



City Council Weekly Information Packet

Friday, July 9, 2021

Includes the following documents/information:

- 1) City Council Events Schedule
- 2) 2021 Comparative Cost of Services Report
- 3) Tempe Center for the Arts Programming Update
- 4) Community Services Department Update
- 5) Tempe Streetcar Operations & Special Events



City Council Events Schedule

July 9, 2021 thru September 29, 2021

The Mayor and City Council have been invited to attend various community meetings and public and private events at which a quorum of the City Council may be present. The Council will not be conducting city business, nor will any legal action be taken. This is an event only and not a public meeting. A list of the community meetings and public and private events along with the schedules, dates, times, and locations is attached. Organizers may require a rsvp or fee.

DAY	DATE	TIME	EVENT
Tue	Aug 3	9:00 a.m. - 10:00 a.m.	Ribbon Cutting for Westin Tempe Location: Westin Tempe in downtown Tempe 11 E. 7th St. Tempe, AZ
Fri	Sept 17	9:00 a.m. - 10:00 a.m.	Omni Hotel & Conference Center Groundbreaking Location: Southeast Corner of Mill & University 7 E. University Dr. Tempe, AZ
Fri	Sept 17	7:00 p.m. - 8:00 p.m.	2021 Tardeada Private Reception Location: Tempe History Museum 809 E. Southern Avenue Tempe, AZ
Wed	Sept 29	5:30 p.m. - 9:00 p.m.	Save the Date: 38th Annual Don Carlos Humanitarian Awards Location: Hybrid In-Person/Virtual Event

07/09/2021 EF

MEMORANDUM



TO: Mayor and Council
FROM: Scott Gruber, Municipal Budget & Financial Analyst
THROUGH: Ken Jones, Deputy City Manager – CFO
Mark Day, Municipal Budget Director
DATE: July 9, 2021
SUBJECT: 2021 Comparative Cost of Services Report

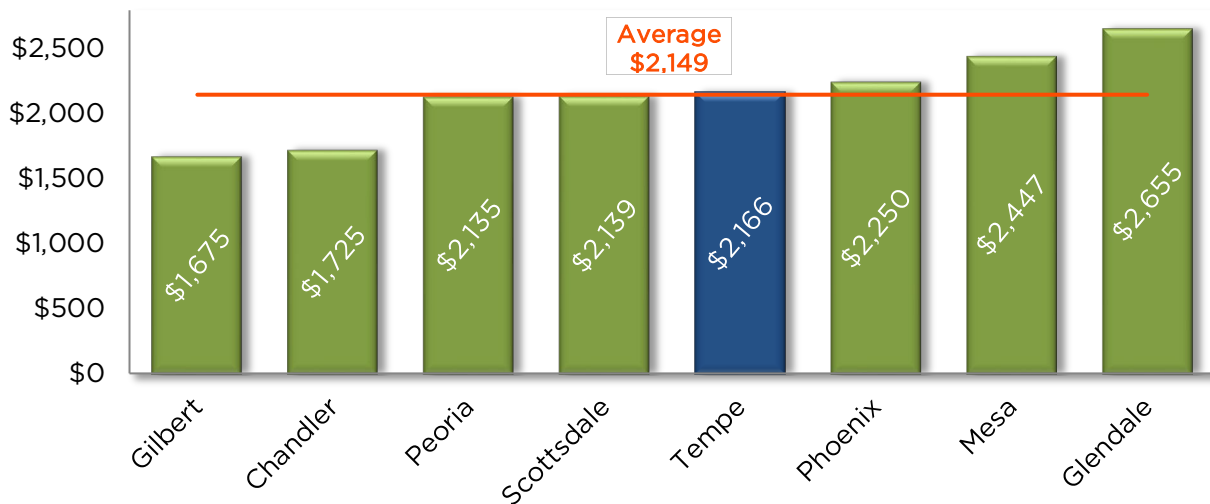
Each year the Municipal Budget Office performs an analysis of the estimated annual amounts paid by the typical residential Tempe household for direct services provided by the City of Tempe as well as the estimated total annual amount paid in City of Tempe property and transaction privilege (sales) taxes. These amounts are then compared to the estimated annual amounts paid by the same typical residential household in seven comparison cities in the Phoenix metropolitan area.

