

Minutes of the Regular Agenda Meeting of the Mayor and Council of the City of South Tucson, Arizona, held Tuesday, May 7, 2024, at 6:00 p.m., at the City of South Tucson Council Chambers, 1601 S. 6th Avenue, South Tucson, Arizona.

Staff Present: Veronica Moreno, Interim City Manager (Excused)
Lourdes Aguirre, Finance Director
Danny Denogean, Public Safety Director and Chief of Police
Josue Licea, Planning Director
Jon Paladini, City Attorney

Councilors Present: Mayor Paul Diaz
Vice Mayor Herman Lopez
Acting Mayor Rita Rogers
Councilor Anita Romero
Councilor Cesar Aguirre (Telephonically)
Councilor Brian Flagg
Councilor Roxanna Valenzuela

Mayor Diaz called the Regular Agenda Meeting of Tuesday, May 7, 2024, to order. Please stand for the Pledge of Allegiance and Land Acknowledgment and Mission Statements.

ITEM #03 – LAND ACKNOWLEDGMENT AND MISSION STATEMENT

Vice Mayor Lopez: On behalf of South Tucson residents, we honor the Tribal Nations who have served as caretakers of this land from time immemorial and respectfully acknowledge the ancestral homelands of the Tohono O’odham Nation and the multi-millennial presence of the Pascua Yaqui Tribe within South Tucson. Consistent with the City of South Tucson’s commitment to diversity and inclusion, we strive toward building equal-partner relationships with Arizona’s Tribal Nations.

Acting Mayor Rogers: The Mission of the City of South Tucson is to build up this community through mutual cooperation between we, your public servants, and you our citizens so that jointly we can build a safer and stronger City. Amen.

Mayor Diaz: Thank you.

ITEM #04 – ROLL CALL (By Ms. Aguirre):

Vice Mayor Lopez. Present.
Acting Mayor Rogers. Here.
Councilor Romero. Here.
Mayor Diaz. Present.
Councilor Flagg. Here.
Councilor Aguirre. Here (telephonically).
Councilor Valenzuela. Here.

Mayor Diaz: Thank you.

ITEM #05 – APPROVAL OF MINUTES

Mayor Diaz: Approval of Minutes for the Special Meeting of April 15th. Are there any additions, corrections to the Minutes?

Councilor Flagg: Yeah, I have a correction. On page 20 of 24 in the Minutes it quotes me, and I am going to read the little paragraph. It was when Mr. Reader was here talking to us about the bond, and I said, “Thanks a lot, Mr. Reader. That was real, real helpful and you know, when we first started pondering this, we were talking about things like charging every person twenty more bucks on their electric bill and stuff like that to pay for fire and something like this, the bond issue we have been talking about, seems way more equitable and fair and suitable for our 1.2 square mile City of South Tucson. So, we have actually come a ways and accomplishing some things and we’re never going to get that revenue from economic development if we can’t tell people how good of a Fire Department we have.” Then it says, “We have a lousy fire department.” And I did not say that. I would not say that. I have the utmost respect for Capt. Luna and his 30 plus Reserves, and I would never say that, and I don’t know how it got in there. So, I am asking that we correct/delete the words “We have a lousy fire Department” on page 21 of 24 because I didn’t say that.

Mayor Diaz: Ok.

Councilor Flagg: Can you delete that or whatever?

Mayor Diaz: Ok, thank you, we will accept that correction.

Councilor Flagg: Thank you.

Mayor Diaz: Do I have a motion to accept as corrected?

Councilor Flagg: Yeah, I’ll move.

Vice Mayor Lopez: Second.

Mayor Diaz: It’s been moved and seconded. Roll Call.

Councilor Romero. Yes.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. Aye.

Mayor Diaz. Yes.

Councilor Flagg. Yes.

Councilor Aguirre. Yes.

Councilor Valenzuela. Yes.

Mayor Diaz: Ok, thank you for that.

Call to the Public

Mayor Diaz: If there is anybody in the public that would like to address the Council, please.

Ms. Aguirre: Yes, Mr. Mayor, we have a couple of cards here. The first speaker is Darrell Rubink, regarding the fire department, not a resident, address 2500 S. 4th Avenue, Sue’s Fish & Chips.

Mr. Rubink: Hi.

Acting Mayor Rogers: Hi.

Councilor Valenzuela: Hello.

Mr. Rubink: I have owned Sue's Fish and Chips for the past 27 years. I bought it from Bill Bess and of course, Bill Bess originally started it with Sue, who I believe at that time was his mother-in-law. I could be corrected. But anyway, the reason I am here is to talk about the Fire Department and there's been a lot of word that they are thinking about getting rid of the Fire Department. Well, I am totally against that. It's going to cost, we pay a lot of money for our fire insurance and so forth and without a Fire Department, even if we are going to have one, you know, you have to have one somewhere, but to not have something local would take that much more time to get somebody there, and our insurance cost would skyrocket. Not only ours as a business but all the households, too, in the City of South Tucson, the insurance would go up. So, I just want to express my opinion, that I would prefer that we would really give a lot of thought to keeping the Fire Department. I talked to my brother-in-law who lives up in Minnesota, that's where I was originally from, and he has been a volunteer fireman for 40 some years. And I said, where do you get your funds? What really pays for the Fire Department? And he didn't know for sure, he just threw out a couple of things, you know. There are grants involved, there's various ways of getting it. They get it from federal funds; they also get it from state funds and so forth. I am not aware of any of those. I'm just saying that I hope we can focus on maybe looking at different areas for support and keep the Fire Department. That's about all I've got to say. Thank you for your time.

Acting Mayor Rogers: Thank you.

Mayor Diaz: Thank you.

Vice Mayor Lopez: Thank you.

Ms. Aguirre: Next speaker is Sheriff David Hathaway, not a resident, topic is Greetings from Nogales.

Sheriff Hathaway: [Greetings in Spanish]. I am the Sheriff in Nogales, Arizona. Just greetings from Nogales. We have so many things in common. I like to come up and say hi every now and then, and I want to say how I am so proud of you guys in [Spanish] the position you have taken about the war in the Middle East. The slaughter that is occurring in Palestine, I am so proud of you guys to take the lead on this, the first city in Arizona and fortunately, the Nogales City Council, after you, passed a similar Resolution, I'm going to keep this short because you have potentially lengthy agenda tonight, but thank you Mayor for talking to me and thank you Council Members for everything you do, and that's basically it. I'll be around later on if anyone wants to say hi, but so many similar issues South Tucson and Nogales and Santa Cruz County have a lot in common and I always like to come up and say hi. That's it, thank you.

Mayor Diaz: Thank you.

Acting Mayor Rogers: Thank you.

Councilor Flagg: Thank you.

Vice Mayor Lopez: Thank you.

Ms. Aguirre: The next speaker is Alejandra Baltazar Carlat, not a resident, topic is JVYC.

