

PUBLIC MEETING AGENDA

Sustainability & Resilience Commission

MEETING DATE

Monday, January 13, 2025
4:30 pm – 6:00 pm

MEETING LOCATION

[Virtual Link for the Public:](#)

Meeting ID: 276 562 762 654

Passcode: KK3HN9Ry

Dial in by phone

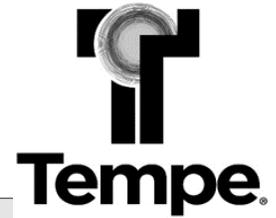
+1 480-498-8745, ,449173761# United States, Phoenix

Find a local number

Phone conference ID: 449 173 761#

AGENDA ITEM	PRESENTER	ACTION or DISCUSSION
1. Welcome	Shawn Swisher, Chair (4:30 pm – 4:35 pm)	
2. Public Appearances The Sustainability Commission welcomes public comments for items listed on this agenda. There is a <i>three-minute time limit</i> per citizen.	Shawn Swisher, Chair (4:33 pm – 4:35 pm)	
3. Review of Meeting Minutes The Commission will be asked to review meeting minutes from the December 16, 2024 meeting.	Shawn Swisher, Chair (4:35 pm – 4:37 pm)	Action
4. 2024 Utility Rate Study Recommendations	Tara Ford, Public Works Director Stephen White, Public Works Business Manager Andrew Burnham, Stantec (4:37 pm – 4:50 pm)	Discussion
5. Energy Equity Roadmap	Andy Escobar, Energy Equity Coordinator (4:50 pm – 5:15pm)	Discussion
6. Tempe Budget Process and Overview	Brianne Fisher, Climate Action Manager (5:35 pm – 5:45 pm)	Discussion
7. Sustainability and Resilience Commission Dates of Interest Calendar	Brianne Fisher, Climate Action Manager (5:45 pm-5:45 pm)	Discussion
8. Sustainability and Resilience Office Updates and Housekeeping	Eric Iwersen, Transportation and Sustainability Director (5:45 pm – 5:55 pm)	Discussion
9. Future Agenda Items - Commission may request future agenda items.	Shawn Swisher, Chair (5:55 pm – 6:00pm)	Action

According to the Arizona Open Meeting Law, the Sustainability Commission may only discuss matters listed on the agenda. The City of Tempe endeavors to make all public meetings accessible to persons with disabilities. With 48 hours advance notice, special assistance is available at public meetings for sight and/or hearing-impaired persons. Please call 350-2775 (voice) or 350-8400 (TDD) to request an a



Minutes

City of Tempe Sustainability & Resilience Commission December 16, 2024

Minutes of the Tempe Sustainability Commission meeting held on Monday, December 16, 2024, 4:30 p.m. in person at Tempe Transportation Center, Don Cassano Community Room, 200 E. 5th Street, Tempe, Arizona.

(MEMBERS) Present:

Shawn Swisher (Chair)
Melissa Harlan
Barbie Burke
Jake Swanson
Joshua Randall

Jacob Bethem
Ben Paulat
Matthew Nahlik
Erin

Boyd

(MEMBERS) Absent:

Kendon Jung (Vice Chair)
Morgan Winburn

City Staff Present:

Eric Iwersen
Brianna Fisher
Elizabeth Mieth
Grace Kelly

Andy Escobar
Shauna Warner
Rebecca Rothman

Guests Present:

Bridgett Neely (Firefly Consulting)

Agenda Item 1 – Welcome and SRC Mission

Chair Swisher called the meeting to order at 4:33 p.m. read the commissions' charge and mission.

Agenda Item 2 – Public Appearances

No public comments were shared.

Agenda Item 3 – Review of Meeting Minutes

The minutes of the November 18, 2024, meeting was accepted with proposed modifications.

Motion: Commissioner Barbie Burke

Second: Commissioner Jake Swanson

Agenda Item 4 – Community Energy Strategies

Andy Escobar, Sustainability and Resilience Coordinator and Bridgett Neely, Firefly Consulting provided information on Community Energy Strategies. Topics Included:

4 phase approach to develop actionable roadmap to reduce Tempe community wide emissions.

- Internal Diagnostic
- Regulatory Landscape
- Best practices in other cities
- Roadmap and implementation plan

Action Roadmap Overview

- Information and communication
- Funding programmatic activity
- State advocacy
- Collaboration with Tempe Housing

Commissioner Jung's a-synchronous comments for Energy Roadmap:

- What is the context for this presentation how does this fit in for our CAP and Energy Equity Roadmap?
- State advocacy is important but it would be nice to see more specific examples of how to work with the ACC.
- In general, it would be good to see how this roadmap transitions to more specific actions staff will take.

Agenda Item 5 – Public Art Plan

Rebecca Rothman, Community Services Manager, provided information on the Public Art Plan.

Topics Included:

Public Art Plan

- Prioritize Public Art planning based on community input and current assets.

- Strategize future Public Art investment to align with development and community needs.
- Diversify the Public Art collection to reach a broader audience.
- Identify areas of the Public Art Program that provide significant strengths and bolster the areas in need of growth.

Public Art Plan – Outreach

- Arts in Parks – Estrada and Meyer Park fall 2024
- Tempe Jam – 11/16/24
- December 5th: Past, Present, Future at the Eisendrath House 5:30-7:30 pm
- Pop up events at local businesses and community centers
- Boards and Commission presentations

Commissioner Ben Paulat asked if an art installation or project can tie in the sustainability goals of providing shade or energy. Rebecca replied there are a lot of requests for shade but they don't necessarily have artists design that infrastructure. However, they do partner with others an example is working with an artist on Transit shelters.

Commissioner Jung's a-synchronous comments for Arts and Culture:

- The purpose of their presentation (and the action they are asking from us) is unclear. I would like to suggest that all presenters moving forward start their presentations with a "what we are looking from the commission" slide, and the rest of their slides tell us what we need to know to take action.
- How is sustainability showing up in this work? For example, material selection, making process, and/or concept?

Agenda Item 6 – 2024 Annual Report

Brianne Fisher, Climate Action Manager, provided information on the 2024 Annual Report. Brianne asked everyone to review and let her know any of the changes that commission wants incorporated. And action will have to be done to approve with changes.

Shawn Swisher, Chair, had some comments that his term expiration needs to be updated. There is a typo under Melissa. Under accomplishments, General Plan 2050 there is a note that says it led to stronger language in the general plan. Would like an elaboration on what the stronger language was, first in support of incorporating sustainability policies into the general plan more explicitly. Also, another item was focusing on density to create more walkable neighborhoods while understanding desires of neighborhoods to not lose their character. More commissions such as Transportation, Developmental Review and Carbon Neutrality and Resilience we would like to be more engaged with in the coming year.

Commissioner Jung's a-synchronous comments for 2024 Annual Report:

- I would like to see (to the extent possible) the number of engagements the commission committed (namely Shawn, Barbie and I) in the General Plan. And, the % of changes that we were successful in getting into the final document.

Chair Shawn Swisher motions to incorporate the changes annual report.

Motion: Commissioner Barbie Burke

Second: Commissioner Ben Paulat

Decision: Approved 9-0

Agenda Item 7 – Sustainability and Resilience Commission Dates of Interest Calendar

Brianne Fisher, Climate Action Manager, had the following information update. The City is heading into the budget season. The budget started in November 2024 at the Community Survey and START Tool. Joint Transportation Commission meeting in March 2025.

Agenda Item 8 – Sustainability and Resilience Office Updates and Housekeeping

Eric Iwersen, Transportation and Sustainability Director mentioned that Grace Kelly has announced her retirement after 29 years. Her position as energy supervisor will be posted soon. There is an offer for the Green Energy Building Specialist that will be in Community Development.

Chair Shawn Swisher asked when is the next carbon audit? Brianne Fisher, Climate Action Manager, said the greenhouse gas inventory happens every five years. It will be happening in 2026 for 2020 – 2025.

Agenda Item 9 – Future Agenda Item and Adjournment

Shawn Swisher, Chair there are no requests at this time. Commission recognizes that this will be Commissioner Barbie Burke's last meeting.

Chair Swisher motions to adjourn the meeting at 6:01 p.m.

Motion: Commissioner Barbie Burke

Second: Commissioner Jake Swanson

Decision: Approved 9-0

The meeting was adjourned at 6:01 p.m.

Prepared by: Elizabeth Mieth
Reviewed by:

DRAFT

2024 Water, Wastewater, Stormwater and Solid Waste Rate Study Recommendations

Sustainability and Resilience Commission

Jan. 13, 2025





Performance measures

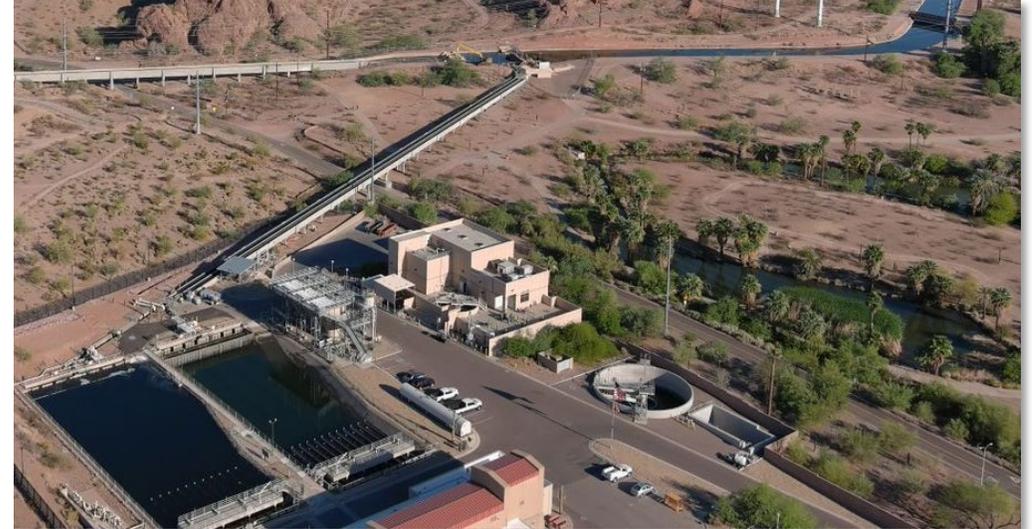


- 1.13 – Safe Drinking Water
- 2.02 – Customer Service Satisfaction
- 4.03 – Water Conservation
- 4.04 – Solid Waste Landfill Diversion
- 4.16 – Groundwater Supply
- 5.01 – Quality of Business Services



Rate study objectives

- Funding requirements
- Cost of service adjustments
- Current service characteristics