For purposes of this comparison, we utilized the property tax, sales tax and utility service rates as of July 2021. The analysis assumed the same household consumption amounts for all cities for both water and wastewater services. However, for property tax purposes, we utilized the median single-family home value in each respective city in the analysis. The sales tax amounts are based on the Phoenix metropolitan area median household income. As such, this analysis is intended to reflect what the typical residential household would pay for each of the services or pay in taxes in their respective city.

Overview

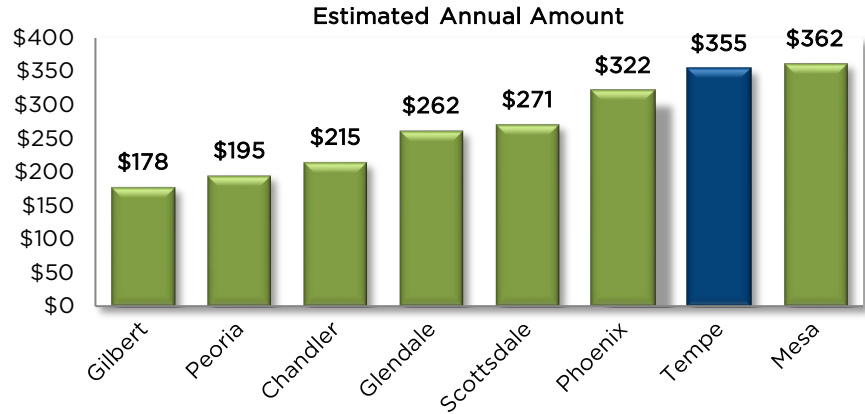
Average annual household cost for property tax, sales tax, water, wastewater and solid waste services

Estimated Annual Cost



Solid Waste

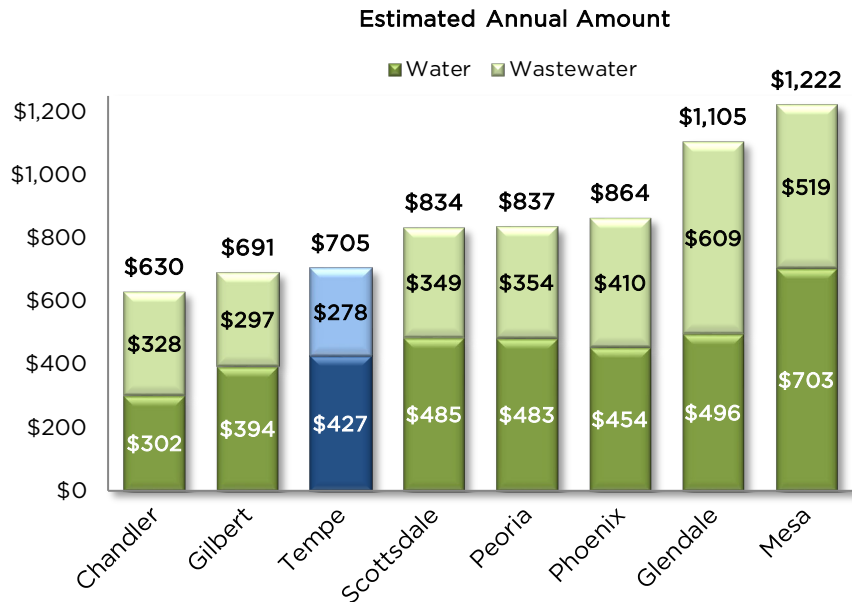
The annual amount for single family residential solid waste services is estimated at \$355 for the City of Tempe. The amounts noted above are based on a residential customer with a once per week collection, based on the rates as of July 2021.



Water and Wastewater

The annual total amount for water and wastewater services for a single-family residential customer in the City of Tempe is estimated at \$705. The annual water charge is based on a typical single family residential monthly water consumption of 10,000 gallons, consistent with the most recent water rate study. It is assumed that this water consumption amount is applicable to the other cities in the comparison. As such, this consumption amount was applied to each respective city’s water rates as of July 2021 to derive the annual water costs.

