

July 21, 2025

Dear Mayor,

As chair of the 2025 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 19, 2025, 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 21, 2025, at 4:00 p.m.** 

If you have not accepted your appointment or designated a council representative to serve your city/town on the 2025 Resolutions Committee, please <u>make that appointment here.</u>

We look forward to having all member cities and towns participate in the Resolutions Committee. If you have any questions or comments about the Resolutions Committee, your appointment, or the resolutions submittal process, please contact the League office.

Sincerely,

Mayor Mila Besich, Superior

League Vice President

**Enclosures** 

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



# 2025 Resolutions Committee Calendar

May-June: Policy Committees meet

June 23: 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 19: Resolutions Committee Meeting** 

August 21: 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 Vice-President shall serve as chair of the Resolutions Committee. Only one elected official from each city or town shall be appointed to the Resolutions Committee and cast the vote of such city or town.

Municipal staff are ineligible to serve on the Resolutions 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 Resolutions 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 submitted to the Chair of the Committee or to the League office and considered by the Policy Committees. The resolutions process allows cities and towns to submit policy ideas to the League without the requirement of a co-sponsoring city or town. If a Policy Committee recommends approval, 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 issues 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 draft resolutions for consideration by the Resolutions Committee. Except as provided in subsection 3, only resolutions advanced by the Policy Committees shall be discussed at the Annual Conference Resolutions Committee meeting.
- B. Resolutions shall be amended according to the process established by the Chair 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. Each member shall be notified at least four (4) weeks before the meeting.

#### 5. Final Report

After the Resolutions Committee meeting, the Chair of the Resolutions Committee or a designee shall report to the entire League membership at the Annual Business Meeting about the approved resolutions. Resolutions adopted by the Resolutions 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 approved.

**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 1	Allow cities and towns to make mid-year budget adjustments	Prescott	Amending A.R.S. § 42-17105
BFED 3	Reform governance processes of special districts to enhance fair representation	Prescott	
BFED 4	Authorize the use of Tax Increment Financing	Prescott	
GAHRE 3	Authorize the termination of a candidate committee if the candidate is deceased	Queen Creek	Amending A.R.S. § 16-933 and 16-934
GAHRE 4	Create additional one-year extension of voter approved TPT rates to comply with consolidated elections	League	Amending A.R.S. § 16-204.02
GAHRE 5	Streamline annexation processes for annexations involving a single owner or ownership group	Buckeye	Amending A.R.S. § 9-471
GAHRE 6	Tighten oversight of neglected historic properties & authorize municipalities to establish requirements for buildings that are vacant or abandoned	Douglas	
NSQL 1	Allow cities to rein in the proliferation of short-term rentals and address repeat violators	League	Amending A.R.S. § 9-500.39
PSMAC 1	Coordinate with state partners to protect and preserve PSPRS	League	

These are the only items that will be voted on. The other submissions that did not move forward are summarized in the Chair's Report and will be reported on at the Resolutions Committee.



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

#### **Mayor Jerry Weiers, Chair**

#### **Resolutions Committee Meeting, League Annual Conference**

On **May 29**, **2025**, and **June 26**, **2025**, the Budget, Finance & Economic Development (BFED) Committee convened to discuss four policy issues submitted by Prescott and El Mirage. Below is a summary of the issues considered and committee discussion and recommendations.

#### 1. Allow cities and towns to make mid-year budget adjustments Prescott (BFED 1)

This proposal was discussed at both meetings of the BFED committee. Prescott City Manager Dallin Kimble presented **BFED 1** explaining that amending Arizona's local government expenditure cap, or "Home Rule," would allow cities to create budgets with greater flexibility instead of relying on budget contingencies. Flagstaff Councilmember Lori Matthews expressed her support and added that Flagstaff often has large budget contingencies because of state and federal grants, and these contingencies confuse voters. League staff provided background on *HB2318: adopted local budgets; amendments*, a bill introduced in 2022 that would have allowed for mid-year adjustments but was never given a hearing. Chandler Mayor Kevin Hartke sought clarification on what language would be most appropriate, and discussion ensued surrounding the potential reaction to the proposal at the legislature. After discussion, Prescott Mayor Phil Goode made a motion to assign **BFED 1** for further study. Councilmember Matthews seconded the motion, and it passed unanimously via voice vote.

At the second meeting in June, the committee revisited the proposal. Discussion narrowed its focus to explore statutory options, such as previously introduced legislation to allow mid-year adjustments, rather than pursuing a constitutional amendment. League staff noted that such an approach may be more viable and avoid the need to conduct a ballot campaign. Following discussion, Mayor Goode made a motion to assign **BFED 1** as a resolution. It was seconded by El Mirage Vice Mayor Jacque Parsons and passed by majority voice vote.

