

MINUTES

1. **Call to Order**

Mayor Daggett called the Special Meeting of the Flagstaff City Council held February 14, 2023, to order at 3:08 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. **ROLL CALL**

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

PRESENT:

ABSENT:

MAYOR DAGGETT
VICE MAYOR ASLAN (virtually)
COUNCILMEMBER HARRIS (virtually)
COUNCILMEMBER HOUSE
COUNCILMEMBER MATTHEWS (virtually)
COUNCILMEMBER MCCARTHY (virtually)
COUNCILMEMBER SWEET

Others present: City Manager Greg Clifton; City Attorney Sterling Solomon.

3. **Pledge of Allegiance, Mission Statement, and Land Acknowledgement**

The Council and audience recited the pledge of allegiance, Councilmember Sweet read the Mission Statement of the City of Flagstaff, and Councilmember House read the Land Acknowledgement.

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

LAND ACKNOWLEDGEMENT

The Flagstaff City Council humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.

4. **Consideration and Adoption of Ordinance No. 2023-03:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 12, Floodplains, Chapter 12-02, Stormwater Management Utility, by amending Section 12-02-002-0003, Schedule of Stormwater Management Utility Service Charges and Fees; providing for repeal of conflicting ordinances, severability, penalties, authority for clerical corrections, and establishing an effective date

Mayor Daggett opened the public hearing.

Stormwater Manager Ed Schenk, Consultant Sanja Gaur, and Management Services Director Rick Tadder provided a PowerPoint presentation that covered the following:

STORMWATER RATE ADOPTION AND PUBLIC HEARING
AGENDA
JANUARY SUMMARY OF SCENARIOS
UPDATES SINCE JANUARY
EXTERNAL RESOURCE VS RATE FUNDING
FINANCIAL PLANNING
FINANCIAL PLANNING 101
STORMWATER RATE ASSESSMENT
STORMWATER ERU
CAPITAL PLAN SCENARIOS
SCENARIO 1: MINIMAL CIP
SCENARIO 2: CIP WITH FUTURE GRANTS
SCENARIO 3: CIP WITH RATES
REVISED SUMMARY OF SCENARIOS
RATE IMPACT
FUTURE IMPACT ON RATES
RATE TIMELINE 2023

Vice Mayor Aslan asked why there is concern about a sunset clause. Mr. Tadder stated that there needs to be ongoing revenue to support debt repayment and a sunset would show that revenues drop off and are not keeping up with the debt repayment. This could impact the City's bond ratings. Mr. Schenk added that it is difficult to define what services end at the sunset period. A rate adjustment is the best course of action because it considers the totality of the utility and can be adjusted up or down in a more nuanced way.

Councilmember Matthews asked how the development of the stormwater utility was impacted by the Coconino County Flood Control District. Mr. Schenk stated that stormwater became a utility in 2003, at the time there was minimal coverage from the Flood Control District and some of that coverage went away when the utility took on the Capital Improvement Projects. In 2018 the Flood Control District started taxing city residents through property taxes. The Flood Control District has assisted with sandbags and flood modeling resulting from recent fires.

Councilmember House asked if there were any triggers in place to consider the rate annually. Mr. Tadder explained that triggers would have the same type of impact as a sunset rate. It puts things in a tough position when adjusting the rate each year. Rates are considered every three

years or so and the budget process also includes an annual review of the five-year plans and the health of all funds.

Jeff Wheless addressed Council and expressed appreciation to staff for providing additional scenarios for consideration. He also expressed appreciation for the inclusion of projects to help address the issues along Highway 180. He suggested deferring maintenance in fleet and other areas to generate more capacity within the general fund to help offset the rate increase.

Councilmember McCarthy stated that he is not supportive of taking money from the general fund to pay for flood control. The enterprise fund should pay back the general fund expenditures and there is some risk with relying on outside sources. He indicated his support for Scenario 3.

Councilmember Matthews stated that she is supportive of Scenario 1. A rate increase was done in 2018 and it would make sense to do another adjustment in two or three years. This would leave the business community less nervous.

Councilmember Harris asked for staff's recommendation. Mr. Schenk stated that he prefers flexibility because there are so many uncertainties. The scenario that provides the most flexibility is the most pessimistic one. Adjusting the rate down is significantly easier than adjusting the rate up.

Vice Mayor Aslan expressed his support for Scenario 3 but that he could settle with Scenario 2. There are concerns from the business community but it is also important to consider what needs to be done for the community. The interest of those who are affected by flooding issues need to be top of mind. Maximizing flexibility is a good approach especially when grant funding is not guaranteed.

Joe Galli on behalf of the Greater Flagstaff Chamber of Commerce addressed Council and expressed appreciation for the continued work of staff in providing additional options. There are significant needs and the Chamber wants to help the city pursue additional solutions to meet those needs.

Councilmember Sweet stated that she supports Scenario 2 and feels that it is a stable way to go to address all the concerns of the community.

There being no further public comment, Mayor Daggett closed the public hearing.

Moved by Vice Mayor Austin Aslan, **seconded by** Mayor Becky Daggett to read Ordinance No. 2023-03 by title only for the first time with Scenario 3.