Ms. Carlat: Good evening, Mr. Mayor and Council Members. My name is Alejandra Baltazar Carlat. I am the new Director of the John Valenzuela Youth Center. I am here to express my support for the Community Revitalization Project application, as we have had a decline of teens that were part of our teen program, after-school program, because families have to be displaced due to the higher cost of rent. These families are finding themselves living in other areas where they are not familiar with their resources. They are not familiar with the people around them. They are losing the trust networks that we used to have in this community. So, they are not only being displaced from their houses but their community and their families, and that means many are struggling to find a new place to live, a safe place to live for their kids, their teens. I know a couple of our teens had to move out of South Tucson because of the rent and then the landlord said, you know what, this place has been sold, so you have two weeks to move. Now these teens cannot come to the Center because families have to always depend on one vehicle, families that that's all they have to commute to school and work, and it's hard for them to come to after school programs like the JVYC. So, at JVYC we really want to provide services to these families and for our families, our community, our kids and teens because we know these difficult times increases anxiety and stress levels and other mental health problems that come along with displacement of their families. So, our goal at JVYC is to continue engaging our parents, our teens and our community to help them to know what we offer and to provide more resources and the help that they might need. So, this fund will be very essential to use it in building infrastructure, having different activities that are maybe cooking classes that will help them come together as a family, or teens to have family night or family dinner that they might be missing at home because parents are working, or they might not have a hot meal at home. So that would be a great thing for us to implement at the Center. So, I just want to say thank you to the Mayor, the Council Members, the Fire and Police Department for the support you have given JVYC and Los Abuelitas, and we really want to invite you to come over to the Center and learn more about our programs and activities and projects that we have ongoing with the teens and the little ones, and also our summer program that is coming up. Thank you.

Acting Mayor Rogers: Thank you.

Mayor Diaz: Thank you.

Councilor Flagg: Thanks.

Ms. Aguirre: Our next speaker is Walter Trujillo, address 1706 E. Calle Salamanca, topic is Barrio Books.

Mr. Trujillo: My name is Walter Trujillo, and I am here representing Barrio Books. I just wanted to come and give a heartfelt thank you for the City of South Tucson. We received a (inaudible) for her funeral this month. I just wanted to come say thank you and to just kind of touch base in saying her dream of leaving a sense of community in South Tucson is moving forward with the family. Even though she has passed, living her dream is still living on. So, muchas gracias and thank you.

Vice Mayor Lopez: Thank you.

Acting Mayor Rogers: Thank you.

Ms. Aguirre: Next speaker is Ms. Gloria Hamelitz, address 848 S. 7th Avenue, topic is Congressional Comprehensive Revitalization Proposal.

Ms. Hamelitz: Good evening, Mayor and City Council Members. My name is Gloria Hamelitz Lopez, and I am the Associate Director of the Pio Decimo Center which administers the programs at the John Valenzuela Youth

Center. I wanted to come here today to show support for the current request for funding from Congressman Grijalva's Comprehensive Community Revitalization Project. I really commend the City of South Tucson for tackling such a complex issue and offering a very multi-faceted response that would address some of the serious needs that we have, affordable housing in conjunction with public services and youth development. As a very proud partner for the past 29 years, we have seen a detrimental effect gentrification has had on our community. It's heartbreaking to see generational families being displaced. We know firsthand the needs of the children that we have served. Their needs did not dissolve because they were displaced. What has happened is that they are now forced to move into more rural areas where there is a serious lack of developed resources, and this further pushes a lot of our families into deeper levels of despair and perpetuates a cycle of poverty. Through revitalization efforts this would provide much needed stability to families in the South Tucson community. This project and approach are a significant step in the right direction, and we are very proud to support it and we know that it is going to continue to support this beautifully rich and diverse community and be a safe haven for children and families.

Acting Mayor Rogers: Thank you.

Vice Mayor Lopez: Thank you.

Mayor Diaz: Thank you.

Ms. Aguirre: The final speaker is Diana Sears, address 2301 S. 6th Avenue, topic, City Manager.

Ms. Sears: Good afternoon, Council. Last month I was here, very heated about my passion for the Fire Department which I believe that we should keep, and I agree with Darrell from Sue's Fish. I have a few little numbers to go along with why I think we should keep the Fire Department. It cost about \$1,600,000 to keep the Police Department, and it only costs the Fire Department a year about \$765,000. I'm just kind of rounding off those numbers. I am here to let you guys know that if you are considering outsourcing any one of the departments that you should maybe consider outsourcing the Police Department instead of the Fire Department. The Police Department is not self-sustainable, at least from the information I've gotten, so I would just ask you guys to consider if we are going to outsource something that we get rid of the Police Department and keep our Fire Department. We need our help, we need those EMS, we need those firefighters to come in and help us if there is a heart attack or emergency. But mostly what I wanted to talk about today was the urgent matter about our City Manager, or lack thereof. I've known Ms. Moreno for about 30 years probably since I opened a business here and she was always the City Clerk. And now, for the last four years, Council, we don't have a City Manager. I am looking to you to ask you why. Why don't we have a City Manager, somebody that could be held accountable to our accounting and our deficits and just everything that's going on with the City of South Tucson. She can't continue to wear three hats even though she's a wonderful person. If she's not qualified to be a City Manager, then I think we need to decide if she goes back to being a City Clerk or H.R. Director. She's an amazing person. I'm sure she's been holding down as best as she can those three hats, but it's not what the City needs. It's not in the City's best interest and so I am just going to close really quick by saying our community needs City Council to help run City of South Tucson in a profitable (inaudible), and if we are to survive, we need your help. Thank you.

Acting Mayor Rogers: Thank you.

Mayor Diaz: Is that it?

Ms. Aguirre: That was it.

Mayor Diaz: Thank you. Thank you for addressing Council.

ITEM #06 - MAYOR AND COUNCIL MEMBERS: REPORTS OF CURRENT EVENTS

Mayor Diaz: Would anybody on the Council like to report?

Councilor Flagg: I've got something, Mayor. So, a longtime family in South Tucson, it's the Bravo family, they live on 28th between 7th and 8th on the south side of the street. Their grandson is that guy Roman Bravo Young who was a big, huge wrestling champ at Sunnyside and I don't think he lost zero matches over four years was State champ. He went to Penn State, and he won the NC2A and only lost a couple of matches in four years of wrestling at Penn State. And now, he's got dual citizenship, and in a few weeks, he is going to go to Paris and represent Mexico in the Olympics. So, the family is really excited, and they go to Santa Cruz Church. They have lived here forever, and if you go by their house, they have a picture of him and this little banner with him doing that. So, I would like to say congratulations to all of the Bravos and really to the Sunnyside wrestling program, which is an absolute, you know, thing of pride for the south side of Tucson.

Mayor Diaz: Are there any more reports? Any future agenda items? I do have an agenda item I would like to put for the next Regular Meeting and that's to recruit a City Manager. That's all I have. Anymore? [No response].

ITEM #07 - CITY MANAGER AND DEPARTMENT HEADS: REPORTS TO MAYOR AND COUNCIL -
FINANCE - REPORT & UPDATE (OVERVIEW)

Mayor Diaz: Mr. Aguirre, please.

Ms. Aguirre: We will have our Public Safety Director give his Report.

