

Ward 6 Staff



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Council Member



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Ward 6 – Newsletter

DECEMBER 14, 2011

A Message from Steve

City/County Courthouse

A week ago, the County Administrator sent to the City Manager the following letter http://cms3.tucsonaz.gov/sites/default/files/ward6/12-14courts.fin_.pdf

I've written on this topic on two prior occasions, generally expressing the position that if we are being asked to make multi-million dollar commitments of your money, some level of advance discussion, review and study would be a good thing.

A 30 minute study session item doesn't really qualify.

The allegation is that the County has been keeping the City involved in the discussion as this project and its funding challenges evolved. Even if that's the case – and based on comments from several high level City Staff, I'm not sure that it is the case – the fact that the issue is being brought to the Council two days before the County's drop dead date strikes me as eleventh hour, and not the way to address such an important issue.

Let's be honest; this issue has been in my newsletters and has been generating an exchange only because about four weeks ago the Arizona Daily Star had an article on it. I began to do some homework and ask questions, the County Administrator has engaged in the exchange, and finally, two days before the price is alleged to no longer hold, we're having a presentation to the full Council.

The project may be needed at some point in time, and if designed with good urban design features included such that it activates surrounding retail, contains proper connectivity by foot and alternate modes of travel, offers infrastructure and landscaping that avoids the appearance that all we did was to plop a judicial bureaucratic structure at one of the gateways into our downtown core, it could be good. We don't know any of that.

Sundt Construction has offered a \$48M Guaranteed Maximum Price (GMP). I won't rehash all of my concerns about where the original bond funding went but if you're interested, you can look back at my November 16 and 23 newsletters. For now it's sufficient to share that the \$48M is for the shell of the building, not the interior. You were asked back in 2004 to fund \$76M in debt to build a finished product. That's no longer the case.



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

The way things work is for the government to start a project and get so far into it that there's no turning back, irrespective of cost escalation that might occur. The answer to this is to go back to the taxpayers and extract the needed cash. After all, we couldn't simply leave the building vacant, or half completed.

In a case where a wrong decision could well mean the unnecessary expenditure of significant taxpayer dollars, it is fiscally responsible to take our time, sort through all of the issues and then make an informed decision. On Tuesday, I was left with numerous unanswered questions and so was not in a position to commit your dollars to a project that was just dropped in our lap. "Our" meaning Council. If staff has had this in their hip pocket and hasn't shared it with us until the eleventh hour, shame on them. I don't believe that to be the case. If the County just dropped it on us, shame on them. Were we to have simply checked the box and said to go ahead would have been to our shame.

The County spent \$12M to house their workers in the Superior Court building. The City is getting no credit for that in the proposed deal. The project was overdesigned. \$11M was spent on architectural work. That's a waste of your money. And, they say it'll cost yet another \$12M in design and project management. That's \$23M for that line item when you approved \$6M for it back in 2004. The project is now smaller than what you were told it would be back in 2004. And it's costing more. That makes no sense. The County gets all of the parking revenue - the garage is supposed to cover debt service based on parking fees. That's not a reliable form of financing. The City is being asked to pay lease to the County once the building is occupied, notwithstanding the fact that the City taxpayers are funding the bulk of the cost to build it. Plus, multiple millions of your dollars went into building County-only tenant improvements at Superior Court.

And we're told that the price will hold only until 12/15. Note to the County, and to Sundt: subcontractors are hungry in our economy. Make a few phone calls, tell them that the City is reviewing the proposal, will respond with a counter offer for an IGA with the County, and hold the prices. If a given sub won't hold his price, scratch him off the list and go out for a new sub in that trade. I'm suspecting that won't happen though. Reasonable people make rational decisions.

We will continue to study this project, get the right answers and move ahead with it in a responsible and prudent manner. This wasn't that.

West University Transition Area (WUTA)

First, some bullet points to frame the issue:

- The University of Arizona student enrollment is now bumping 40,000. It is increasing.
- We have an on-going problem in neighborhoods surrounding the University related to how we provide sufficient student housing in a manner that is compatible with the zoning and culture of the neighborhoods.
- We are building a streetcar to connect the University with downtown. It will traverse through campus, the West University area, 4th Avenue and through downtown.



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)

- The streetcar will bring Operating and Maintenance obligations that require us to find ways of offsetting those costs through development along the corridor.

In an effort to address that set of facts, we established a geographically identified zone bounded by Speedway, Park, Euclid and 6th Avenue. This was dubbed the West University Transition Area; i.e. the area that serves as a buffer between the West University Neighborhood, and the main campus.