#### 2. Authorize political subdivisions to donate property to one another El Mirage (BFED 2)

This proposal was also discussed at both committee meetings. El Mirage Vice Mayor Parsons and Deputy City Manager Robert Nilles presented **BFED 2** to amend A.R.S.§ 9-402, explaining that non-charter cities are not allowed to transfer assets between governmental agencies. Mr. Nilles provided an example of a fire truck that the city was unable to donate to another municipality in need. Instead, the city loaned the vehicle to the community, but this created complications over ownership and liability.

Several committee members expressed concern about potentially upsetting taxpayers by donating equipment paid for with their tax dollars to another political subdivision. Mr. Nilles responded that this process would be simpler than a loan or lease process that could expose the municipality to liability. Discussion ensued over whether the intergovernmental transfer of property would violate the Arizona Constitution's Gift Clause. An alternative option was discussed to potentially adjust the auction system to make it easier for municipalities to buy assets before private entities have the chance to bid.

After discussion, Vice Mayor Parsons made a motion to assign **BFED 2** as a possible future resolution for further study. Mesa Councilmember Alicia Goforth seconded the motion, and it passed unanimously via voice vote. At the following meeting, League staff provided an update, sharing that they had met with El Mirage staff to explore non-legislative solutions, such as addressing the issue through local ordinance or policy. Staff also informed the committee that a recent 1487 complaint filed against the City of Phoenix could raise additional considerations as research progresses.



#### 3. Reform governance processes of special districts to enhance fair representation Prescott (BFED 3)

Mayor Goode and Mr. Kimble presented **BFED 3** explaining that under current regulations, certain county special taxing districts cannot be shut down unless fraud has been committed or there have been no activities, including meetings, for a period of five years. Prescott is seeking state oversight for special tax districts to streamline county special district operations. They added that revenues are collected across a jurisdiction, but services are distributed disproportionately. They shared a specific example of a library district where cities do not have a vote proportionate to the services they are receiving. Everyone agreed that working with the counties would be helpful in this process, as would focusing on library districts.

After discussion, Mayor Goode made a motion to assign **BFED 3** as a resolution to be considered by the Resolutions Committee. Vice Mayor Parsons seconded the motion, and it passed unanimously via voice vote.

#### 4. Authorize the use of Tax Increment Financing (TIF) Prescott (BFED 4)

Mayor Goode and Mr. Kimble presented **BFED 4** and explained how Tax Increment Financing (TIF) would be a valuable tool for cities to increase their development. The policy has support from both urban and rural municipalities in Arizona, and Arizona is currently the only state in the country without TIF.

Chair Weirs asked whether this issue had been brought to the legislature in the past, and League staff clarified that similar proposals were made in the past but ultimately failed. Councilmember Matthews added further context on a previous TIF proposal failing to be heard in the Senate. The committee discussed fears surrounding TIF, including taking money away from schools, and how we could share examples from other states to alleviate these concerns. Mayor Goode asked about the structure of the program, and League staff shared multiple potential options. Matthews shared that a 2017 TIF bill was passed but ultimately overturned after a lawsuit from ATRA determined the policy was unconstitutional. She offered to share the text of the bill she previously worked on and noted that any new proposals would need to mitigate the previous concerns of ATRA.

After discussion, Mayor Goode made a motion to assign **BFED 4** as a resolution to be considered by the Resolutions Committee. Vice Mayor Parsons 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. Amend Home Rule	Approved	
2. Property disposition; donation	Assigned for further study	
3. Special districts; reformation	Approved	
4. Tax Increment Financing	Approved	

#### **Jerry Weiers**

Mayor of Glendale

Chair, Budget, Finance and Economic Development Committee



#### BFED 1

#### **League of Arizona Cities & Towns Resolution**

#### Allow cities and towns to make mid-year budget adjustments.

#### A. Purpose and Effect of Resolution

Revise Arizona's Home Rule framework by allowing cities and towns that have adopted the alternative expenditure limitation to adjust their budgets mid-year. The proposal would offer greater flexibility in managing unexpected revenues or expenditures, particularly those related to grants and intergovernmental funds. Cities and towns are currently required to overinflate budget estimates to account for contingencies, which can confuse voters and lead to inefficiencies.