Chief Denogean: Good evening, Mayor, good evening, Council. I am sure everyone is aware that we had a fire on Saturday about 2:52 in the morning. We had a fire over at the Greyhound that pretty much completely destroyed the building. We had four firefighters on that day; they were the first ones on the scene, but we also had to have the assistance of TFD. We had approximately 30 personnel from the Tucson Fire Department, we had two ladder trucks, three engines, two medic trucks, and approximately three or four more vehicles. There was a total of 11 vehicles and approximately 30 personnel. Our firemen did spectacular, fought the fire great, did an awesome job, but we definitely needed the ladder trucks, and we needed the assistance with this fire. The fire is currently under investigation and really don't have any further information on the fire at this time.

Mayor Diaz: I want to ask questions, though. I guess in regard to it being quite a few fires, large fires here in the City, I guess it started at the pawn shop behind Burger King, and then it went one fire at Spanish Trail, and then I think it was Michas, and then back to the Spanish Trail, and then Crossroads, and then this one here. It looks like something is going on in the background, so is there any way to get the FBI involved with this because it's the fact that if they are trying, whoever, however the fire started or something to that effect, it's just that reality is always going to be that devaluation of our property values, and that really concerns me that we are working to progress the City and we are not accomplishing that because certain elements have happened, so I think it is incumbent for us to really take a different approach to the investigation and so forth

by asking outside help. You know, the FBI or whoever is responsible for such actions should really, we need to have assistance.

Chief Denogean: Mr. Mayor, I am never against any outside help, but I don't think the FBI would be the appropriate agency in this situation because they deal with federal crimes, and these are not federal crimes. And then, there would have to be some speculation on how these fires are being started. I'm not sure how these fires are being started. It could be accidents; it could be the shelterless people, there could be many reasons why these fires are being started.

Councilor Flagg: Can't we get outside help to investigate it?

Acting Mayor Rogers: Yes.

Councilor Romero: Yes.

Chief Denogean: You tell me who, and I will go to them.

Councilor Flagg: Yeah, I mean.

Councilor Valenzuela: I guess, what is the process? What happens once a fire occurs, and we are seeing a lot of patterns happen, so what is your role or the City's role in investigating?

Chief Denogean: Well, basically, the first thing we got is the fire. You have to realize most of these properties don't have video cameras and there's not any witnesses, so the first thing you do when you get out there is you are looking for any kind of evidence to see what's going on. Then you search the area for witnesses. In this incident, we searched the area for witnesses, for any kind of video cameras or any video out there that might be possible. In all of these situations we have not found any video of many of these incidents. There was one incident where we did have video, but the video wasn't good enough to basically identify anybody, and so you are looking for witnesses and video. The main thing when you also get to the fire, the fire has to be contained first and dealt with, and then the building basically is unsafe to go in, sometimes forever, you know, it has to be destroyed so there's not a lot of evidence.

Councilor Valenzuela: Do you know if insurance companies investigate this?

Chief Denogean: Some do, some don't. I think we are doing a lot of talking about investigations that we shouldn't be doing, talking about in a public format.

Councilor Flagg: If there's like these kinds of fires, you know, like you just listed, if they were up in the foothills, I bet things would happen and they would be on it, you know. Here we are in South Tucson, having half of the City put on fire.

Chief Denogean: Well, I beg to differ with you, Councilor. We are on it, and we are doing the best we can.

Councilor Flagg: Ok.

Mayor Diaz: Again, I would like to, and maybe it is speculation again, to be more conscious of the fact that somebody is out there doing something, maybe.

Chief Denogean: We don't know that for a fact, Sir. The other thing you have to remember is it could be someone intentionally starting these fires, but the areas we are talking about, many of these buildings have been abandoned and vacant for a quite deal of time and have been occupied by homeless people and

shelterless people, and I'm not saying they are the ones starting the fires, but many of these have had fire pits, things like that. I can tell you, going back to the pawn shop, one of the ones you brought up, that was basically started by a pit fire that was right outside the back wall. We know that for a fact because there was a pit fire out there and that's what started the fire.

Councilor Valenzuela: So, do we need to be looking at having some of these abandoned buildings provide more security?

Chief Denogean: That would be the best thing, to try security throughout these buildings, you know, and things to happen to these buildings. They are not secure, and people are going in them all the time.

Councilor Valenzuela: So, you mentioned most of these were abandoned or used by the unsheltered community. I'm aware of Crossroads and that was not abandoned.

Chief Denogean: You are correct.

Councilor Valenzuela: Spanish Trail, that wasn't really abandoned.

Chief Denogean: Spanish Trail section that you are talking about is abandoned.

Councilor Valenzuela: Was the pawn shop abandoned at the time of the incident?

Chief Denogean: Well, there was no one there, that was still a business, but like I told you, that was a pit fire that started that in the back.

Councilor Valenzuela: Ok. So, the Greyhound was.

Chief Denogean: The Greyhound and the old Spanish Trail, yes.

Mayor Diaz: Excuse me, the Arizona Children's Home has also had some small fires in some of the buildings.

Chief Denogean: Not that I'm aware of, Sir, not that I am aware of, Sir.

Mayor Diaz: Ok. When I say there was one at the building, the south building at the corner. The fence was cut and electrical stuff, but anyway, that is a potential vacant building boarded up and not very much security. That's all I'm going to say.

Councilor Flagg: When you do an investigation, do you include the possibility of somebody lighting it on purpose, lighting fires on purpose for fraudulent gains?

Chief Denogean: There's always that possibility, yeah.

Councilor Flagg: So that's investigated?

Chief Denogean: Yeah. But again, we're not going to talk about the process of investigations, and I don't think that's proper for right here, right now.

Councilor Flagg: Ok.

Mayor Diaz: Thank you. I apologize for crossing the line here.

Chief Denogean: It's alright.

Mayor Diaz: Thank you.

Councilor Flagg: That's a big issue, you know, we need to talk.

Chief Denogean: So, going back to the Fire Department and the Police Department. We had a couple hires this month. On the Police side we hired a full-time Sergeant for our Criminal Investigations Section. He was with us as a Reserve, but he retired from Department of Corrections and was a supervisor in their Criminal Investigations Unit. And so now he is with us full-time. He is a great addition to our Department and will help with investigations. On the Fire side, we hired another Reserve, Gabriel Carrillo, a good kid, and we think he is going to be a good addition to the Fire side. The other main issue that is going on is we had the inspection of the properties at 3020 S. 6th and 305 E. Benson Highway because, you know, we had the lawsuit where we requested many things be done. The inspections went pretty well because the property owner of those properties has pretty much complied with the majority of the items. There's still some items to be taken care of like the front gate entrances and some areas where cameras are not at, but we are trying to get cameras and make sure those are taken care of. But for the most part, the majority of the items have been taken care of. The attorneys will meet to discuss and figure out how to resolve the other situations that are still ongoing.

Councilor Valenzuela: I think this aligns with the fire, too, where are we with, and this might be an answer from the Planning and Zoning Department, but where are we at in Code Enforcement? That needs to be cleaned up. I'm sure there's some exposed asbestos or something that could be harmful for the greater community. Do you know anything about that?

Chief Denogean: You would have to talk to the Code Enforcement.

City Attorney Paladini: I'm sorry, which property was that?

Councilor Valenzuela: Spanish Trail.

City Attorney Paladini: That's ongoing so we probably shouldn't talk about it at the Council meeting.

Councilor Valenzuela: But would it be Code Enforcement along the lines of the fire.

City Attorney Paladini: Yes, yes.

