP changes.

Council Member Kozachik stated that their cost projections assumed a decrease in per capita use and the assumption shifted the burden to the city in terms of public education and being aggressive in rebates for low flow fixtures and appliances and that they had been aggressive on that already and he was not sure that assumption was without some of the other conservation and focused tiered rate conversations were having and he was not sure how realistic that was. He asked what leads them to think that people were going to be using less and less water without conservation.

Mr. Kmiec stated they had been seeing an overall trend in the Western United States and here in Tucson particularly the last 20 years of that conservation ethic and the use of less water across the board and they did have growth projections and believed over the next several years they would point to 3% of their growth they did see a decrease in water use, and it was directly related to conservation, programming, and the community's knowledge of the importance of water and in particular what the drought on the Colorado they were seeing some retractions and expect to see more retractions in use.

Council Member Kozachik stated he was hopeful and agree that they had to get more aggressive about conservation and he knew that Citizens Water Advisory Committee (CWAC) was looking at some of the policies Las Vegas had in place right now and he looked forward to much wider conversation efforts in the in the City that eliminated front yard lawns and putting golf courses on water budgets and those kinds of things. He said out of the 451 million in capital costs project costs, how much were assuming for PFAS remediation and containment? And also, how were they advancing on our Reclaim water infrastructure, he said to him it felt as though they were not nearly as aggressive on extending the purple pipes as they could be in this community.

Mr. Kmiec stated PFAS infrastructure was not part of that capital plan because of the attempts that they were trying to get other people to fund that. So those would be changes that they would have to come back to Mayor and Council if they were going to do anything differently and fund any of these designs or capital projects themselves. So that would be an addition too on those items on the Reclaim water system, the Reclaim

water system had essentially been built out to all large Turf uses across the basin from Dove Mountain, the Star Pass to the east side and connected most of our golf courses, 17 golf courses and most of our schools, our parks were all on the reclaim system. The way the Reclaim system expanded was if there was a turf use or an irrigation use or a non-potable use and a customer wanted to get the benefit of having the firmer rate of reclaim, then they meet with the department to see what type of return on investment it would be to extend the reclaimed water system to that customer, so it was more of a there was more of an incentive back and forth with the customer to make sure that they needed to make an educated choice and if reclaim was worth it for them to continue to expand it to sun water system to reach them.

Council Member Kozachik said the other side of the coin was that they were short on potable water, or at least we were looking at drought and so it may be a benefit to the community in the region if instead of saying it would cost \$20 million to run this reclaim line, to look at it more in the how could the city be a player in that as well.

Mr. Kmiec said one thing to keep in mind that the different between the expansion of the reclaim system in the 1980s and where were at today was that they had recovered most of our effluent credits and that was generated especially with the change in the law in 2019 where they would get about 95% credit of water that recharged in the Santa Cruz River. Consequently, our dynamic was uniquely different compared to where they were in the 80's and 90's to reach those customers because they could use those affluent credits as part of our portable recovery portfolio.

Council Member Kozachik asked how were they assuring that they do not drop below 120 days in operating capital our recent high-water mark upon about 180 days.

Mr. Kmiec said that was part of our five-year financial plan was to make sure that they stay above that 120-day threshold as well as maintaining our funds to make to ensure they were meeting all of our debt obligations, whether it was the 175% for senior and junior lien debt that they also had to maintain.

Council Member Kozachik stated a memo had submitted asking for a study on the on setting a commercial tiered rate and he totally supported that study and sending a high conservation message to residential users, but not to commercial users. He said he knew that the high CCF users were not driving our revenues, but he did not believe they were hitting them significantly enough on the rate increased to force them to conserve 3 to 5% increase was not driving a reduction in usage and somebody who was using over 20 CCF a month, he stated that did not work for being in the desert. He stated this conversation over the years where the people up at the top end of the usage were the ones who were driving the revenue and he did not think the conversation should be necessarily about revenue, but about how to drive down the usage, and that was something that they had not embraced as a part of the whole budgetary conversation.

Council Member Kozachik stated Barry Dunne study indicated that would realize \$832,000 of a different additional revenue with a 7% fee increase, but it also tied that to

adding for 15 Full Time Positions (FTP) and it said that by adding 15 FTP positions, they could effectively continue to deliver services and address regulatory backlogs. He asked how they were justifying the increase in fees until they get those 15 positions field though. He said could they deliver better service with a 7% increase by adding these FTP as he was not sure that by adding 7% to those fees until they get the people on board was a fair hit to the business community.

Mr. Thomure stated that out of the 14 positions they actually had 10 new staff and active recruitments onboard and for additional staff beyond, bearing in mind they had vacancies above the 14. So, they were bringing the gap on vacancies down and they were already seeing some of that level of service coming up in the form of getting their queues caught up and those positions were already in the budget and the PDSD function was within the general fund and they were already budgeted and there cost would bring them on board about over half of which they had, and the question would be whether or not they wanted to adjust the revenue picture to help pay for that.