#### **B.** Relevance to Municipal Policy

Cities and towns often receive unpredictable funding from state and federal sources. The inability to modify budgets mid-year limits local governments' ability to effectively administer programs and services. Enhancing the flexibility of Home Rule cities through statutory change might improve budget accuracy, transparency, and responsiveness to community needs.

#### C. Fiscal Impact to Cities and Towns

The resolution would provide increased budgetary flexibility and may reduce the need to include large contingency amounts in annual budget planning. This could improve public understanding of local budgets and optimize resource allocation.

#### D. Fiscal Impact to the State

There is no anticipated fiscal impact to the state.

#### **E.** Contact Information:

**Sponsoring City or Town:** Prescott **Name:** Dallin Kimble, City Manager

Phone: (928) 777-1435

Email: citystaff@prescott-az.gov League Staff: René Guillen



#### BFED 3

#### **League of Arizona Cities & Towns Resolution**

#### Reform governance processes of special districts to enhance fair representation.

#### A. Purpose and Effect of Resolution

Ensure equitable representation on special taxing districts—particularly library districts—that operate across city, town, and county boundaries. In many cases, these districts serve large municipal populations yet are governed solely by county officials. The resolution seeks to explore governance models or appointment mechanisms that reflect the constituents being served.

#### **B.** Relevance to Municipal Policy

Municipalities often provide significant funding to special districts through property taxes paid by residents yet lack meaningful oversight or decision-making authority. This disconnect can lead to misaligned priorities, inefficient service delivery, and strained intergovernmental relationships. Rebalancing representation on these district boards would enhance transparency, accountability, and cooperation across levels of government.

#### C. Fiscal Impact to Cities and Towns

While there may be no direct fiscal impact, more equitable governance could lead to improved use of taxpayer funds and more responsive service delivery.

#### D. Fiscal Impact to the State

There is no anticipated fiscal impact to the state.

#### **E.** Contact Information:

**Sponsoring City or Town:** Prescott **Name:** Dallin Kimble, City Manager

Phone: (928) 777-1435

Email: <a href="mailto:citystaff@prescott-az.gov">citystaff@prescott-az.gov</a>
League Staff: René Guillen



#### BFED 4

#### **League of Arizona Cities & Towns Resolution**

#### Authorize the use of Tax Increment Financing.

#### A. Purpose and Effect of Resolution

Authorize the use of Tax Increment Financing (TIF) as an economic development tool for Arizona municipalities. TIF allows local governments to dedicate future increases in property tax revenues from a defined area toward public infrastructure or private development incentives within that area. This proposal mirrors prior efforts to grant cities and towns the authority to use TIF in a manner consistent with safeguards implemented in other states.

#### **B.** Relevance to Municipal Policy

Arizona remains one of the few states that does not authorize the use of TIF. Cities and towns need flexible tools to finance infrastructure improvements and stimulate reinvestment in aging or underutilized areas. TIF can serve as a critical catalyst for revitalization, job creation, and affordable housing when paired with proper transparency and public accountability provisions.

#### C. Fiscal Impact to Cities and Towns

Adoption of TIF authority would expand local financing options without the need to levy additional taxes. Municipalities could use existing growth in assessed valuation to fund capital projects in a more targeted and sustainable manner.

#### D. Fiscal Impact to the State

There is no anticipated fiscal impact to the state.

#### **E.** Contact Information:

**Sponsoring City or Town:** Prescott **Name:** Dallin Kimble, City Manager

Phone: (928) 777-1435

Email: citystaff@prescott-az.gov League Staff: René Guillen



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

#### **Mayor Alexis Hermosillo, Chair**

#### **Resolutions Committee Meeting, League Annual Conference**

On **May 27, 2025**, and **June 24, 2025**, the General Administration, Human Resources & Elections (GAHRE) Committee convened to discuss seven policy issues submitted by Prescott, Douglas, Queen Creek, Buckeye, Florence, and the League. Below is a summary of the issues considered and committee discussion and recommendations.

#### 1. Allow candidates for council appointed positions to remain confidential Prescott (GAHRE 1)

Prescott Human Resources Director Brandon Nunez presented **GAHRE 1** and explained how several promising job candidates for positions with the city are deterred from the hiring process once they realize their names and resumes will be publicly released as finalists for the position. The current legal precedent for this process comes from Arizona Public Records Law. Sahuarita Councilmember Diane Priolo inquired about any specific examples of harm resulting from this process and Mr. Nunez shared a case study from Prescott.