The billable gallons of wastewater are derived from a typical residential three-month winter average water consumption of 10,000 gallons (January – March billing statements), and then multiplied by a rate of return. For example, Tempe’s rate of return is 70%. When multiplied by 10,000 gallons, the result is 7,000 billable wastewater gallons per month. It is assumed that the typical water consumption is applicable to the other cities. As such, this consumption was applied to each respective city’s rate of return as of July 2021 to derive the annual wastewater costs.



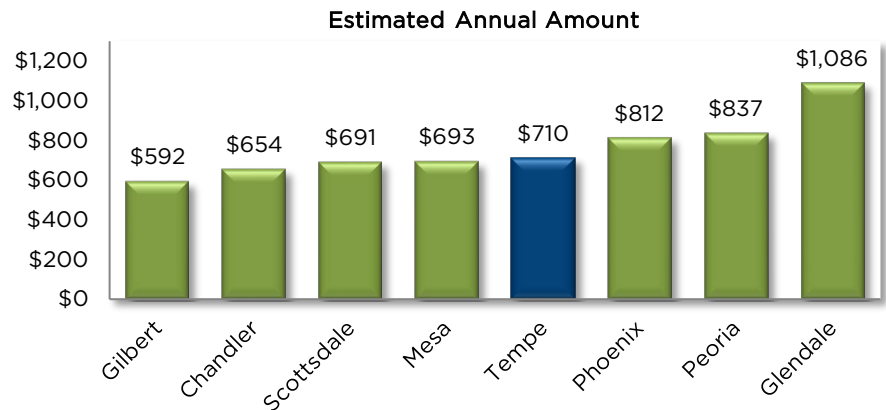
City Sales Tax

The annual amount that the typical Tempe residential household will pay in City of Tempe sales tax is estimated to be \$710 for 2021.

For this analysis, we utilized the Phoenix metropolitan area median household income of \$67,896 per the U.S. Census Bureau, 2019 American Community Survey. As median incomes can vary between the cities, the Phoenix metropolitan area median household income was utilized so that a direct comparison could be made between cities. The portion of this income that was spent on taxable purchases is estimated at 59% (\$39,448), as noted in the latest Consumer Expenditure Survey published by the U.S. Bureau of Labor Statistics (April 2021). We assumed that the portion of the

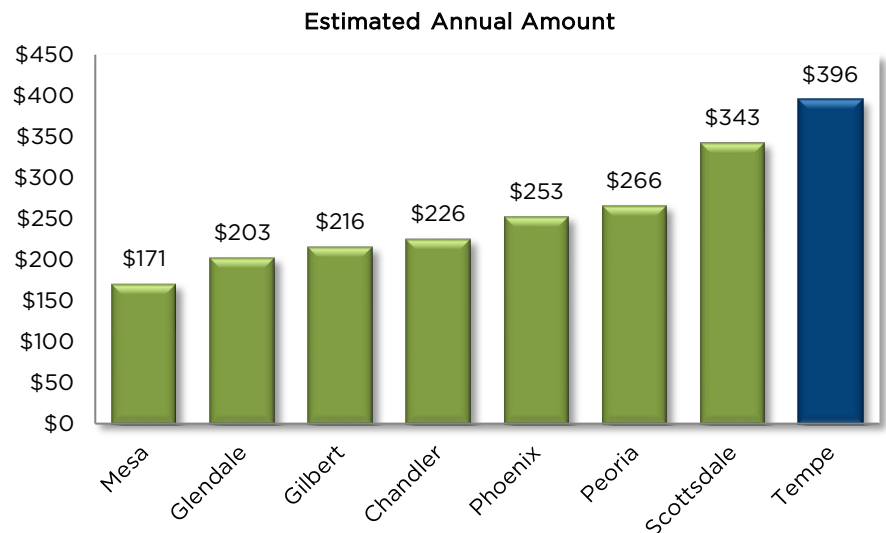
median income spent on taxable purchases was spent within the household's city of residence and applied to each city's applicable sales tax rate.

Please note that many of the comparison cities in the analysis utilize different tax rates for various taxable activities. For example, the City of Glendale has an overall sales tax rate of 2.9%; however, sales at restaurants and bars are taxed at 3.9%. These variances were considered when calculating the annual amount of sales taxes paid.