Additional funding required

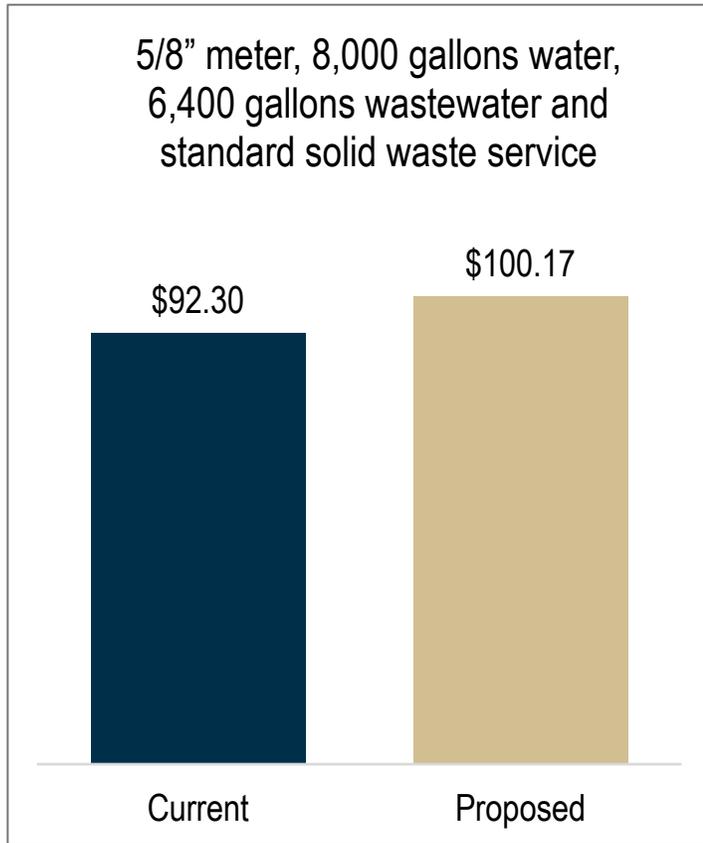
- Water: \$7.7M
- Wastewater: \$5.9M
- Solid Waste: \$750K





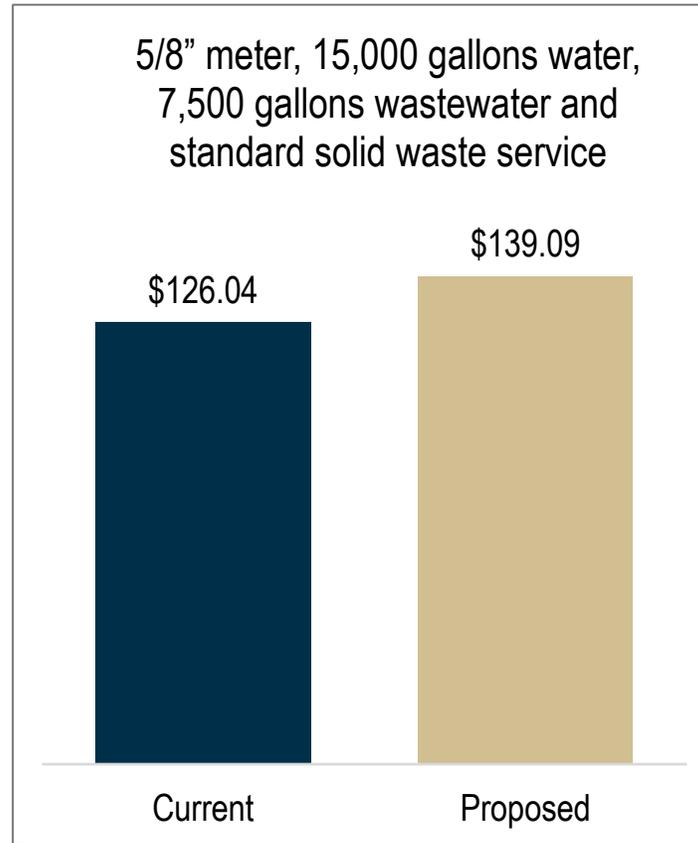
Single-family utility bill impact

Typical User (57% of customers)



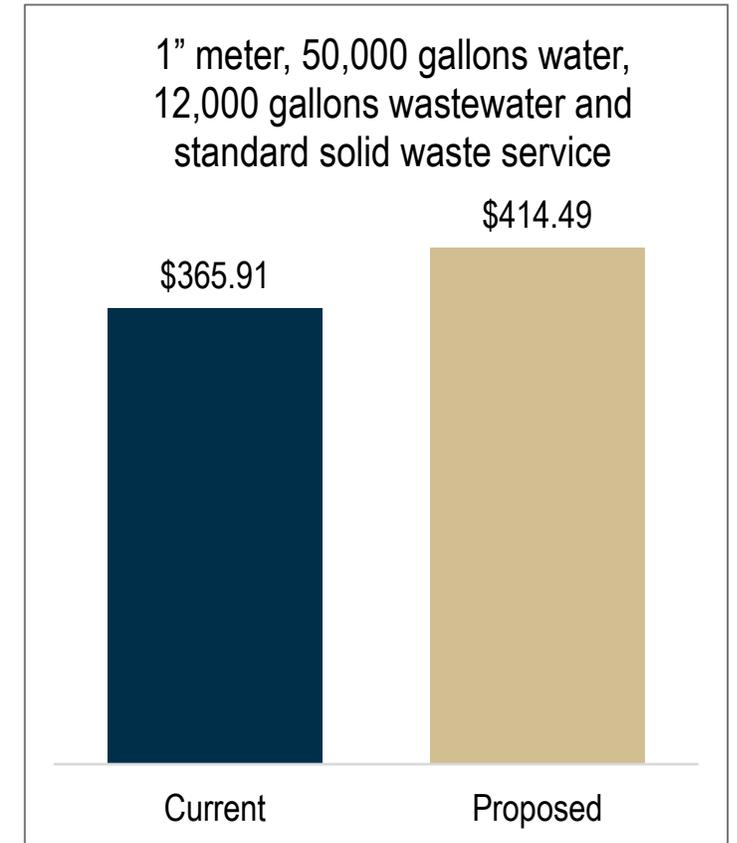
Total difference \$7.87

Above Average User



Total difference \$13.05

Large User

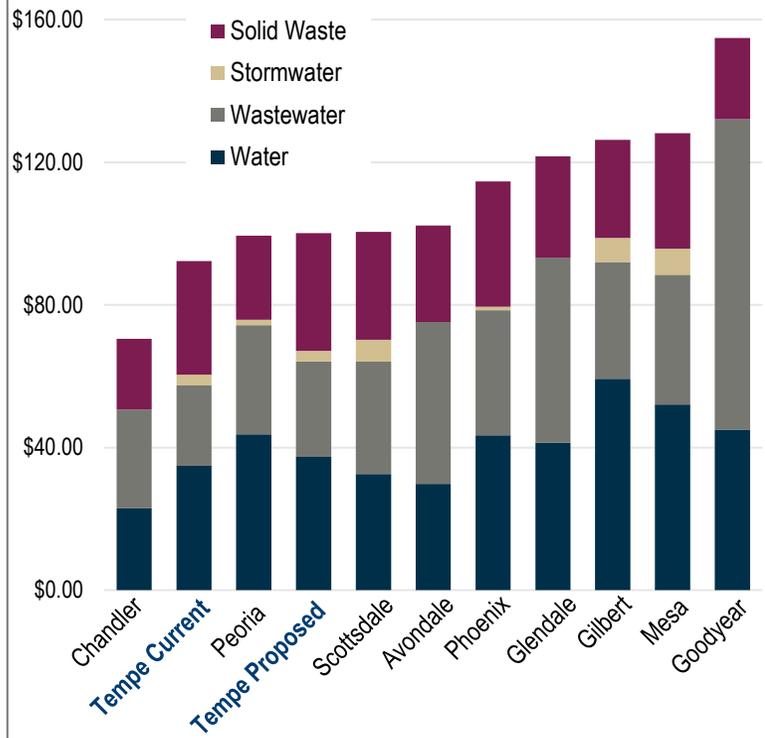


Total difference \$48.58

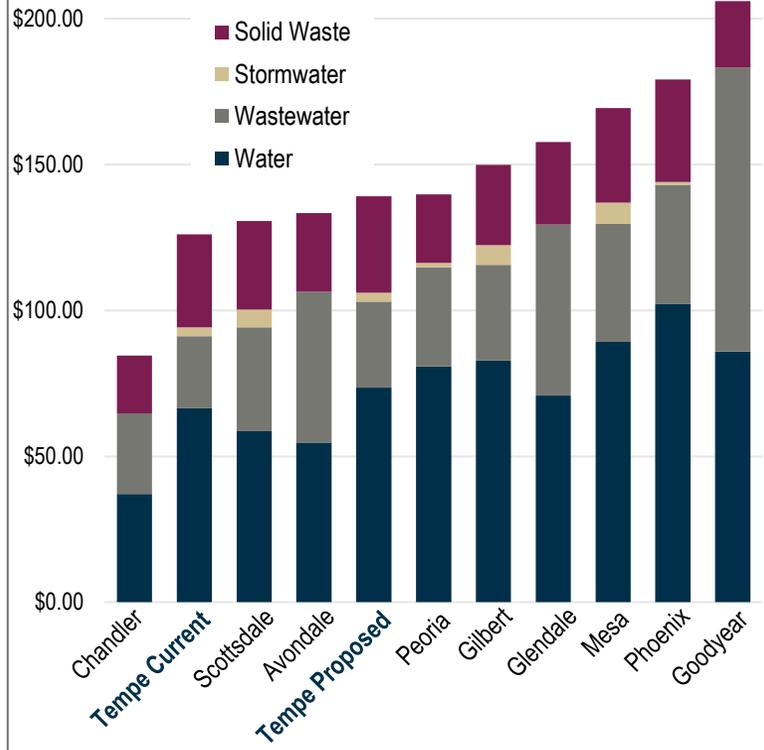


Single-family utility bill comparison

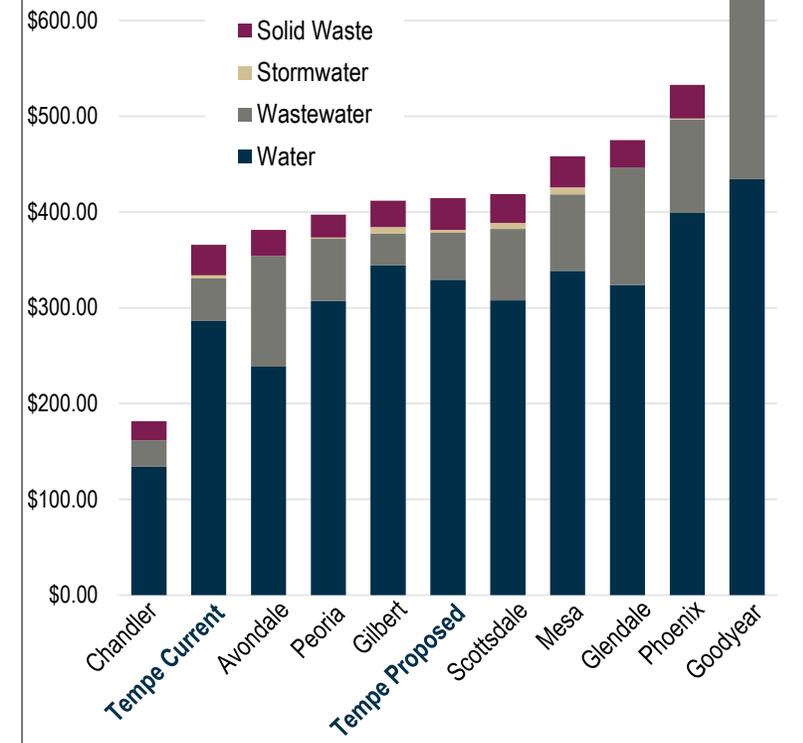
5/8" meter, 8,000 gallons water, 6,400 gallons wastewater and standard solid waste service