Fountain Hills Councilmember Peggy McMahon asked whether this proposal would come into conflict with the Arizona Public Records Law, and League staff shared that other states have varying policies, and we could either change state law to make disclosure optional or exempt only cities and towns from the disclosure requirements. Queen Creek Councilmember Jeff Brown inquired as to existing court precedent, and League staff clarified the legal precedent surrounding public interest in disclosure. Councilmember Brown also shared that some communities have a public input process and that we should ensure this proposal does not prevent communities from involving the public. Further discussion ensued surrounding examples of harm in other cities, and everyone agreed that we must balance the need to avoid losing top candidates with the need to uphold government transparency. After discussion, Councilmember Brown motioned to approve **GAHRE 1** as a possible future resolution for further study. Avondale Councilmember Max White seconded the motion, and it passed unanimously via voice vote.

At the following meeting, Mr. Nunez elaborated further on his position and League staff shared their research into similar laws, finding that just two states exempt candidate records from disclosure except for finalists. Several committee members expressed concern regarding reductions in transparency, especially for prominent, public positions. After further discussion, Clarkdale Mayor Robyn Prud'homme-Bauer motioned to again assign **GAHRE 1** for further study. Tempe Councilmember Berdetta Hodge seconded the motion, and it passed unanimously via voice vote.

#### 2. Work with state partners to provide a variety of support to rural communities <u>Douglas (GAHRE 2)</u>

Douglas Mayor Pro Tem Danya Acosta presented **GAHRE 2** requesting support for economic revitalization in Douglas and other rural communities. Mayor Pro Tem Acosta explained the economic situation in Douglas and gave a presentation proposing a variety of policy mechanisms, including grant programs, tax incentives, infrastructure development, and more. League staff shared that some of the proposed items are outside the scope of the League's legislative advocacy, and that they would be holding a discussion with individuals from Douglas to explore opportunities for collaboration with various organizations. League staff recommended that one particular item, addressing blighted properties, could be pursued as a legislative issue.



Chair Hermosillo expressed that she empathized with Douglas' position and hoped the committee could find a path to help rural communities. Other committee members also expressed their support and shared alternative options for Douglas to explore. League staff suggested that the blight issue be proposed separately at the following meeting.

After discussion, Councilmember Brown motioned to approve **GAHRE 2** as a non-legislative issue. Maricopa Councilmember Eric Goettl seconded the motion, and it passed unanimously via voice vote.

#### 3. Authorize the termination of a candidate committee if the candidate is deceased Queen Creek (GAHRE 3)

Councilmember Brown presented **GAHRE 3** and shared Queen Creek's recent experience having two councilmembers die while in office or immediately after having left office. Following these deaths, Queen Creek questioned how their municipal clerks should proceed with the termination of a municipal candidate's campaign committee who has passed away without a designated treasurer. Clarity is needed since statute does not address this issue. This proposal stipulates that, when a candidate passes away, it is assumed their intention was to terminate the committee. If the candidate was also the treasurer, their executor could dispose of the funds and close the committee.

Goodyear Councilmember Benita Beckles raised concerns about the mechanism for disposal of funds by an executor, and Councilmember Brown clarified that the executor would need to comply with existing campaign finance law. Councilmember Priolo questioned what the procedure would be if someone died without an executor or other legal representative. League staff commented that we would need to include language about moving forward with the court-appointed legal representative. There was also consensus that language should be added to clarify and ensure compliance with campaign finance laws.

After discussion, Mayor Hermosillo motioned to approve **GAHRE 3** as a resolution to be considered by the Resolutions Committee. Councilmember Hodge seconded the motion, and it was approved unanimously via voice vote.

## 4. Create additional one-year extension of voter approved TPT rates to comply with consolidated elections <u>League (GAHRE 4)</u>

League staff presented **GAHRE 4** and explained that several cities have TPT rates with voter-approved sunset provisions that were originally scheduled for odd-numbered year elections. Due to the state's consolidated elections schedule, these cities may not be able to renew their tax rates on time. About two dozen communities are expected to be impacted by this change, potentially impacting revenue streams. This proposal aims to ensure continuity and maintain funding. Councilmember Goettl posited that affected municipalities may be allowed to renew their tax a year early.

After discussion, Phoenix Councilmember Kesha Hodge Washington motioned to approve **GAHRE 4** as a resolution to be considered by the Resolutions Committee. Councilmember White seconded the motion, and it was approved unanimously via voice vote.