The area contains property that is variously owned by the University, private individuals, LLC's, a Foundation, and private businesses. Our goal was to put in place zoning that would allow for the development of student housing (bullets 1 and 2) near to the streetcar (bullet 3) and include zoning that will catalyze private sector development (bullet 4).

On a separate path, we are under State mandate (without funding) to put together a long range planning document that we're calling Plan Tucson, one element of which will define smart growth. Included under that umbrella are the following considerations: Land Use and Transportation, Urban Design, Redevelopment and Revitalization, Historic Preservation and Public Infrastructure and Facilities.

We adopted zoning guidelines on Tuesday that will effectively address each of the four bullet points with which I began this section and it is consistent with each of the "smart growth" considerations we are charged with addressing under our Plan Tucson.

The work will begin on some student housing early next year. There are plans for other projects that will take place within that buffer area. The streetcar construction is also about to begin. So, in the very near future you will see multiple construction projects (jobs) beginning. The net result of which will be to demonstrate to those who make a career out of saying that this City Council cannot embrace effective growth strategies that are good for business and good for the community that we moved swiftly, smartly and in accordance with commitments we've made to multiple constituencies.

When there are so many diverse interests involved with a decision such as this, there will always be preferences that were not able to be included. I believe what we adopted with the WUTA is going to be good for the greater community as it addresses multiple concerns (listed above) that we cannot ignore.

Occupy Public Lands

Here is a letter we received from a group of the Occupy Tucson people http://cms3.tucsonaz.gov/sites/default/files/ward6/12-14.ot_demands.pdf They are now no longer focused on Viente de Agosto, but "Public Lands." If our turning over the City Park was unacceptable, our allowing that to expand to "public lands" is even more so.

The group lists "demands." That strikes me as a bit of an overreach from a group who is nightly violating the law.

Here's what you're not seeing in the newspaper. There was a child molestation in one of the

tents. There have been fights in the park. There was a drug bust. There is drinking going on regularly. Local businesses are tired of the appearance of the park. These acts are not being conducted by the original Occupy Tucson group. But, as I've written here before, and as I've said to that group, to the extent that you open yourself up to a "come one, come all" approach, you lose control of who's included in your group, and with that you effectively lose control of what happens in the park.

The City has been patient. The nature of the encampment has fundamentally changed. The response needs to similarly change. May I say that there have been gross violations of either the spirit or letter of the law when it comes to major financial institutions. Insider trading in the stock market, oftentimes by people we have elected to the U.S. Congress, is an unfair manipulation of market forces and represents illicit gain by the few. We get that. But that does not translate into reacting in the manner in which we are now seeing played out on our public facilities. The general public deserves to see this cleaned up.

Rio Nuevo

If you follow these newsletters, you'll know that I, along with the rest of Council have been struggling to figure out what possible strategic advantage the Rio Board is trying to gain by filing lawsuits and resisting any positive steps forward that we suggest. If you have been to any of their meetings, you'll know that their usual M.O. is to stay in open session for a few minutes, and then duck into executive session for long enough that the audience fatigues and leaves.

Well, I slipped covertly into one of their recent executive sessions and now have learned their strategy. Here are some still-frame videos of what I observed during their discussion



Note to Rio: the Gem show's coming and that matters a great deal

Note to Rio: the Gem show rents the TCC and it needs a face lift

Note to Rio: you have bond money, COP money and received a \$10M transfer of cash in August that can be used to do repairs to the TCC

For those of you who know what a tautology is (if $a=b$ and $b=c$, then $a=c$) it wouldn't take a brain surgeon to put those three lines into what resembles one.

We start mediation on the 14th. It would be very nice if in next week's newsletter I could announce that the Rio Board agreed to properly allocate some of your money to do some fixes to the "Primary Component" of the District (quoting the auditor general report) so we can show our most important anchor tenant in that facility that we play well together and that they matter to us. If enough of the Board members care, we could make that agreement even while the rest of the mediation is going on.

No update on the FBI investigation (they work on their own time schedule and they have lots of materials to go through) and no update on the two forensic audits that are being conducted. Each time somebody tells me an expected date for one of those to be released, the date comes and goes, so I'll just keep working with Council on advancing the relationship as best we can and let those reports filter out in their own time.

Long Range Statewide Transportation Plan

Recently, ADOT issued a 25-year State transportation plan. It's about 125 pages long, filled with "visions" and a variety of studies, revenue and cost projections.