City Property Taxes

The annual estimated City of Tempe property tax amount is \$396. The property tax amounts shown below are based on each city's FY 2021-22 primary and secondary rates and each city's 2021 Limited Property Value (LPV) for the median single-family home.



The 2021 median single family LPV for each city, per the Maricopa County Assessor, is as follows:

Phoenix	\$119,043	Peoria	\$184,910
Glendale	\$117,790	Chandler	\$203,230
Mesa	\$151,066	Gilbert	\$218,136
Tempe	\$167,474	Scottsdale	\$340,449

It should be noted that the City of Mesa and the Town of Gilbert only levy a Secondary Property Tax.

MEMORANDUM

TO: Mayor and Council
THROUGH: Steven Methvin, Deputy City Manager, x8811
Keith Burke, Community Services Director, x5819
FROM: Brendan Ross, Deputy Community Services Director, x5655
Eileen May, TCA General Manager, x2881
DATE: July 9, 2021
SUBJECT: Tempe Center for the Arts Programming Update



PURPOSE:

Update Mayor and Council on Tempe Center for the Arts initiatives and partnerships for the 2021-2022 season.

CITY COUNCIL STRATEGIC PRIORITY:

3.17 - Achieve ratings of “Very Satisfied” or “Satisfied” with the “Quality of Community Services Programs” greater than or equal to the national benchmark cities as measured in the Community Survey.

BACKGROUND INFORMATION:

Connecting with Community:

As Tempe Center for the arts (TCA) prepares to reopen for indoor public events, the staff have taken time to think about what it means to connect to our community, and what our main purpose as a community-oriented facility should be. Over the course of the last year, we have connected to the greater Tempe arts community in new, inspiring ways, and found that we have a place in the Valley as a center for local voices. Our SHFT program, for example, was the only virtual performing arts programming platform in the Valley to feature local artists exclusively and we intend to continue this support of local artists.

In addition, we have reaffirmed during COVID that the arts are a way of healing and connecting to our bodies, minds, and to each other. One of our main programmatic themes next season is how art heals, and the power of art to build resilience, inclusivity, and reasoning. The goal is to generate opportunities for communities to come together to create, and families to have a place again at TCA.

Finally, we will be giving back to our community during the month of November and every Wednesday/Thursday with free local programming. We will be celebrating Tempe’s 150th with the spotlight on Tempe and Valley artists, especially during the first weekend of November.

Programmatic Themes for 21-22 Season:

There are three programmatic themes we are centering our work on next season.

- Art uncovers.
- Art heals.
- Art performs.

+ Art uncovers. Discover Arizona Artists. The purpose of this programming is to invite Valley residents to discover new artists at TCA. We are dedicated to giving emerging artists a stage, both on a local and national scale. We want to be the community hub for the public to discover local artists and nurture their talent. We will be re-imagining *EDGE* happy hour as an enhanced audience and artist experience entitled *48 Live*. This program will feature artists from every discipline in the arts and will be consistently every Thursday at TCA. This will allow TCA to forge partnerships with local arts organizations, and experiment with different types of programming. In addition, we will be rethinking how we use space, and where performances can occur. The Sculpture Garden, the Rooftop Terrace, outside spaces on and near TCA’s campus, even our existing

performance spaces prompt the questions: What can we do differently? How do we collaborate with our local artists to help us redefine the idea of live performance?

+ art heals. As an outlet for health, wellness, and happiness, art has been central to our lives, especially during COVID. We want to carry forward new traditions and hobbies and invite our community to discover TCA as central to their lives. Often, we see our daily activities as general practices and fail to see how art is integral to everything we touch, see, say, and do.

For example, every Saturday we will feature various opportunities for families and individuals to play, move, and witness the healing power of art. This will be a new program that will feature all genres of art and include a broader range of family programming.

+ art performs. Focusing on main stage collaborations, we will continue to have national artists perform on our stage yet will also connect our local artists with the national spotlight by enabling collaborations with the most relevant performance arts being made today. We will be creating an opportunity for local artists to be involved through a new residency program. National dance, music, and theatre artists will be partnered with local artists to create new work and provide master classes focused on existing work. We will have culminating performances featuring the national and local artists together as well as a performance on the Saturday of each week by the national artist. The national spotlight performers will begin in December with holiday programming, and the residency program will commence in January and continue once per month through May.