Council Member Kozachik asked if they were proposing that incrementally.

Mr. Thomure stated that was correct and they were proposing 3 1/2 percent for January 1st and then another 3 1/2 percent the second year, which also goes toward that scheduling of onboarding.

Mayor Romero stated she wanted to thank staff in the City Manager, Assistant City Manager Thomure, for organizing this and she agree that it was concerning to her to see it all at once, because of the magnitude of the conversation, but at the same time, she also appreciate that they were looking at this all at once because it helped them as the Mayor and Council be able to look at how it would affect the pocketbook of our residents. She said she was concerned as the Vice Mayor Santa Cruz pointed out that so many of the departments had not brought the forth the fee and rate changes to the Mayor and Council in so many years and that was why they where they themselves in a place where the parking fund balance was no longer existent or that they were tapping into our general fund to pay for environmental services which were supposed to be a department that paid for itself based on the on the services that it provided.

Mayor Romero stated she understood that the Mayor and Council made a very clear decision regarding not charging fees this past two years because of the pandemic, but it was very concerning to all of them as to how it affected the pocketbooks of residents in a time of the pandemic where they did not know how the economy was going to move. She said as she was looking at the this as the necessary services were in the utility services column category which was Water and Environmental Services Department (ESD) for her these were things that every resident needed to pay, and it would affect their pockets every month and with the decisions that they made with Water and ES.

Mayor Romero said those where in the column of service charges that people use like the garages, fee usage, park's, field usage, and for parking usage those were usage fees that would affect the pocketbooks of our families monthly but was needed was needed was

water and trash pickup, and in saying that, she felt as though she resented that the check was paid to the City of Tucson, even though it had Pima County (PC) sewer charges there and they did not know how much Pima County was planning to increase their sewer fees these coming years, and she asked Assistance City Manager Thomure if he knew how much PC was charging.

Mr. Thomure stated that he did, and he said as recently as yesterday, they had learned that the Pima County wastewater was not planning any rate adjustments for this year, and this was in alignment with they had done significant rate adjustments about a decade ago for their major improvements and replacement of their major regional wastewater treatment plants. So, all along their plan was that they had done those double-digit rate increases back-to-back for several years and then they were going to stay static for a period of time and they had been able to maintain being static on rates and they expect that to continue at least for another couple of years.

Mayor Romero said then we should not see a change which was good to know because that was the utility bill and how it fits in the conversation as it needed to continue and be given direction on the October 5th. She said she was wondering if they could push it to the 18th so they could continue giving offline with input and feedback. She said she agreed that Water and ES were providing additional services and she would say ES was providing so much more as a department, where just recently in the past two years had asked ES to do a zero-waste road map and Mayor and Council wanted them to become a sustainability campus and want them to reuse as much as possible and to get to 0 waste by 2030. So, they had to start doing much more for the services that they provide the residents of Tucson.

Mayor Romero commented that as a city they needed to look at how they ease the fees and charges in the departments that were needed it long term and not every 10 years. So, for example with ES easing into their charges to get to where they need to be and then continue evaluating what and how much it was costing in terms of the services that they provide and how much was coming in on a yearly basis when their budgeting. So she wanted add that she agreed that they should study the commercial tiered rates for Tucson Water and make sure that at Tucson Water they were doing everything possible to streamline the process for low-income assistance that they were informing the Community that it was available for them, including to those that live outside of the City of Tucson, because of the additional money created by the differential water rates and she wanted to know more about how they were targeting the outreach and how that was going out to low income or families that could benefit from the program.

Mayor Romero requested that staff provide a report on the low-income assistance program as they move forward with this decision and requested that the City Managers plan on updating Mayor and Council regularly as to avoid having this as Council Member Kozachik mentioned regarding the cost versus the revenue that was coming in. She said to the City Manager based on the input and feedback and questions provided by Mayor and Council that he brought a report back to Mayor and Council or an e-mail that

provided the answers or if he wanted to quickly answer any questions now, but they really did need to move on to the next items.

Mr. Ortega stated that they could certainly look at all the questions and in fairness to Vice Mayor Santa Cruz they would go through all of them and provide them in writing and give them to Mayor and Council ahead of time, but he wanted clarify that would be for the meeting of the 5th and if they like to delay that they were ok with doing that, but understand that if they do that, they would not be able to implement this on January 1, and they would have to implement down the road. He said it was not an issue for them, but it was a logistics piece that they had to be cognizant of.

Mayor Romero said she was concerned about how the pocketbooks of everyday resident in Tucson were going to be affected and she thought they needed to be deliberate about it and have an opportunity for Mayor and Council to look at it at the entire piece and would rather have an informed decision and not have to hurry to make the call on October 5th. So, she said she wanted her colleagues on the Council to take this opportunity to ask any questions, any concerns and then help direct us to our decision-making point on the 18th.

