

**MINUTES
LEAGUE OF ARIZONA CITIES AND TOWNS
EXECUTIVE COMMITTEE MEETING**

Friday, February 3, 2023, at 10:00 a.m.
League of Arizona Cities and Towns
1820 W. Washington St.
Phoenix, Arizona

MEMBERS

President

Douglas Nicholls, Mayor, Yuma

Vice President

Kevin Hartke, Mayor, Chandler

Treasurer

Mila Besich, Mayor, Superior +

Ken Budge, Mayor, Bisbee +
Craig McFarland, Mayor, Casa Grande +
Robyn Prud'homme-Bauer, Mayor, Clarkdale
Alexis Hermosillo, Mayor, El Mirage +
Brigitte Peterson, Mayor, Gilbert
Jerry Weiers, Mayor, Glendale
Joe Pizzillo, Mayor, Goodyear
Cal Sheehy, Mayor, Lake Havasu City +
Tom Schoaf, Mayor, Litchfield Park +
Ed Honea, Mayor, Marana

John Giles, Mayor, Mesa
Jerry Bien-Willner, Mayor, Paradise Valley
Kate Gallego, Mayor, Phoenix
Stephanie Irwin, Mayor, Pinetop-Lakeside *
Tom Murphy, Mayor, Sahuarita *
David Ortega, Mayor, Scottsdale +
Corey Woods, Mayor, Tempe
Regina Romero, Mayor, Tucson +

*Not in attendance

+ Attended via Zoom

President Douglas Nicholls called the meeting to order at 10:03 a.m. He then led the Executive Committee in the Pledge of Allegiance.

1. REVIEW AND ADOPTION OF MINUTES

President Douglas Nicholls requested a motion on the adoption of the minutes. Mayor Jerry Weirs of Glendale moved to approve the minutes of the November 10, 2022, Executive Committee Meeting; Mayor Ed Honea of Marana seconded the motion and the motion carried unanimously.

2. LEGISLATIVE POLICY OVERVIEW AND SESSION UPDATE

Executive Director Tom Belshe introduced and welcomed Legislative Director Tom Savage to provide a legislative policy overview.

Legislative Director Tom Savage informed the committee that it is day twenty-six of the legislative session and there have been 1,418 bills introduced.

Governor's Budget

Legislative Director Tom Savage reviewed highlights of the executive budget proposed by the Governor. The proposed budget included: \$17.1 billion in spending; One of the Governor's priorities is the elimination of the TPT tax on feminine hygiene products and diapers which would have an estimated impact of \$28 million on cities and towns. Also included with regard to housing was a \$150 million appropriation to the Housing Trust Fund. Regarding state parks and the Heritage Fund, the Governor's budget proposed a \$10 million appropriation.

Residential Rental, Food, and Corporate Income Tax Repeal

Legislative Director Tom Savage reviewed HB 2061 and SB 1063 which repeals the Food Tax bill which would have an estimated \$195 million impact on cities and towns. The bills HB 2067 and SB 1184 repeal the Residential Rental Tax which would have an estimated impact of \$230 million to cities and towns. Regarding the Corporate Income Tax, the HB 2003 was introduced to repeal the tax which would have an estimated \$120 million impact on cities and towns.

Senator Epstein has introduced SB 1686 which is an alternative that moves to provide an income tax credit for individual earners under \$70,000 and those filing jointly under \$140,000 that would allow them to claim a tax credit on their income taxes for the residential rental tax that is paid.

League Resolutions

HB 2044 allows cities and towns that have fallen under the population and growth rate threshold the opportunity to refer their general plan to the ballot. SB 1006 provides flexibility for cities and towns to either post public notices in their newspaper or online.

Homelessness Programs

SB 1585 sponsored by Senator Miranda proposes to appropriate over 500 million dollars for a variety of homelessness programs. Representative Livingston has introduced HB 2284 which would require the department of housing to use monies for parking areas with amenities, individual camping, and shelters that meet specific requirements and shelters with programs to improve employment and income of individuals. It prohibits political subdivisions from policies that discourage or prohibit enforcement of urban camping bans and authorizes the attorney general to bring civil action to violators of the bill.

Housing

SB 1117 which would propose by-right zoning which would allow for apartments and certain developments to go through administrative approvals and bypass the general plan process and take away the ability for residents to raise issues about developments that are occurring in their communities. SB 1103 would allow cities to administratively approve certain development aspects such as engineering reviews.

Legislative Director Tom Savage welcomed General Counsel Nancy Davidson to review in detail SB 1117.

General Counsel Nancy Davidson overviewed details of the bill, such as the inability to address housing affordability, inability to remove existing prohibitions on cities imposing inclusionary zoning. The bill requires administrative approval of all multi-family projects by-right. The bill also stipulates that if a project is not approved within a certain timeframe, it will be automatically deemed approved.

Members of the Executive Committee raised concerns regarding the bill to which League staff reported their plan to oppose the bill before it can be implemented.

Executive Director Tom Belshe expressed his gratitude to staff and members of the Executive Committee for their efforts and explained his plan going forward.

3. REPORT FROM LEAGUE BUDGET SUBCOMMITTEE

Mayor Mila Besich of Superior and chair of the League Budget Subcommittee reported that the League is in good financial health and introduced Executive Director Tom Belshe to review the proposed changes to dues structure.

Executive Director Tom Belshe reported the proposed changes in dues at a six percent increase cost-of-living adjustments and merit raises for employees. The League will pursue employees from the nonprofit and events fields going forward to avoid turnover as much as possible. There has also been an increase in money spent on contract lobbying services as well. Revenue from the League Annual Conference has seen an increase in the past fiscal year.

President Douglas Nicholls called for a motion to approve the proposed dues increase. Mayor Woods of Tempe approved the motion; Mayor Peterson of Gilbert seconded the motion and it carried unanimously.

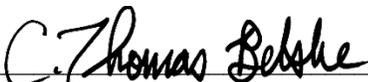
4. EXECUTIVE COMMITTEE VACANCIES

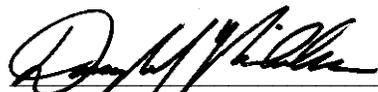
President Douglas Nicholls introduced Executive Director Tom Belshe to explain the current vacancies on the Executive Committee.

There are a total of four vacancies open with discussion open on how quickly the committee wishes to fill the open seats. Executive Director Tom Belshe proposed to the committee that new members can be decided upon either at the May meeting or at the Annual League conference. Members of the committee discussed that it would be in the best interest of all members to fill the vacancies prior to the May meeting and proposed to have an online meeting to approve new members selected by the nominating committee.

President Douglas Nicholls called for a motion to move forward with the agreed upon process. Mayor Peterson of Gilbert approved the motion; Mayor Prud'homme-Bauer seconded the motion and it carried unanimously.

The Executive Committee adjourned the Executive Committee meeting at 11:20 a.m.


EXECUTIVE DIRECTOR


PRESIDENT