If ADOT were to implement all of what they call "Needed Investments" for the State Transportation System, it would total \$88.9 billion over 25 years. Note that the State Transportation System includes all roads owned and operated by ADOT and excludes local roads

This comment is found in the Executive Summary section of the document: "This Plan is designed as a living document that will evolve over time to inform and foster the public policy discussion concerning the role transportation will have as Arizona emerges from the current economic downturn and how future transportation investment decisions will be made."

The drafters of the plan concede that there will not be enough money to finance the investments they identify as "needs" and that they characterize as being those that Arizonans think are necessary to preserve the quality of the transportation system, and our quality of life.

One of my recent mantras has been for drafters of documents related to our pocketbooks make it clear when they're not sure where the money is coming from. Kudos to the authors of this report for doing that.

A part of their conclusion relative to the lack of funding is the assumption that a "Sun Corridor" will develop between Phoenix and Tucson (the "megapolitan" that I've referred to in previous newsletters) and that our population will skyrocket to more than 11 million by 2035. This is more than a 70 percent increase from today's 6.4 million Arizonans.

I would note that in not one place in this report was the word "water" mentioned. Just sayin'...

The bulk of the money was projected to be spent on the interstate highway system. Net available Baseline Revenues (2009 \$) to ADOT are estimated at \$26.2 billion over 25 years. Here's how

they break down how they propose to spend \$22B of those projected revenues (recall the total estimated costs are bumping \$89B).

Table 4-3: Capital Needs on Arizona’s Existing State Highway System

Table 4-3

(2009 \$ Millions)

Need Type	Total Urban	Total Rural	Total (Rural + Urban)
Preservation	\$4,047	\$2,373	\$6,420
Modernization	\$1,363	\$2,861	\$4,224
Expansion	\$9,089	\$2,833	\$11,922
Total	\$14,499	\$8,067	\$22,566

Source: Wilbur Smith Associates for ADOT’s 2035 LRTP; roads are designated as “rural” in areas with populations of less than 5,000 for federal reporting purposes.

Including all projected needs, here's where they get to the \$89M figure:

Table 4-13: 25-Year Full State Needs - Capital and Operating Costs
(2009 \$ Millions)

Mode	Capital Needs	Operating Costs	Total Needs
Highways	\$41,905	\$5,676	\$47,581
Bridges	\$1,434	\$67	\$1,501
Aviation	\$10,390	N/A	\$10,390
Freight Rail	\$500	N/A	\$500
Passenger Rail	\$2,564	\$2,098	\$4,662
Transit	\$16,034	\$8,184	\$24,218
Total	\$72,827	\$16,025	\$88,852

Source: Wilbur Smith Associates for ADOT’s 2035 LRTP

So there must also be a plan for making up the difference. Here are the ideas (called “traditional” and “non-traditional”) for raising the revenue shortfall:

**Table 5-7: Options for Revenue-Generating Mechanisms and Potential Net Revenues
(2009 \$ Billions)**

Revenue Generating Options	Description	Est. Revenues Generated FY 2011-2035
1 percent New Vehicle Sales Tax	12 states charge sales tax on new vehicle purchases dedicated for transportation.	\$1.4
\$0.01 increase in Motor Fuel Tax	From 1997-2009, 15 states increased Motor Fuel Taxes -- IA, MD, AR and CT are considering Motor Fuel Tax increases for 2012.	\$0.7
Index fuel tax to AZ GDP in 2013	FL, IA, KY, ME, NE, NC, PA, and WI index state Motor Fuel Taxes.	\$13.7
Increase Vehicle Registration Fee from \$8.00 to \$16.00	All states use vehicle registration fees to generate revenue for transportation.	\$1.0
10 percent increase to Vehicle License Tax	All states use vehicle license fees to generate revenue for transportation.	\$2.9
1 percent increase in Statewide Privilege Tax	Historically used at the local, regional and state levels to fund transportation -- 9 states have State Sales Tax on motor fuels. Recently, MA and KS have increased state sales taxes, directing revenues to transportation.	\$31.1
1 percent increase in State Income Tax	Maryland's Blue Ribbon Commission on Transportation Funding has recommended an increase in State Corporate Income Tax to be used for transportation. Currently under consideration.	\$21.0
State Property Tax at \$0.01 per \$100	Other than property tax on vehicles in CA, KS and VA, these funds are not dedicated to transportation by states. This revenue source is commonly used by local governments.	\$0.3

Sources: Wilbur Smith Associates and ADOT for ADOT's 2035 LRTP; http://www.transportation1.org/bf4report/state_local.html; Transportation & Infrastructure Finance, Council of State Governments, 2008; NCHRP Web-Only Report 102 Future Financing Options to Meet Highway and Transit Needs, 2006; Transportation Governance and Finance – A 50-State Review of State Legislature and Departments of Transportation, AASHTO and NCSL, 2011; How States Fund transportation and Territories Fund Transportation, NGA, 2009; Note: These options were quantified using estimates originally developed by ADOT.