Vice Mayor Santa Cruz asked what the date would be if they pushed back from January 1st.

Mr. Ortega stated more than likely, it would be February 1. He said it would move based on the timing to get that get that accomplished, and suggested that they, as a team respond to the questions and provide feedback in writing they would get that to them by the end of next week, and in the meantime, the City Clerk might have already noticed those, or at least put those items on the agenda and would either need to continue them, or hopefully they take them off before it was even posted.

Mr. Thomure asked for clarification regarding the direction for staff to move forward with the assessment of potential changes to the parking meter enforcement hours. He said that was the only part that he did not have clarity on and asked if the Mayor and Council wanted staff to proceed with the assessment.

Mayor Romero replied in the affirmative.

Council Member Kozachik asked what was the process for incorporating Kevin and Paul's memo in the looking at the commercial tiered commercial rates?

Mr. Ortega said that they would go through a review in an analysis which was not a quick thing to do and they would not finished in time for this discussion, but they could give them an update as they were having their conversations and could update them periodically on where and he did expect that it was both the use and a cost component to that they would be looking at that and he expected that would take them several months to do that. However, they could keep them updated as they have more discussion on the rates.

No formal action was taken.

10. Update on the City's Participation in Colorado River System Compensation (City Wide and Outside City) SS/SEP27-22-173

(NOTE: Vice Mayor Santa Cruz departed at 4:28 p.m. and returned at 4:30 p.m.)

Information was provided by John Kmiec, Tucson Water Director, who fielded and answered questions regarding the City's offer to leave water in Lake Mead for calendar years 2022 and 2023. He said the Bureau of Reclamation determined that a Tier 2A Drought declaration for January 2023 would equate to a 593,000-acre foot reduction to Arizona's allotment and prompted the Secretary to ask for conservation of an additional 2-to-4-million-acre feet from the system by all users across the basin to protect both Lake Mead and Lake Powell.

Mr. Kmiec said an agreement had been met with the Bureau and Central Arizona Project (CAP) to leave a portion of the City's allotment for this calendar in the lake with compensation of about \$261.60 for up to 30,000-acre feet which will equate to about \$7.8 million in revenue. He said there would also be some savings from water not being delivered, but there would be a slight increase in rates from CAP during the reconciliation process the following year. He stated that Tucson Water (TW) and CAP were doing an audit and accounting of all the water that had been delivered to date and would have a hard fix number that the city could contribute. He said they thought that number would be somewhere around 27,000 to 29,000-acre feet for this year.

Mr. Kmiec stated TW was working and talking with the Gila River Indian Community regarding a partnership to leave water with them as part of their intentionally created surplus program. He said the agreement would allow the City to leave water with them in the lake with the intent that they could deliver back to Tucson once conditions improved sometime in the future.

Mayor Romero stated the Mayor and Council had been committed to leaving water in Lake Mead and doing their part in the collective good of protecting the river. She said she was glad to hear that the American Smelting and Refining Company (ASARCO) and other cities like Peoria, Phoenix and Scottsdale were also stepping up. She said she thought ASARCO needed to do more. She commented that other cities and extractive companies needed to come to the table, especially California. She said in her conversations with the Department of Interior, it was very clear that the water experts in that department were going to continue their effort to bring every state and every user to the table. She asked TW what the plan was for the \$7.8 million they expected to receive for conserving water.

Mr. Kmiec replied that money would revert to the TW fund balance. He said they did have infrastructure needs and Polyfluoroalkyl Substances (PFAS) issues where those funds could be spent.

Discussion continued.

Council Member Cunningham stated that this was a really good agreement, and it was very promising that the five other jurisdictions in Arizona had been part of the agreement, he said that California had to come to the table and do as they said, and his biggest issue was that as the City of Tucson left the water levels higher in Lake Mead it did not trigger a shortage that actually affected California.

No formal action was taken.

RECESS: 4:36 p.m.

RECONVENE: 4:42 p.m.

MAYOR & COUNCIL: All present

11. Update on Strategic Initiatives Related to Homelessness (City Wide) SS/SEP27-22-177 (City Wide)

Introductory comments and background information were provided by Mayor Romero and Michael J. Ortega, City Manager.

Mayor Romero stated she requested an update on efforts to support housing and unsheltered persons and how the city was addressing concerns expressed by residents and business owners. She said this was not one department's responsibility or just the Mayor and Council's responsibility. She said she asked the City Manager to put together a task force regarding these efforts to provide for both the residents and those in people in need as well as the safety and security needs of business owners within the community. She stated this was a holistic approach the city needed to take from the very beginning.

Mayor Romero said she recently attended the United States Conference of Mayors Leadership Council (USICH) whereby she was able to speak to other mayors from across the country as well as people from the U.S. Department of Housing and Urban Development (HUD) and the USICH who were also working diligently on this complex problem that was affecting Tucson and other cities across the nation. She mentioned that she also talked with members of the Board of Supervisors who wanted to partner with the city on housing affordability and homelessness in the community.