5/8" meter, 15,000 gallons water, 7,500 gallons wastewater and standard solid waste service



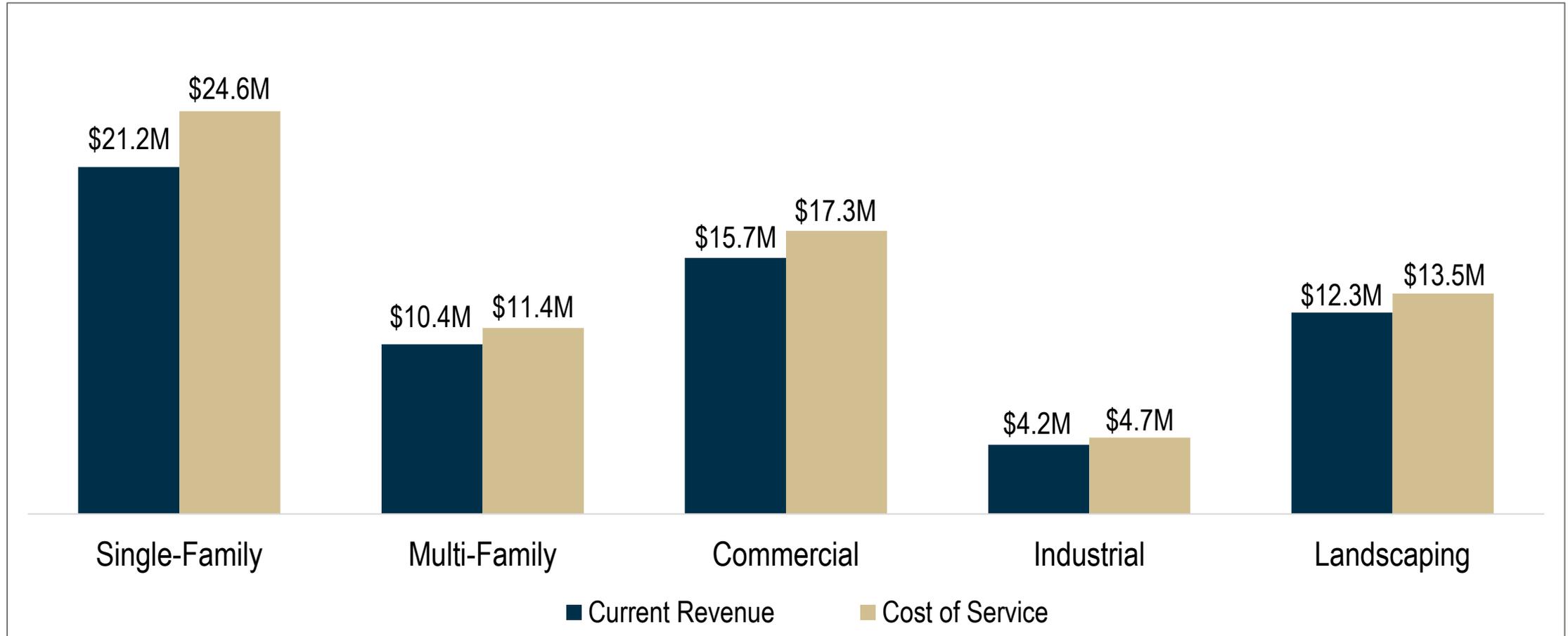
1" meter, 50,000 gallons water, 12,000 gallons wastewater and standard solid waste service