Partnerships, Collaborations and New Initiatives

To build our audiences and grow TCA's community, we will strategically partner with several groups next year. Downtown Tempe Authority, Phoenix Pride, and AZ Storytellers are a few, and we plan to collaborate with ASU via a speaker series and hiring ASU students to be on our new Experience TCA team. Connections have also been made with AZ Theatre Company, AZ Opera, and other arts organizations in the Valley to begin discussions for the 21-22 season, and beyond, to see how we can further our connections to community.

The program we are most excited about next year is our connections with the local tribes and Indigenous communities. Violet Duncan, a local artist specializing in Indigenous performance and storytelling, has been hired as our Indigenous Cultural Advisor. The goal of this program is to build relationships with local Native American communities and artists, create unique programming as part of the mainstage season, promote meaningful engagement with Indigenous Arizona artists, and to create a strong foundation for inclusive conversations and ancillary programming. This would include an expansion of family and children's programming, and a traditional oral history series that would be incorporated into TCA programming. We will hold our first *Indigenous Arts Arizona* festival honoring Indigenous culture and practice on November 20.

+ art Transforms.

The purpose of the arts is to be transformational, not transactional. We want to question how one experiences TCA and ensure that each day is an opportunity to engage new patrons, grow loyalty and create real connections with our audiences that build lifelong memories. This re-imagines how we operate and deliver customer experience as a whole, and hits every customer touchpoint: from the moment they go to our website, to their overall experience in the garage, lobby, even grabbing a beverage at the bar, pre-and-post show entertainment, to the time they decide to purchase another ticket. Every moment counts, and we want to make sure they have had an exceptional experience every step of the way. Therefore, we are working to create a new initiative in customer-facing positions at TCA, our TCA Experience Team. There will be an alignment between all frontline positions and a re-training of how we serve our customers and create a memorable experience for them. Lastly, we are working with Friends of TCA to develop a joint membership program to expand our audience development initiatives.

COMMUNITY SERVICES UPDATE

July 9, 2021

Golf! Tempe: End-of-Year Update

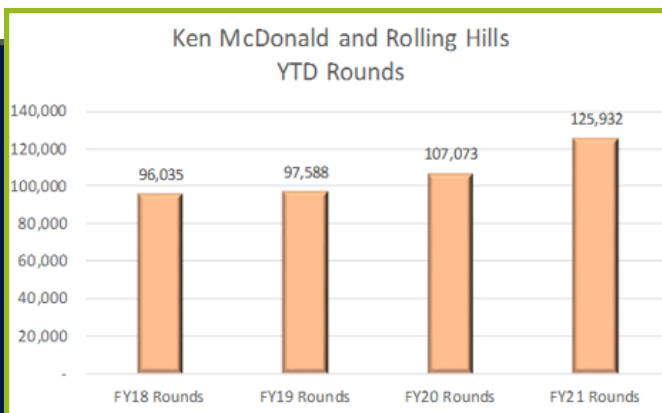


Rounds and Revenues: Fiscal Year Ending June 30, 2021

Enthusiasm and significant interest in golf began in May 2020 as golf became one of the few recreational opportunities still available when the pandemic shut-down most other recreation and entertainment venues. The interest sustained through the remainder of fiscal year 2021, and Ken McDonald and Rolling Hills golf courses realized record high rounds and revenues.

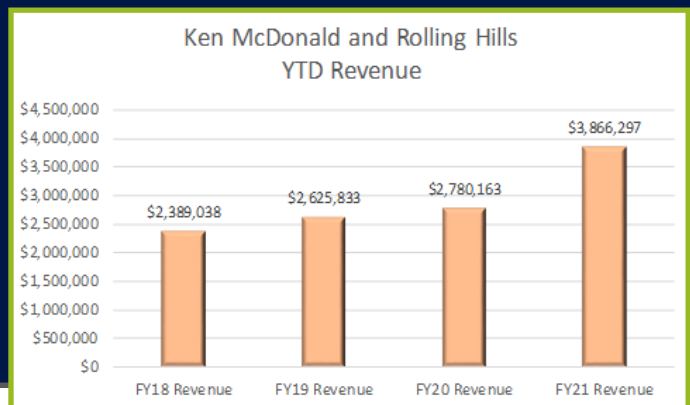
Overall, golf revenues for fiscal year ending June 30, 2021, total \$3.87 million, exceeding prior year revenues by more than \$1 million, and well-exceeding the fiscal year 2021 revenue target of \$2.85 million.

