

Ward 6 Staff



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Council Member



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Ward 6 – Newsletter

MARCH 9, 2011

A Message from Steve

Today was a pocketbook day at the council. Your pocketbook. We touched on the budget, streetcar, bus fares, RTA spending and home foreclosures. If we don't get the first 4 of those right, the 5th one only gets worse.

I walked the council through my budget proposal. To refresh you, on 2/15 the council adopted a framework for moving ahead with the budget. I voted in favor of it simply to preserve my right to bring back some new ideas. Today I did that. Here are the salient differences between the two proposals:

<u>ITEM</u>	<u>COUNCIL PROPOSAL</u>	<u>MY COUNTER-PROPOSAL</u>
Assumed Growth	\$12.5M	\$10M
Sale of Land	\$0	\$7M
Low Income bus fare cost recovery	\$0	\$500,000
Bus fare increase	\$1.6M	\$1.6M, but tied to the CPI as an automatic escalator
Transit	\$0	2.2M reduction (5% cut)
Debt restructure	\$9.5M	\$4.5M
Parks and Recreation	\$3M reduction	\$3.9M reduction

On most of the remaining issues, we were in close agreement. The net result is that my proposal established nearly a \$3.4M surplus that I suggested the rest of the council put our heads together and use the money to incentivize the private sector, put the City in a more competitive position relative to surrounding jurisdictions with the net result being job creation, income and sales taxes increasing, and resulting in our ability to chip away at the structural deficit on the basis of economic growth, not cuts and taxes. Let me make a couple of points to clarify areas in which there was confusion:



Important Phone Numbers

Tucson Police
Department

911 or 791-4444
nonemergency

Mayor & Council
Comment Line

791-4700

Neighborhood
Resources

791-4605

Park Wise

791-5071

Water Issues

791-3242

Pima County Animal
Control

243-5900

Street Maintenance
791-3154

Planning and
Development
Services 791-5550

Southwest Gas
889-1888

Gas Emergency/
Gas Leaks

889-1888

West Nile Virus
Hotline

243-7999

Environment
Service

791-3171

Graffiti Removal
792-2489

AZ Game & Fish
628-5376

Continued: A Message From Steve

First, my proposal to reduce the City subsidy for low income bus fares; That is specifically aimed at other governmental jurisdictions and schools who buy bus passes from the City at the low income rate (often using grant money they have secured) and then selling them to their clients while the City absorbs the difference between the low income and full-fare costs (over \$1.3M from the General Fund). The proposal is not at all aimed at non-profits who buy low income passes from the city. These non-profits need to be able to provide the passes and have no other means to do so. The State, County, TUSD, Charter Schools - they can absorb that subsidy, or pay us the full-fare cost and sell the passes to their clients for whatever rate they choose. While we're running a \$55M deficit, we cannot afford to carry those costs on our books any longer.

With respect to cuts to transit, my proposed 5% reduction can be absorbed by a combination of service adjustments in the form of extending waiting times on certain routes, and possibly eliminating a route if it is found to be underperforming. Every City department has suffered reductions far in excess of this. We have been balancing the budget on our employees' backs for too long. Transit needs to be a part of the solution. Next, the reduction to Parks and Recreation is \$2M under the 15% level that was originally requested by the City Manager. It is exactly what the Collaboration Team suggested. The Dept. of Parks and Recreation has returned funds—that were budgeted but un-expended—to the General Fund for two straight years. My proposed reductions are not out of line.

Last year the City Manager wrote into his proposed budget a \$10M land sale line item. This year he has assumed zero dollars in land sales that would go towards deficit mitigation. The council took his lead on that. I believe we must get aggressive in selling City-owned parcels that lie in proximity to the streetcar corridor or we will be facing O&M costs for the streetcar once it's up and running while we sit and wait for development that is catalyzed by the streetcar to occur. We already have appraisals on land that, in total, exceed the \$7M figure that is in my proposed budget. Getting out ahead of the streetcar project is fiscally prudent on several levels.

There is a cost for restructuring debt. The current Comprehensive Annual Financial Report states "the difference in cash flow requirements to service the old debt of \$11M and the cash flows to service the new debt of \$15M is \$4.2M" The council wants to assume pushing the entire \$9.5M debt forward another year. I want to cut that in half and save in the excess interest charges we would have to otherwise pay.