Water cost of service requirements

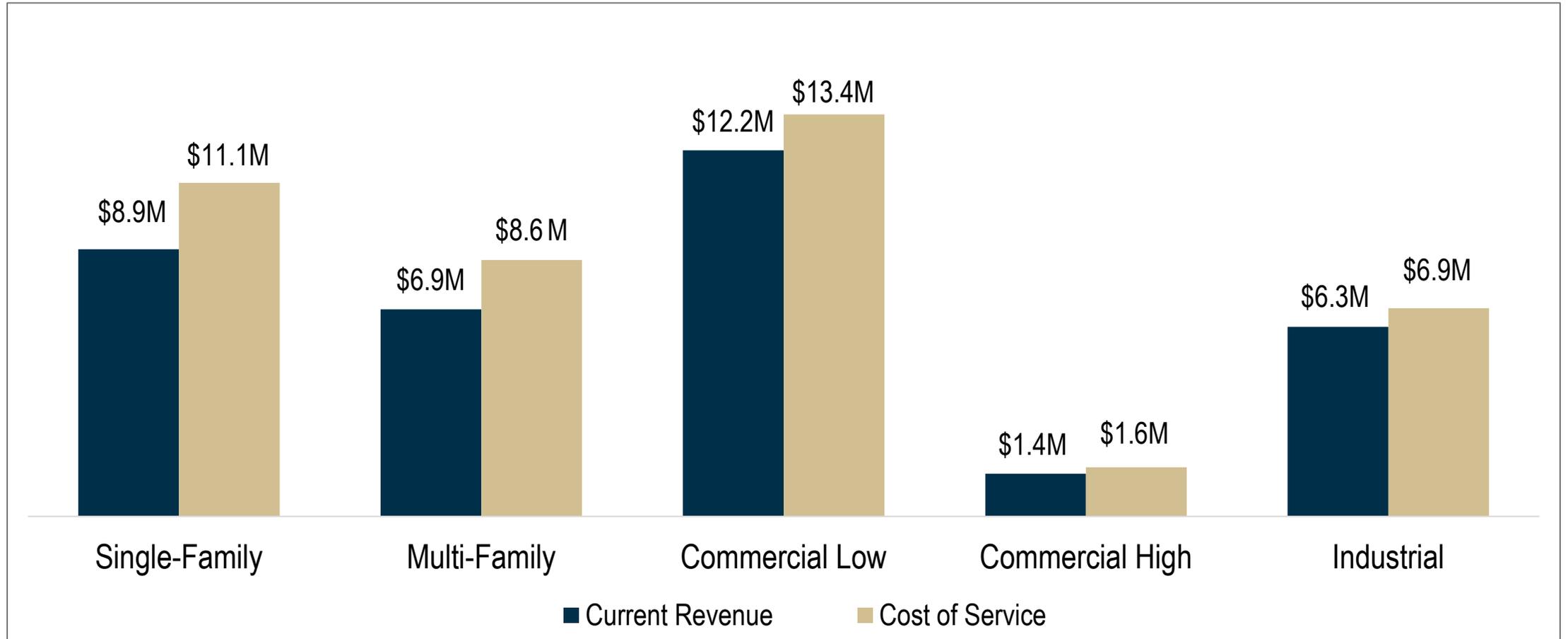
Additional water funding \$7.7M





Wastewater cost of service requirements

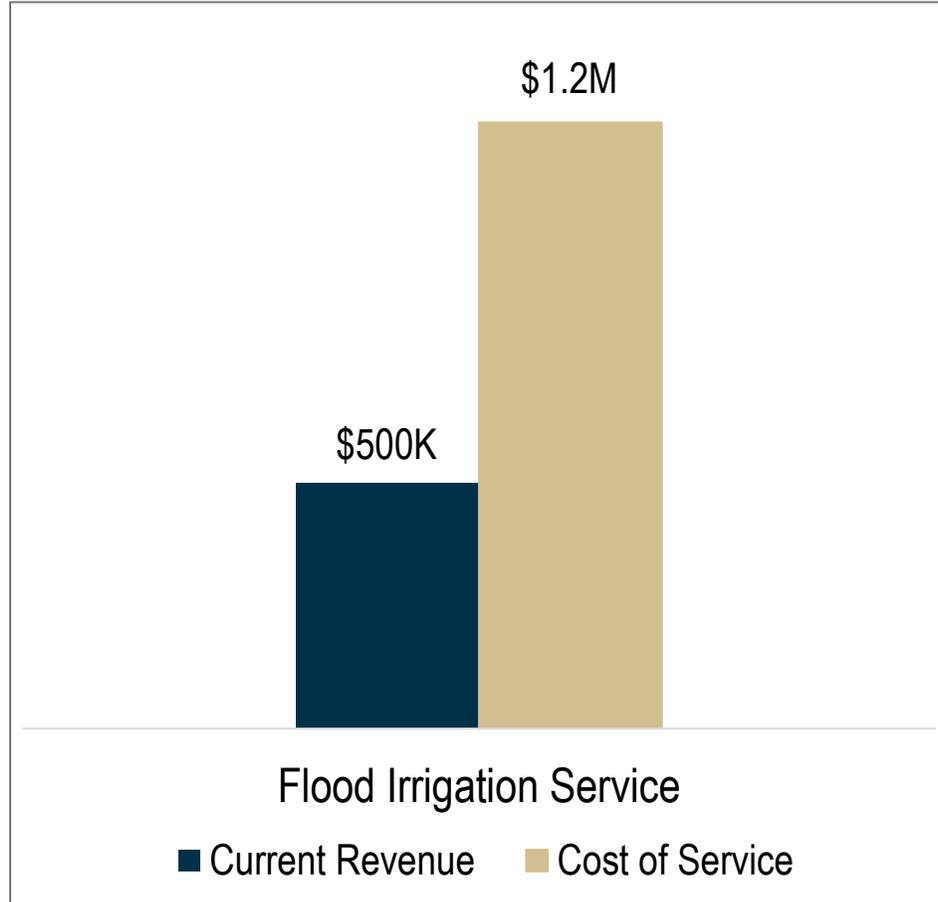
Additional wastewater funding \$5.9M





Flood irrigation cost of service requirements

Additional flood irrigation funding \$700K



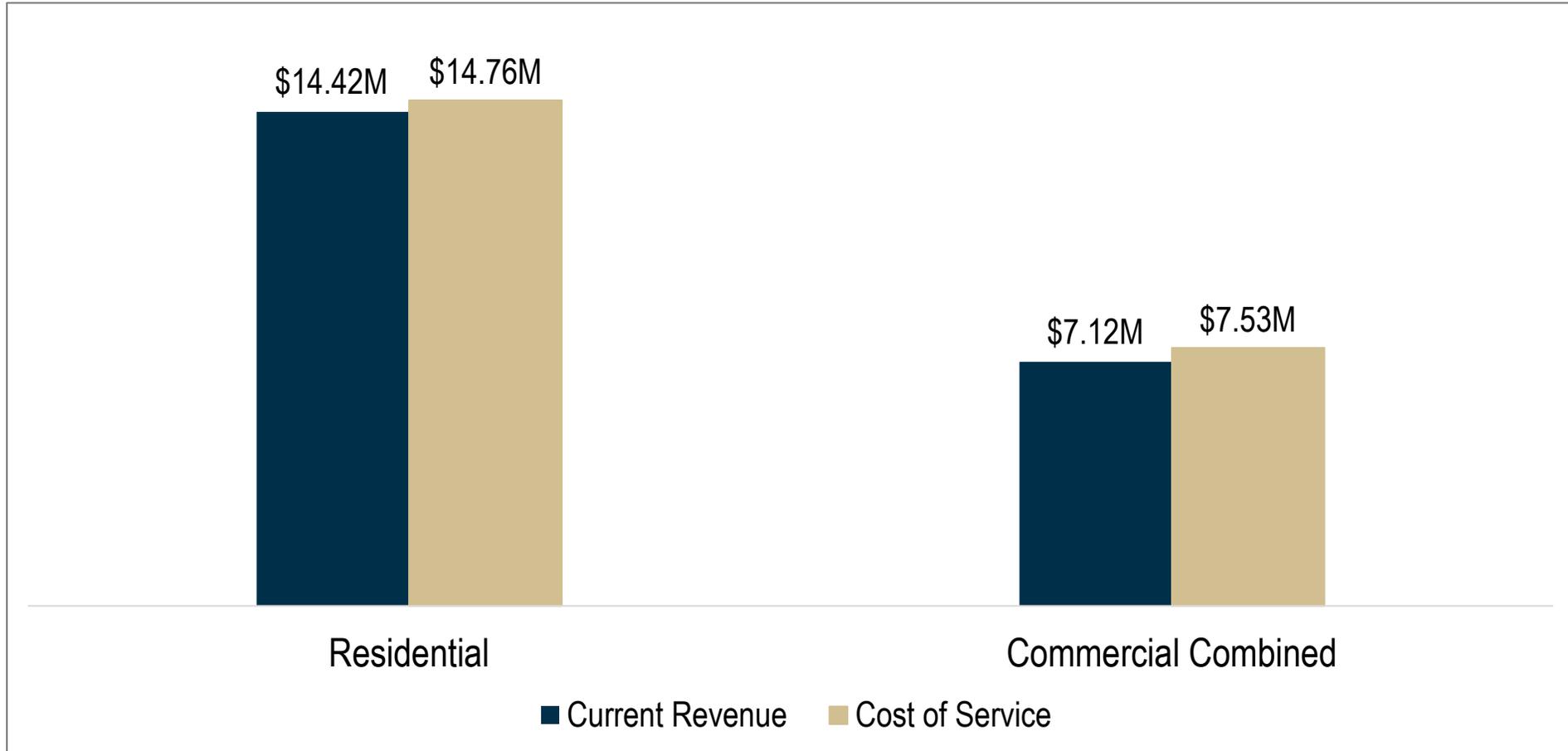
	Typical Residential Customer (up to 13,068 sqft) Monthly Bill Increase	
Full Cost of Service	2025	2026
100% by 2026	\$25.24	\$26.30





Solid waste cost of service requirements

Additional solid waste funding \$750K





Water Conservation

- Free water efficiency consultations
- WaterSmart customer portal
- Rebates, educational workshops
- Free online guides and resources at tempe.gov/conservation





Assistance

- Customer Services – payment arrangements
- Resource Navigator Program
 - 480-858-2021 or resources@tempe.gov



Municipal Services Statement

City of Tempe-Customer Services
PO Box 52166
Phoenix, AZ 85072-2166

CUSTOMER
Account Number 0000000000
Billing Date 12/10/2024
Due Date for Current Charges 01/06/2025

Customer Inquiries: 480-350-8361
TDD: 480-350-8400
Website: www.tempe.gov/customer-service
Email: CustomerServices@tempe.gov

Page 1 of 2

If you have any questions regarding your bill, please e-mail Customerservices@tempe.gov or call (480)350-8361. Thank you.

Account Summary as of December 10, 2024	
Previous Balance	\$69.60
Payments Received	-\$69.60
Balance Forward	\$0.00
Current Charges	\$66.14
Total Amount Due	\$66.14
Together Tempe Voluntary Donation	\$1.00
Total with Voluntary Donation	\$67.14

Service Address: 31 E 5th ST, TEMPE, AZ, 85281

Meter Number	Current Meter Read		Previous Meter Read		Usage in Hundreds of Gallons
	Date	Reading	Date	Reading	
00000000	12/06/2024	6035	11/07/2024	6016	19

Residential

Usage At-A-Glance
Usage in Hundreds of Gallons



Service from 11/08/2024 - 12/06/2024

Monthly Service Charge	11.75
Storm Water Environmental Charge	3.00
Consumption charges	5.51
State Water Quality Assurance Fee	0.01
City Tax 1.8%	0.36
State Tax 6.3%	1.28
SUBTOTAL	\$21.91



P.O. Box 5002
Tempe, Arizona 85280

RETURN THIS PORTION WITH PAYMENT
Please make checks payable to City of Tempe

Account Number	Total Amount Due	Voluntary Donation	Total with Voluntary	Due Date	Amount Paid
0000000000	\$66.14	\$1.00	\$67.14	01/05/2025	

SEND PAYMENTS TO:



City of Tempe-Customer Services
PO Box 52166
Phoenix, AZ 85072-2166

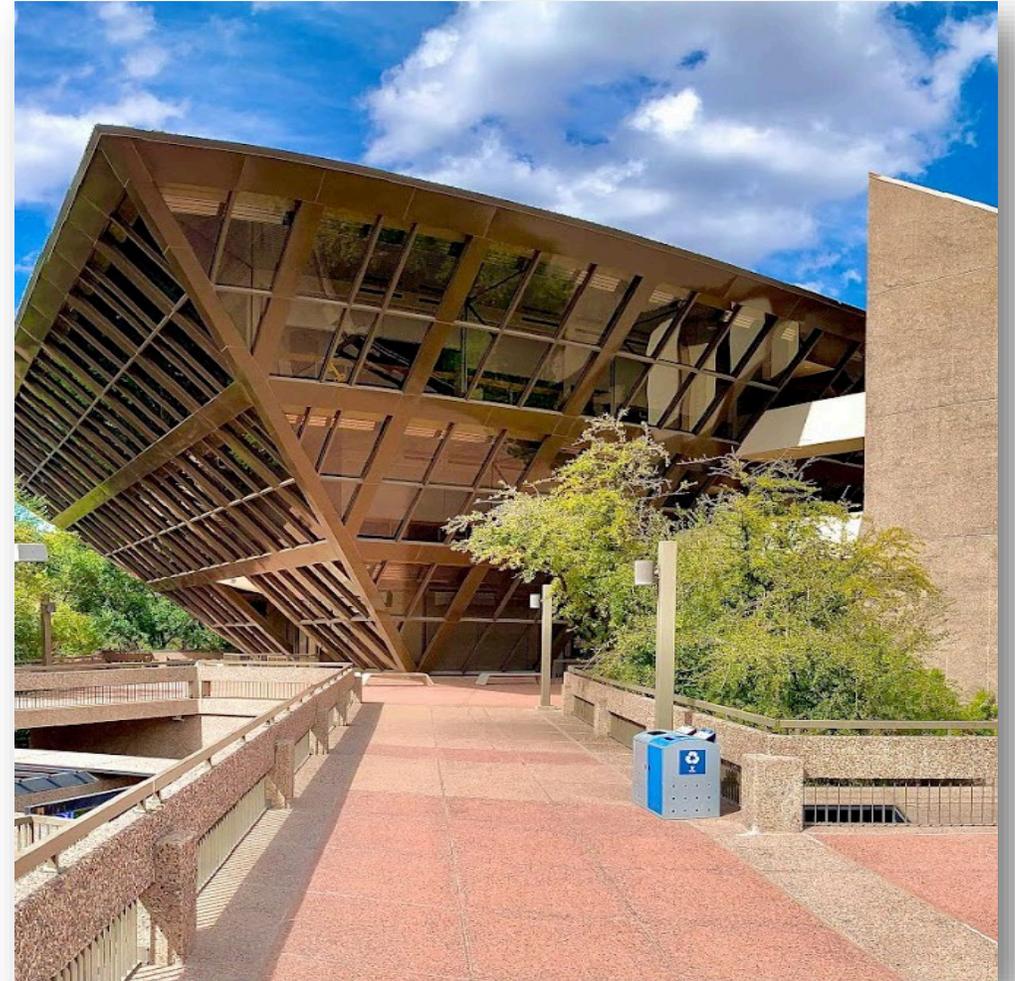


Next steps

Commission meeting (Feb. 5)

Public hearing and consideration
of rate adoption (Feb. 20)

If adopted, new rates become
effective April 2025



For additional information

Tara Ford

Public Works Director
Public Works Department
Tara_Ford@tempe.gov

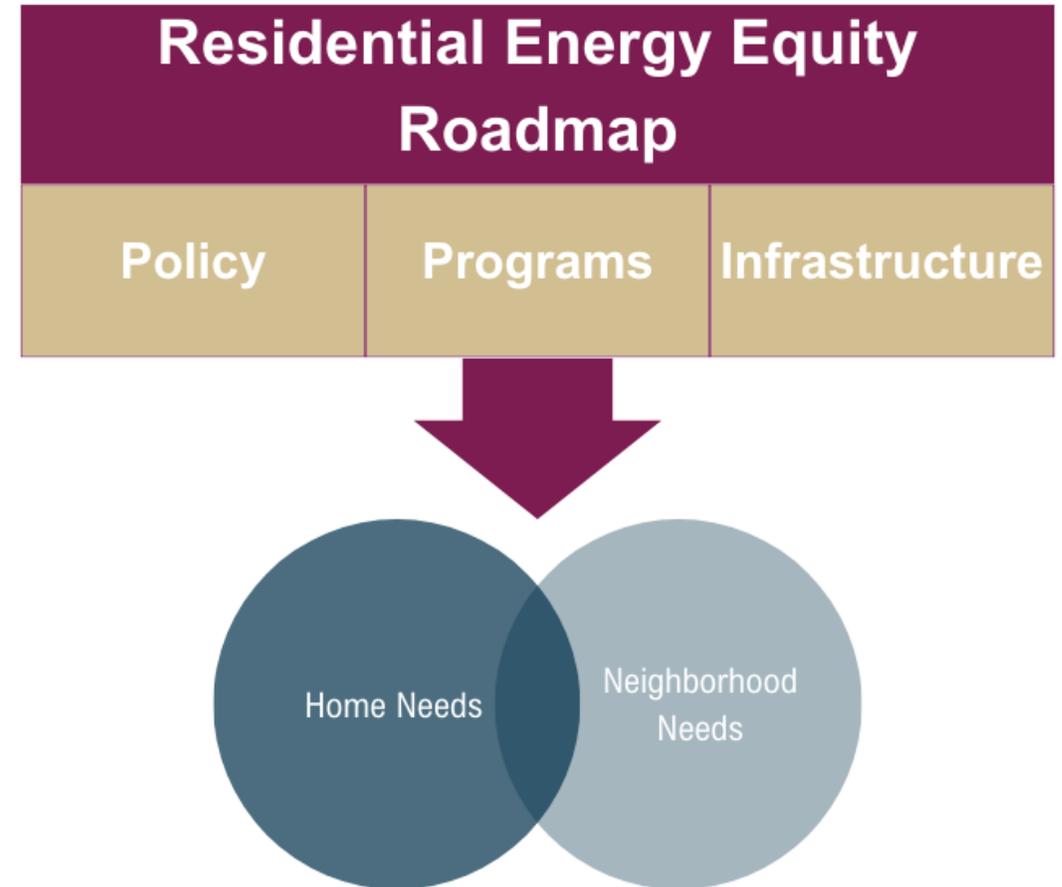


Residential Energy Equity Roadmap

Issue Review Session – Feb. 24, 2025



- **Action Requested:** Council approval of the roadmap.
- **Purpose:** Identifies policies, programs, and infrastructure needs to address energy use and extreme heat challenges faced by Tempe residents.
- **Goal:** Advance equitable and sustainable solutions to help residents meet those challenges.