Councilor Valenzuela: Ok. Can we have that on the next agenda even if it is in Executive Session? We should know what is going on.

Councilor Flagg: Yeah.

Councilor Valenzuela: Especially if our community is being exposed to some that debris and asbestos.

Councilor Flagg: Can we put it on the agenda, then?

Mayor Diaz: Ms. Aguirre.

Councilor Valenzuela: I have one more question, sorry. How many Police Officers do we have patrolling the streets? Congrats on that new hire, the Sergeant, but how many do we have patrolling?

Chief Denogean: Per shift or how many full-timers are you talking about?

Councilor Valenzuela: I guess full-timers.

Chief Denogean: Right now, we've got 14 full-time people. Two are Detectives, and then you have myself and the Commander, and we have 10 who are patrol, but usually you are having two on a shift, sometimes three on a shift.

Councilor Valenzuela: Ok, and is our goal to have 17, I think I heard that from a previous conversation about patrolling the streets?

Chief Denogean: Well, our goal is, where we are now, is 15, 16 full-time positions but we are not at that point.

Councilor Valenzuela: Ok.

Chief Denogean: We do have some Reserves that fill in some of the slots.

Councilor Valenzuela: Thank you. Good job.

Chief Denogean: The other thing is we had several community events this month that both the Fire and the Police attended. We had the health fair at the John Valenzuela Youth Center that ended I think the last part of April. That was a very good event. We were there, Police Officer and Fire were there interacting with people. We had the drug bring-back over here on April 27th where people bring back old prescriptions drugs. We pulled approximately five pounds. We had an officer out there to collect that and make sure we disposed of it properly. We also attended the public housing health fair, both the Fire and Police, that was held last Friday. All of them were great events for the City of South Tucson and were well attended.

Councilor Flagg: And Chief, you also had the cops out in force at the Casa Maria event to highlight the problems of the South 6th Avenue Suites, so you guys were there, too.

Chief Denogean: Thank you.

Councilor Valenzuela: Thank you.

Vice Mayor Lopez: Thank you, Chief.

Mayor Diaz: Ok, do we have anymore reports?

Mr. Licea: I have a report. Good evening, Mayor and Council.

Acting Mayor Rogers: Good evening.

Mr. Licea: I have a few quick items. First, we have a Board of Adjustment hearing taking place tomorrow. There will be two cases getting heard. One for a parking reduction. They are seeking a parking reduction for potential construction of some sort of a restaurant at the Food City complex. That's the first case. The second case will be they are seeking setback reductions for a house that is impacted because of the wash that is on the southern end of the parcel. So, they are looking to build a house there, you know, because of the setback to the wash they need to move their house a little closer to the setback, I mean, sorry, to the property line. Those cases will be heard tomorrow, here in this same place, tomorrow at 5 p.m. for anyone that wishes to attend. Also, I want to let you guys know there's an outreach event for the community and also for business owners along South 6th Avenue in South Tucson regarding the Norte-Sur project that is taking place on Tuesday, May 14th. For the community members it's from 10 a.m. to 11 a.m. at the Sam Lena Library here adjacent to the facility where we are at right now, and then for the business owners, it will be from 11 a.m. to

1 p.m., also on Tuesday, May 14th, again at the Sam Lena Library. That's it for my reports for Planning and Zoning.

Mayor Diaz: I have a question. The house, is that the one on 28th and 7th, the one requesting the setback?

Mr. Licea: Yes. No, it's the parcel that's adjacent to the one that's being built right now.

Mayor Diaz: Ok, thank you. The house is pretty well built.

Mr. Licea: Yes. They are planning to build a second one adjacent to the one that's being built right now. That's the one that is impacted because of the wash.

Mayor Diaz: Ok.

Councilor Valenzuela: I have a question. For the Tucson Norte-Sur meeting, is the business meeting separate than Tucson Norte-Sur, or are they talking about Tucson Norte-Sur with the business event?

Mr. Licea: It's an outreach event. It's basically trying to get more input from the business owners.

Councilor Valenzuela: The business is separate but it's all about the same thing.

Mr. Licea: Yes, it is.

Vice Mayor Lopez: Two meetings, back-to-back, one right after each other.

Councilor Valenzuela: Right.

Mayor Diaz: I have some more. For the next meeting or for the next report, could you update us on the 2030 situation, the audit?

Mr. Licea: The 2030 District? Yes, I'm actually still pending the final report on that so I will follow up on that as soon as we get the final report.

Councilor Flagg: What was that?

Mr. Licea: The 2030, it was the folks that are in the sustainability business, so they came out here to our facility and did a water and energy analysis on it, so they are going to give us some recommendations on how to be more sustainable going long-term.

Mayor Diaz: Do you also have the trees, the project for the trees. Is that still going?

Mr. Licea: Are you talking about Tucson Clean and Beautiful?

Mayor Diaz: Right.

Mr. Licea: So, they reported probably about a month and a half ago, I believe, they came out here. They ran into a roadblock because when they went out to bid for the project, the project came in higher than what they had budgeted for the project, so they are going back to figure out a way to fund the remaining part of the project to make it happen. They are under budget right now.

Mayor Diaz: Ok. And then the 36th Street, what is the situation with that, is it complete or still ongoing?

Mr. Licea: So, no, right now I'm actually pending a proposal. At one of these meetings about maybe a month and a half or two ago, I asked for direction to do some outreach, so right now we did engage with Kimley-Horn through City of Tucson's contract, and we are just waiting for a proposal to see what that's going to cost to do the outreach. And this proposal, before we ever move ahead with it, we are obviously going to run it by Council to make sure it meets your outreach needs. So, I think it's going to give us about three different options that we can select one and or choose more than one, or then we can recommend something to make sure it meets the average needs that you direct us to seek out in the future for the project.

Mayor Diaz: Ok, that's all I have.

Councilor Flagg: Have you been to the RTA meetings and are they going to have RTA Next? Isn't the clock ticking?

Mr. Licea: I don't know if RTA Next is going to happen. I know it is expected to go out to a vote. There is going to be a management committee meeting tomorrow, but on the agenda, I did not see anything about the actual plans that are being proposed. So, there's going to be no action, at least from the management committee on that end. I think there is a Board of Directors meeting tomorrow also at 1 p.m.

Councilor Flagg: Are you going to go because South Tucson needs to be represented, right?

Mr. Licea: I think Mayor Diaz will go.

Mayor Diaz: Yeah, I'll go.

Councilor Flagg: Ok.

Mayor Diaz: But what I understand is there will be an Executive Session regarding quite a bit of the lawful stuff that needs to be either approved or followed or whatever. The Executive Session will probably take a lot longer, then come out and work with the management group so that's the agenda part. Thank you.

Mr. Licea: It's an 8:00 - 8:30 meeting so yeah, the RTA Director's meeting you can probably watch online.

Councilor Flagg: At our next meeting can we get like a pretty detailed update on what goes on tomorrow at the RTA from Mayor Diaz and Josue?

Mr. Licea: Yes, definitely.

Councilor Valenzuela: Cesar said something.

Councilor Aguirre (via phone): Yeah, I have a quick question. I want to go back. You mentioned something about the sustainability, what was it called, the 2030, is that what you were saying?