Finally, putting together a \$3M fund that we can use to spur economic development is the starting point for us to build our local economy back to where it needs to be. With a strong private sector, we won't have to fight these budget battles year after year. The economic recovery will not come from Washington, or from Phoenix. Our recovery will come from our own efforts at making Tucson competitive in the marketplace. That's my goal, and it is the intent of my budget package.



Important Phone Numbers

Senator John
McCain (R)
520-670-6334

Senator Jon Kyl (R)
520-575-8633

Congresswoman
Gabrielle Giffords
(D)
(8th District)
520-881-3588

Congressman
Raul Grijalva (D)
(7th District)
520-622-6788

Governor Janice
Brewer (R)
Governor of Arizona
602-542-4331

Toll free:
1-800-253-0883

State Legislators

Toll Free
Telephone:
1-800-352-8404
Internet:
www.azleg.gov

Mayor Bob Walkup
791-4201

City Infoguide
[http://
cms3.tucsonaz.gov/](http://cms3.tucsonaz.gov/)

Council took no action on my proposal this week. We discussed for 45 minutes whether we should raise the low income bus fare by a dime or twenty cents, but left the conversation of the \$55M deficit for another day.

The streetcar project involves several inherent issues that are critical to making it a success. One of the most critical is ensuring that we identify areas along the proposed corridor and get them zoned and onto the market. Otherwise, we will only increase our General Fund obligation to yet another form of transit. We also must ensure that we have secured the needed funding, gotten the utility infrastructure installed ahead of the laying of the tracks and phased the construction in a way that tears up streets one time, not 2 or 3 times, thereby increasing the imposition on the businesses that operate along the route. I have spoken with DOT officials on numerous occasions on these topics. This week's study session was an opportunity to publicly reiterate many of those concerns.

The issue of RTA spending came up in the context of discussion of the Udall Park expansion project. While I fully understand that the voters approved a package of RTA projects, and that the Kolb Rd. extension was one of those (that extension lies on the western end of Udall Park and is incorporated in the park expansion plan) it is indisputable that the RTA projects approved by the voters are grossly underfunded. Receipts from the 1/2 cent RTA sales tax are far below projections, and that is causing the RTA to consider going out onto the market for another \$100M in bond sales. That will cost us \$150M to repay. The Kolb extension began as a \$9.1M ballot measure that has already cost the taxpayers nearly \$20M (\$13M in FTA dollars - still taxpayer money - has been allotted to the project.) Last week I wrote about a \$40M cost shift to Tucson Water for bonding that will cover utility costs that were in the original RTA project cost estimates. While the City Attorney has rendered an opinion that these are voter-approved road projects, it is my belief that when we see revenues falling and projects exceeding cost projections, the voters might want to take a 2nd look at what they're being asked to fund. The city cannot force a revote on the RTA package. That would have to come from the Board of Supervisors, at the request of the RTA. Regrettably, it seems the RTA is more comfortable in selling more debt than in finding out whether the taxpayers want them to engage this bureaucratic inertia that is continuing to drive these projects. This is significant money. In the past the RTA has challenged the City's ability to control costs associated with its own projects. I have that same concern over the financial management of RTA work.

Pima County, and most particularly Tucson, is suffering from an inordinate level of home foreclosures. Clearly that is a function of a weak economy, and is even more reason for us to adopt a budget that makes us as a region comparatively more competitive than our neighbors. In addition, we learned today that the bulk of the foreclosure assistance funding is ending up in Maricopa County. No huge surprise there, but also not something we should simply allow to occur without our weighing in with our Southern Arizona delegation. I will be doing that, and based on our conversation today I suspect the rest of the council will be as well.



So, another week of some heavy lifting. As we enter April, we'll be getting our arms more fully around a final budget package. That will inform many of our decisions on these other related areas.