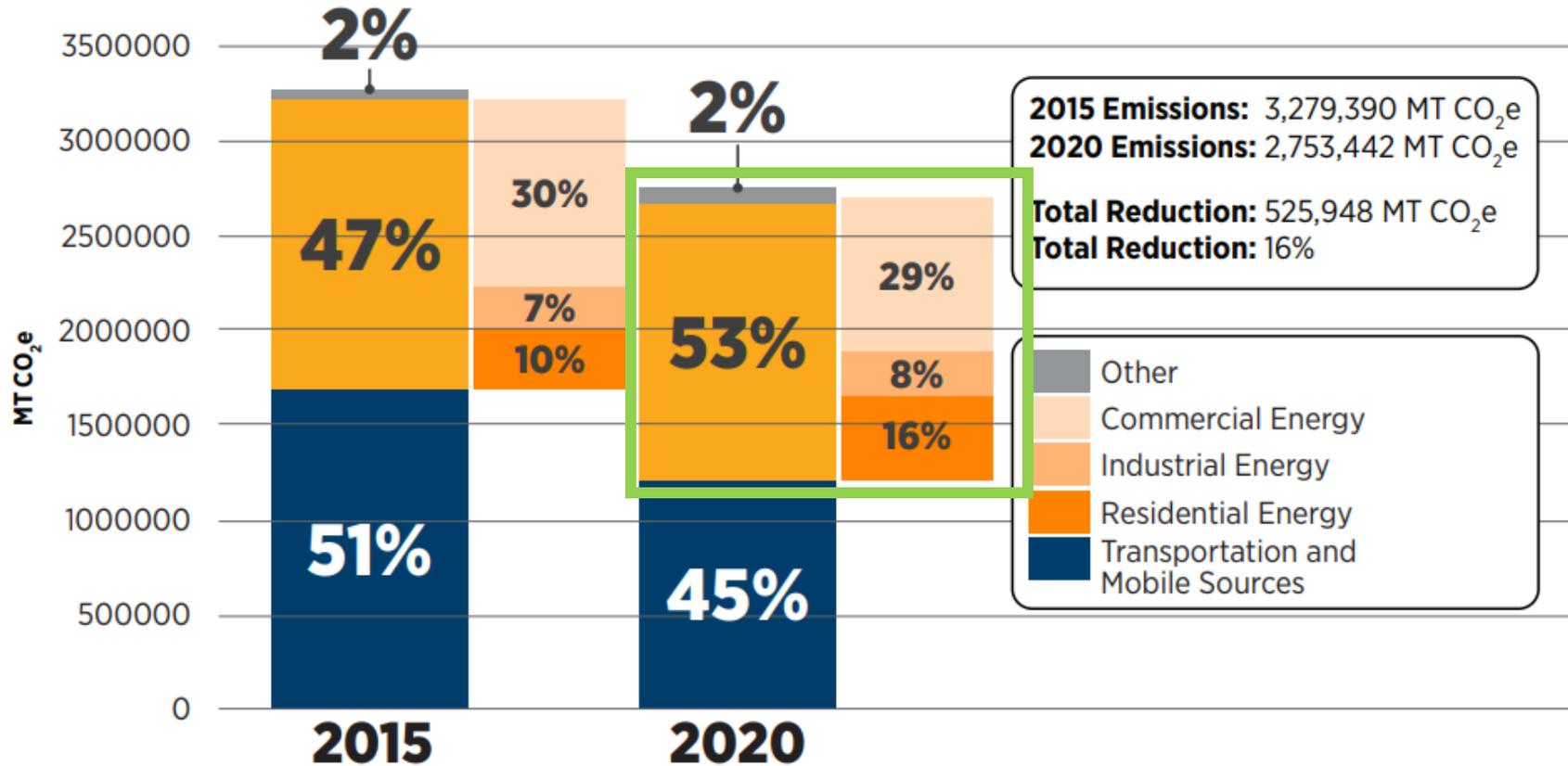




Performance Measure

4.18 Community Carbon Neutrality

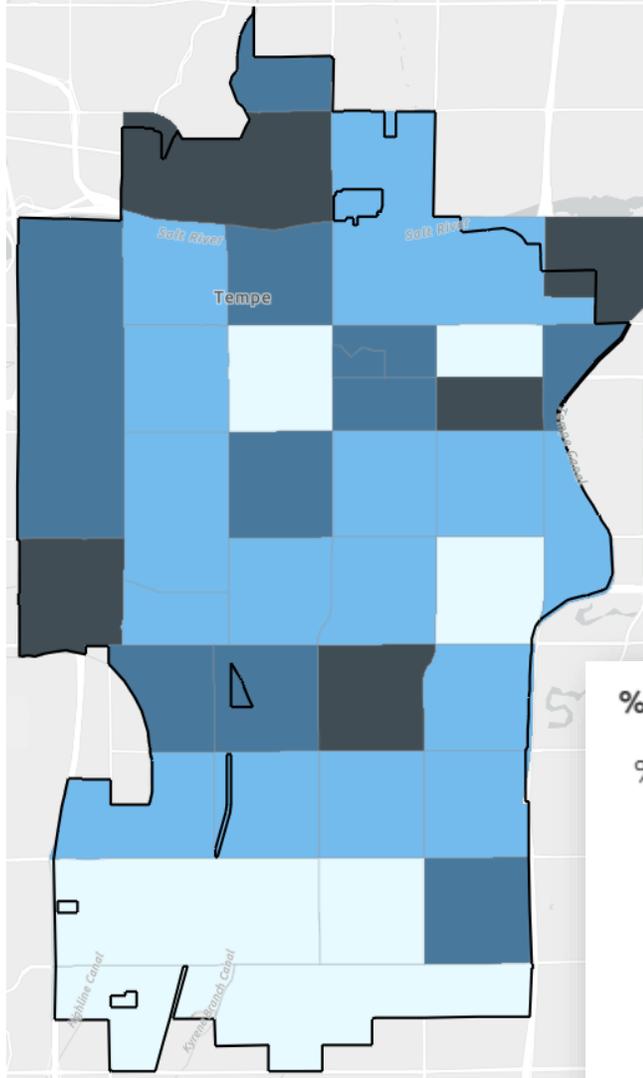
Community GHG Emissions



Performance Measure

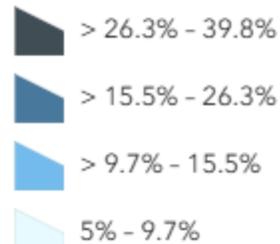
Strategy: Reduce energy burden through residential energy efficiency

- **energy burden is the percentage of income spent on home energy bills*



% of HH with Energy Burden Above 3% of Income

% of HH Energy Burden Above 3%





Climate Justice Agenda

Actions

Extreme Heat and Energy Equity



A pedestrian walking in the heat.

Residents want to live comfortably in a cool, walkable Tempe with adequate living standards that conserve energy. Unfortunately, some disadvantaged residents have to choose between paying for electricity and other necessities because the cost of cooling their homes is too expensive. Unsheltered residents, who use the least energy, are the most at risk from extreme heat.

The overall health and well-being of Tempe residents can improve with the following processes and policies:

- **Unsheltered Population:** support and respect unsheltered persons
- **Neighborhood Funding:** mobilize neighborhoods as a collective energy action
- **Green Stormwater Infrastructure (GSI):** promote water conservation and increase native vegetation
- **Energy Savings:** set an allotted amount of energy at no cost; lower-income residents would benefit the most
- **Property Renovations:** weatherize and update existing living spaces
- **Energy Efficiency:** incentivize the use of natural and clean energy resources

Workshop Facilitators



Contributors

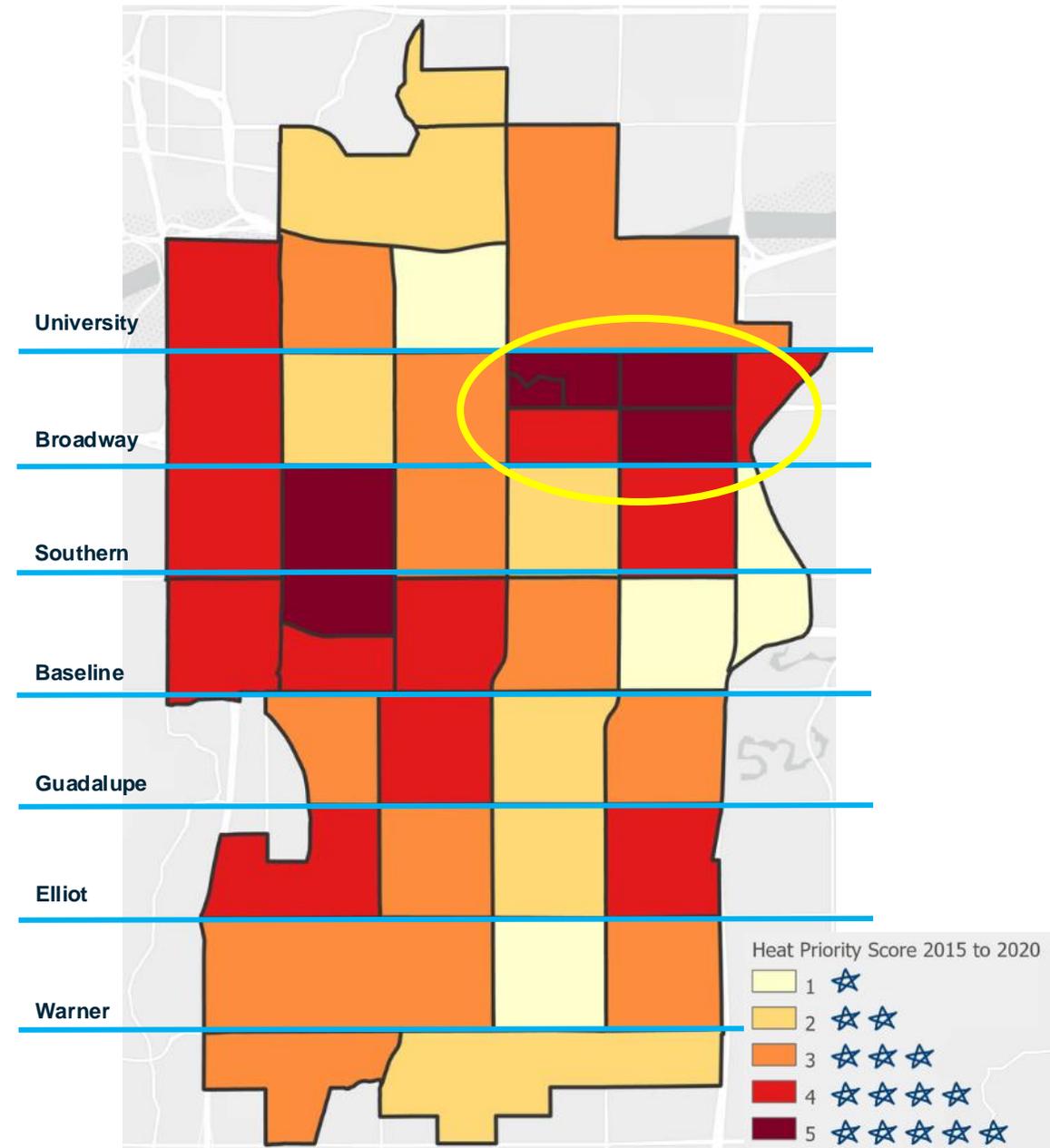




Public Process

Feb. 2024 – Oct. 2024

- Climate Justice Advisory Group
 - Alegre neighborhood
 - Escalante neighborhood
 - Victory Acres neighborhood
- Heat Priority Scores:
 - Help show which areas of Tempe have the highest heat priority.