Mr. Licea: Yes, the 2030 District.

Councilor Aguirre: So, they are doing an analysis. Is this like regarding sustainability like regarding solar and (inaudible) and things of that nature?

Mr. Licea: Yeah, what they did is they came in and looked at our water usage.

Councilor Aguirre: So, we are currently looking for somebody like a grant writer, right? The only thing is because this came up recently, I was talking to somebody walking down the street and they were mentioning

the City of Tucson is getting a lot of money federally right now through grants for sustainability projects and I just feel like we are missing out on a lot right now. So, I would just like to really get as much information about that moving forward to see what can do for the City to try to get some of that funding.

Mr. Licea: Alright, for sure, definitely. Thank you.

Councilor Valenzuela: Thank you.

Mayor Diaz: Thank you.

Councilor Flagg: How do we get on the agenda for next time? Will Lourdes do it?

Councilor Valenzuela: No, we just have to tell Veronica.

Councilor Flagg: But she's not here.

Ms. Aguirre: Mayor and Councilor Flagg, yes, I have it on the list here. I will relay it to her.

Councilor Flagg: Thank you.

ITEM #08 - POSSIBLE UPDATE AND/OR RECOMMENDATION FROM CITIZENS ADVISORY COMMITTEE

Mayor Diaz: Ms. Aguirre, Item #08, is there a possible update or a recommendation from the Citizens Advisory Committee?

Ms. Aguirre: Mr. Mayor, with regards to a formal update, the Citizens Advisory Committee that was appointed by the members of Mayor and Council has held a total of three meetings. They have been very busy. Everyone has been present, committed, very engaged. They actually began working off the original option that was proposed to you all by Mr. Mark Reader and they are scheduled to meet again next Monday, so the item for recommendation/consideration will be on their agenda and if they are ready then they will prepare a recommendation for you all. But there is nothing at this point.

Councilor Flagg: Is there a drop-dead date that they need to make a recommendation and then we need to go with that?

City Attorney Paladini: Yes, it's been pushed out beyond May 15th. The Pima County Recorder is now saying basically the end of June at the latest.

Councilor Flagg: Oh, so we're good.

City Attorney Paladini: We have some time; I wouldn't sit on our hands, though.

Councilor Flagg: Thank you.

Councilor Valenzuela: Thank you.

City Attorney Paladini: Just scheduling wise, if the Committee votes to make a recommendation next Monday, the recommendation will be presented to Council at the next Council meeting, and then if Council gives direction to go forward, then a resolution calling for the election will probably be put on the first Council meeting in June, so we will be in that window.

Councilor Flagg: I think we need to be urgent, have an urgent mindset about this and push it and get it going.

City Attorney Paladini: Yes, we're essentially two Council meetings, at least two Council meetings, so it would be in early June Council will give direction.

Councilor Flagg: Ok.

Mayor Diaz: Are there any more questions regarding the Citizens Advisory Group?

Councilor Flagg: I'd like to say something. This thing with the Citizens Advisory Group is a way to fund Public Safety and specifically Fire, so that's what we're urgently talking about and need to take action on by the Committee and then this, the Council.

Acting Mayor Rogers: Yes, for sure.

ITEM #09 - STUDY SESSION: GENERAL FUND - FY 2025 BASELINE BUDGET (PRELIMINARY)

Ms. Aguirre: Mr. Mayor, I have only a few copies. I wasn't anticipating having so many people present today. Maybe they can share. I will be talking about the baseline budget for the general fund. So, this evening, basically what I want to do is go over an overview with you all of some key points. During the last meeting, one of the things I highlighted were some bullet points from last fiscal year which we anticipated were going to go through, such as an increase to our bond payment. Since the City of South Tucson refinanced its 2019 bonds, what we are looking at is the payment increasing from \$400,000 to \$600,000. We did obtain a couple of savings of \$200,000 for over a total of about five years. That's going to come to an end. Next fiscal year that payment goes up \$200,000. Another thing that we had pointed out was the reduction in State shared revenues due to a decrease in the Census count. That was another thing we were anticipating. What I am mentioning here has already been built into this baseline budget for the general fund. If you look under Baseline Budget, the very first page, you see those differences there. For instance, page 1, under Intergovernmental Revenues, you will see a decrease of \$260,000. For this current fiscal year, the State had awarded cities and towns one-time monies and in light of the upcoming decreases in urban revenue sharing, or income tax dollars. The one-time dollars for South Tucson were \$200,000 and you may recall at that point we had some urgent needs in regard to Public Safety radio upgrades, which were very costly. So, those have been purchased. Those one-time dollars are done, they are gone, they're spent. So that is the difference that you see there from fiscal '24 going into fiscal '25. Up at the top of page 1, what you see is an increase, almost \$300,000 in sales tax revenues. So that is, especially in light of residential rental tax going away at the end of next calendar year. The estimate that was used for sales tax revenues was about 3%. I think that is conservative, 3% growth over last year. That does it for revenues. With regard to actual departments, what you will see in Salaries and Benefits already includes any increases to things like pension rates and health insurance. Also, in areas like Contractor Fees, or Contract line items where we charge for professional services, we applied a 2.5% increase throughout all departments. That's just to account for any potential inflationary increases. And for any other operational expenditures, we applied a 5% increase. Last year, or for this current fiscal year 2024, we had applied a 7% increase over the previous year. Going into next year, we think that is conservative and it's actually minor considering the budget amounts for operating expenses. We budgeted at an increase of about 5%. Overall, what we are looking at going into next fiscal year a deficit of about \$590,000. The deficit we had going into this fiscal year was \$771,000. But what it meant in reality is that the City was dipping into its excess fund balance reserve. So, the City had money in excess of its fund balance policy and so it was really dipping into that. It doesn't really mean that the City is operating at a loss, it is just utilizing some of its savings. We do anticipate that at the end of this fiscal year coming up in June, we

will end up with a surplus of \$633,000. So, basically because there were items you all put into contingency such as an increase in budget amount of \$600,000 for increased Fire services, and I think we are barely going to start dipping into that at this point with increasing in staffing to four, four per shift. Basically, that is where that savings is coming from. There are other items where we experienced savings, but that's only because there is a back order and delay on the delivery of goods, such as the equipment ordered by Public Works. I believe it was a rear loader. We placed the order at the end of last fiscal year, but it will not be delivered until sometime in August, which is next fiscal year. So, you see that reflected in the budget on pages 7 and 8, I believe, page 7 toward the bottom. I made notes on these for you all as well. I would like to mention some of the usual information that we track along with, like the contribution rates that we use for pension. On the Fire Department, the contribution rates that we used were 200%, and on the Police Department side, what we used was 131%. Both of these experienced a slight decrease given that during this current fiscal year, the Fire Department had a contribution rate of 219%, so now it's 200% going into next year. And the Police Department had a contribution percentage rate of 154% and it's now going to be 131% going into next fiscal year. I think that is primarily due to the City's consistent payments toward these pension unfunded liabilities. If the City has any money in the budget that Mayor and Council has appropriated toward pensions, we make sure to send all that money over to PSPRS, regardless of whether there were vacancies or not. This is pretty much in line with the pension funding policy that Mayor and Council adopt every year, which is another item we will be bringing back to you all for approval as is usual by the end of the fiscal year. Other things that I just want to bring to your attention is on page 5. You will notice on page 5 there is a variance from the current fiscal year '24 to fiscal year '25, of zero. We are talking about the budget for the Fire Department fire services. So, we make sure to keep that budget capacity there available for Mayor and Council to use how you need to. And the same is said for the \$600,000 in contingency. We are putting that into the budget for next year as well.

