

2023
Resolutions
Packet

League of Arizona

Cities AND Towns

July 2023

Dear Mayor,

As chair of the 2023 League Resolutions Committee, it is my pleasure to provide this packet for your participation in the Resolutions Committee at this year's League Annual Conference. The chairs of five League Policy Committees will present the Resolutions discussed in their respective committees to the Resolutions Committee.

Included in this packet you will find:

- Resolutions Committee Calendar
- Resolutions Committee Procedures
- Policy Committee Reports and Resolutions

As the first order of business at the conference, the Resolutions Committee will meet on Tuesday, August 29, 2023, at 1:30 p.m. Lunch will be available starting at 12:30 p.m. The actions of the full Resolutions Committee will be formally adopted at the League's Annual Business Meeting on Thursday, August 31, 2023, at 4:00 p.m.

If you have not accepted your appointment or designated a council representative to serve your city/town on the 2023 Resolutions Committee, please make that appointment [here](#).

We look forward to having all member cities and towns participate in the Resolutions Committee. If you have any questions or comments regarding the Resolutions Committee, your appointment, or the resolutions submittal process, please do not hesitate to contact the League office.

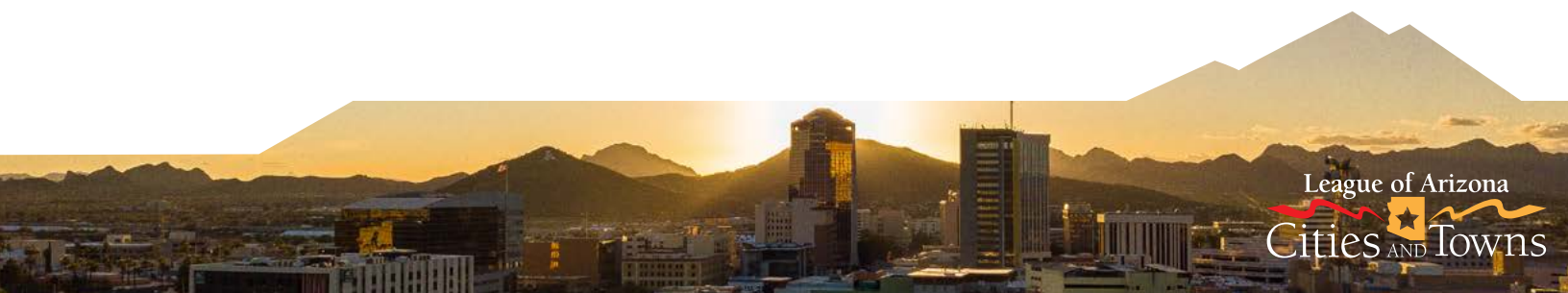
Sincerely,



Mayor Kevin Hartke, Chandler
League Vice President

Enclosures

cc (via email): Managers, Clerks without Managers, Intergovs



2023 Resolutions Committee Calendar

May-June: Policy Committees meet

June 28: League sends email requesting mayors or council designees register to represent their city/town on Resolutions Committee

July 21: League sends out resolutions packet to membership

August 29: Resolutions Committee Meeting

August 31: Resolutions ratified at the Annual Business Meeting

League of Arizona Cities and Towns Resolutions Committee Procedures

1. Resolutions Committee Appointment

At least two (2) months prior to the Annual Conference, the President shall appoint members of the Resolutions Committee. The League Vice-President shall serve as chair of the Resolutions Committee. Only one elected official from each city or town shall be appointed to the Committee and shall cast the vote of such city or town. Municipal staff are ineligible to serve on the committee.

2. Duties

The Resolutions Committee shall adopt statements of policy amending the annual Municipal Policy Statement, special resolutions and such other resolutions of courtesy, commendation or appreciation as the Committee deems appropriate.

3. Submission of Resolutions

- A. Except as otherwise provided, all proposed resolutions submitted by a city or town, including resolutions of courtesy, commendation, or appreciation, must be considered by the Policy Committees by submitting the resolution to the Chairman of the Committee or to the League office. The resolutions process allows cities and towns to submit policy ideas to the League at any time during the year without the requirement of a co-sponsoring city or town. If approved by a policy committee, League staff will draft the resolution for presentation to the full Resolutions Committee. Sponsoring cities and towns, or other interested stakeholders may be consulted to provide more information on the idea and may be invited to speak to the issue at one of the policy committee meetings.
- B. Except in the case of emergency as determined by the Chair of the Resolutions Committee, no resolutions submitted by a city or town after the deadline specified in subsection A of this section or that have not been vetted by the Policy Committees may be considered.
- C. League staff may submit resolutions for consideration by the full Resolutions Committee if there are issues that have not been addressed through the policy committee process.

4. Resolutions Committee Process

- A. The Vice-President shall assign submissions to the relevant Policy Committee. The Policy Committees will review submissions and develop pertinent resolutions for consideration by the Resolutions Committee. Except for the provisions of subsection 3, only resolutions advanced by the Policy Committees shall be discussed at the Annual Conference Resolutions Committee.
- B. Resolutions shall be amended according to the process established by the Chairman of the Committee.
- C. The completed resolutions will go to the full Resolutions Committee at the Annual Conference for consideration. The chairs of each policy committee will be responsible for presenting the resolutions and their committee activities to the full Resolutions Committee. Notice shall be given to each member at least four weeks in advance of the meeting.

5. Final Report

After the Resolutions Committee meeting, the Chairman of the Committee or a designee shall report to the entire League membership at the Annual Business Meeting those resolutions adopted by the Committee. Resolutions adopted by the Committee shall be formally adopted by the membership at the Annual Business Meeting and become the basis for the annual Municipal Policy Statement.



Policy Committee Reports

The following policy committee reports, and resolutions are arranged in alphabetical order. The recommended resolutions are categorized by their respective committee initials and numbered according to the order in which they were considered.