Finally, I have been keeping track of the Air Operations Center transfer from Tyndall AFB to DM (or the reverse if we are not successful in winning those jobs.) The most recent information is that the Department of Defense will be making its decision sometime in late spring or early summer. The good news is that the decision-makers are "aware of the great Tucson support" for the project. I urge you to write to all of our Congress people and have them lobby on behalf of these high-paying jobs for our community. These are the sorts of economic developments that will ultimately draw us out of our fiscal lethargy and back to financial health as a community.

Sincerely,



Steve Kozachik
Council Member, Ward 6
www.tucsonaz.gov/ward6

GABRIELLE GIFFORDS HONORARY

Save-a-Life Saturday



Gabrielle Giffords Honorary Save A Life Saturday

On March 19, there will be a unique opportunity to learn essential CPR and first aid skills at a free training event. This is a nationwide event honoring Congresswoman Giffords, whose district largely overlaps with the service area of our American Red Cross chapter. More than 100 Red Cross chapters will be participating nationwide.

WHEN: Saturday March 19, 2011, 9am, 11am, and 1pm. **WHERE:** Six locations across Southern Arizona, in Tucson, Green Valley, Nogales, Sierra Vista, and Douglas.

COST: Free. **INCLUDES:** Training in hands-only CPR, controlling external bleeding and managing shock. Will last 45-60 minutes. **REGISTER ONLINE** at:

http://www.redcrossarizona.org/site/PageServer?pagename=appeal_giffords_savealife to take part in this valuable training.

Annual UA Mortar Board Neighborhood Clean-up

Mark your calendar for Sat., March 26 and we are looking for volunteers. This is your chance to join community members beautify our Tucson Neighborhoods. For more information visit

<http://www.mortarboardarizona.org/cleanupcrew>

Sam Hughes Neighborhood Association

The Sam Hughes Neighborhood Association, a National Historic District, will present a home tour on Sunday, March 13 from 12-5. Boundaries are Campbell Ave./Country Club Blvd. and Speedway/Broadway. The neighborhood, adjacent to U of A and anchored by Rincon Market and Himmel Park, will feature a variety of home styles, gardens, artist studios, and new neighborhood businesses that will serve refreshments. Proceeds from the tour and a raffle will go toward neighborhood projects and a local charity.

Admission: \$15 Pre-purchase of tickets: Seven Cups, 2516 E. 6th St., March 6-12, 10:30-8:pm. Ph. 520-881-4072 Purchase of tickets on day of tour: Rincon Market, 2513 E. 6th St. in front patio, March 13, 9-4:pm. Ph. 520-327-6653 Contact info: 520-323-7891 or johnnden43@hotmail.com Also, see www.samhughes.org for updates.

Annual Chuckwagon & Silent Auction at Sam Hughes Elem. School, March 12, 2 to 6 p.m., 700 N. Wilson (between E. 3rd and E. 4th Streets). For more information please visit: www.samhugheselementary.org.

Tucson's 2nd Saturdays Downtown Goes Irish for St. Patrick's Day

Congress Street will play host to the **St. Patrick's Day Parade from 5:30 p.m. to 6:30 p.m.** with the Zsa Zsas rocking the Rialto Theatre, 318 E. Congress Street, for an Irish themed concert starting at 9 p.m. The Fox Theatre, 17 W. Congress Street, will feature the acclaimed Tucson Jazz Institute performing two sets between 7 p.m. and 9 p.m. Musicians and performers will line Congress Street from the east end to the west end with eclectic tunes, stilt walkers, break dancers and living statues. Merchant discounts will be offered throughout downtown and numerous street vendors will be on hand as well. **2nd Saturdays Downtown runs from 5 p.m. to 10 p.m. and most performances are free.** For more information:

<http://www.2ndsaturdaysdowntown.com/>

ST. PATRICK'S DAY PARADE, MARCH 12

The theme for the 24th Annual St. Patricks Day Parade and Festival is, Everyday Heroes, and will focus on and honor the local, national and international personalities who have made a positive difference in Tucson. The one-hour parade will begin at 5:30 p.m. on 14th Street and Stone Avenue, wind through Downtown Congress Street, Broadway and 6th Street - ending at Armory Park. **Time: 3:30 (Parade begins at 5:30) Where: Armory Park Center Downtown - 220 S. 5th Ave. Cost: Free!**

