



Ward 6 Staff



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Council Member



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Ward 6 – Newsletter

A Message from Steve

MAY 11, 2011

Council meeting this week was very much about kitchen table pocketbook issues. While there are so many people struggling to stay afloat in this economy, it is incumbent on us at M&C to remember that we're spending your money and owe to you the commitment to use it wisely.

With that in mind, I'd like to begin with a couple of points of clarification. There was some media coverage this week about the city raising property taxes. While that is true, the background on why that is happening isn't being told. The primary property tax includes both a 2% increase as well as the reimbursement for the prior year tort liabilities at about \$2.5 million. That's a big number in comparison to our total property tax. This portion of the property tax will change each year based on how the prior years' legal liability experience goes up and down. The very large amount in this period was due to an electrocution fatality that occurred in a city park. This money goes to the risk management fund and it will fluctuate again next year as a function of how much we have to pay out in claims against our risk management fund. So, the bad news is that the tax is going up this year to fund that risk pool. The good news is that it will adjust again next year and if we don't have any significant legal debt, it will go back down.

Another area that received some focus this week, but needs a little cleaning up, is the M&C agenda item in which the City was going to borrow in the neighborhood of \$35M in Certificates of Participation (COPS). These are essentially bonds, but this borrowing is paid from the general fund and does not require voter approval. The figure was correct. What wasn't being reported is how the number was divided up among debt producing projects. There is a very much needed \$1M upgrade to city I.T. In addition, there is a \$6.5M charge for building a parking garage downtown (this was approved last year, but was not borrowed against, so this is not a doubling of that earlier authorized borrowing limit for that project). Revenues generated from the garage are going to cover the debt service on the COPS associated with the garage. Also, we're borrowing \$1.4M on work associated with Energy Conservation projects, each of which will pay back debt service over time due to energy savings.

The two big ticket items in the COPS package are \$6M for "contingency" and \$20M for debt restructuring. The contingency was a combination of \$1.5M for costs associated with filing for the COPS and \$4.5M for work on the TCC. Because we are presently in negotiations with Rio Nuevo on how to proceed with the TCC



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

renovations, we decided to exclude that \$4.5M from our COPS package. So, we will be issuing COPS at \$1.5M to cover the filing costs related to the entire package. Also, the \$20M is to fund continuing debt service on existing COPS obligations. This is not new debt, but paying on previously obligated projects. It is an inflated number that was intended to include "capacity" in case more money was needed to fully fund the COPS allocation process. The *real* amount we need to reauthorize the existing debt is closer to \$12M. So, Tuesday's M&C instructed our staff to reduce the amount for restructuring from \$20M down to \$12M. That will give our finance people enough slack to get the package filed but reduce the sticker shock. At the end of the night, I was pleased to come away with a COPS package that will fund needed projects, but is now \$22.43M, which is over \$12M less than originally requested.

Another money issue voted on last night was a tentative budget for FY'12. What we voted on Tuesday was pretty much the same thing the Council identified to the City Manager as a framework from which to work, back in February. I will say that we had a bit of a testy discussion that highlighted the differences in our approach to how we'll balance this budget. If you've read this newsletter before, you're familiar with the areas of disagreement. I offered four motions today that point to the differences. None of the motions received a second and so all died without a vote.

The motions were:

1. Reduce the Sun Tran subsidy by \$2.9M (it is now a \$39.5M general fund subsidy) and earmark \$1.8M of that money for road repair.
2. Sell bus passes to State, County, and Native American agencies for the full fare not at the low-income rate at which we are currently selling them. If those other agencies want to sell them at the low-income rate, they're free to do so, allowing them to absorb the difference between the two rates.
3. Incrementally, over the next five years increase the low-income bus fare to a level of 50% of the full fare, and keep that 50% rate in tandem with any future increases in the full fare.
4. Reduce the debt service that is being rolled over in our budget (\$9.5M) by \$5M and sell \$5M in City land to make-up the difference. If the streetcar project is going to have any hope of not becoming a drain on the general fund, we have to begin marketing land to foster private sector development along the corridor.

So, all four motions failed for lack of a second and the Council voted 5-1 later in the evening to move forward with the framework that was adopted back in February. That framework generally follows a path that our City Finance department, City Manager, city department heads, staff and union representatives called "not sustainable". I've offered several alterations to that February framework, as have members of the public. The Council has not found any of them to be worth including in what is to be passed.



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/
infoguide](http://cms3.tucsonaz.gov/infoguide)

There is one more public hearing Tuesday, May 24 if you'd like to give your opinion on what we're going to pass. Come on down and let your voice be heard. If you'd like to see a picture of what has happened to Parks & Rec., Transit, Road Repair, Fire, and Police in the last two years, click on these links

<http://cms3.tucsonaz.gov/sites/default/files/ward6/Budget1.pdf> and

<http://cms3.tucsonaz.gov/sites/default/files/ward6/Budget2.pdf> It's revealing.