## 5. Streamline annexation processes for those impacting sole owners or those initiated by ownership groups <u>Buckeye</u> (<u>GAHRE 5</u>)

Buckeye Deputy Director of Government Affairs John Raeder and Deputy Director of Developmental Services Adam Copeland presented **GAHRE 5** to streamline the annexation process for uncontested, single-owner annexations. The proposal aims to expedite the process by reducing the number of public hearings, modifying signage requirements, and allowing online publication of notices instead of written publications. Councilmember Brown suggested that, for larger parcels, we could increase signage announcing the annexation, and Mesa Councilmember Julie Spilsbury agreed. Glendale Councilmember Bart Turner commented that the League could also consider adding a provision addressing annexations where neighboring communities might also have an interest in the annexation.



After discussion, Councilmember Hodge motioned to approve **GAHRE 5** as a resolution to be considered by the Resolutions Committee. Mayor Prud'homme-Bauer seconded the motion, and it was approved unanimously via voice vote.

## 6. Tighten oversight of neglected historic properties & authorize municipalities to establish requirements for buildings that are vacant or abandoned <u>Douglas (GAHRE 6)</u>

League staff presented **GAHRE 6** and explained that, following discussion with Douglas after the May meeting, the League decided focusing on blight remediation was a strong option for statutory change. They shared that similar legislation was pursued in 2020 after the Town of Superior successfully sponsored a resolution in 2019. That would have allowed cities and towns to create enforcement and registration programs for vacant buildings, collect fees to mitigate nuisances, and potentially demolish problematic properties. However, as with many bills that year, the bill stalled amid the pandemic but received strong support from the Government Committee that year. Douglas City Manager Ana Urquijo added further context to her conversations with the League and her efforts to address blighted properties in Douglas.

Councilmember McMahon asked whether this proposal would be aimed at historic properties or blighted properties in general, and League staff clarified that this would be for blighted properties in general. They added that, although options may exist to address this issue in charter cities, pursuing statewide legislation would benefit non-charter cities as well.

After discussion, Councilmember White motioned to approve **GAHRE 6** as a resolution to be considered by the Resolutions Committee. Mayor Prud'homme-Bauer seconded the motion, and it passed by majority voice vote.

## 7. Require employers to pay a minimum of 40 hours paid military leave and start a state reimbursement program for small businesses <u>Florence (GAHRE 7)</u>

Florence Intergovernmental Relations Manager Jeff Graves presented **GAHRE 7** to establish a minimum of 40 hours paid military leave with a state reimbursement program for small businesses. He explained that, while employers can currently give paid military leave if they choose, it is not required that they do so. Committee members questioned whether placing requirements on all employers, both public and private, was really within the purview of municipalities to address and expressed discomfort with bringing this to the state legislature.

After discussion, Councilmember White motioned to decline to pursue **GAHRE 7** further. Councilmember Beckles seconded the motion, and it was approved unanimously via voice vote.



The table below summarizes the GAHRE Committee's actions:

POLICY ISSUE	DISPOSITION BY COMMITTEE	
1. Public employees; confidentiality	Assigned for further study	
2. Rural Revitalization	Assigned a non-legislative solution	
3. Candidate committees; deceased	Approved	
4. TPT; consolidated elections	Approved	
5. Annexation	Approved	
6. Blight remediation	Approved	
7. Military Leave	Declined	

#### **Alexis Hermosillo**

Mayor of El Mirage

Chair, General Administration, Human Resources and Elections Committee



#### **League of Arizona Cities & Towns Resolution**

#### Authorize the termination of a candidate committee if the candidate is deceased.

#### A. Purpose and Effect of Resolution

Clarifying campaign finance laws will provide guidance for municipal clerks and other filing officers when dealing with the termination of a candidate committee for a deceased candidate. Existing statute outlines the procedures a candidate must follow to terminate their candidate committee but does not outline a process for termination of an account for a deceased candidate.

#### **B.** Relevance to Municipal Policy

Municipal clerks are the sole filing officers for city candidates. For them to be able to enforce campaign finance laws, the proposed statutory changes will better equip clerks on how to proceed with the termination of a candidate committee for a deceased candidate. By allowing for a designated treasurer to take over, this will provide guidance to clerks and other filing officers when dealing with this particular situation.

#### C. Fiscal Impact to Cities and Towns

There is no anticiapted fiscal impact to cities and towns.

#### D. Fiscal Impact to the State

There is no anticipated fiscal impact to the state.

#### E. Contact Information:

Sponsoring City or Town: Queen Creek

Name: Heather Wilkey, Intergovernmental Relations Director

**Phone:** (480) 358-3913

Email: <a href="mailto:heather.wilkey@queencreekaz.gov">heather.wilkey@queencreekaz.gov</a>
League Staff: Jarizbeth Caballero



#### **League of Arizona Cities & Towns Resolution**

Create additional one-year extension of voter approved TPT rates to comply with consolidated elections.