Mr. Ortega stated there was a lot of movement regarding this issue that would be of value to the Mayor and Council. He said an internal task force had been formed focusing energy and effort and making progress regarding the City's unsheltered population. He said basically, the Task Force was established to get people what they needed to keep moving and the big focus had been to continue to cleanup a lot of areas. He stated they had broken that down to three areas as follows:

1. Cleanup of areas that were once an encampment,
2. When unsheltered people were present in an area and based on the assessment tool being used, they were not causing harm to anyone, so only cleanup would have taken place, and

3. When it was determined, through the assessment tool, that people need to be relocated, they would give notice and relocate them and then cleanup the area.

Mr. Ortega commented he wanted to emphasize one of the pieces in the memorandum and in the materials, which was the business community. He said he knew the Mayor and Council received many comments and complaints and concerns from business owners. He said he wanted to make sure they knew this was a high priority and that he had directed the staff to move very expeditiously in addressing complaints and comments.

Mr. Ortega said that they were working with a local nonprofit called the Splinter Collective. He said the idea, spirit, and intent of that was to mobilize the nonprofit community, connecting some of the unsheltered with services and addressing their needs was key and the city was not in that business, necessarily of providing mental health or drug abuse assistance. He stated they were going to try this as a pilot and hopefully bring back some more detailed information at the October 5, 2022, meeting.

Information was provided by Liz Morales, Housing and Community Development Department Director and Brandi Champion, Housing First Program Manager, who fielded and answered questions.

Ms. Morales reported the Arizona Department of Housing committed \$2 million to expand the homeless work program. She commented on the existing shelter sites within the city and said they were looking at updating the existing sites and purchasing new ones. She stated they had a proposal in with the Arizona Department of Housing for a contract to purchase an additional hotel. If approved, this would provide the city with the acquisition and rehab money and the city would turn that into permanent supportive housing.

Ms. Champion provided information on shelter sites. She said currently, the city was housing 152 people at four different sites, Wildcat, Anklam, Oracle Site and Notel. She said over the next sixty days, they planned on bringing in sixty more beds by expanding their capacity at the Notel and Wildcat sites. She also gave an update on outreach.

Mike Rankin, City Attorney, said he knew there had been some questions about what city codes were in place and were they being enforced. He said the answer was that the city codes were being enforced and enforced appropriately within the constitutional contours that were established through state and federal case law. Nonetheless the City's experiences were such that they had some opportunities to clean them up and make them better in terms of the ability to enforce them while still allowing protected constitutional activity to occur.

Mr. Rankin stated that one example was the code in place regarding safety at traffic intersections and particularly the use of medians for different types of activity. The code dated back to the year 2000 and was written based on the case law that was controlling at that time over the last 22 years. He said that case law had evolved a little bit, and they

were consistently giving direction to the Police Department as to how to enforce that code provision without violating anybody's constitutional rights and while still protecting the ability to engage in expressive activity. So, the code needed to be cleaned up and made clearer and one way to improve the tools that were available to the city was to clean it up. He commented he would bring it back if the Mayor and Council were comfortable with the first available meeting.

Mr. Ortega spoke about providing businesses with packets of information so that they knew what the city was offering, focusing on low, mid, and high-barrier type shelter leading to permanent housing, community safety, and mobile shower units. He asked the Mayor and Council for direction in terms of more formally a partnering with Pima County. He suggested that maybe regular updates for Mayor and Council to consider.

Mayor Romero asked the Council to consider giving direction to the City Manager to co-create a funded position with Pima County to specifically address the needs of the homeless communities had and help coordinate all the efforts Pima County and the City were working on in the future. She also asked that updates be scheduled in conjunction with the Community Safety updates.

It was moved by Council Member Fimbres, duly seconded, to direct the City Manager to co-create a funded position with Pima County to specifically address the needs that the homeless communities had and help coordinate all the efforts Pima County and the City were working on in the future and that updates be scheduled in conjunction with the Community Safety updates.

Council Member Fimbres stated that the City needed to build a stronger relationship with the Pima County collaborating together.

Council Member Cunningham asked if they had anyone in mind right now for that position, and the reason he was asking was that he rather just appoint them now and not have to wait six months to go through a hiring process, he said if they know the person they want let us be transparent about it and get them hired and move forward. He said that in Maricopa County their street homeless count in 2019 pre-covid was under 1500 people and now they were over 5000 right now, in the country with the different sanctuary cities had expanded to about 450% cases and the other thing that they were finding was that there were a lot of folks in shelters that were not considered as traditional client and that traditional homeless were having many folks in shelters who had a home and/or had been evicted and/or were having trouble finding another home and those were the challenges they were facing and they needed to understand how to work with this.