Budget, Finance and Economic Development – BFED

General Administration, Human Resources and Elections – GAHRE

Neighborhoods, Sustainability and Quality of Life – NSQL

Public Safety, Military Affairs, and the Courts – PSMAC

Transportation, Infrastructure and Public Works – TIPW

NUMBER	RESOLUTION	SPONSOR	NOTES
BFED 2	Pursue legislation to allow cities and towns to authorize a temporary property reclassification for redevelopment projects that create new housing units.	Chandler	
BFED 3	Amend statute to remove the petition requirement necessary to form municipal improvement districts.	Camp Verde	
GAHRE 3	Amend statute to allow for the collection of 10% more than the minimum signature threshold for local candidates.	Scottsdale	
NSQL 1	Enable the League to support legislative resolutions to ratify the Equal Rights Amendment.	Tempe	
NSQL 3	Allow municipalities to set caps on the total number of short-term rentals in their community.	Scottsdale	
NSQL 4	Allow municipalities to limit the density of short-term rentals in specified areas.	Scottsdale	
NSQL 5	Allow municipalities to establish separation requirements and enforce distance between short-term rentals.	Scottsdale	
PSMAC 2	Amend statute to allow cities and towns to use body scanning machines in jails and holding facilities.	Mesa	

These are the only items that will be voted on. The other submissions that did not move forward as resolutions will be explained at the Resolutions Committee.



Chair's Report of the Budget, Finance and Economic Development Policy Committee

Mayor Kevin Hartke, Chair

Resolutions Committee Meeting, League Annual Conference

On May 3rd and June 7th, the Budget, Finance and Economic Development (BFED) Policy Committee convened for consideration of four policy proposals submitted by Quartzite, Chandler, Camp Verde and Cottonwood. Below is a summary of the issues considered by BFED:

1. Law Enforcement Funding – Quartzsite (BFED 1)

BFED 1 was explained to the committee proposing legislation that would prevent cities and towns from decreasing their public safety budgets any lower than the previous year's budget. Committee discussion noted the importance of local control over budgets and the various reasons budgets may be reduced. One of the League's guiding principles is to stand against preemption measures, and it has successfully defeated bills with similar intent in the past. The committee ultimately declined to pursue BFED 1 any further.

2. Redevelopment Incentives – Chandler (BFED 2)

Micah Miranda, Chandler Economic Development Director, presented BFED 2. The presentation noted the significant decline in the affordability of homes within the Phoenix metropolitan area. In 2012, 85% of homes were considered affordable for families with a median income. However, by mid-2022, this figure had dropped drastically to 22%. This suggests a widening gap between income levels showing how median-income families are increasingly priced out of the housing market. Rental prices are not inoculated against the ebb and flow of the housing crunch and have also seen significant increases on average.

The urbanization of East Valley cities adjacent to Phoenix, including Chandler, Gilbert, Mesa, and Tempe, is nearing a critical point of build-out, presenting an opportunity for redevelopment. The build-out percentages for these cities were reported to range between 86.15% and 98.74%. Consequently, this means greenfield sites for new construction are becoming increasingly scarce, and the focus will have to shift to redeveloping infrastructure in certain locations such as underutilized shopping centers and areas oversaturated with retail uses and chronic vacancies.

Current law does not grant municipalities with the tools needed to produce large-scale housing development. For example, eminent domain can quickly become controversial and is typically not pursued for redevelopment by municipalities. Moreover, revenue bonds for redevelopment projects are a less attractive alternative than other revenue bonds such as utilities for would-be investors.

Proposed legislative measures focused on providing robust support for redevelopment projects initiated by the private sector and granting municipalities the ability to temporarily reclassify redevelopment projects which result in the creation of new housing units. Another suggested reform was to reclassify property to Class Six via redevelopment contracts agreed upon by developers and municipalities. These proposed solutions would merely grant permissive authorities to municipalities. The latter proposal specifically suggested halving the assessment ratio from 10% to 5% for residential redevelopment projects. This would generate tax savings that could act as a kind of credit to offset the higher costs associated with redevelopment and site restoration. The redevelopment projects' timeline is anticipated to be between seven and eight years. The presenter stressed that any rezoning initiatives would have to be spearheaded by the developer, rather than the municipality, before any approval can be granted for a specific site.



Glendale Vice Mayor Joyce Clark raised questions about the stipulations concerning affordable housing, noting that there seemed to be no existing measures that would stop a developer from constructing market-rate units over affordable ones. She also voiced her support for the concept of permissive authorities. In response, the presenter clarified that they were not imposing any price points; ultimately, the market would determine the pricing. It was further clarified that the outlined approach did not include rent control regulations.

Goodyear Councilmember Brannon Hampton expressed concerns over the gift clause and working with the developers as a potential conflict of interest. The presenter mentioned the proposals were all based on precedent. For example, the 5% assessment ratio is currently available in state law for foreign trade zones. Prescott Mayor Phil Goode indicated support for the proposal, arguing that it addresses the fundamental issues of supply and demand in the housing market.

Scottsdale Councilmember Tammy Caputi asked if this would apply to projects that are 100% residential. Mr. Miranda clarified it would not. Redevelopment would also be up to each community to decide what fits their needs, including potential retail uses complementing a redevelopment.

Gilbert Councilmember Jim Torgeson raised concerns regarding the incentive structure believing that incentivizing the construction of more apartment complexes, as opposed to promoting homeownership, might not be in the best interest of the community. He was also concerned this may create a fissure among different groups, with developers reaping substantial benefits while ordinary individuals would be unable to avail themselves of comparable advantages.

Quartzsite Councilmember Sam Saxton asked if developers were consulted about the incentives and wanted to learn more about their position. Mr. Miranda said they met with multiple developers. The proposal would not make it a heavy lift on the developer's end to begin a project as they are always searching for potential sites to develop. Sites are becoming scarce outside employment corridors. This seeks to help satisfy the demand for housing via redevelopment.

Buckeye Councilmember Michelle Hess asked what is stopping Chandler from adopting an overlay district to incentivize specific areas of needs rather than a blanket for every municipality. Mr. Miranda stated there are overlay districts in Chandler, but they do not come with any financial incentive. There are no financial tools that are available to help with redevelopment projects outside of GPLET. The overlay district would not solve the redevelopment challenges the city is facing.

Councilmember Hess mentioned this could apply to Buckeye's downtown main street and was concerned a developer could take up the entire downtown area that is targeted for growth. That may hamstring plans and result in no retail downtown. The presenter clarified this was not downtown or site-specific but available across the jurisdiction for a municipality. Developers would need to first approach the city about a potential site and then work together with the city to utilize the redevelopment tool. Mayor Hartke stated the proposal would provide municipalities with a tool to work with the developers on the sites they want to see redeveloped.