Councilor Flagg: That's a lot for us, right, \$600,000 contingency over the years you've been doing this?

Ms. Aguirre: Yes, absolutely, yes, it is, and that is actually one of the reasons why, I mean, those services are expensive. Regardless of the model, it's expensive and so that is one of the reasons why Mayor and Council directed Staff to proceed with the Citizens Advisory Committee with funding options to help with that funding gap.

Vice Mayor Lopez: Mr. Mayor, I have a question. Under the Fire Department, under the highlighted or darkened additional pension, above that there is a State retirement additional pension, and where does this money come from, \$172,000?

Ms. Aguirre: \$172,000. Once calculations were said and done, based on that 200% contribution rate that is published by the Public Safety Retirement System, and after we calculated our operating expenses, \$172,000 was what was pretty much left over, ok. And so rather than reducing the Fire Department's budget by \$172,000, I just plugged it in to that line item for additional expenses.

Acting Mayor Rogers: Great.

Ms. Aguirre: However, Mayor and Council have the liberty of making budget modifications however they see fit in the current fiscal or in the future.

Vice Mayor Lopez: Thank you.

Councilor Valenzuela: So, that money in the past, what have you done with it? Has that money been appropriated to the pension, or has it just been rolling over to contingency?

Ms. Aguirre: Mr. Mayor and Councilor Valenzuela, ever since we have been talking about pensions being a really big issue, so long as there is budget capacity included in our approved budgets, if we have the money available and if the money has been unspent in that line item, it is all paid off to pensions to help bring down that problem.

Councilor Valenzuela: Ok. I have a question about the courts. Are we collecting fees because I don't see that item on here or do we have an agreement with another department, do they collect the fees?

Ms. Aguirre: No, Mr. Mayor and Councilor Valenzuela, there is a line item, it's a very brief line item there, mid-page on page 1 for Fines and Fees. The thing is they have a long list of line items under which they cite and bring in monies and I didn't have that exact breakdown at the moment, so I consolidated it into a lump sum.

Councilor Valenzuela: I don't see it on my copy.

Ms. Aguirre: Midway through the page, Fines and Fees.

Councilor Valenzuela: I see it. Is this for all City departments? It's not itemized by department?

Ms. Aguirre: Well, this is basically all the fines and fees that are brought in through the courts.

Councilor Valenzuela: Ok.

Ms. Aguirre: I don't have the specifics as to how those break out from the different departments.

City Attorney Paladini: Mayor, just for clarification, most of the fees, or fines, I should say, and then what are called surcharges that a person would pay in the court, goes to the State, the City doesn't keep it; it gets very little of that money. Some of the surcharges will circulate back to help fund the court or to help fund various grant programs, but the fines, the ones that are charged under State law, the fines go to the State. So, the court, it's not supposed to be, but it isn't self-sufficient because the City doesn't get to keep the fines.

Councilor Valenzuela: I'm just trying to see, you know, how much it cost to operate each department. So, that is what I was trying to do, so this total Fines and Fees is for the courts, about \$87,000.

Councilor Flagg: That being said, maybe we don't need courts in South Tucson since they get all the money anyway. Why doesn't the County do our courts? Is that an issue for further?

City Attorney Paladini: Yeah, you would have to do an IGA with Pima County to send the City cases to the Justices of the Peace courts. A lot of smaller cities do that, but you do pay for it. It's not free. And I can tell you in a couple of other cities and towns, not even in Pima County, they are paying \$2-\$300,000 a year, but the court handles everything. There's no court staff, there's no court judges, it's called a Consolidated Court as opposed to the Justice Court and a Municipal Court all in one, but it's not free. It's something to look at, perhaps, as coming from a financial standpoint.

Councilor Flagg: I heard that Oro Valley doesn't have their own court.

City Attorney Paladini: Probably not.

Councilor Flagg: So that would be something to look at.

City Attorney Paladini: Yep, it's an option.

Mayor Diaz: Just a comment on that, our Municipal Judge here, if those people that are cited for misdemeanors, she has quite a bit of leverage that she can waive either way for fines or whatever it is, to forgive or to not forgive, so they work with the public quite a bit, and it's our public, our people, just FYI.

City Attorney Paladini: There are both fiscal considerations and then other considerations that you would have to take into account if you are talking about going with a Consolidated Municipal JP Court, not the least of which is, it wouldn't likely be in this building. Police Officers would have to travel to Justice Court if they were going to testify, things like that. So, yeah, there are a lot of factors that go into that.

Mayor Diaz: I have a question. The Opioid Settlement, did that help any on our budget, the \$26,000, I guess?

Ms. Aguirre: Mr. Mayor, I haven't seen that money come through, but I don't know the specifics to that Agreement. Jon, do you?

City Attorney Paladini: I seem to recall that this City did an IGA with Pima County and that Pima County controls the spending of the money because the amounts are so small for South Tucson and they are limited, what you get, it's not a general fund expenditure. You can only use it for certain things, so I think the decision was made to enter into the IGA and all the money for Pima County, I don't know what Tucson does, but I think the other smaller cities and towns in Pima County have partnered with Pima County. Pima County then spends it collectively on the programs that it is allowed to spend it on. But if you had the money, it would go in the budget, but you can only use it on certain things. It wouldn't go to general fund type of expenditures.

Ms. Aguirre: It would be Restricted.

City Attorney Paladini: Restricted, yes, very restricted.

Mayor Diaz: Also, you're carrying the DEA Task Force monies with the budget?

Ms. Aguirre: I'm sorry, Mr. Mayor?

Mayor Diaz: The DEA, I thought we eliminated that program.

Chief Denogean: We don't have our Officer assigned there anymore.

Mayor Diaz: Right, so the money we show here is carried over for the Officer?

Ms. Aguirre: Mr. Mayor, the money is in there. We still have the Agreement. I can go ahead and eliminate it there, and also the money for the corresponding expenditures.

Councilor Valenzuela: Let's talk about it.

Councilor Flagg: Yeah, we should talk about it at a future meeting, right Mayor, is that good with you?

Councilor Valenzuela: Under Development Services, there's an item for contracts for like \$10,000? What contracts are those on page 4?

Ms. Aguirre: Mr. Mayor and Councilor Valenzuela, your question is, what is that for?

Councilor Valenzuela: Yes, who are we contracting with? I know we contract with Hitt here and there, but I didn't know if there was any additional contract.

Ms. Aguirre: Correct, so given that there have been no monies spent out of that line item, I think that money had previously been appropriated and just had it held over for grants writer. And I believe another contactor that the City had.

Councilor Valenzuela: Ok. Is there a vehicle for Development Services?

Ms. Aguirre: Mr. Mayor and Councilor Valenzuela, there is a vehicle that is utilized to conduct inspections.

Councilor Valenzuela: Ok. In your opinion, what percentage of the Police Department, from our whole budget goes to the Police Department?

