

MINUTES OF THE PEORIA CITY COUNCIL
CITY OF PEORIA, ARIZONA
PEORIA PUBLIC SAFETY ADMINISTRATION BUILDING
8351 WEST CINNABAR AVENUE
November 16, 2018

A **City Council Workshop** of the City Council of the City of Peoria, Arizona was convened at the Public Safety Administration Building, 8351 West Cinnabar Avenue, Peoria, Arizona in open and public session at 9:01 a.m.

Members Present: Mayor Cathy Carlat; Vice Mayor Michael Finn; Councilmembers Bridget Binsbacher, Jon Edwards, Vicki Hunt, Carlo Leone and Bill Patena.

Members Absent: None

Municipal Officials Present: Jeff Tyne, City Manager; Andy Granger, Deputy City Manager; Katie Gregory, Deputy City Manager; Erik Strunk, Deputy City Manager; Vanessa Hickman, City Attorney; Rhonda Geriminsky, City Clerk; Thomas Adkins, Intergovernmental Affairs Director; Sonia Andrews, Finance Director; Kevin Burke, Public Works Director; Rick Buss, Economic Development Services Director; Chris Hallett, Neighborhood and Human Services Director; Laura Ingegneri, Human Resources Director; Chris Jacques, Planning and Community Development Director; Adina Lund, Engineering Director; Art Miller, Police Chief; Bobby Ruiz, Fire Chief; John Sefton, Community Services Director; Tammy Shreeve, Water Services Department Director; Jennifer Stein, Office of Communications Director and Sharon Roberson, Assistant to the City Manager.

Audience: No members of the public were present.

1. Mayor's Opening

Mayor Carlat congratulated the Councilmembers who were re-elected to their seats in the election, which is an indicator that the citizens are happy with what the Council is doing.

Mayor Carlat addressed the Council with opening remarks regarding:

- The Council's job to look toward the future
- Great economic development prospects
- Money Magazine's emphasis on Peoria's quality of life and selecting Peoria as the number one city in Arizona
- New small businesses opening in Peoria
- Financial stability in Peoria

2. City Manager's Comments

Jeff Tyne, City Manager, addressed Council regarding:

- The importance of Council's perspective
- The special energy in the community

- Peoria as:
 - o A community of distinction
 - o Healthy neighborhoods
 - o Placemaking
 - o Livability
 - o Special events
 - o Connections such as informal events, celebrations, soup-a-thon, employee appreciation events, communication, pushing down decision-making and organizational realignment
- Economic development and prosperity
 - o Smart land use
 - o Shovel-ready property
- Economic outlook
- Special events

3. Economic Overview

Jim Rounds, Rounds Consulting Group, Inc., presented an economic overview, including:

- Peoria's promising potential
- Arizona versus U.S. job growth
- U.S. Job growth in 2017 and 2018 and where Arizona ranks
- Greater Phoenix and Peoria employment by industry
- Greater Phoenix and Peoria top occupations
- Greater Phoenix and Peoria earnings by occupation
- Observations about successful management
- Integrating the elements – department overlap
- Long-term land use analysis
- Economic development leakage
- Breakeven modeling for investment decisions
- What matters in growing the local economy
- When to incentivize
- Leadership – looking at other people's opinions
- Policy matters – 10-year impacts on taxes and jobs if policy goes awry

4. A Peoria Perspective on the Economy

Jeff Tyne, City Manager, presented regarding:

- Geography of work
- Median housing value
- Housing price growth
- Mega-regions – a trend for future economies

- Human capital
- Age distribution in Peoria
- Household income in Peoria
- Where people are working in Peoria, Tempe and Scottsdale compared to where they live
- Where people who live in Peoria and Phoenix work
- Peoria retail sales tax by store type
- Hotel and resort study
- Retail signature restaurants
- Electric vehicle industry
- Economic development programs
- Transportation infrastructure
- Return on investments
- Investing in transportation

Discussion ensued regarding:

- Video produced for the Amazon site selection and whether it is currently being used
- Whether the previously developed identity work is being utilized (launching in December)
- Investing in transportation

10:36 a.m. Mayor Carlat recessed the meeting and resumed at 10:51 a.m.

5. Financial Update

Barry Houg, Deputy Finance and Budget Director, presented regarding the Fiscal Year 2020 financial outlook including:

- General Fund
 - o Current operational uses
 - o Revenue composition
 - o Local sales tax

Discussion ensued regarding construction sales tax.