Councilmember Hess raised a question about the potential legal implications for a city if it selectively approves some projects and denies others. In response, Mr. Miranda mentioned that this issue had not been specifically explored. They further explained that property tax reclassifications must go through the city, and in Chandler, reclassifications are denied if a project does not align with the city's needs.

After discussion, Mayor Goode motioned to approve BFED 2 as a resolution to be considered at the Resolutions Committee. Vice Mayor Clark seconded the motion, and it passed by a majority voice vote.



3. Municipal Improvement Districts – Camp Verde (BFED 3)

Camp Verde Mayor Dee Jenkins opened the discussion by highlighting Camp Verde's longstanding goal of encouraging growth along the I-17 and SR 260 corridor. This area is currently designated as an opportunity zone for Camp Verde. To fully capitalize on this opportunity zone, Mayor Jenkins emphasized that development of additional infrastructure is imperative, particularly the extension of municipal sewer infrastructure. While plans to create a municipal improvement district (MID) to facilitate this growth were in the pipeline, she noted that it is nearly impossible to meet all the criteria to establish such a district.

Gayle Mabery, Interim Town Manager of Camp Verde, explained that the proposal aims to improve an existing tool to make it more beneficial for communities. Before changes were made in 2016, this tool was more effective. The 2016 amendment required cities and towns to obtain a necessary number of signatures within 120 days following a public hearing from more than half of the owners of taxable property units and from owners representing more than half of the assessed valuation within a proposed MID. This means that after substantial steps and expenses incurred by a municipality, such as engineering, design, and engaging property owners, and possibly a year or two has passed, a project can be put on hold due to the petition requirement. When such a situation arises, a project that is ready to be launched is placed at a significant risk of not coming to fruition introducing substantial uncertainty that can delay or derail the implementation of planned improvements within a MID.

The proposal is not confined to commercial spaces; it could also potentially benefit residential areas by bridging the gap in critical infrastructure within neighborhoods keen to form a MID. However, the number of properties encompassed within an MID following the 2016 amendment has been limited, typically comprising only four to six properties, often with the same ownership. The proposed legislative solution would strike the petition requirement enacted in 2016.

Vice Mayor Clark suggested a revision to the proposal to create a clear differentiation between commercial and private residential properties to maintain a mechanism for private residential property owners to object to the establishment of a MID, ensuring their rights and concerns are considered in the process. Councilmember Saxton agreed, suggesting further rewording of the proposal to enable a case-by-case review of projects, which would make it easier to navigate and keep in check everyone's rights and protection of such rights. Ms. Mabery stated that current statute outlines the procedures for making and hearing objections and protests by a local governing body regarding the formation of MIDs.

Mayor Goode asserted that a simple majority should not be enough to create such a district. Vice Mayor Clark explained that the petition process already laid out a formal process to either approve or reject a MID. She expressed her concern regarding the elimination of the petition process in a way that does not exclude residential property owners noting the case studies in the presentation only addressed commercial developments.

Mayor Hartke clarified that the proposal's aim is to eliminate the secondary petition requirement and asserted that this does not obstruct the public's involvement at the beginning of the process. Mayor Hartke referred to a Phoenix case from 2016 as the basis for the change in petition requirements. He also mentioned that the public would continue to retain their ability to stop a MID from being established during the initial stages.

Upon the conclusion of discussion, Mayor Jenkins motioned to approve BFED 3 as a resolution to be considered at the Resolutions Committee. Councilmember Hess seconded the motion, and it was carried by a majority voice vote.



4. First Responders Survivors' Benefits – Cottonwood (BFED 4)

Cottonwood Councilmember Helaine Kurot presented the proposal which aims to extend benefits to first responders who have sustained physical disabilities that significantly hinder their ability to perform their duties. She clarified that the intent is to fill the gap between the cost of health insurance and the income of law enforcement personnel who have taken medical retirement. However, the Public Safety Personnel Retirement System (PSPRS), does not presently collect data on those who have medically retired to differentiate between those who can still work and those whose injuries have rendered them unable to work.

Mayor Goode made a motion to assign BFED 4 to a non-legislative solution for further study and collaboration with PSPRS. Additional information was requested such as cost estimates and the number of individuals and families that would be covered by further extending survivor benefits. Councilmember Saxton seconded the motion, and it passed by majority voice vote.



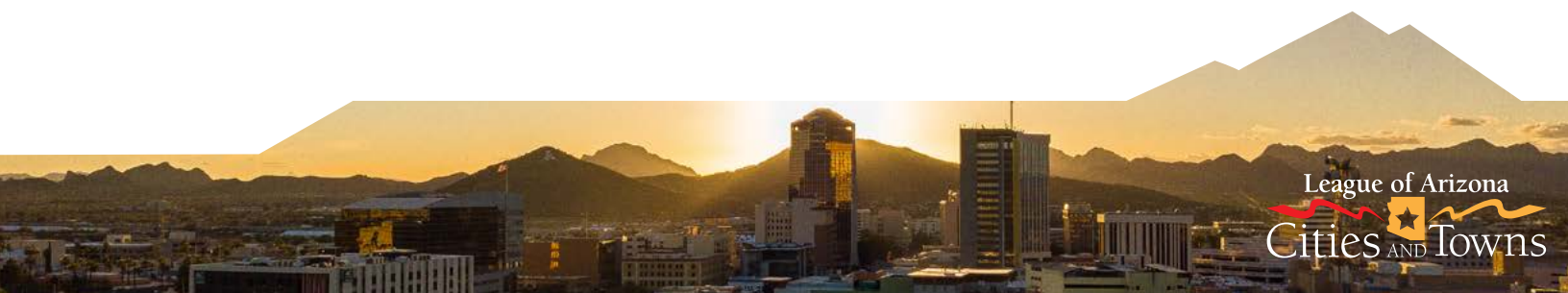
The table below summarizes the BFED Committee's actions:

POLICY ISSUE	DISPOSITION BY COMMITTEE
1. Law enforcement funding	Declined
2. Redevelopment incentives	Approved
3. Municipal improvement districts	Approved
4. First responder survivor benefits	Non-legislative solution

Kevin Hartke

Mayor of Chandler

Chair, Budget, Finance and Economic Development Committee



BFED 2

League of Arizona Cities & Towns Resolution

Pursue legislation to allow cities and towns to authorize a temporary property reclassification for redevelopment projects that create new housing units.