City of Tempe Heat Priority Scores

Credit: NASA DEVELOP, Arizona State University, City of Tempe



Public Process Contd.

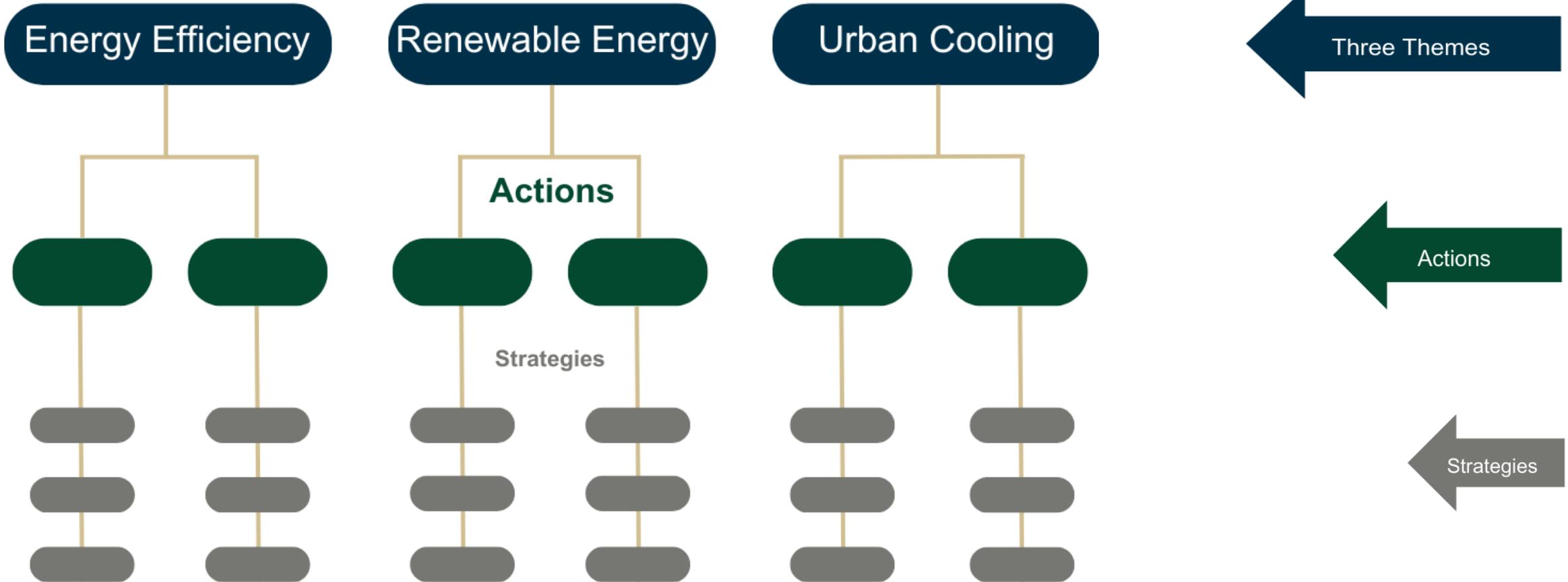
- City-wide Feedback
 - Oct. 24, 2025
 - Escalante Fall Festival (bilingual)
 - Jan. 7 – Jan. 21, 2025
 - Tempe Forum Online Survey (bilingual)
 - Jan. 14, 2025
 - Online Public Meeting
 - In-person Public Meeting (bilingual)
 - Jan. 20, 2025
 - Sustainability and Resilience Commission Presentation





Roadmap Structure

Themes





Theme 1: Energy Efficiency

Actions

Enhance Communication on Existing Residential Energy Programs

Advocacy for Expanding and Increasing Access to Residential Energy Federal Programs

- Low Income Home Energy Assistance Program (LIHEAP)
 - FY 23/24, Arizona ranked 51 out of 51
- Weatherization Assistance Program (WAP)
 - FY 23/24, Arizona ranked 47 out of 51



Theme 1: Energy Efficiency

Actions

Resident-Focused Energy Efficiency Programs and Education

Strengthen Public-Private Partnerships for Home Energy Solutions

Strengthen Building Codes and Standards

Energy Insecurity Survey



Not familiar with utility bill assistance programs



Not familiar with home improvement programs



Limiting cooling/heating systems mostly due to electricity costs

Theme 2: Renewable Energy

Actions

Advocacy for Advancing Equitable Energy Policies at the State Level

Help Households Transition to Renewable Energy Sources



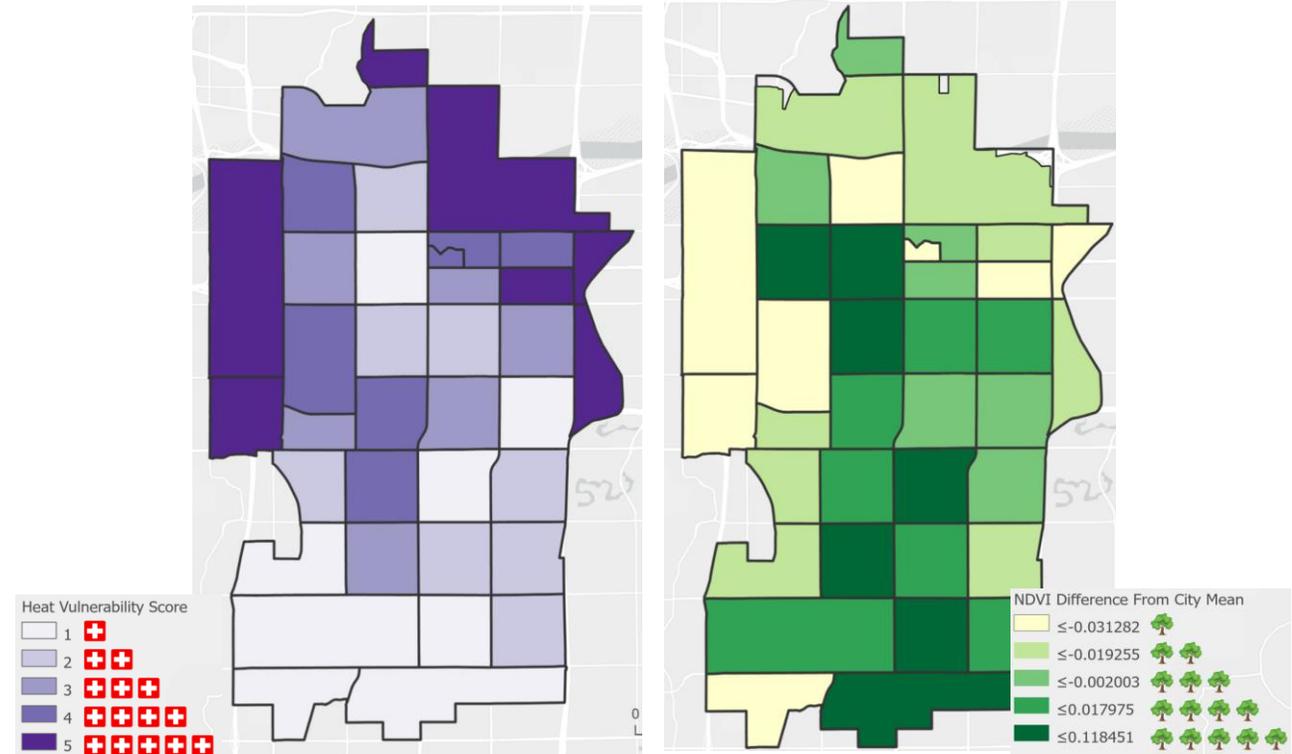
Theme 3: Urban Cooling

Actions

Promote Urban Cooling through Accessible and Inclusive Tree Programs

Address Barriers to Urban Cooling through Strategic Investments

Tempe Heat Data



Heat Vulnerability

Vegetation Presence



Current Progress

Energy Efficiency

- Expanding multilingual communication
- Energy Resource Hub
- SRP Energy Efficiency Workshops at EnVision
- Promote International Green Construction Code (IgCC)
- International Energy Conservation Code (IECC)

Renewable Energy

- Residential Solar Program
 - Expand access to rooftop solar
- Residential Solar Zoning Review
 - Streamline planning, zoning and permitting for residents

Urban Cooling

- Growing Together Tree Steward Program
- Urban Forestry Master Plan
- Rain to Roots Master Plan
- Urban Cooling Performance Measure



Next Steps

- **Federal Advocacy**
 - Advocate for expanded access to federal energy programs
- **State Advocacy**
 - Engage the Arizona Corporation Commission for improvements to existing solar, energy efficiency, and rate distribution policies to better serve residents.
- **Funding Expansion:**
 - Seek funding to grow Tempe's Mobile Home Retrofit Pilot Program beyond its initial phase, including other housing types.
- **Municipal Benchmarking**
 - Develop a pilot program to track and report energy use in municipal buildings as a best practice.



For additional information

Andy Escobar

Energy Equity Coordinator
Sustainability & Resilience Division
andy_escobar@tempe.gov

Brianne Fisher

Climate Action Manager
Sustainability & Resilience Division
brianne_fisher@tempe.gov





Sustainability and Resilience Division Budget Summary

<i>Fiscal Year</i>	Operating Budget	Capital Budget
2018-19	---	\$503,897
2019-20	\$159,529	\$606,605
2020-21	\$217,535	\$631,698
2021-22	\$559,450	\$966,568
2022-23	\$1,454,945	\$2,835,368
2023-24	\$1,323,249	\$4,443,422
2024-25	\$1,323,249	\$5,141,794
2025-26	\$1,323,249	\$2,375,000

Introduction to City Budgets (Budget 101)

September 28, 2021



Tempe

Making waves in the desert

Agenda



- Why Do We Budget
- Operating Budget
- Capital Budget
- Resource Allocation
- Annual Budget Development – Performance Led Budgeting
- Monitoring and Reviewing
- Summary and Evaluations

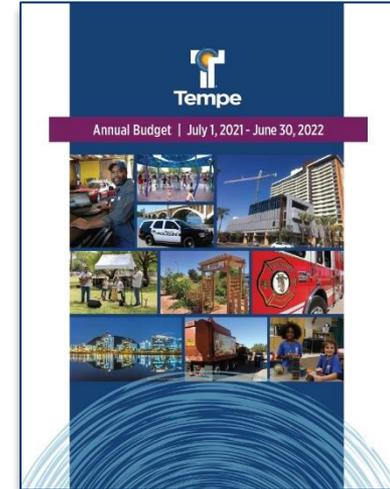
The Budgets

Operating & Capital

Operating Budget



- Controls day-to-day operations
- One-year financial plan
- Revenues and expenses identified