#### A. Purpose and Effect of Resolution

Several cities have TPT rates with a voter-approved sunset provision originally scheduled for odd-numbered years. The proposal would provide a fix to align sunset-related elections originally set for odd-numbered years with the established even-year schedule as prescribed in A.R.S § 16-204.

#### **B. Relevance to Municipal Policy**

TPT rates establish a revenue source for cities and towns to provide adequate resources to residents. Established TPT rates are voter approved with sunset dates. State statute establishes that elections must be held on even-numbered years. Some cities had established their TPT rates prior to the consolidated election statute going into effect. Establishing a mechanism for municipalities with TPT rates set to sunset in odd-numbered years will preserve voter intent and maintain vital local funding. Without the fix, municipalities may face a loss of revenue, which would impact local governments and residents.

#### C. Fiscal Impact to Cities and Towns

Renewing TPT rates on time would avoid potential revenue loss.

#### D. Fiscal Impact to the State

There is no anticipated fiscal impact to the state.

#### **E.** Contact Information:

Sponsor: League

Name: Lee Grafstrom, Tax Policy Analyst

Phone: (602) 258-5786

Email: <a href="mailto:lgrafstrom@azleague.org">lgrafstrom@azleague.org</a>



#### **League of Arizona Cities & Towns Resolution**

## Streamline annexation processes for those impacting sole owners or those initiated by ownership groups.

#### A. Purpose and Effect of Resolution

Modernize and streamline Arizona's municipal annexation process, which is often time-consuming, duplicative, and administratively burdensome. Cities and towns report significant delays when attempting to annex areas with willing landowners, due to outdated procedural requirements that may not reflect current land use or development realities.

#### **B.** Relevance to Municipal Policy

Efficient annexation processes are essential for orderly growth, service delivery, and regional planning. Streamlining annexation procedures—while maintaining transparency and landowner consent—can help municipalities manage urban expansion, provide services more effectively, and ensure consistent zoning and development standards in newly annexed areas.

#### C. Fiscal Impact to Cities and Towns

Streamlined annexation procedures may reduce administrative costs and enable more timely integration of new areas into city services and infrastructure planning. Over time, annexation can also increase local revenue through expanded tax bases.

#### D. Fiscal Impact to the State

There is no anticipated fiscal impact to the state.

#### E. Contact Information:

Sponsoring City or Town: Buckeye

Name: John Raeder, Government Affairs Deputy Director

Phone: (623) 204-8177

Email: <u>iraeder@buckeyeaz.gov</u>
League Staff: Marshall Pimentel



#### **League of Arizona Cities & Towns Resolution**

Tighten oversight of neglected historic properties & authorize municipalities to establish requirements for buildings that are vacant or abandoned.

#### A. Purpose and Effect of Resolution

Provide cities and towns with additional policy tools to address neglected and abandoned historic properties. These properties, often owned by absentee investors, pose health and safety risks and hinder revitalization efforts in downtown cores and historic districts. Proposed mechanisms include legal frameworks to compel preservation or transfer of ownership, flexible building code toolkits, public transparency requirements, and a fee structure to support restoration compliance.

#### **B. Relevance to Municipal Policy**

Historic preservation plays a vital role in community identity, tourism, and economic development. However, local governments often lack sufficient authority or resources to address long-term neglect of historic structures. This proposal builds on prior League advocacy, including the 2019 resolution from the Town of Superior and 2020 legislation – *HB2705: vacant; abandoned buildings; ordinances*.

#### C. Fiscal Impact to Cities and Towns

Expanded authority and resources would support more proactive and cost-effective management of deteriorating properties.

#### D. Fiscal Impact to the State

There is no anticipated fiscal impact to the state.

#### **E. Contact Information:**

**Sponsoring City or Town:** Douglas **Name:** Ana Urquijo, City Manager

Phone: (520) 417-7303

Email: ana.urquijo@douglasaz.gov League Staff: Marshall Pimentel



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

#### Mayor Mark Stanton, Chair

#### **Resolutions Committee Meeting, League Annual Conference**

The Neighborhoods, Sustainability & Quality of Life (NSQL) Committee convened on **June 25**, **2025**, to discuss one policy issue submitted by the League. Below is a summary of the issue considered and committee discussion and recommendations.