Council Member Cunningham said this was one conversation was as whatever they need to do was to push for a summit to get certain folks that were involved in making decisions like the County Attorney, Public Defender, Presiding Judge for Justice Court, Judge for City of Tucson, and Pima County Sheriff in the room at the same time and address the different needs in this crisis. He said they needed to handle was their

engagement piece like the quality of our programs as it was a complex issue and could not do it without everybody coming to that table and he was willing to set up this Trinity with a county and city liaison to set the trinity and put all the principles together so could align all these resources that Tucson has to be centralized as they could be, and the City of Tucson would be one of the leading cities addressing this issue.

Mayor Romero stated that Council Member Cunningham made excellent points and that the task force was the beginning of those that were doing and that was why it was important that this task force be put together. There was a difference between stakeholders and people that were actually doing the work on the ground and the task force that had been put together were the ones that were doing the work on the ground, and she was glad to hear that Pima County was part of that and as the City Manager and the entire group continued to decide and adding pieces of the puzzle to finding solutions for this complex issue.

(NOTE: Council Member Cunningham departed at 5:17p.m. and returned at 5:22 p.m.)

Vice Mayor Santa Cruz stated that she was still curious about the number of shelter beds that were available pre-COVID and post-COVID, her understanding was that some congregate shelters still had not gone up to their full capacity and so she did not know how they would have that conversation. She spoke about how grateful she had the opportunity to travel to the Bay Area this past week as part of the League of Cities for Council presidents and Vice Mayors of large cities and just hearing from San Jose and San Francisco regarding how devastating it has been for them dealing with this since like the tech boom of folks not having access to affordable housing, and folks being displaced and how they had been trying to figure out how to create inventory for affordable housing and a cheaper and more affordable way.

Vice Mayor Santa Cruz said as they were a municipality that had a lot more funding, but they had been capitalizing on their ARPA monies to build prefabricated modular housing on public lands near freeways. She said she was able to tour a tiny home community in San Jose called Evans Lanes that served as bridge housing for families experiencing homelessness that provided about 49 units of housing with the 121 beds and wrap around services specifically designed for families. She stated that she shared a document with Ms. Morales regarding their citywide residential anti-displacement strategy and how it listed out the strategies and taking a look at how do they amend their city's general plan around the zoning code for their YIGBY use which stood for Yes In God's Back Yard and looking at a lot of churches that had overdeveloped parking lots and private public partnership with churches, and what they could do and how come they allow for 100% deed restricted affordable housing.

Vice Mayor Santa Cruz stated she was interested in exploring more of what has worked than what had not in other cities because she also got to see the camper RV park in San Francisco that was costing the city millions of dollars for a year and a half contract and they were still going to help transition folks from that into housing, because for them that was their home and not wanting to move from there and to continue to encourage, the

low barrier congregate shelter beds essential part of the continuum of supportive services for our unsheltered neighbors as many shelters exist right now continue to exclude pets, couples, and families, or require religious affiliation or impose religious based rules or those who exclude folks who were not sober, which closed the doors to many of the services, or at least getting folks into shelter. She stated that her team recently also visited a new 200 bed shelter in Phoenix in District 8 that used an old DMV building with American Rescue Plan Act (ARPA) funding even though they did not have showers and all the other things ready, they worked with community groups, and the private sector to get the mobile showers, washer, and dryer machines just to get something going. And she thought it was important that they continue to look for those options and that they should be spread across the city and not be concentrated in Ward 1, 5, or Ward 3 in areas that were seeing more of this transitional housing, it was important that they spread it out.

Vice Mayor Santa Cruz stated that her and the Mayor had spoken in the past about the program that Tucson Pima Collaboration to End Homelessness (TPCH) used to run that it was called Homeless Connect and she was not sure if the city had that program happen in a while, but to have a one stop shop like the homeless connect where folks could go and get services was something that they needed to consider. She said she wanted that to acknowledge that the city had a lot of folks from the community to them and asking about the feeding permits at the parks and she thought it was important to revisit and bring a create a convening of a stakeholder meeting with county public health officials, city officials and community mutual aid organizations to discuss what was working and what was not and how they could move forward and better collaborate while also protecting the public health of city's unsheltered members.

Council Member Kozachik stated that he did not want to set up yet another layer of bureaucracy by hiring yet another staff member, and he asked the City Manager and Pima County to figure out what this person was actually going to do, so they were not just adding another layer that where the issues could get submerged disappear. He said that as they were talking about a continued coordinated effort, the one group that was missing from the table was the police and there had been concerns raised by the community that they were, as City Attorney Mr. Rankin started to address this that they were ignoring the law and in fact, they were getting people with this team into the services that they need and there was a fundamental difference between doing that and addressing when people were actually committing criminal activity.

Council Member Kozachik expressed that his interest was more of what this person was going to do, as the misnomer in the community was saying that the city was not doing anything, he said this highly complex issue was nationwide and he thought that this Council, to the extent of the Board of Supervisors was involved; as it was served to be commended; Our city staffers deserve to be commended and he looked to continuing the conversation as they were get deeper into it because there were many different moving parts to it.