A. Purpose and Effect of Resolution

Even when vacancy rates are low, we still see underutilized shopping centers experiencing chronic vacancies. Redeveloping these low-performing corners into housing units would help bring balance back to areas that are currently oversaturated with retail use. Additionally, the remaining shops and restaurants would benefit from having more residents and income in their area.

Changing state law to allow municipalities to authorize a temporary property reclassification for redevelopment projects that create new housing units would allow developers to see that they can achieve their required internal rate of return from a redevelopment project. Reclassifying to Class Six would lower the assessment ratio from 10% to 5% for residential project, reducing property taxes. Over time, cumulative savings would offset the higher costs of redevelopment while providing housing that our communities need.

Property taxes received at the time of reclassification would be preserved to ensure that no taxing jurisdiction loses revenue when these projects are underway. After the temporary reclassification expires, the completed redevelopment projects would be taxed at the normal assessment ratio providing significant revenue to the taxing jurisdiction for years to come.

B. Relevance to Municipal Policy

Maricopa County is one of the fastest-growing counties in the country, but residential construction has not kept pace with our growth. The Phoenix metropolitan area was undersupplied by roughly 133,000 housing units from 2006 to 2020. This lack of supply has caused housing prices to escalate. In 2022, only 22% of homes sold were considered affordable, leading to an increase in renting and a resulting supply shortage in the rental market.

Many communities in the Phoenix area are approaching 'buildout' and need to look to redevelopment to provide additional housing units. While existing statute provides municipalities the power to engage in redevelopment, there are not many tools in place to help facilitate redevelopment.

C. Fiscal Impact to Cities and Towns

Potential revenue increases once normal assessment ratio resumes.

D. Fiscal Impact to the State

None.

E. Contact Information:

Sponsoring City or Town: Chandler

Name: Ryan Peters, Strategic Initiatives Director

Phone: (480) 782-2215

Email: ryan.peters@chandleraz.gov

League Staff: Jonathon Bates, Legislative Analyst



BFED 3

League of Arizona Cities & Towns Resolution

Amend statute to remove the petition requirement necessary to form municipal improvement districts.

A. Purpose and Effect of Resolution

Arizona municipalities are virtually prevented from utilizing improvement districts to finance infrastructure projects because of unintended consequences resulting from amendments to the municipal improvement district statutes in 2016. This reduces economic development opportunities because many streets, sewers and other infrastructure projects can no longer be financed using this tool.

The resolution seeks to amend statute to remove a petition requirement for municipalities thus permitting Arizona municipalities to pursue the formation of improvement districts to pay for critical infrastructure needs and result in additional economic development, construction and increased property values.

B. Relevance to Municipal Policy

Municipal improvement districts are a valuable financing tool for Arizona municipalities to pay for infrastructure including streets, drainage and sewers. In 2016, the statute governing formation of municipal improvement districts was amended to require a petition to be submitted after the final resolution of any protests relating to formation of the improvement district.

The petition requirement makes formation of an improvement district very difficult. If the proposed changes are enacted, property owners within a proposed improvement district will still be able object to their property being included within a proposed improvement district.

C. Fiscal Impact to Cities and Towns

Reduced costs due to elimination of petition process and potential revenues as a result of successful formation of a Municipal Improvement District.

D. Fiscal Impact to the State

None.

E. Contact Information:

Sponsoring City or Town: Camp Verde

Name: Gayle Mabery, Interim Town Manager

Phone: 928-554-0001

Email: gayle.mabery@campverde.az.gov

League Staff: René Guillen, Deputy Director



Chair's Report of the General Administration, Human Resources and Elections Committee

Mayor Alexis Hermosillo, Chair

Resolutions Committee Meeting, League Annual Conference

On May 4th, and June 8th, the General Administration, Human Resources and Elections (GAHRE) Policy Committee convened to discuss four policy issues submitted by Fountain Hills, Scottsdale and Goodyear. Below is a summary of the issues considered by GAHRE:

1. Political Sign-Free Zones – Fountain Hills (GAHRE 1)

League staff introduced GAHRE 1, which proposes repeal of the state requirement imposed on municipalities regarding political signs. It would eliminate the political sign-free zones. Essentially, it would make it consistent with the court decision in Reed v. Gilbert and allow city ordinances to regulate signage. It was explained that this may be difficult with legislators who believe that signs are effective.

Queen Creek Vice Mayor Jeff Brown acknowledged the hurdles that this would face given that another bill this session, SB1025, sponsored by Senator Kavanagh (R-Fountain Hills), would eliminate sign-free tourism zones currently in place. Chandler Councilmember Mark Stewart and Gilbert Vice Mayor Kathy Tilque did not believe this would warrant spending political clout given the current makeup of the legislature.

Avondale Councilmember Max White motioned to decline pursuing GAHRE 1 any further. Vice Mayor Brown seconded, and the motion was carried unanimously.

2. SB1487 Repeal – Fountain Hills (GAHRE 2)

Staff introduced GAHRE 2 which proposes outright repeal of SB1487. Challenges were outlined given outright repeal is likely a non-starter in the current legislature. It was proposed that other policies be discussed that could make the current statute less onerous. Options include requiring legislators to represent the city they may lodge a complaint against, eliminating the threat of withholding state shared revenue, etcetera.

Maricopa Councilmember Eric Goettl requested some background on SB1487 and staff explained the motivation of the original sponsor. Committee members acknowledged the difficulty of repealing the statutes and directed staff to continue looking at other options that would limit its scope and/or legal ramifications. Councilmember White motioned to assign GAHRE 2 as a possible future resolution to be studied further and discussed again at the June meeting. Clarkdale Mayor Robin Prud'homme-Bauer seconded and the motion carried unanimously.

During the June committee meeting, League staff outlined nine policy options available to lessen the punitive impact of SB1487 complaints and committee members provided feedback. Given the committee's consensus that the political reality makes repeal difficult, staff were directed to conduct outreach over the course of the next year to understand which options may be most feasible.



Mayor Prud'homme-Bauer motioned to assign GAHRE 2 as a potential future resolution for further study. Councilmember White seconded and the motion was carried unanimously.

3. E-Qual Signature Limitation – Scottsdale (GAHRE 3)

Ben Lane, Scottsdale City Clerk, presented GAHRE 3, explaining the background of the E-Qual system. He explained that municipalities have used it since 2020 and explained the benefits of the system such as convenience, waste reduction, and automatic voter registration checks. However, statute limits the number of signatures a candidate may obtain using E-Qual to the minimum signatures required.