The dedicated and hardworking staff of Gemini Golf professionally managed the significant increase in customers while continuing to provide an outstanding customer experience. In addition, city of Tempe golf course maintenance staff competently addressed the impacts of constant use of the golf courses and driving range.



Pictured Above:
Rounds played YTD through June 30, 2021

Pictured Below:
Revenues YTD through June 30, 2021



COMMUNITY SERVICES UPDATE

July 9, 2021

Golf! Tempe: End-of-Year Update (continued from page 1)

As a partner to the city of Tempe (city), Gemini Golf shares in the success of meeting and exceeding revenue targets through a tiered bonus structure. Based on the contractual bonus structure, Gemini Golf will receive 17% of the \$1 million dollar excess revenue in the form of a one-time bonus. Gemini has successfully met the city's revenue target for two consecutive years (FY20 and FY21). Prior to this, the last time that Golf! Tempe met its revenue target was 2014.

Golf Public/Private Partnership RFP and Financial Study

As part of its commitment to long-term and sustainable community-based golf, two concurrent processes are underway: National Golf Foundation (NGF) is performing a Golf Financial Study, and a Request for Proposal (RFP) was recently released seeking business community partnership opportunities for Ken McDonald and/or Rolling Hills golf courses.

The financial study will develop cost models and recommendations for a combination of publicly run and privately run/outsourced operations, while the goals of the public/private partnership RFP are to:

- Ensure the long-term viability of public golf;
- Address capital improvement needs;
- Provide revenue to the city of Tempe;
- Expand golf and recreational amenities to a wide and diverse audience.

Messaging has gone out to stakeholders in conjunction with the RFP and include:

- Parks, Recreation, Golf and Double Butte Cemetery Board;
- Associations and Leagues;
- Customer Databases;
- Weekly Round-Up.

Recommendations from the financial study will be used to inform the evaluation of the public/private partnership proposals. In addition, as part of the decision-making process, the city will seek input on potential options from customers, stakeholders, and the community. Updates will be available at [Tempe.gov/GolfRFP2021](https://www.tempe.gov/GolfRFP2021).

Staff recommendations from both processes will be finalized by the end of 2021.

MEMORANDUM



To: Tempe City Council
From: Eric Iwersen, Transit Manager (480-350-8810)
Tony Belleau, Tempe Streetcar Project Manager (480-858-2071)
Through: Marilyn DeRosa, Engineering and Transportation Director (480-350-8996)
Date: July 9, 2021
Subject: Tempe Streetcar Operations & Special Events

PURPOSE

The purpose of this memo is to provide an update on planning efforts for Tempe Streetcar (TSC) operations as they relate to programming of special events that occur in and around the streetcar alignment.

BACKGROUND

Special events have long been part of Tempe's culture, attracting more than a million visitors annually to our downtown area. Analysis of regional travel demand patterns in the early planning phase of the Tempe Streetcar project identified that, along with a roster of programmed special events, Tempe's urban core attracted nearly five million visitors by way of regional employment centers, ASU facilities, sporting events and cultural landmarks. These factors directly influenced the streetcar alignment to compliment Tempe's existing transportation network with an additional high-capacity transit mode.

SPECIAL EVENTS AND STREETCAR OPERATIONS

The streetcar provides a higher level of integration with Tempe's urban environment than the existing light rail, as it utilizes shared right-of-way for much of the alignment and the stops are smaller and often incorporated into our street and sidewalk network. While this will allow streetcar to compliment special events by helping to get people in and out of the area, it also presents special challenges and considerations for how streetcar operates during events.