Major Funding Sources

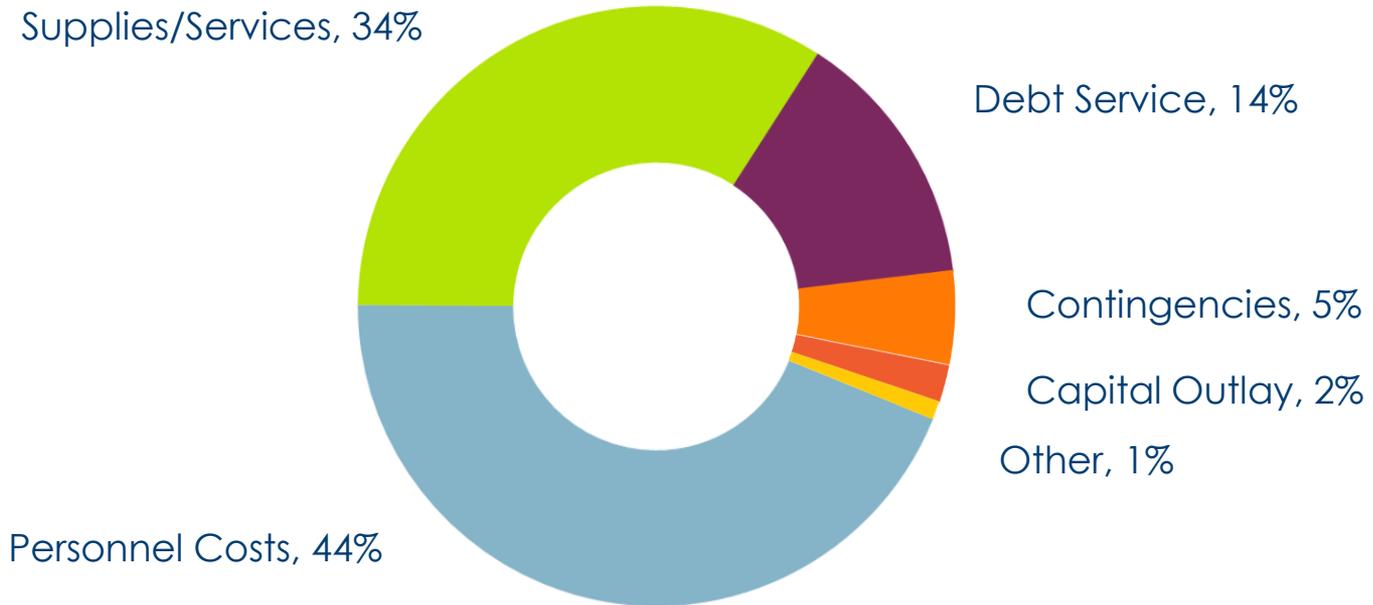


- Local Taxes
- Intergovernmental Revenues
- Fees and Charges for Services
- Fines and Charges
- Miscellaneous Revenue – Interest Income
- Grants and Restricted Revenue

Expenditures – Where Does it Go?



FY 2021-22 Operating Budget Expenditures



Capital Budget



- Separate budget from operating
- Referred to as the Capital Improvement Program (CIP) budget
- Construction, renovation, large capital outlay projects

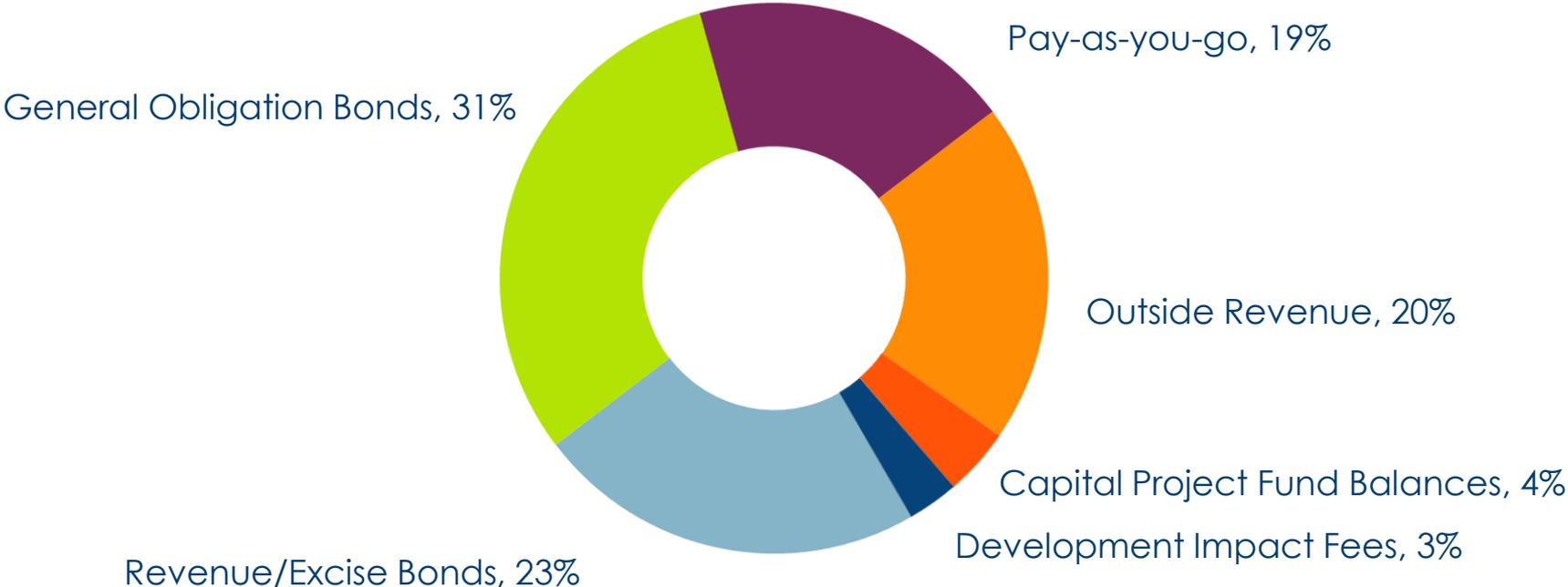


Police Armored Vehicle



Fire Station No. 7

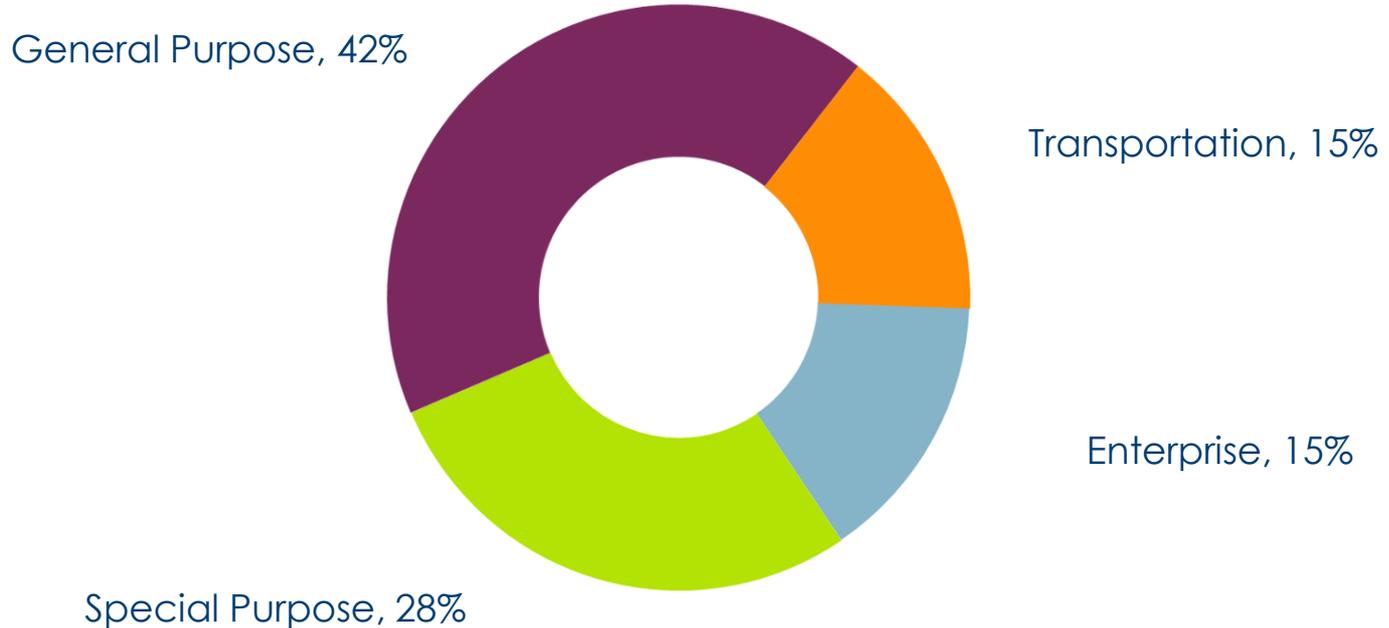
FY 2021-22 CIP Source of Funds



Expenditures – Where Does it Go?