Mr. Ortega stated that he would work out the details with Jen Lecher and confirmed his direction was as he was hearing it was to figure out how they could work together and fund a position and define it.

Mayor Romero suggested that this item be brought back at a future study session to continue bringing solutions to the table and working in partnership with Pima County and other jurisdictions and non-profit organizations.

The motion was carried by a voice vote of 7 to 0.

12. Discussion Regarding Renewal of the Downtown Tucson Enhanced Municipal Services Improvement District (the “Bid”) (Wards 1 and 6) SS/SEP27-22-174

Opening comments were provided by Barbra Coffee, Economic Initiatives Department Director. She said that the discussion for today started the process for the renewal of the downtown Tucson Enhanced Municipal Services Improvement District (TEMSID), which would expire on June 30, 2024. She said a formal action by Mayor and Council would be required in order to extend the Business Improvement District (BID) for an additional five years, but no action was required till they come back on October 5th with a resolution for the Mayor and Council’s consideration. Today, they wanted to offer the opportunity for the downtown partnership to share some highlights of the work they had been doing to create a welcoming, safe, and vibrant downtown.

Information and presentation were provided by Kathleen Erickson, President, and CEO of the Downtown Tucson Partnership, who fielded and answered questions and distributed an annual report and strategic plan. She said she was joined by the Deputy Director Zach Baker, Co-Chair Tom Heath, Board Member Fletcher McCusker, and Former Chair Larry Hecker. She said this past fiscal year their community, board members, staff and partners came together to create two critical action plans which were a new Five-Year Strategic Plan and a Strategic Diversity Plan. She said together, these plans provided focus and direction for the Downtown Tucson Partnership (DTP) to catalyze Downtown Tucson’s continued economic recovery.

Ms. Erickson said that the new DTP Five-Year Strategic Plan identified the goals and objectives focusing on clean and safe initiatives, connecting those in need with services and housing, filling street-level vacancies, activating and maintaining public spaces, and marketing and promotions. The new DTP Strategic Diversity Plan outlined the six goals to ensure the diversity of this community who were welcomed and included in all of their downtown activities. This past year they hit the ground running by convening their partners and stakeholders to address and solve specific challenges head-on through the creation of the Downtown Safety Summit, Ronstadt Transit Task Force and Armory Park neighborhood meetings. DTP, in partnership with the City of Tucson and Pima County, set the stage for a vibrant holiday season by tight wrapping 141 street trees and illuminating 60 buildings as part of the Desert Nights Downtown Lights holiday campaign.

Ms. Erickson said they had partnered with Pima County to activate Stone Plaza and the Pima County Historic Courthouse Courtyard with outdoor seating, additional beautification, entertainment, and games. DTP created and implemented the “Building a Downtown Tucson for Everyone” grant program. The DTP Social Justice reviewed and awarded six grants to various events and programs taking place in Downtown Tucson that demonstrated a commitment to diversity, equity, inclusion, and that would reach communities not traditionally served by DTP as these were just a few of the highlights in this report and this community has a vision for downtown and with their help, and the help of our many partners, they would make that vision a reality and their team was fully committed to creating an environment that was beautiful, safe, welcoming, and vibrant; a downtown that brings our community together.

Mayor Romero asked if there was any commentary or feedback from her colleagues on the Council as she wanted to give the time to the chair or any of the board members, to add to the discussion.

Council Kozachik stated the operative word in DTP was Partnership he was grateful for the joint efforts of their staff, city staff, boards, downtown business owners park, Tucson General Services team and the ESA was a result of a lot of joint efforts and the DTP staff handled the clean, safe, and activated parts of it. And the partnerships that they had seen in both the Plaza and Armory Park were excellent examples of the kinds of things we could do and were all pulled in the same direction.

Vice Mayor Santa Cruz stated that in a time where they were waiting for downtown links to be completed, and as she was hopeful as they redirect traffic outside of downtown into downtown links that they look at how were making downtown safer and more pedestrian friendly and include discussions of how to close streets during periods of high activity, post downtown links and she thought it was important to highlight that and as they continue like generations before us, downtown was a vibrant place for Mexican American communities, and she wanted to make sure that they were continuing to support our small businesses and fighting, displacement and providing business owners locally with incentives to bring them downtown and also how to continue to diversify the DTP board and creating opportunities to preserve legacy businesses and really enhance our cultural roots here in downtown Tucson.

Mayor Romero stated that she agreed that downtown Tucson had a long history, beautiful, diverse history and had very lively spaces where downtown was really a part and continued to be the heart of our city. She said that she saw an opportunity to strengthen downtown Tucson partnerships, connections with our indigenous and Latinas Mexican American and Indigenous heritage as well as being able to partner with this particular Mayor and Council which represents the entire city and could give feedback, input, and advice, because downtown was as much as the Mayor and Council’s as it was downtown Tucson partnerships and they want to be a good partner to the mission and that work that DTP partnership did.