Also at today's Council Meeting, I asked the City Attorney to engage in a discussion of how we can put in place a policy for development agreements that include some very basic components, many of which have been lacking in previous agreements. Those basic elements are:

The price we're receiving for our assets

The timeline in which progress has to be made in the project being contracted for
Specific deliverables from the contractor that must be met along the timeline

What the developer is getting at the end of the project

My intent is to prevent any more examples of the City selling property and having it sit vacant for years or making agreements that are not explicitly performance driven. I am pleased with the presentation and look forward to formalizing some content in a development agreement in the very near term.

The Council voted unanimously to support FC Tucson (minor league soccer team) in its efforts to market Tucson for spring training soccer matches. I was concerned about giving a non-city entity exclusive bargaining authority on behalf of the City which might end-up closing the door to current facility user groups. Or it could end-up ignoring the need for process as it relates to neighborhoods surrounding any of the sites ultimately selected for the soccer matches. In addition, any scheduling must take into account the need to maintain, over seed and refresh the turf at each of our facilities. With the understanding that our Parks and Recreation Director will be the ultimate go-to person for coordinating and advising on how city assets will be involved in this process, I agreed to at least start the dialogue with some major league soccer franchises about moving to Tucson for their pre-season work.

An important process has begun that is of community -wide interest. Tucson Unified School District (TUSD) is looking for new tenants in several closed schools that are situated around town. I attended a public meeting in which the selection process was described. In brief, a "solicitation" will be sent out and applicants will be judged on the basis of how well their proposal addresses community well-being, neighborhood needs, minimize cost, maximize revenue to TUSD and that ensures a wide range of creative options for TUSD. There have already been eight community meetings held to receive input. The proposals will be received on June 8. On June 27& 28 there will be more opportunity for public input - this time with specific respect to proposals. If you're interested in the process, the solicitation or seeing reviews of what has already occurred, go to [http://www.tusd.k12az.us/contents/
distinfo/schoolsites_meetings.asp](http://www.tusd.k12az.us/contents/distinfo/schoolsites_meetings.asp). The schools involved in the solicitations are Ft. Lowell Elementary, Duffy Elementary, Van Horne Elementary, Wrightstown Elementary, Jefferson Park Elementary, Roberts Elementary, Rogers Elementary and Reynolds School.

I want to encourage you to get, or stay, involved in the process of local governance. These are significant issues and every time the M&C meet, you have an opportunity to speak at Call to the Audience for three minutes. You'd be surprised at how much you can cram into that time allotment, so please take advantage of that part of the process and let us hear what's on your mind.

Sincerely,



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

2nd Saturdays Celebrates 1-Year Anniversary

Tucson's monthly urban street festival, 2nd Saturdays, is celebrating its one-year anniversary on May 14, with lively street performances, fabulous, free live music, children's activities, food, arts and crafts vendors, and special deals from Downtown restaurants and other businesses. Second Saturday welcomes Buffalo Exchange to Congress Street! Buffalo Exchange is celebrating their Grand Opening This Saturday at their new location at 250 E. Congress. The action is along Congress Street from the Rialto to the Fox between 5:00 and 10:30pm. This month, La Placita Village joins 2nd Saturdays as a performance venue with Soul Celebration.

For more information, visit www.2ndSaturdaysDowntown.com or become a "liker" of 2nd Saturdays' Facebook-page.

Finding Voice Celebration 2011

Come Join Catalina Magnet High school Students for Food & Fun on Thursday, May 19th, 6:30pm at Catalina Magnet High School Auditorium, 3645 E. Pima Street (Between Country Club & Alvernon) The evening will be full of poetry, photography, community action stories, music, dance, and food celebrating Catalina's diverse student body who are working to build a positive, equitable and action oriented community through their art, advocacy and voice. The youth hail from Burundi, Bhutan, Nepal, Ivory Coast, Iraq, Kenya, Serbia, Somalia, Tanzania, Russia, Ethiopia, Congo, Marshall Islands, Sudan, Liberia, Rwanda, Mexico, and many more countries. For more information please visit their website: <http://www.findingvoiceproject.org/>

Support Café 54

If you are interested in supporting Café 54's application for a solar grant, please go to the link below and vote for them by selecting Coyote Task Force at the bottom of the page and pressing the "Vote" button. <http://tfssolar.com/2011-solar-grant-finalists/>. To learn more about the grant, visit: <http://tfssolar.com/6873/coyote-taskforce/>