#### 1. Allow cities to rein in the proliferation of short-term rentals and address repeat violators League (NSQL 1).

League staff presented **NSQL 1** explaining that, for the past two years, the League has been advocating for municipal regulation of short-term rentals (STRs) at the state legislature ever since the cities of Scottsdale and Sedona successfully advocated for similar resolutions two years ago. In 2022, legislation was passed to allow limited reforms including a local license requirement, neighbor notification of new STRs, fines for verified violations, and limited conditions under which cities could suspend or revoke licenses. However, STR licenses can only be revoked if there are three verified violations in a twelve-month period, or if egregious acts such as felony offenses, serious physical injury, or death occur on the property. Communities throughout the state have expressed frustration over ongoing issues with STRs and the impact on their residents.

Pinetop-Lakeside Mayor Stephanie Irwin expressed her support for as much local control over the issue as possible but questioned how such a policy would be drafted. League staff clarified that any legislation pursued by the organization would be permissive to allow each city and town to tailor local ordinances to their needs. Chandler Vice Mayor Christine Ellis asked about existing opposition to this proposal, and League staff shared that, while the industry lobbies heavily against this issue, the public widely supports it. Phoenix Councilmember Debra Stark added that existing groups like Arizona Neighborhood Alliance actively lobby to support cities facing problems with short-term rentals. Discussion ensued surrounding other ways the committee members could engage legislators in coalition building to garner support for the issue.

After discussion, Councilmember Stark motioned to approve **NSQL 1** as a resolution to be considered by the Resolutions Committee. Vice Mayor Ellis seconded the motion, and it passed unanimously via voice vote.

The table below summarizes the NSQL Committee's actions:

POLICY ISSUE DISPOSITION BY COMMITTEE

1. STR Regulation

**Approved** 

#### **Mark Stanton**

Mayor of Paradise Valley Chair, Neighborhoods, Sustainability and Quality of Life Committee



#### **NSQL 1**

#### **League of Arizona Cities & Towns Resolution**

#### Allow cities to rein in the proliferation of short-term rentals and address repeat violators.

#### A. Purpose and Effect of Resolution

Restore local control and strengthen enforcement capabilities by allowing municipalities to limit the number of short-term rental (STR) licenses issued, impose minimum distance requirements, and cap the total number of STRs in oversaturated areas. Additionally, the proposal aims to reduce the threshold for license revocation, enabling cities to take action against repeat violators.

#### **B.** Relevance to Municipal Policy

Since the enactment of *SB1350*: online lodging; administration; definitions in 2016, STRs have greatly impacted housing availability and affordability in parts of the state, particularly in small communities. Other areas of the state that are highly desirable for tourists also see high rates of STRs, some as high as ten percent of their local housing stock. This issue has been caused by private equity investors that have bought many properties throughout the southwestern parts of the U.S. for the sole purpose of renting those properties. In addition to limiting housing stock and affordability, these actions also impact the makeup of neighborhoods and the community. Providing municipalities with capabilities to have better authority over STRs will aid in diminishing the impacts of STRs on local communities and housing availability and affordability.

#### C. Fiscal Impact to Cities and Towns

No anticipated fiscal impact to cities and towns.

#### D. Fiscal Impact to the State

No anticipated fiscal impact to the state.

#### **E. Contact Information:**

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

#### **Mayor Tom Murphy, Chair**

#### **Resolutions Committee Meeting, League Annual Conference**

The Public Safety, Military Affairs & the Courts (PSMAC) Committee convened on **May 28**, **2025** to discuss one policy issue submitted by the League. Below is a summary of the issue considered and committee discussion and recommendations.

#### 1. Coordinate with state partners to protect and preserve PSPRS League (PSMAC 1).

League Executive Director Tom Belshe presented **PSMAC 1** and explained that he had been contacted by the County Supervisors Association to address preserving benefits provided by the Public Safety Personnel Retirement System (PSPRS). High pension debt has spurred proposals to reform PSPRS, including expanding benefits, but these proposals risk increasing budget costs for local governments and creating mistrust. Changes are also difficult to revise once enacted because they are constitutionally protected. Mr. Belshe explained the importance of preserving existing PSPRS benefits and identified these risks associated with increasing benefits.

Chair Murphy expressed agreement and added that the previous Tier 3 changes were created with input from police and firefighters, reiterating the importance of additional input and participation when making changes to the system. Goodyear Councilmember Trey Terry asked how this pertains to *SB1365*: *PSPRS*; *member contributions* – legislation that would have capped the employee contribution rate. League staff explained the proposed provisions in SB1365 and added that, although the bill ultimately failed, it represents a warning sign of support for changes made without stakeholder engagement that could undermine the system's stability. Glendale Councilmember Ray Malnar added that, although the system appears stable right now, it is because cities like Glendale went into significant debt to ensure its solvency. League staff added that the goal of the system was originally to create a win-win system for employees and employers alike, and that we need to keep that goal in mind moving forward.