Mayor Romero said as policymakers the Mayor and Council wanted to be able to help alleviate the concerns that DTP had and thought that being able to have a strategic plan

talking about cultural identity, the Mayor and Council could help in partner to make sure that the events that they had were inclusive and reflect the diversity of the City of Tucson had in terms of the people and their residents and she would love to be able to continue their discussions that were talked about in the presentation, the struggles of the pandemic and within the businesses in the downtown area were small businesses and their health and ability to survive or not survive.

Mayor Romero wanted to the business know that the City of Tucson was paying attention, along with their downtown Tucson partnership, Rio Nuevo, and Pima County continue bringing our downtown into the economic thriving downtown that they had seen in the past and did not think they should wait until they had to approve the start of the process of continuing the bid, she said as they continue having opportunities and conversations as needed of how they could improve their partnership and the cultural identity that once was such a big part of our downtown and into the board and the workforce.

Tom Heath, Chair of the Downtown partnership stated that he was just beginning his second term of chair for the DTP, and they were a pretty diverse group of stakeholders interested in the common goal of making downtown the vibrant community as described. He said the strategic plan was built from the input of hundreds of stakeholders from residents, business owners, policy makers and the five objectives that they had come upon was the result of a lot of conversations and the Social Justice Committee (SJC) that was formed specifically to make sure that they increase downtown as an opportunity for all to enjoy and want to live, work and play.

Mr. Heath mentioned that the work that still needed to be done by the board internally was a priority of their Governance Committee (GC) and this year they exceeded their goal and wanted thank Mayor and Council because they had an Executive Committee as a member through Mr. Ortega staff and they had direct input on what they did and were very fortunate to have that and they looked forward to a stronger relationship in that area and also thanked the DTP, the collaboration of Pima County and Rio Nuevo about the City of Tucson and the business community that as they work together, each one was getting a significant greater return on their investment for the dollar spent. He said they could use this as a way to find solutions that would work in downtown and could resonate out into the rest of the community.

Mr. Heath said he appreciated the support of the DTP and personally, as a resident and a business owner in downtown, he expressed gratitude to the staff for helping them with not just for the clean and safe aspect but making sure that the morale in downtown area had remained strong over the last few years. Which, quite honestly, without them they would have suffered tremendously. So, he did appreciate the time on that and look forward to a stronger relationship as they move forward with some of these objectives.

Mayor Romero wanted to want to recognize Rio Nuevo Board Member Fletcher McCusker was in attendance with Rio Novo board, who had been an incredible partner in helping reinvest and reinvansion in our downtown.

Fletcher McCusker, Rio Nuevo Board of Directors Chair, said as they deliberate the renewal of this bid, a year ago as you may have heard from them how Rio Nuevo and their merchants downtown suffered through the pandemic and they were a state tax tiff, their revenue dropped from \$2,000,000 a month to \$0.00 and he could report to Mayor and Council that the most recent revenue for the district was a Rio Nuevo at \$3.4 million that translated to over \$60 million of revenue and a single month within our district. He asked who was driving that pedestrian.

Mr. McCusker said the consumers, restaurant goers, entertainment venues, Tucson Convention Center (TCC) had never been busier as well as the Fox Theater and the Rialto were thriving. Our restaurant tours would say that in spite of everyone who had closed due to the pandemic, had been backfilled by a new restaurant and they were 30% ahead of where they were Pre-pandemic and that was a credit to all of our collective vision about downtown. He said in the last few months Rio Nuevo had enabled 15 local restaurants and many of them were minority or female owned and would continue to do that and what that meant for all of us was an unbelievable amount of pedestrian traffic coming to our downtown core.

Mr. McCusker said what the DTP did for the most part was behind the scenes, but it had never been more important for clean streets, painted curves, every planter in the downtown had to be hand watered as there was no irrigation to any of this and they had to literally walk around with a wagon to things, but it was litter-free, it was clean, it was safe. He said the purple shirts were the best ambassadors they had for downtown area and yes there was a security issue, but they were working on that collectively, so he urged Mayor and Council to really consider not only renewing the bid but to see what they could do to expand.

Mayor Romero asked Mr. Rankin what was the next step that they needed to do and what was the start of the process.

Michael Rankin City Attorney stated that the first step was the renewal to come back on October 5th Mayor and Council meeting to launch the notice that went out to all the property owners who were assessed within the bid starts about a 60-day process of public comment for those folks to a comment about the continuity of the bid, if there was any desire to talk about an expansion of the enhanced services district, then they could have that, and it did not have to be right now they could talk about it at a study session at a time of your choosing and then move forward from there.