Mr. Houg continued regarding:

- General Fund
 - o Revenue forecast
 - o Expenditure forecast
- Half-Cent Sales Tax
 - o Current uses
 - o Expenditure forecast

- Transportation Funds
 - o Revenue forecast

Peter Christiansen, Budget Manager, presented regarding:

- Capital funds including:
 - o Increasing construction costs
 - o Growth not paying for growth
 - o Ongoing operation and maintenance costs
 - o 10-year Capital Improvement Plan ("CIP") funding levels
 - o CIP funding sources
 - o General obligation bonds
 - o City transportation sales tax
 - o Impact fees
 - o Water and wastewater enterprise funds
- Enterprise funds

Sonia Andrews, Finance and Budget Director, presented regarding:

- Financial conditions for water, wastewater, solid waste and storm water
- Water and wastewater
 - o Operating costs
 - o Cost pressures
 - Adequate water supply
 - Aging infrastructure
 - Plant expansions

Discussion ensued regarding adequate water supplies.

Ms. Andrews continued regarding:

- Solid waste
 - o Operation costs
 - o Cost pressures
 - Fleet
 - Landfill
 - Recycling changes

Keven Burke, Public Works Director, presented regarding the market changes in recycling.

Ms. Andrews continued regarding storm water and discussion ensued regarding storm water and the need for a regional study.

Ms. Andrews continued regarding:

- Storm water
 - o Rate-setting goals
 - o Average utility bill
 - o Annual rate increases for the next two years

Discussion ensued regarding:

- Council's philosophy on rate increases
- How new resident water bills are determined for the first year
- Alternatives to increasing rates

11:51 a.m. Mayor Carlat recessed the meeting and resumed at 12:11 p.m.

6. Special Events Discussion

Erik Strunk, Deputy City Manager, introduced the Special Events Workshop item outlining a focus on arts and placemaking.

Kelli Kinkaid, Neighborhood and Human Services Deputy Director, presented regarding special events including:

- Making Peoria a destination
- Principles and definitions of special events
 - o Accessible and affordable
 - o Education and culture
 - o Placemaking
 - o Neighborhood centric
 - o Tourism and workforce attraction
- Measuring successful events
- Marquee event

Chris Hallett, Neighborhood and Human Services Director, presented regarding:

- Special event funding
- Average event attendance
- Average cost per person versus average attendance

Discussion ensued regarding the cost of an event per person versus how long the event has been in existence.

Marylou Stephens, Arts and Theater Manager, presented recommendations for special events including:

- Affordable and accessible
 - o All American Festival
 - o Holiday Festival
 - o Halloween Monster Bash
 - o Easter Egg Hunt

Discussion ensued regarding:

- Current cost for the All American Festival
- Possibly making the All American Festival free to residents , or whether it should be free to others
- Sponsorships

Ms. Stephens continued regarding:

- Education and culture
- Story tellers
- Shakespeare in the Park
- Placemaking through partnerships
- Break at the Lake – create partnerships to create Peoria Country Fest at Pleasant Harbor
- Partnerships for the July 3rd Event
- P83 events to highlight business and opportunities to partner

Discussion ensued regarding the Peoria Film Festival.

Ms. Stephens continued regarding:

- Old Town
 - o Music on the Plaza
 - o Food trucks
 - o Musical instruments in Osuna Park
 - o Instagram/Facebook pages for arts
- Neighborhood centric
 - o Parkfest!
 - Partnership with homeowner's associations
 - Fitting the right events with the right neighborhoods

Discussion ensued regarding the Neighborhood and Human Services Department goals and mission and Planet Palooza.

Mr. Hallett presented regarding the G.A.I.N. event.

Ms. Stephens continued regarding:

- Affiliate funding
 - o Redefining affiliate grants
 - o Community collaborations

Discussion ensued regarding:

- Special events categories and how they correlate with the funding categories
- Revenue sources for events

Mr. Hallett continued regarding:

- Next steps
 - o Special events consultant
 - o Special events action plan
 - o Ticketing policy

Mr. Tyne stated that recommendations incorporating the items discussed will be brought to Council for consideration.

Mayor Carlat thanked Council for their participation.

ADJOURNMENT:

Being no further business to come before the Council, the Council Workshop was duly adjourned at 1:35 p.m.

Cathy Carlat, Mayor

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct summary of the proceedings of the City Council Workshop of the City Council of Peoria, Arizona held on the 16th day of November, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 8th day of January, 2019.

(Seal)

Rhonda Geriminsky, City Clerk