This proposal requests legislation that would amend the language to allow for the collection of up to 10% above the minimum to provide for a cushion. Vice Mayor Brown asked if state legislators are beholden to the same cap and suggested that if the intent behind the system was to reduce resources, then this proposal ought to be well received.

Councilmember Goettl motioned to assign GAHRE 3 as a resolution to be considered by the Resolutions Committee. Councilmember White seconded the motion and it was approved unanimously.

4. Election Canvass – Goodyear (GAHRE 4)

Darcie McCracken, Goodyear City Clerk, presented GAHRE 4, stating that cities rely on counties to supply election reports necessary to complete the canvass which has resulted in delays. Experience has shown that the county prefers that their canvass be completed before cities and towns. Potential language requiring city-specific data be provided to cities and towns from counties was discussed with Maricopa County. However, they did not see this as a solution that would provide results more quickly.

Vice Mayor Brown motioned to assign GAHRE 4 as a possible future resolution to be studied further. Casa Grande Councilmember Donna McBride seconded and the motion passed unanimously.



The table below summarizes the GAHRE Committee's actions:

POLICY ISSUE	DISPOSITION BY COMMITTEE
1. Political Sign-Free Zone	Declined
2. SB1487 Repeal	Study further
3. E-Equal Signature Limitation	Approved
4. Election Canvass	Study further

Alexis Hermosillo

Mayor of El Mirage

Chair, General Administration, Human Resources and Elections Committee



GAHRE 3

League of Arizona Cities & Towns Resolution

Amend statute to allow for the collection of 10% more than the minimum signature threshold for local candidates.

A. Purpose and Effect of Resolution

This proposal would ensure municipal candidates could collect signatures to a certain number above the minimum to qualify for the ballot.

B. Relevance to Municipal Policy

The proposal aims to expand the state's E-Qual system to allow municipal candidates the option to collect a certain percentage of signatures over the minimum number needed to qualify for the ballot. Currently, candidates for municipal offices are authorized to use the E-Qual system administered by Arizona's Secretary of State. This system allows residents to digitally sign nomination petitions. However, under current law candidates for municipal office cannot gather a "cushion" through E-Qual to offset these eliminated signatures.

C. Fiscal Impact to Cities and Towns

Regular costs incurred for holding an election.

D. Fiscal Impact to the State

No fiscal impact to the state.

E. Contact Information:

Sponsoring City or Town: Scottsdale

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Email: dwiebusch@scottsdaleaz.gov

League Staff: René Guillen, Deputy Director



Chair's Report of the Neighborhoods, Sustainability, and Quality of Life Policy Committee

Mayor Jerry Bien-Willner, Chair

Resolutions Committee Meeting, League Annual Conference

On May 3rd and June 6th, the Neighborhoods, Sustainability and Quality of Life (NSQL) Policy Committee convened to consider five policy proposals submitted by Tempe, Surprise and Scottsdale. Below is a summary of the issues considered by NSQL:

1. Equal Rights Amendment – Tempe (NSQL 1)

Tempe Councilmember Doreen Garlid introduced the ERA policy proposal, stating that it would enable the League to officially support related legislative resolutions. She mentioned that a similar resolution received approval from the League Resolutions Committee in 2019 and was subsequently ratified at the League's annual business meeting. She noted that 38 states have approved such legislation and that the ERA aims to amend the U.S. Constitution to ensure equal rights for all.

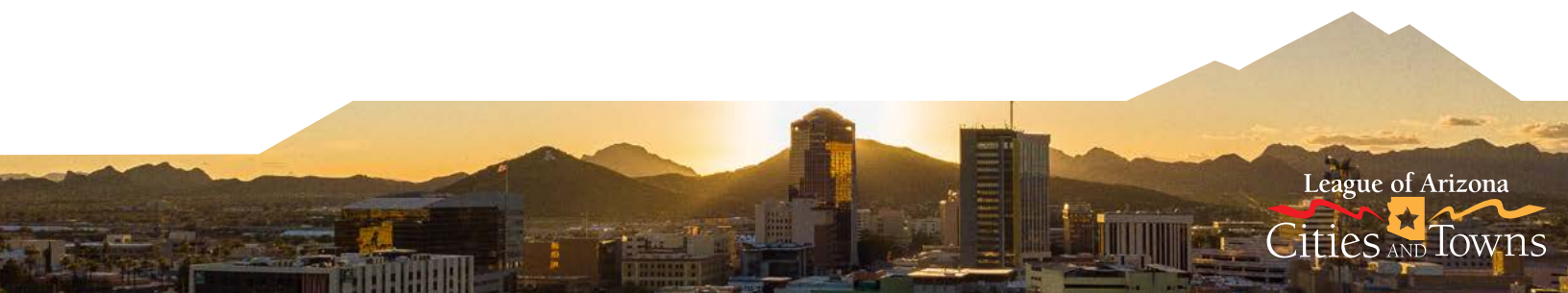
Garlid highlighted that the proposal would not necessitate the League securing support for an ERA bill but would expect the League to back such legislation if it were introduced. She maintained that the policy submission is an affirmation of equal rights for both genders, and its approval would send a beneficial message. However, she clarified that congressional action is not expected as a direct outcome of the policy submission.

Fountain Hills Vice Mayor Peggy McMahon requested clarification on the ERA proposal's administrative process. Garlid stated it would follow the same process as the 2019 resolution. She also mentioned that no legislative action was expected currently or in the foreseeable future.

While Sedona Vice Mayor Holli Ploog expressed support for the ERA, Glendale Councilmember Ray Malnar and Queen Creek Councilmember Travis Padilla raised concerns about the ERA's relevance to the League's objectives. Chandler Councilmember Christine Ellis inquired about the League's ability to advocate for this type of policy. Executive Director Tom Belshe indicated that the League takes direction from the membership. Mayor Bien-Willner expounded, based on his experience, that the Executive Committee is cautious not to focus just on specific issues, but to avoid ones that could also diminish the League's effectiveness at the legislature. This strategy ensures the League's credibility and respect while ensuring its maximum effectiveness for its members.