Ms. Aguirre: Of our entire debt?

Councilor Valenzuela: Yes.

Ms. Aguirre: It's about 30%.

Councilor Aguirre: 30%?

Ms. Aguirre: Just about, and a lot of that, again, goes to pension, it's really expensive.

Councilor Valenzuela: Yeah, ok.

Councilor Flagg: Do you think the City of Tucson would be a similar 30%, do you have any idea? Can you guess?

Ms. Aguirre: I believe so, Mayor and Councilor Flagg.

Councilor Valenzuela: I'm trying to find that ARPA money, where would that be at?

Ms. Aguirre: Mr. Mayor and Councilor Valenzuela: This presentation is for General Fund dollars. ARPA is part of Restricted, so that is going to be coming to you all in the presentation at a future date. So, again, I wanted to give you guys a brief overview of just some highlights, point those out for you. If any of you have questions about any of these line items, feel free to ask me. Send your questions through the Manager and then she will make sure that I get them and then I will address that at a future meeting, and I can give you some background on your questions. I do know that there had been a question as to whether we can increase some fees related to property tax, primary property tax, so it will be discussed in the next agenda item and then we will just ask for direction on how to proceed. But it's mainly for you all to have a discussion. And then also, I know I have received a request through the City Manager. The Mayor had submitted a request for a couple scenarios on funding for Fire personnel, and so I will also come back with some of that information. I just want to make sure I give attention to everybody's requests so we can review those at a future meeting. This is basically taking our current budget and putting it over to next year and applying those inflationary factors. He wanted to see what the actual increase or decrease was going to be. Here, by the end of the week, I will be able to put in your guys' boxes a memorandum with some timelines because here we are actually starting our budget process a little later. Nonetheless, by law, we do have until July 29th to have an approved budget. Normally we just have to do best practices and have our budgets approved by the end of the current fiscal year, so by June 30th, but I think we are going to run closer into July. So, hopefully, we can have an adopted

final budget in mid-July and that means we would have to have a tentative budget adopted by the beginning of July. So, we still have May and June.

Mayor Diaz: We also need public hearings.

Ms. Aguirre: Absolutely, yes. This calendar that I put together takes into consideration public hearings as well.

Mayor Diaz: Thank you.

Ms. Aguirre: And it gives you some background on not only for the budget but also for the Housing budget, which is a Restricted one, but they do need to have their budget adopted by June 30th. Just giving you a little bit of background so it doesn't catch you off guard. And then there's all those deadlines we need to be (inaudible) which is intended to just increase the budget cap. I will make all this information available to you all by email and also by memorandum in your boxes.

Acting Mayor Rogers: Thank you.

Vice Mayor Lopez: I have a question. Go to page 7 under the Debt Service, can you explain the loss item which is transfer out bond payment?

Acting Mayor Rogers: Yes, Mr. Mayor and Vice Mayor Lopez, that line item is related to the 2019 bonds which were used to refinance all of that decades long debt, worth of debt. We had savings of \$200,000 for five years. That's over, as you can see in the budget.

Vice Mayor Lopez: Right.

Ms. Aguirre: Next fiscal year.

Vice Mayor Lopez: Thank you.

Ms. Aguirre: You're welcome.

Mayor Diaz: I think the other one is the street sweeper. Did we receive the grant for that already? It was going to go out for bid and is there any progress on that?

Ms. Aguirre: Mr. Mayor, I believe that because that was an award that came through Restricted funds, that order was placed, and I believe it is also on back order. I will give you an update on that one at the next meeting as well.

Mayor Diaz: Thank you. Any more questions? Councilor Aguirre, any more questions?

Councilor Aguirre: I didn't realize I left my phone on mute. No, I think I'm good, thank you.

Mayor Diaz: This will conclude the City session and we will go to Item #10.

ITEM #10 - DISCUSSION AND DIRECTION: FY 2025 TRUTH IN TAXATION

Mayor Diaz: Ms. Aguirre.

Ms. Aguirre: Mr. Mayor, the reason why we are bringing this item to your attention is because there are some timelines and some deadlines associated with an option such as this. What the Truth in Taxation allows cities

and towns to do is to increase their primary property tax to limits provided by the Property Tax Oversight Commission. I believe you may have received the same letter. So, currently in our budget we have an estimated primary property tax to be collected at about \$60,000 for next year which is online and published in this document that you have in front of you. But through Truth in Taxation, the amount that could be levied and brought in is \$102,000, so that's about \$40,000 more. Is that worth it for Mayor and Council. If you all consider it and want to do it, that's up for you all to discuss.

Councilor Valenzuela: This doesn't have to be taken to a vote?

Ms. Aguirre: No, Mr. Mayor and Councilor Valenzuela, this does not have to be taken through a vote of the people or placed on the ballot, but this does have to be posted. There's a series of posting requirements that have to take place but it has to appear in a paper of general circulation as well as have a press release, that's the first publication. The second publication is, again, in a paper of general circulation, basically announcing the date when the first and second hearings would take place.

Councilor Valenzuela: When was the last time we did Truth in Taxation?

Ms. Aguirre: Mayor and Councilor Valenzuela, I think Truth in Taxation came into effect a couple years ago and the City has never done it.

Councilor Aguirre: Mayor, if I could.

Mayor Diaz: Go ahead.

Councilor Aguirre: You know, I believe that the City of South Tucson has done things over the years in a way that we are kind of upside down and backwards with the way that we tax our people. It's rather than progressive, it's more regressive and I feel like the only way that we can bring our sales tax down for our citizens is to bring in more revenue and I think this is a fair way to bring in some more revenue based on the fact that we currently have some of the lowest property tax in all of the State, or one of the lowest. So, I think this would be a good step forward for us in the goals that we are trying to reach.

Councilor Valenzuela: Do you want to make a motion, Councilor Aguirre? For discussion and direction?

Councilor Aguirre: Yes, I believe it is direction that we need to give and if it's a motion we need, I'll do that. I do agree that we should give direction to Staff to pursue this.

City Attorney Paladini: So, Mayor and Council, just to be clear, if Council gives direction to go ahead and publish the notices, then there will be two public hearings. At the second public hearing the Council will vote on a resolution to adopt the new rate. So, this is just -

Councilor Aguirre: To start the process.

City Attorney Paladini: Yes, this is just starting the process.

Ms. Aguirre: Correct, and Mr. Mayor and Councilor Aguirre, what you all could do is give us direction to proceed and we can use these figures and actually work out the required worksheets we normally produce because we need to send them out to the appropriate agencies for review. So, we can work on preparing those worksheets and also coming back to you with the timeline for when these public hearings would occur.

Councilor Aguirre: I like that.

Councilor Flagg: I would like to move that you do those worksheets and set the timeline and get back to us at the next meeting.

Ms. Aguirre: Ok.

Councilor Flagg: I put that in the form of a motion.

Ms. Aguirre: Ok.

Councilor Aguirre: I'll second that.

Mayor Diaz: It's been moved and seconded. Ms. Aguirre, Roll Call.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. Abstain.

Councilor Romero. Abstain.

Mayor Diaz. Abstain.

Councilor Flagg. Yes.

Councilor Valenzuela. Yes.

Councilor Aguirre. Yes.