Table 5-8: Non-traditional Options for Revenue-Generating Mechanisms

Non-traditional Revenue Generating Options	Description
Indexing	Motor fuel tax rates can be indexed to the price of fuel, consumer price index or the Construction Cost Index at the state or national level. States that index include FL, IA, KY, ME, NE, NC, PA and WV.
Mileage-based Fee	Fees could be charged based on Vehicle Miles Traveled (VMT); OR, IA, NV, and MN have studied this concept to various degrees.
Public-Private Partnerships (P3) & Toll Facilities	AZ legislation allows ADOT to use public-private partnerships (P3) and provides the State with tolling authority. About half the states currently toll roads and bridges.
Variable Tolls on the Interstate System	Tolling fees could vary based on the level of congestion. The federal interstate tolling pilot program enables three states opportunities for tolling existing interstates.
Tire Taxes	A state tax could be placed on the purchase of new and replacement tires, with different rates for different vehicle types. Currently only the federal government has a tire tax.
Cordon Pricing	Vehicles could be charged for entry into a congested area during some portion of the day. Although not currently used in the U.S., the United Kingdom, Norway, and Sweden have operated successful cordon pricing systems for years.
Demand Management	Incentives can be offered to manage state highway system demand. Sample programs mix telecommuting funding and incentives with state rideshare data bases and programs to encourage non-SOV commuters. These types of programs are currently available to states and local governments.
Innovative Finance	Project financing, such as bonds and loans, could be used to supplement traditional and non-traditional revenue generating strategies. All states are eligible for federal innovative financing programs.
Transportation Intensity Fee	A value-added tax could be charged based on the degree to which transportation adds value to commodities and goods that are transported or where firms rely on transportation for either vehicular access for freight, workers, or consumers. CA, FL, OR and NY are examples of states using this type of revenue enhancement.

And, just for fun, here's how we prefer to get around:

Table 4-2: Commuter Mode Choice Profile

	Phoenix	Tucson	Yuma
Drove alone	74.8%	75.2%	74.4%
Carpooled	14.3%	12.2%	15.3%
Public transportation	2.3%	2.6%	1.8%
Taxicab	0.1%	0.0%	0.1%
Motorcycle	0.4%	0.5%	0.5%
Bicycle	0.7%	1.2%	0.3%
Walked	1.8%	2.9%	3.9%

2000 U.S. Census, Journey to Work

Ok, that's a long section, but I thought I'd share it with you so you can send in your comments to ADOT if you want to weigh in on the issue while it's still in draft form. If you'd like to see the whole report, it's on the ADOT website.

...excludes local roads

Re-read that phrase from the second paragraph of the preceding section. The State Transportation \$89B plan does not include costs for repair and maintenance of "local roads."

We get a chunk of our funding for road maintenance from Highway User Revenue Fund dollars. It's money collected at the State level that is supposed to be remitted to the City for fixing our roads.

Since I took office, the State has swept \$373M in HURF money State-wide, and has shifted it to paying for other budget line items at that State level.

ut these past two years aren't the anomaly. The fact is that every year for the past 12 fiscal years, the State has swept HURF money into their own coffers, to the tune of almost \$1.5B of your dollars, a portion of which should have been going to fill potholes and do preventative and/or repair work on our local roads. Those sweeps took place under the leadership of both Republicans and Democrats. We are getting a bi-partisan shaft from the State, and have been for over a decade.

And we struggle at the local level to find scarce dollars to do that work. We will be starting our budget talks in early January. Coincidentally, the State legislature will start to meet then as well. If somebody up there cares enough about the quality of the roads in their hometown, he or she might consider proposing a bill that prevents sweeps of HURF money from localities.

If you're feelin' in a letter writing mood, there's an idea for you.

Sincerely,



Steve Kozachik

Arts and Entertainment Events Calendar

Free Festivals and Events in the Downtown/4th Avenue/Main Gate Area . . .