Goodyear Councilmember Sheri Lauritano pointed out that the ERA ratification issue has since expired and emphasized the need for the League to focus on quality-of-life issues such as water, taxes, city infrastructure, and transportation, rather than focus on divisive social issues. Councilmember Garlid reiterated that the proposal did not require the League to find a bill sponsor but could serve as a resource if the ERA gains legislative traction. Garlid argued that the ERA is a quality-of-life issue and could benefit the state's economic development, trade, tourism, workers, and workforce, thus falling within the Committee's jurisdiction.

After multiple withdrawn and failed motions, Scottsdale Councilmember Solange Whitehead motioned to approve NSQL 1 as a resolution to be considered before the full Resolutions Committee. Vice Mayor Peggy McMahon seconded the motion which passed on a roll call vote of 10-4.



2. Unlicensed Sober Living Homes – Surprise (NSQL 2)

Tiffany Copp, Assistant Director of Community Development for the City of Surprise, provided a presentation discussing the issue of unlicensed sober living homes within the city and the broader West Valley. She began by providing the statutory definition of a “sober living home” and discussing the growing issue of such homes operating without licenses. These homes often disregard various laws and ordinances, including zoning regulations, building laws, and fire safety codes. In the fall of 2022, the city recognized an alarming increase in the number of unlicensed sober living homes operating within its jurisdiction.

In January 2023, the Special Licensing Division of the Arizona Department of Health Services (DHS) revealed that not a single licensed sober living home was operating within the city. This finding correlated with an increased number of complaints, which included incidents such as overdoses, unusual traffic patterns, and other complaints directed at elected officials, public safety personnel, and code enforcement officials. Between January and May 2023, the city investigated a total of 110 complaints stemming from unlawful sober living homes. There are now only four DHS licensed sober living homes that are in operation within the city.

Unlicensed sober living homes have created a variety of problems, including theft, assault, questionable insurance billing practices, subpar service provision, and intimidation of neighbors. As the city makes strides in shuttering problematic homes, there remains a high likelihood they will continue operations elsewhere. Copp suggested that a robust data exchange system for stakeholders would help legitimate operators continue providing their essential services while streamlining the process of identifying and dealing with illicit operators swiftly and efficiently.

Copp called for the creation of a centralized repository for collecting data and other relevant information from local jurisdictions about these unregulated establishments. This mechanism for data exchange could facilitate information dissemination to various state and federal entities, such as the state Attorney General, the Arizona Health Care Cost Containment Systems (AHCCCS), DHS, and the Internal Revenue Service. These entities could use this information for the purpose of identifying, tracking, and managing unlicensed operators.

Potential data elements to be included in this repository could involve details of police and fire calls, specifics of civil or criminal investigations, and contact information for group home and sober living home applicants within each local jurisdiction. By collating and sharing this information, local, state, and federal authorities could more effectively monitor the activities of unlicensed homes, thereby helping to attenuate their harmful impact on communities.

Councilmember Ellis brought her two decades of experience to bear on the discussion, particularly in relation to assisted living homes. She expressed concern over the potential negative impacts on those who are operating well within the law, highlighting the importance of differentiating between compliant and non-compliant operators.

Ellis further raised issues regarding AHCCCS and its programs, noting that they are operated with an insufficient infrastructure in place. This issue, she suggested, is exacerbated by a lack of clear guidelines to identify and deal with bad actors in the industry. She expressed a keen interest in understanding more about AHCCCS's actions in this area. Ellis voiced her support for Surprise's policy proposal, indicating it is a positive step toward addressing systemic issues.

Gilbert Councilmember Chuck Bongiovanni inquired about unlicensed home operators and verification processes by insurance firms. He emphasized that home operators should not be paid by insurance firms if they are not properly licensed by cities. Further, he emphasized that licensure in the city should be a component before an insurance firm distributes any payments. He questioned if a missing component was potentially the lack of a relationship with the insurance firms to ask them to verify licensure in the cities as a first step prior to paying any unlicensed operators.



Surprise Councilmember Aly Cline discussed that unlicensed sober living homes are mainly situated on rental properties. She noted a major contributor to the problem is the insurance sector, characterizing the issue as tantamount to organized crime. Cline pointed out that the issue has been escalated to the League as a preventive measure. If operators are evicted from one jurisdiction, such as Surprise, they might simply relocate to another one. If the new jurisdiction is not vigilant, the problem will endure and continue to plague communities.

From an insurance standpoint, she echoed Councilmember Bongiovanni's sentiments, emphasizing that insurance companies should cease payments to unscrupulous operators. However, Cline recognized the challenges in addressing this issue at a local level, particularly due to the convoluted insurance processes and a lack of local control over the State Insurance Fund.

Councilmember Garlid voiced her support for Surprise's policy proposal, emphasizing the necessity of a data exchange system. She acknowledged that some of these unlicensed sober living home operators might try to establish operations in Tempe. Garlid confirmed she was aware of at least two locations in Tempe where such homes might already be operating, while suggesting the actual number could potentially be higher.

Councilmember Malnar made a motion to assign NSQL 2 as a non-legislative solution. Councilmember Whitehead seconded, and the motion passed unanimously. League staff were directed to work with state partners such as the Governor, Attorney General and DHS to facilitate data sharing.

3. Short-Term Rental Regulation(s) - Scottsdale (NSQL 3, 4, 5)

Councilmember Whitehead introduced three proposals to allow further municipal regulation of short-term rentals (STRs). The proposed measures seek to enhance local decision-making power which could include implementing a cap on the total number of STRs, setting density restrictions, and stipulating minimum distance requirements between STRs. The proposals would allow cities and towns to better manage and control the impact of STRs.

Councilmember Whitehead cited Palm Springs' recent decision to impose a 20% cap on STRs as a precedent to avoid. She explained that Scottsdale is seeking to establish an overarching cap on STRs, thereby avoiding a situation where they might have to "grandfather in" (or exempt from new rules) existing STRs. Additionally, she mentioned the potential for density limits and separation requirements between homes. She discussed the negative impact of STR proliferation which puts a strain on public resources such as police and fire services, effectively leading to residents subsidizing this industry via taxes. The conversion of long-term residences to STRs can also lead to families being forced to move, disrupting communities, and affecting local schools.

Vice Mayor Ploog shared concerning statistics that highlighted the significant impact of STRs in Sedona. She revealed that a staggering 15.3% of Sedona's total housing stock was categorized as STRs as of May 2023. The significant presence of STRs has led to various issues, including increased traffic and a breakdown in community cohesion. She further explained that neighborhoods without homeowners' associations (HOAs) have been especially affected by the increase in STRs. This is because many HOAs had existing restrictions on STRs before SB1350, legislation preempting municipalities from regulating STRs, came into effect.