Ms. Aguirre: Direction motion passes.

Councilor Valenzuela: What are grounds for abstaining?

City Attorney Paladini: Your Code doesn't have any. Your Code needs refreshing. The Code says if there is silence it is considered a yes vote, or an affirmative vote, but your Code doesn't have any prohibition about abstaining. Most Codes now say that an abstained vote is either a yes vote or it's a vote with the majority. But that's the modern version of it, and that's an abstain without having a conflict of interest or something like that, but the South Tucson City Code doesn't have any such provision.

Councilor Valenzuela: Thank you.

Mayor Diaz: Ms. Aguirre, since a question about the sales tax came up during the discussion, I got a receipt from Pico de Gallo the other day and I'm not sure about some of the tax, I think it was 5% for South Tucson City tax and 6% for Pima County. Is that more or less right?

Ms. Aguirre: Yes, Mr. Mayor, that is about right.

Mayor Diaz: Ok, thank you.

City Attorney Paladini: I'm not sure that is right. I don't think it's 6% for Pima County; I think it's 6% for the State and Pima County together. Your total TPT here would be about 11% then. It's not just Pima County 6%. Remember the State has a 5.2% TPT or something like that, so Pima County's is probably like 1% or something like that.

Ms. Aguirre: Thank you for clearing that up, Jon.

Mayor Diaz: Item #11.

ITEM #11 - RESOLUTION NO. 24-07 OF THE MAYOR AND COUNCIL OF THE CITY OF SOUTH TUCSON, ARIZONA, AUTHORIZING AND SUPPORTING AN APPLICATION BY THE CITY FOR CONGRESSMAN GRIJALVA'S FY25 COMMUNITY FUNDING PROJECT - SOUTH TUCSON IN SUPPORT OF THE CITY'S COMPREHENSIVE COMMUNITY REVITALIZATION PROJECT THROUGH THE FISCAL 2025 COMMUNITY PROJECT FUNDING PORTAL FOR ARIZONA'S 7TH CONGRESSIONAL DISTRICT

Mayor Diaz: I guess we got the report, so is there any motion to do this?

Councilor Valenzuela: I'll move to pass Resolution No. 24-07.

Vice Mayor Lopez: I second it.

Mayor Diaz: It's been moved and seconded. I'd like to have some discussion on it.

Vice Mayor Lopez: Sure.

Mayor Diaz: As to the Resolution, Mr. City Attorney, I thought everything was supposed to be consensus of the Council and apparently only three people signed the request for the support. I find it very disturbing that it wasn't really known by the Council in respect to asking for this project to go on.

City Attorney Paladini: That's why it is here in front of the Council because the original plan was for the City Manager to submit this application to the Congressman's office, but she doesn't have the authority to do that. This is essentially a federal grant. It's a non-competitive grant and is subject to all the federal regulations and requirements when you get a federal grant, and so it requires that the governing body of the City submit the application. That's why it's on today's agenda for a decision on the Resolution to either submit it or, it has not been submitted, so a vote tonight by a majority will determine whether or not this application gets submitted. It's basically a take it or leave it application for the grant money as presented. We had a conversation with Congressman's Staff, and it is too late to change the proposed uses of the funding, so in the packet it describes how the money is proposed to be used, and essentially if you apply for and receive the grant, you have to use it as it is proposed, and there are some off-ramps or some exceptions if certain of the proposed uses can't be done, then we can go back. The City can go back to the Congressman's Office and see if it can be reallocated. Right now, the packet describes how the money is proposed to be used, and because it is so late in the game, we basically got an extension for a week. Originally it was due April 30th and we talked to the Congressman's Staff and got an extension until tomorrow in contemplation of the meeting tonight. So, this application has not been submitted and depending on how the Council votes tonight, if this Resolution is approved by a majority, then the application will be submitted with the Resolution.

Mayor Diaz: So, who would give the overview of the Resolution?

Acting Mayor Rogers: Yeah, there's no presentation.

City Attorney Paladini: Sorry?

Mayor Diaz: Can you give us an overview of the Resolution, as how the money is going to be spent, for example? I know we got the report but again, we got it Saturday.

City Attorney Paladini: Because it came to the City so late that we had to scramble to even get it on tonight's agenda. That being said, it proposes that of the \$1.2 million request, it proposes that \$522,000 go to Primavera for improvements to the Paradise Motel for housing. It is also proposed -

Mr. Licea: Do you want me to help you out?

City Attorney Paladini: Yeah, if you don't mind, I don't have specifics.

Mr. Licea: I don't have the specific dollar amounts off the top of my head, but yeah, the bulk of it was going to go to critical renovations at the Paradise Motel and then the second bigger chunk was going to be going to an owner-occupied home repair program. Thereafter, there were two public facilities that were going to be considered and there for renovations, also. Those would be the JVYC Center where they host the after-school program, and then the Fire Department. There would be some improvements to the Fire Department here locally. Those are the four activities that would be funded if it was submitted and awarded.

Mayor Diaz: The home repair fund, is that based on the \$25,000, the way that it has been forever?

Mr. Licea: Yes, I believe so, yes.

Mayor Diaz: It's not enough money to do anything for home repairs.

Mr. Licea: We understand that, yeah, but something is better than nothing.

Mayor Diaz: Ok, call for the vote.

Vice Mayor Lopez. Yes.

Acting Mayor Rogers. Aye.

Councilor Romero. Yes.

Mayor Diaz. Yes.

Councilor Flagg. Yes.

Councilor Valenzuela. Yes.

Councilor Aguirre. Yes.

Ms. Aguirre: Motion passes.

City Attorney Paladini: Just real quick on this so nobody has any expectations, the vote on this by the Committee will happen probably no earlier than September. It may be pushed until next fiscal year. Remember, federal fiscal years are October to September. And if the vote approves this grant which is \$1.2 million, then in order to actually use the money or spend the money, the users would have to comply with all kinds of federal requirements including either environmental assessments on properties or environmental impact statements, so there's a lot that has to happen before that money becomes available. I just want to make sure everybody's expectations are managed that we are not going to get a bag of money tomorrow.

Councilor Flagg: I think one of the real positive things about this is that it has the City of South Tucson being supported, collaborating with the United Way of Tucson, Pima Community College, JTED, and Primavera, Compass Affordable Housing, and other groups, too. So, I think, hopefully it's a trend-setting thing where we can partner with other community agencies that have some juice, that have some power, that have some money, so that we can improve our community.

ITEM #12 - ADJOURNMENT

Vice Mayor Lopez: Mr. Mayor, I would like to make a motion to adjourn the meeting.

Acting Mayor Rogers: Second.

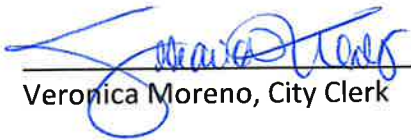
Mayor Diaz: It's been moved and seconded, so we stand adjourned. Thank you.

The meeting adjourned at 7:30 p.m.



Mayor

ATTEST:



Veronica Moreno, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Agenda Meeting of the City Council of South Tucson, Arizona, held on the 7th day of May, 2024. I further certify the meeting was duly called and a quorum was present.

Dated this 21st day of May, 2024.



Veronica Moreno, City Clerk