17th Annual Downtown Parade of Lights

Saturday, December 17, 6:30pm.

South Stone Avenue from 17th St. to Ochoa St., east to S. 6th Avenue, ending at Armory Park

www.DowntownTucson.com

This week at the arts and entertainment venues in the Downtown area . . .

Rialto Theatre, 318 E. Congress St.

Thursday, December 15, 9:00pm. **Rafael Moreno y Descarga: Viva La Salsa!** (salsa dance night). Salsa dance lessons at 8:30pm.

Saturday, December 17, 12:30pm. **“The Great Coverup”**. Local bands that normally perform original material gather to perform a 20-minute set of songs by another band or artist...

To Benefit The Tucson Artists and Musicians Healthcare Alliance (T.A.M.H.A.)

www.RialtoTheatre.com

Fox Theatre, 17 W. Congress St.

Friday, December 16, 7:30pm. **Christmas with Aaron Neville.**

Saturday, December 17, 8:00pm. **Neshama Carlebach with Gospel Choir**

Sunday, December 18, 3:00pm. **Dancing in the Streets AZ: “The Nutcracker” Ballet**

Tuesday, December 20, 2:00 and 7:00pm. **“The Polar Express”**

www.FoxTucsonTheatre.org

Beowulf Alley Theatre, 11 S. 6th Ave.

Wednesday, December 14 to Sunday, December 18, 7:00pm weeknights, 2:30pm Saturday and Sunday. **“A Cactus Christmas”**

www.BeowulfAlley.org

Temple of Music and Art, Temple Lounge, 330 S. Scott Ave.

Arizona Theatre Company presents *Daddy Long Legs*

Through December 17.

www.arizonatheatre.org

Tucson Museum of Art, 140 N. Main Ave.

Thursday December 15th, 6:00pm. **Art After Dark: Movie Nights -“Last Days” by Gus Van Sant**, a fictionalized account of the last days of Nirvana front man Kurt Cobain.

Ongoing exhibitions:

[“Who Shot Rock and Roll: A Photographic History, 1955 to the present”](#)

[“El Nacimiento”, in La Casa Cordova](#)

www.TucsonMuseumofArt.org

Children's Museum Tucson, 200 S. 6th Ave.

Tuesday - Friday: 9:00am - 5:00pm; Saturdays & Sundays: 10:00am - 5:00pm

www.childrensmuseumtucson.org

Museum of Contemporary Art (MOCA), 265 S. Church Ave.

Saturday, December 17, 7:00pm. **Annual Solstice Party and Armando Miguelez Exhibition Opening.** Commemorate the turning of the season with the exhibition opening and reception of works by Armando Miguelez, MOCA's current artist in residence, as well as a Winter Solstice celebration featuring Mariachi Luz De Luna, Mexican hot chocolate and wedding cookies and a MOCAshop holiday sale. www.moca-tucson.org

Tucson Convention Center Events**Music Hall:**

Saturday, December 17, 7:30pm, and Sunday, December 18, 2:00pm. **Tucson Symphony Orchestra** presents **Pops! Series Holiday Spectacular!**

Leo Rich Theatre:

Borderlands Theater presents "*A Tucson Pastorela*"

Thursday, December 15 to Sunday, December 18, 7:30pm. (2:00pm on 12/18).

www.BorderlandsTheater.org

<http://cms3.tucsonaz.gov/tcc/eventcalendar>

Ongoing**Meet Me at Maynards**

A social walk/run through the Downtown area

Every Monday, rain or shine, holidays too!

Maynards Market and Kitchen, 400 N. Toole Avenue, the historic train depot

Check-in begins at 5:15pm.

www.MeetMeatMaynards.com

Tucson Farmers' Market at Maynards

Saturdays 9:00am – 1:00pm

On the plaza at Maynards Market & Kitchen. 400 N Toole in the Historic Train Depot

Santa Cruz Farmers' Market

Thursdays, 4:00 – 7:00pm.

Mercado San Agustin, 100 S. Avenida del Convento

Science Downtown: Mars + Beyond

Thursday through Monday, 9:00am to 5:00pm (until 6:00pm on Fridays and Saturdays, and until 9:00pm on 2nd Saturdays). 2-for-1 admission from 5:00 to 9:00pm on 2nd Saturdays.

300 E. Congress St.

<http://www.sciencedowntown.org/index.html>

For other events in the Downtown/4th Avenue/Main Gate area, visit these sites:

www.MainGateSquare.com

www.FourthAvenue.org

www.DowntownTucson.com