Without HOAs and their restrictions, neighborhoods have witnessed a surge in the number of STRs. Residents have reported that in some cases, more than half the homes in their neighborhoods are now used as STRs. The influx of STRs has had far-reaching impacts on the community, including the closure of a school due to a lack of students, a problem directly linked to the proliferation of STRs displacing long-term residents. Impacts have also forced the city to increase staff, the number of police officers, and allocate additional resources to respond to an uptick in noise complaints. Ploog further highlighted the inflationary impact of STRs on local housing prices. She noted that, as of May 2023, the average home price in areas affected by a high concentration of STRs reached \$1.1 million.

The surge in housing prices has exacerbated issues of affordability and availability in the local housing market, as more and more properties are being converted into STRs instead of being available to long-term residents. She argued that cities and towns should have the ability to manage the presence and impact of STRs in their communities. While the intent behind SB1350 was to foster the sharing economy and allow owners to rent out rooms, that has not been the outcome. Instead, out-of-state corporations are buying whole properties.

Upon the conclusion of discussion, Councilmember Whitehead made a motion to assign NSQL 3, 4 and 5 as resolutions to be considered by the Resolutions Committee. Vice Mayor Ploog seconded this motion which carried unanimously by voice vote.



The table below summarizes the NSQL Committee's actions:

POLICY ISSUE	DISPOSITION BY COMMITTEE
1. Equal Rights Amendment Ratification	Approved
2. Sober Living Homes	Non-legislative solution
3. STR Caps	Approved
4. STR Density Limitations	Approved
5. STR Separation Requirements	Approved

Jerry Bien-Willner
Mayor of Paradise Valley
Chair, Neighborhoods, Sustainability & Quality of Life Committee



NSQL 1

League of Arizona Cities & Towns Resolution

Enable the League to support legislative resolutions to ratify the Equal Rights Amendment.

A. Purpose and Effect of Resolution

This resolution seeks to give the League permission to advocate for potential future legislative resolutions regarding the ratification of the Equal Rights Amendment (ERA). The amendment seeks to guarantee that one's constitutional and legal rights cannot be denied or abridged on account of their sex.

The ERA gained momentum throughout the women's movement of the 1960s leading to Congress' approval and submittal of the amendment to state legislatures in 1972. It required 38 state ratifications by 1979 but garnered just 35. Congress extended the deadline to 1982. However, no further states ratified the amendment and five revoked their ratifications. There has since been renewed interest in the ERA with three states (Nevada, Illinois and Virginia) ratifying it in recent years.

B. Relevance to Municipal Policy

This would demonstrate to residents that municipalities want to ensure equality under the law regardless of sex.

C. Fiscal Impact to Cities and Towns

None.

D. Fiscal Impact to the State

None.

E. Contact Information:

Sponsoring City or Town: Tempe

Name: Marge Zylla, Government Relations Officer

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League Staff: Marshall Pimentel, Legislative Associate



NSQL 3

League of Arizona Cities & Towns Resolution

Allow municipalities to set caps on the total number of short-term rentals in their community.

A. Purpose and Effect of Resolution

This resolution proposes to amend the state statutes to provide cities and towns authority to set a cap on the total number of short-term rentals in their community.

B. Relevance to Municipal Policy

Since the enactment of SB1350 in 2016, short-term rentals have had a significant impact on the housing availability and affordability in parts of the state, particularly in small communities. For example, in Sedona, a city of under 10,000 residents, the Maricopa Association of Governments estimates that 31% of its housing stock is used for short-term rentals. Other areas of the state that are highly desirable for tourists also see high rates of short-term rentals, some as high as 10% of their local housing stock. This issue has been caused by private equity investors that have bought many properties throughout the southwest United States for the sole purpose of renting those properties. Apart from limiting housing stock and affordability, these actions also impact the makeup of neighborhoods and the community.

Top 10 Cities/Towns by Units

PLACE	SHORT TERM RENTAL UNITS
Phoenix	9,785
Tucson	2,950
Mesa	1,719
Scottsdale	6,598
Chandler	900
Gilbert	777
Tempe	1,691
Peoria	672
Surprise	431

Top 5 Cities/Towns by Percent

PLACE	SHORT TERM RENTAL UNITS
Sedona	31.3%
Pinetop-Lakeside	14.2%
Williams	12.6%
Page	11.2%
Jerome	10.6%

NSQL 3, 4, and 5 propose to explore opportunities for legislation in the upcoming session that will permit cities and towns to address the proliferation of short-term rentals by 1) setting caps on the total number of STRs, 2) limiting the density of short-term rentals in specified areas, and 3) establishing distance requirements between short-term rentals.



During the 2022 session, the League entered into a moratorium agreement with AirBNB and Expedia Group, part of the arrangement to advance regulatory reforms in SB1168, which prohibits for a five-year period advocating for or working to introduce legislation to repeal the STR statutes and prohibits for a three-year period statutory change to the STR statutes unless by mutual agreement. However, this moratorium does NOT apply to statutory changes related to limiting the proliferation of short-term rentals such as limitations on density caps or caps on the number of short-term rentals.

C. Fiscal Impact to Cities and Towns

None.

D. Fiscal Impact to the State

None.

E. Contact Information:

Sponsoring City or Town: Scottsdale

Name: Dale Weibusch, Government Relations Director

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League Staff: Tom Savage, Legislative Director



NSQL 4

League of Arizona Cities & Towns Resolution

Allow municipalities to limit the density of short-term rentals in specified areas.

A. Purpose and Effect of Resolution

This resolution proposes to amend the state statutes to permit cities and towns to limit the density of short-term rentals in specified areas.

B. Relevance to Municipal Policy

See NSQL 3

C. Fiscal Impact to Cities and Towns

None.

D. Fiscal Impact to the State

None.

E. Contact Information:

Sponsoring City or Town: Scottsdale

Name: Dale Weibusch, Government Relations Director

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League Staff: Tom Savage, Legislative Director



NSQL 5

League of Arizona Cities & Towns Resolution

Allow municipalities to establish separation requirements and enforce distance between short-term rentals.

A. Purpose and Effect of Resolution

This resolution proposes to amend the state statutes to permit cities and towns to limit the density of short-term rentals in specified areas.