Vote: 5 - 2

NAY: Councilmember Lori Matthews
Councilmember Miranda Sweet

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 12, FLOODPLAINS, CHAPTER 12-02, STORMWATER MANAGEMENT UTILITY, BY AMENDING SECTION 12-02-002-003 SCHEDULE OF STORMWATER MANAGEMENT UTILITY SERVICE CHARGES AND FEES; PROVIDING FOR REPEAL OF CONFLICTING OF ORDINANCES, SEVERABILITY, PENALTIES, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

5. **Adjournment**

The Special Meeting of the Flagstaff City Council held February 14, 2023, adjourned at 4:28 p.m.

WORK SESSION

1. **Call to Order**

Mayor Daggett called the Work Session of the Flagstaff City Council held February 14, 2023, to order at 4:28 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. **Public Participation**

Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

Aubrey Sonderegger submitted a written comment concerning anti-ESG and anti-boycotting bills.

3. **Review of Draft Agenda for the February 21, 2023 City Council Meeting**

None

4. **City Manager Report**

Mr. Clifton briefly reviewed his report and introduced the new Water Services Director Shannon Jones who provided some brief comments to the Council.

Parks, Recreation, Open Space, and Events Director Rebecca Sayers provided a brief review of the PROSE monthly report.

5. **Overview of Housing Programs and 10-Year Plan Update**

Housing Director Sarah Darr provided a PowerPoint presentation that covered the following:

HOUSING OVERVIEW AND UPDATE
USEFUL TERMS
PRESENTATION OVERVIEW
WHAT IS "AFFORDABLE HOUSING"?

BASIC HOUSING CONTINUUM
AREA MEDIAN INCOME (AMI)
BUT ISN'T ALL HOUSING AFFORDABLE IF YOU MAKE ENOUGH MONEY?
YES, BUT HOW?
TWEEN CHALLENGE
COMMUNITY DEVELOPMENT MISSION STATEMENT
CITY OF FLAGSTAFF HOUSING PROGRAMS
CITY OF FLAGSTAFF HOUSING
HOUSING COMMISSIONS
HOUSING AUTHORITY BOARD (OF COMMISSIONERS)
HOUSING COMMISSION
CITY OF FLAGSTAFF HOUSING AUTHORITY
PUBLIC HOUSING

Councilmember House stated that there was an attempt to repeal the Faircloth Amendment in 2021. She asked that it be something that is monitored and considered within the Council's legislative priorities.

PUBLIC HOUSING – 265 UNITS
PUBLIC HOUSING MAINTENANCE
CLARK HOMES – 80 UNITS
HOW DO VOUCHER PROGRAMS WORK?
LOCAL IMPACT OF CFHA VOUCHER PROGRAMS

Mayor Daggett asked if there was a guarantee that the rent is paid on time with the voucher program. Ms. Darr offered that the tenant is still responsible for paying their portion of the rent on time but the HUD subsidy is guaranteed to be paid on time.

Mayor Daggett offered her appreciation to the 150 participating landlords within the community.

WAITING LIST

Councilmember Matthews asked how many people were housed that have lived outside the area coming into Flagstaff in the past year. Ms. Darr stated that there is a local preference which means locals are housed first before those coming from outside the area are housed.

CITY OF FLAGSTAFF HOUSING SECTION PROGRAMS
HOUSING SECTION
INCENTIVE POLICY FOR AFFORDABLE HOUSING
NEWSLETTER
WHERE HAVE WE BEEN?
EVOLUTION OF HOUSING FOCUS
LAST YEAR/THIS YEAR...
INTRODUCING...
INTRODUCTION
NEXT YEAR AND ONGOING...
ACHIEVEMENTS SAMPLE
CONCLUSION AND PROGRESS (ANNUALLY)
INTRODUCING...
NEXT YEAR AND ONGOING...
STRATEGY IMPLEMENTATION
JAN. 2023 – JUNE 2024 STRATEGIES TABLE
JAN. 2023 – JUNE 2024 STRATEGIES
ROLE OF THE HOUSING COMMISSION

HOUSING BOND UPDATE
MORE COMING ATTRACTIONS!

Council thanked Ms. Darr for the presentation and the work that the Housing Section does.

Items number 6 and 7 were rescheduled to a later time due to inclement weather.

6. Presentation on Civil Rights and Municipal Equality Index

Rescheduled due to inclement weather.

7. Discussion item seeking direction on whether to consider an invitation for bid for a lease within the Cheshire Park expansion area for a Telecommunication Facility (cell tower).

Rescheduled due to inclement weather.

8. Public Participation

None

9. Informational Items To/From Mayor, Council, and City Manager; future agenda item requests

Councilmember House reported that there is a blood drive hosted by the Parks, Recreation, Open Space, and Events Division on February 15, 2023 in celebration of Black History Month.

Councilmember McCarthy reported that MetroPlan is seeking an Interim Executive Director to serve while they are conducting the recruitment process for the permanent director.

Councilmember Matthews reported that she, Mayor Daggett, and Councilmember Sweet attended the Summit on Equal Responsivity in Flagstaff, produced in part by Councilmember Harris. She thought the event was very informative and well ran; she looks forward to having more opportunities to participate.

Mayor Daggett offered that Lowell Observatory is hosting a number of I Heart Pluto events throughout the week. She stated that she will be doing a ride-a-long with the Fire Department later in the week. She also offered thanks to Congressman Crane and his staff for inviting her to attend the State of the Union address.

10. Adjournment

The Work Session of February 14, 2023, adjourned at 6:41 p.m.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on February 14, 2023. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 21st day of March, 2023.

CITY CLERK