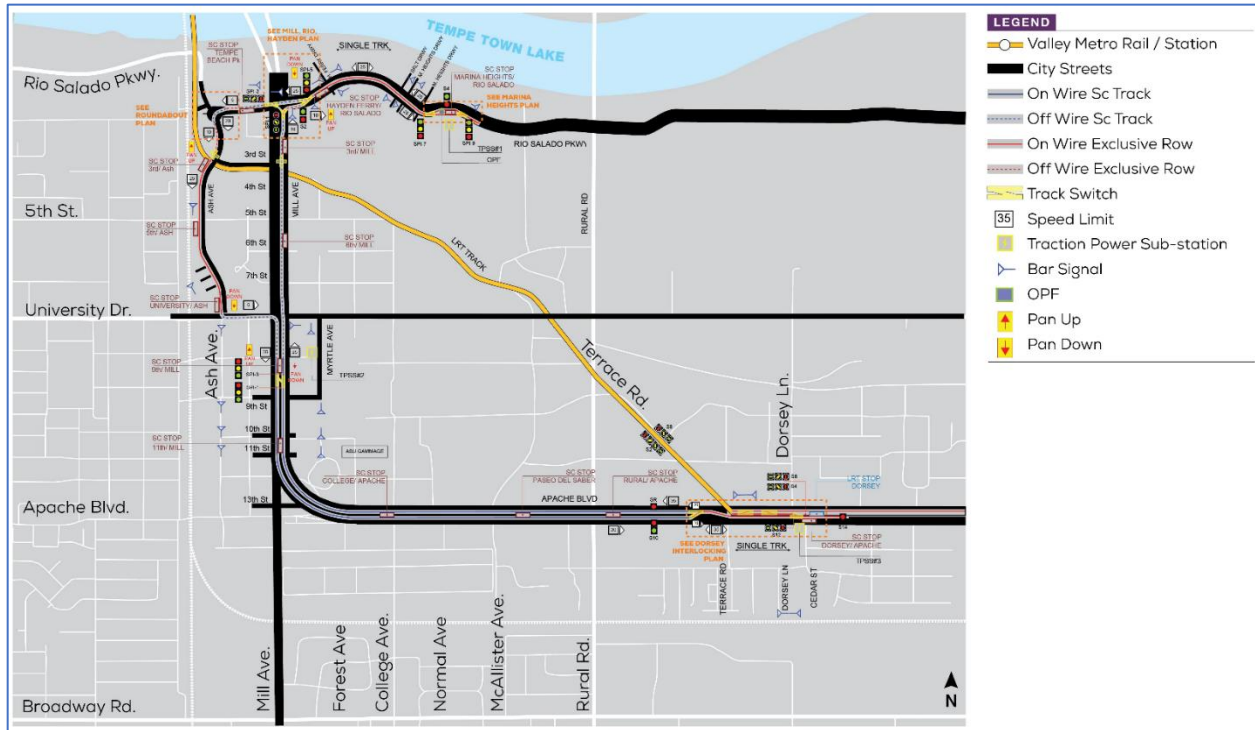
Over the last couple years, project staff have been meeting with the City's Special Events, Police, Fire, and Transit teams, along with DTA and Valley Metro, to coordinate production of public events during active construction and plan for eventual streetcar operation. This inter-departmental/inter-agency team is collaborating with the goal of optimizing both streetcar operations and production of special events. The team is examining each special event to identify conflicts and possible mitigation solutions. Conclusions thus far:

- Many of Tempe's events pose no major conflicts, and streetcar will be able to operate normally with minimal mitigation (e.g., traffic control, pedestrian fencing, etc.). These events include New Year's Eve, Independence Day (4th of July), ASU football games, and Tempe Beach Park concerts.
- For others (Pat's Run, Ironman, Veterans Day and Fantasy of Lights parades, and Festival of the Arts) the team is looking at a variety of solutions, including operating streetcar in reverse direction, providing police escort of streetcar vehicles, providing partial-day or modified route service, and adjusting event footprint. All of these options are being more thoroughly reviewed through a cost and public safety lens and will be shared later with the Council.

NEXT STEPS

- Continue coordination and discussions with Valley Metro, DTA, Special Events, Police, Fire, and Transportation staff.

- First major events that will require modified Streetcar service will be the January Rock 'N' Roll Marathon and the Spring Festival of the Arts.



Tempe Streetcar System shown with single-track, off-wire and track switch locations