B. Relevance to Municipal Policy

See NSQL 3

C. Fiscal Impact to Cities and Towns

None.

D. Fiscal Impact to the State

None.

E. Contact Information:

Sponsoring City or Town: Scottsdale

Name: Dale Weibusch, Government Relations Director

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League Staff: Tom Savage, Legislative Director



Chair's Report of the Public Safety, Military Affairs, and the Courts Policy Committee

Mayor Tom Murphy, Chair

Resolutions Committee Meeting, League Annual Conference

On May 2nd and June 7th, the Public Safety, Military Affairs, and the Courts (PSMAC) Policy Committee convened to discuss two policy issues submitted by Quartzsite and Mesa. Below is a summary of the issues considered by PSMAC:

1. Bad Law Enforcement Personnel – Quartzsite (PSMAC 1)

Quartzsite Councilmember BearCat introduced PSMAC 1, which proposes the creation of a database that would track law enforcement personnel for misconduct. The database would be maintained by AZPOST and potentially prevent bad actors from simply moving on to different agencies. Mayor Weiers asked what policies are in place currently to address the issue. League staff explained that in Arizona each prosecuting agency has established criteria that would put someone on a so-called 'Brady List' and the Arizona Prosecuting Attorneys Advisory Council (APAAC) has taken it upon themselves to create a similar search engine that is consistently updated and publicly available.

Mesa Councilmember Mark Freeman discussed his experience as a former firefighter and the ability of municipalities to conduct their due diligence in the hiring process. Fountain Hills Councilmember Brenda Kalivianakis expressed support for the concept as a former prosecutor to provide additional tools to those hiring law enforcement personnel. Queen Creek Councilmember Dawn Oliphant asked what information APAAC's list is not providing that this proposal seeks to remedy. Councilmember BearCat responded that she is seeking additional clarity and specificity. Committee members discussed the various reasons one may end up on a 'Brady List' and its use by agencies. Staff added that Brady disclosures are required by prosecutors to prevent those who have been found to have a history of misconduct or dishonesty from acting as witnesses in court.

Councilmember Freeman motioned to decline pursual of PSMAC 1. Mayor Weiers seconded the motion and it carried with a majority via voice vote.

2. Body Scanning Machines – Mesa (PSMAC 2)

Councilmember Freeman introduced PSMAC 2 which proposes legislation that would allow cities and towns to use body-scanning equipment that the state and counties are currently allowed to use. The City of Mesa found that these scanners are an important safety component, but statute currently excludes municipalities from the authority to use them in their jails and holding facilities. These machines could be used to identify weapons, illegal substances, and other threats to both inmates and law enforcement personnel. Committee members discussed the disconnect in policy that allows counties who may contract with municipalities to use these machines, but municipalities are not authorized to do so if they managed their own jails.

Phoenix Councilmember Ann O'Brien motioned to approve PSMAC 2 as a resolution to be considered at the Resolutions Committee. Goodyear Councilmember Wally Campbell seconded and the motion carried unanimously.



The table below summarizes the GAHRE Committee's actions:

POLICY ISSUE	DISPOSITION BY COMMITTEE
1. Bad Law Enforcement Personnel	Declined
2. Body Scanning Machines	Approved

Tom Murphy

Mayor of Sahuarita

Chair, Public Safety, Military Affairs & the Courts



PSMAC 2

League of Arizona Cities & Towns Resolution

Amend statute to allow cities and towns to use body scanning machines in jails and holding facilities.

A. Purpose and Effect of Resolution

This resolution proposes to amend state statutes to provide cities and towns with the authority to use body scanning machines in their municipal jails and holding facilities.

B. Relevance to Municipal Policy

Current statute only authorizes the Arizona Department of Corrections and county jails to use body scanning machines. The language the resolution seeks to amend was added in 2016 by HB2183 (inmate body scans; contraband) by then Representative, now Senator T.J. Shope (R-Coolidge). The Sheriff's Association sought the legislation as counties were experiencing issues with undetected drugs and other contraband that posed a risk to both inmates and staff. The bill passed both chambers unanimously, but cities and towns were not included in the legislation at the time. Because municipal jails also experience issues with the smuggling of illicit items, this resolution seeks the same authority granted to the state and counties.

C. Fiscal Impact to Cities and Towns

The cost of equipment should a city or town choose to use it.

D. Fiscal Impact to the State

None.

E. Contact Information:

Sponsoring City or Town: Mesa

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League Staff: Marshall Pimentel, Legislative Associate



Chair's Report of the Transportation, Infrastructure and Public Works Policy Committee

Mayor Craig McFarland, Chair

Resolutions Committee Meeting, League Annual Conference

On May 2nd, the Transportation, Infrastructure and Public Works committee (TIPW) convened for one item submitted by Sedona. Below is a summary of the issue considered:

1. Off-Highway Vehicles – Sedona (TIPW 1)

Mayor Scott Jablow and Councilmember Melissa Dunn of Sedona provided a presentation on TIPW 1, describing to the committee some of the community's challenges resulting from the popular use of off-highway vehicles, including noise, environmental impacts, and overall safety. Given Sedona's proximity to public lands and National Forest and a surge in the use of recreational vehicles during the pandemic, residents have been negatively impacted by nuisance and safety aspects associated with OHVs.

Committee members discussed challenges with the proposal in terms of the recreation that residents and visitors currently enjoy throughout the state. Mayor McFarland stated that 'street-legal' vehicles ought to be further defined to provide better clarification for enforcement purposes. Councilmember Cordes discussed her experience owning and riding these types of vehicles and reminded the committee that they must still be licensed and approved. Queen Creek Councilmember Leah Martineau stated that additional statewide data may need to be collected since the issue seems to be locally concentrated. Surprise Councilmember Nick Haney wanted to understand what rental companies require of renters. Committee members discussed that further education about safely operating OHVs may be necessary. Councilmember Hess said that the proposal may be specific to Sedona.

Councilmember Hess motioned to assign TIPW 1 as a non-legislative solution to be addressed via another agency. Councilmember White seconded the motion, and it passed the committee unanimously via voice vote.



The table below summarizes the GAHRE Committee's actions:

POLICY ISSUE	DISPOSITION BY COMMITTEE
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1. Off-Highway Vehicles

Non-legislative solution

Craig McFarland

Mayor of Casa Grande

Chair, Transportation, Infrastructure & Public Works Committee