Councilmember Malnar motioned to approve **PSMAC 1** as a resolution to be considered by the Resolutions Committee. Quartzsite Councilmember Starr BearCat seconded the motion, and it was approved unanimously via voice vote.

The table below summarizes the PSMAC Committee's actions:

# POLICY ISSUE DISPOSITION BY COMMITTEE

1. PSPRS; protect; preserve

Approved

#### **Tom Murphy**

Mayor of Sahuarita Chair, Public Safety, Military Affairs, and the Courts



#### PSMAC 1

#### **League of Arizona Cities & Towns Resolution**

#### Coordinate with state partners to protect and preserve PSPRS.

#### A. Purpose and Effect of Resolution

Coordinate with state partners to maintain the integrity of prior pension reforms. Advocate for data-driven analysis of any proposed pension changes and continue to support efforts to reduce long-term repayment costs.

#### **B. Relevance to Municipal Policy**

Significant progress has been made to reduce PSPRS debt through reform, bonding, and supplemental payments. However, some proposals have sought to expand benefits or adjust contributions, potentially undermining reform efforts, increasing long-term costs, and impacting local budgets. Pension changes, once enacted, are constitutionally protected and difficult to revise. Efforts will be made to preserve PSPRS and ensure that any adjustments made to pension benefits or contributions are made in a manner that preserves local revenue and protects employees.

#### C. Fiscal Impact to Cities and Towns

No anticipated fiscal impact to cities and towns.

#### D. Fiscal Impact to the State

No anticipated fiscal impact to cities and towns.

#### **E. Contact Information:**

Sponsor: League

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

#### **Mayor Nancy Smith, Chair**

#### **Resolutions Committee Meeting, League Annual Conference**

On **June 30**, **2025**, the Transportation, Infrastructure & Public Works (TIPW) Committee convened for one proposal submitted by Lake Havasu City. Below is a summary of the issues considered and committee discussion and recommendations.

League staff and Prescott Mayor Phil Goode started the meeting by providing a brief update on last year's proposal to charge a user fee at electric vehicle charging stations. The issue will continue to be studied further.

## 1. Support RTAC Federal Transportation Agenda to provide additional local resources in the next federal transportation authorization bill <u>Lake Havasu City (TIPW 1)</u>.

Lake Havasu City Councilmember Nancy Campbell presented **TIPW 1** to support the Rural Transportation Advocacy Council's Federal Transportation Agenda. The RTAC agenda proposes several advocacy actions, including fixing the Highway Trust Fund, adjusting the formulas used to allocate federal transportation funds, increasing funding for local transportation organizations, eliminating local match requirements for grants, and allocating more resources to rural road safety and transit services. In her presentation, Councilmember Campbell connected these policy issues to several transportation issues Arizona is facing, mainly emphasizing a lack of funding. League staff clarified that the League does not have a federal advocacy arm, but there are various options that could be considered to move the issue forward.

Chair Smith shared three options: writing a letter to send to the Arizona congressional delegation, drafting talking points for Executive Committee members to use when meeting with members of Congress, or working through the National League of Cities. Councilmember Campbell added that, because transportation bills only come up every five years in Congress, advocacy needed to occur sooner than later as drafting of the bill begins in 2026.

Peoria Councilmember Jon Edwards shared that he would like more information on what other states are doing before supporting this proposal and Phoenix Councilmember Laura Pastor agreed. Glendale Councilmember Lauren Tolmachoff commented that removing the local match requirement for rural communities would result in an uneven playing field. Several council members asked questions about next steps if the proposal was assigned for further study considering Lake Havasu City's proposal is time sensitive and would require action before the bill is drafted. League staff clarified that the proposal would be passed on to the Executive Committee for review, but that a briefing could be held with members of the TIPW committee.

After discussion, Councilmember Tolmachoff motioned to assign **TIPW 1** as a possible future resolution that needs more study and clarification. Chandler Councilmember O.D. Harris seconded the motion, and it passed by majority voice vote.



The table below summarizes the **TIPW** Committee's actions:

#### **POLICY ISSUE**

#### **DISPOSITION BY COMMITTEE**

1. Federal Transportation Funding

Assigned for further study

#### **Nancy Smith**

Mayor of Maricopa

Chair, Transportation, Infrastructure and Public Works Committee