Vice Mayor Santa Cruz stated that she was interested in the frontage Rd area, because of the impact of the freeway up to their Westside neighbors and the disconnection with downtown and because it was also a corridor for tourism and hotel stay. She said it would be something to take into consideration moving forward.

Mayor Romero said that she thought that in terms of conversation regarding the expansion, and how they assure that the priorities of the Mayor and Council in terms of

policy priorities, affordability, equity, anti-displacement strategies, inclusivity in the activities in our downtown, their small business strategy and how they expand the incentives for small businesses support of our small business community in our downtown and throughout the city and continue aligning those priorities with the DTP was important and how could they as the Mayor and Council with the City of Tucson continue being a good partner when it came to community safety, health, and wellness of our downtown were important things to continue sharing notes and communicating with each other. She asked Ms. Coffee if they needed to start the process or would that happen on the October 5th.

Mr. Rankin replied regarding the next steps and a list of what should be considered. It was decided to return on October 5th with additional information.

No action was taken.

**13. Updates on State and National Legislation and Regional Committees (City Wide)
SS/SEP27-22-156**

Information was presented by Andrew Greenhill, Intergovernmental Relations Manager, who fielded and answered questions.

Andrew Greenhill, Intergovernmental Relations Manager stated that he had a few quick updates on federal and state issues. First, he said he distributed to the Mayor and Council the answers to Council Member Fimbres questions on a number of different federal issues. He congratulated Mayor Romero on her DC trip and her testimony to the Senate Environment and Public Works Committee on infrastructure projects, both of those were underway, as well as those that were planned here in Tucson as many priority projects and programs were going to be supported by that bill and she was able to tell the Congress and the Country about those projects.

Mr. Greenhill said he had two news items which was the United State (US) Senate voted to overcome a procedural hurdle in order to move forward on what was called a continuing resolution as this was important so that the federal government did not shut down on Friday night as the end of the fiscal year, and they need to pass this continuing resolution to keep the government open which was a big hurdle today and hopefully would move forward and there would be a final vote before Friday and because the clock was ticking, he wanted to make sure Mayor and Counseled anyone listening knew that the November 8th General Election was coming and the deadline to register to vote was October 11th and if those who wanted to make sure that their vote was counted for that election, they had till October 11th to make sure they were registered to vote.

Mayor Romero said to her colleagues if they had any questions to send their questions in on this item for purposes of saving time.

Vice Mayor Santa Cruz stated that she wanted for the record acknowledge that Pima County judge ruled last Friday that pre statehood law banning almost all abortions could be enforced effectively outlawing elective abortions in Arizona. She also wanted for the

record to say that at this at this time part of the code also included that no Black Indian or Asian could testify against whites if forbade all marriages between Whites and Nonwhites and define the age of consent at 10 years old and she said this was setting us back a long time and wanted to read that for the record so that they could continue to engage and fight to protect their rights.

No action was taken.

14. Mayor and Council Discussion of Regular Agenda (City Wide) SS/SEP27-22-157

Mayor Romero announced she wanted to consider the following items from the Consent Agenda separately:

Item g Title VI Service Equity Analysis for Major Service Changes:
Suspending the Sun Express Routes (City Wide and Outside
City) SEP27-22-24

Item h City of Tucson Transit Services Title VI Program (City Wide
and Outside City) SEP27-22-255

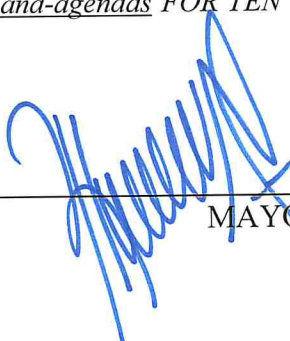
Item I Title VI Service Equity Analysis for Suspension of Fairs (City
Wide and Outside City) SEP27-22-260

15. Mayor and Council Discussion of Future Agendas (City Wide) SS/SEP27-22-158

No items were identified.

16. ADJOURNMENT – 5:55 p.m.

*AUDIO RECORDING FOR THIS MEETING IS AVAILABLE ON-LINE AT
<https://www.tucsonaz.gov/gov/meeting-schedules-and-agendas> FOR TEN YEARS FROM THE
DATE OF THIS MEETING.*



MAYOR

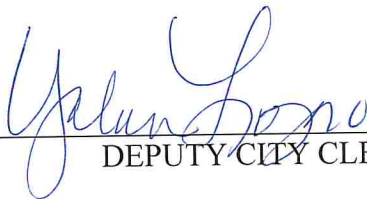
ATTEST:



CITY CLERK

CERTIFICATE OF AUTHENTICITY

I, the undersigned, have read the foregoing transcript of the study session meeting of the Mayor and Council of the City of Tucson, Arizona, held on the 27th day of September 2022, and do hereby certify that it is an accurate transcription.

A handwritten signature in blue ink, appearing to read "Yalun Lopez", is written over a horizontal line.

DEPUTY CITY CLERK

SM:aj