FY 2021-22 CIP Budget Expenditures

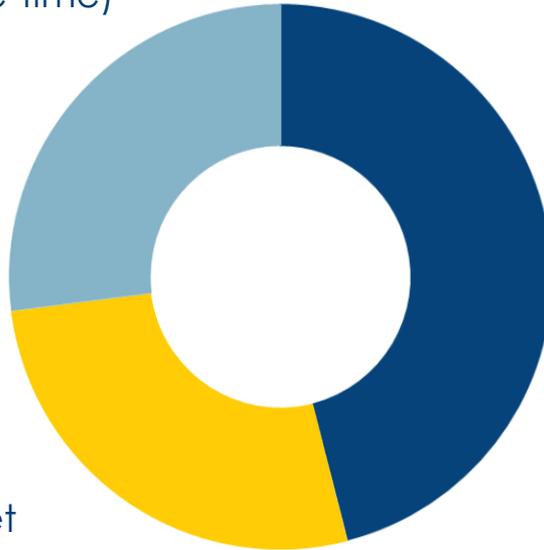




Total Financial Program

FY 2021-22 \$1,249,713,750

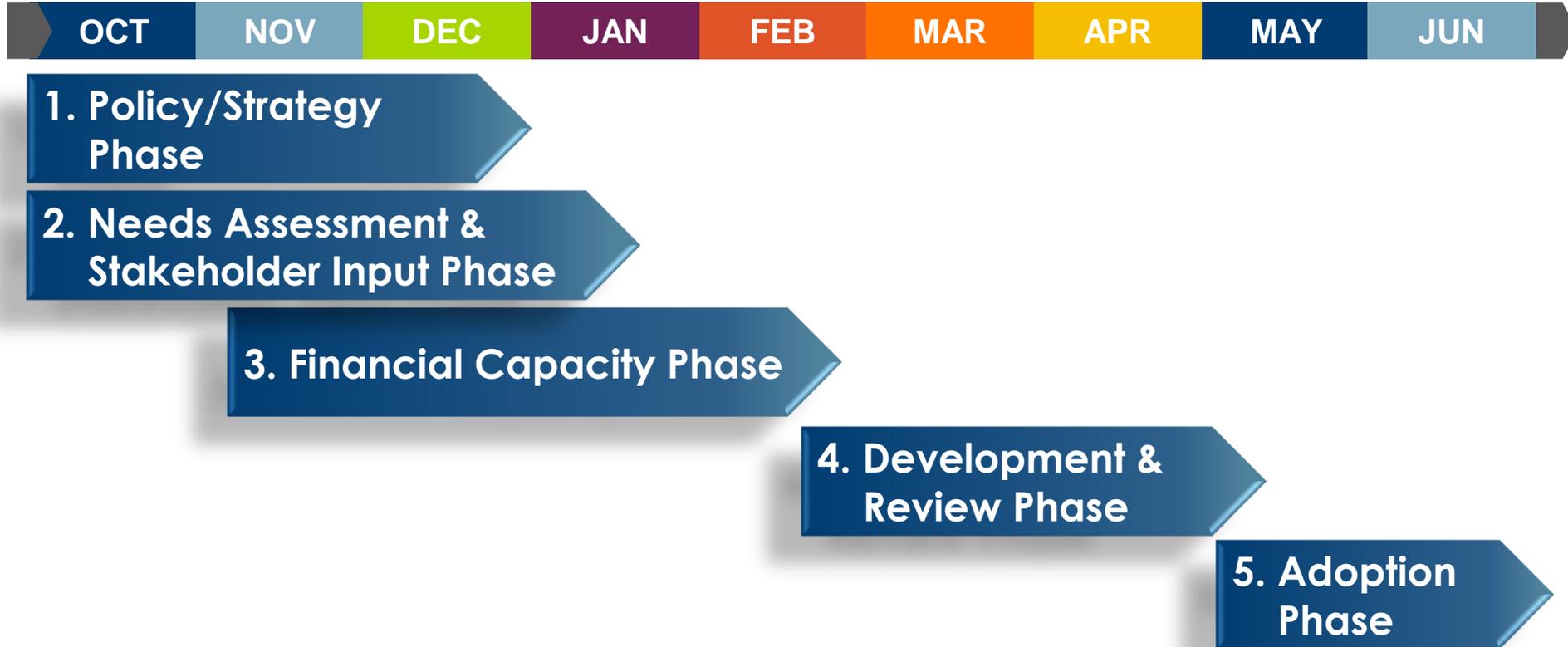
Operating Budget (one-time)
27%
\$343,000,000



Operating Budget
46%
\$570,782,546

CIP Budget
27%
\$335,931,204

Performance Budget Process Timeline





1. POLICY/STRATEGY phase

City Council Strategic Priorities



1. Safe & Secure
Communities



2. Strong Community
Connections



3. Quality of Life

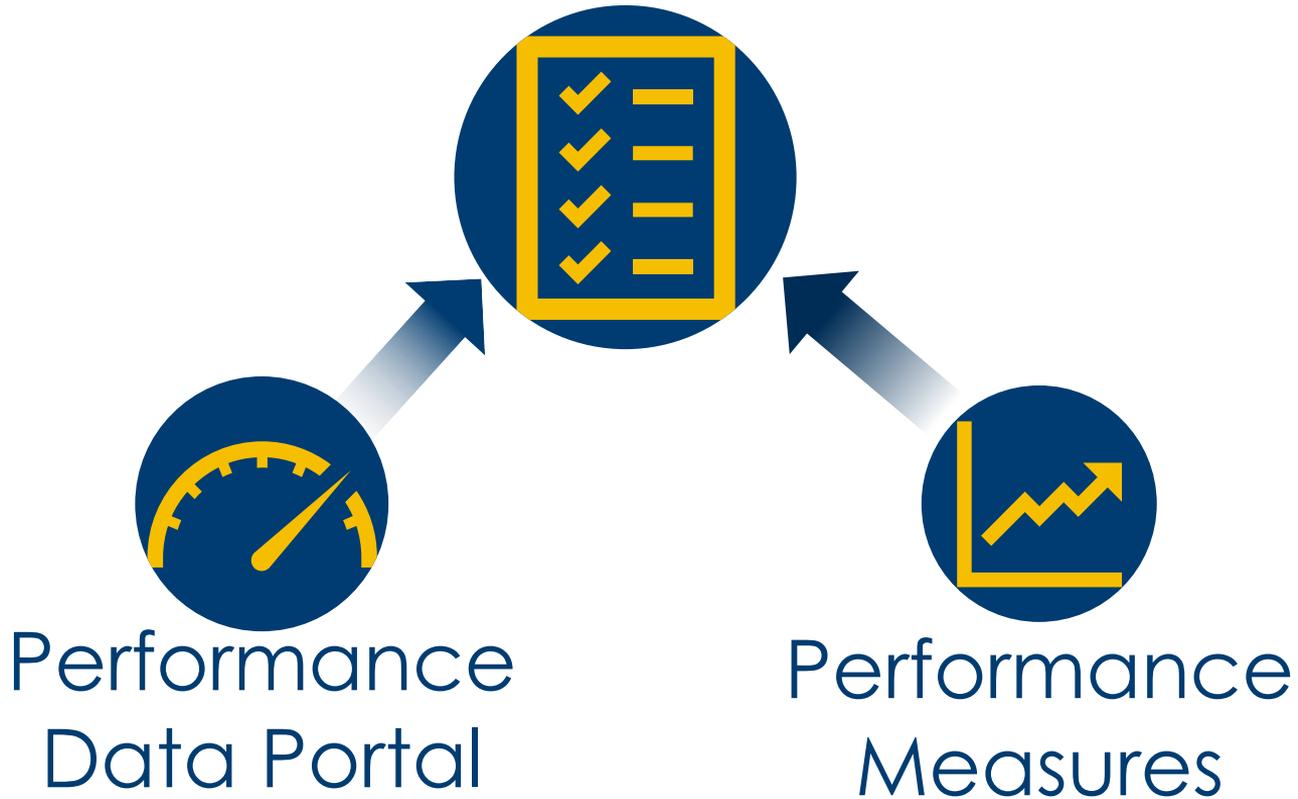


4. Sustainable Growth
& Development



5. Financial Stability
& Vitality

City Council Priorities





Tempe Open Tempe Performance Measures Data Catalog Data Academy About Public Accountant

Performance Measures

Measurable, Accountable, Transparent

Photo by Scott Cook

The Tempe City Council set five strategic priorities for the community. The Office of Strategic Management and Diversity is working with every department to find measurements to ensure that our city's actions reflect these priorities.

Follow this initiative to receive emails about Tempe Performance Measures.

Follow

Quick Connect

Go directly to the strategic priority dashboard sites.



Safe and Secure Communities



Strong Community Connections



Quality of Life



Sustainable Growth and Development



Financial Stability and Vitality

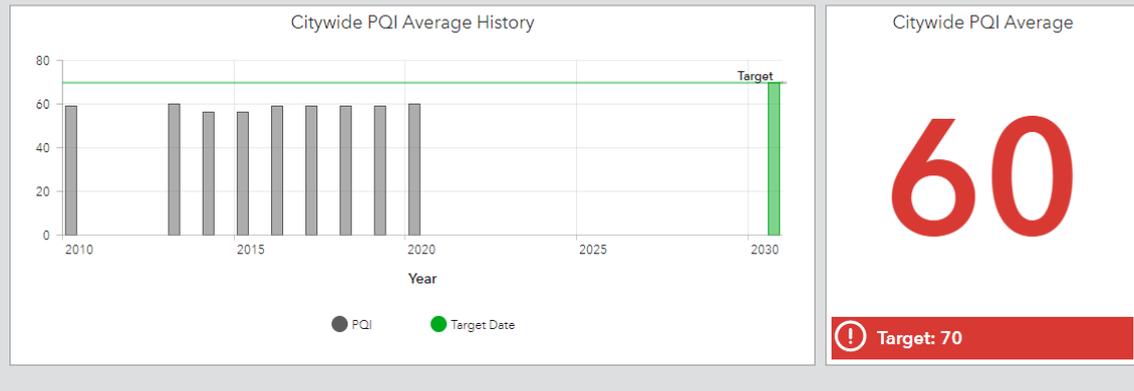


Pavement Quality Index (PQI)

Safe and Secure Communities

Follow this initiative to receive emails about Tempe Performance Measures.

Follow



Pavement Quality Index - Performance Measure 1.22

Tempe's roadways are an important means of transportation for residents, the workforce, students, and visitors. Tempe measures the quality and condition of its roadways using a Pavement Quality Index (PQI). This measure, rated from a low of 0 to a high of 100, is used by the City to plan for maintenance and repairs, and to allocate resources in the most efficient way possible.



2. NEEDS ASSESSMENT & STAKEHOLDER INPUT phase

Stakeholder Input



Surveys

- Employee
- Community (residents)
- Business

Stakeholder Input

(during budget process)



Resident Online Forum

- Developed by OpenGov
- Spend theoretical \$100 on broad community priorities



Virtual Forum

- Employees
- Residents



City Council

- Council Committees

Stakeholder Input



Strategic **T**ool for **A**ligning **R**esources in **T**empe (**S.T.A.R.T.**)

- Spend theoretical \$100 to advance Council priorities
- Funds can be distributed evenly or all on one measure
- Provides list of all measures along with baselines, targets, survey results & 311 call data

Development of Performance Measure Acceleration Models



Top Priority for Resources based on Council and resident input



If you accelerated, when do you estimate you would reach the target (DATE)



Additional Funds Request

- Supplemental (operating)
- CIP Funds



3. FINANCIAL CAPACITY phase

Operating Budget Factors



Public/Council
Priorities



Economic
Conditions



Employee
Compensation



Supplemental
Funding
Capacity

Capital Budget



Year 1

FY 2021/22

Capital Budget Adoption



Years 2-5

FY 2022/23 - FY 2025/26

Planning

Capital Budget Planning



Funding

- Cash and Grant funds availability
- Bond authorization
- Capacity to accelerate



Debt Limits



Revenue to Repay Bonds



Operational Capacity

General Obligation Bond Funding



Statutory debt limits are imposed by the State of Arizona based on property valuations.



Statutory limits on the amount of property tax collections and property valuations. Secondary property tax is revenue source to repay bonds.



Voter authorization to issue bonds that are funded by secondary property taxes.

Property tax stabilization policy



4. DEVELOPMENT & REVIEW phase

Operating Budget Roles and Responsibilities



Departments

Revenue

Base budget

Wages, Overtime, Holiday Pay

Complete supplemental form –
accelerate performance
measure



Budget Office

Budget sales tax &
intergovernmental revenue

Budget personnel costs

Budget internal service costs

Review information
submitted by departments

CIP Budget Roles and Responsibilities



Departments

Identify CIP Projects

- Asset Management Plans
- Performance Measures

Obtain project cost estimates & potential funding sources

Submit forms via SharePoint



Budget Office

Debt Management Plan – funding capacities

Property tax levy

Review project requests with Departments – discovery meetings

CIP Project Prioritization



Primary Prioritization Scoring

Public Health and Safety

Asset Preservation

Council Adopted Strategic Priorities

Secondary Prioritization Scoring

Level of public use of the asset

Legal/contractual obligation

Impact of deferring the project

Grant funding

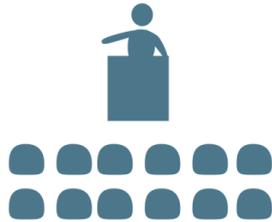
Operating budget impact

Prior project approval



5. ADOPTION phase

Operating Budget Factors



Tentative Adoption

- Additional Council Input
- Resident Input – Public Meeting



Final Adoption

Long-Range Financial Forecast Update

Work Study Session – November 19, 2024





Forecast Assumptions

- Reduction in sales tax revenues due to lower year-to-date taxable sales and collections
- The elimination of residential rental tax collections is effective January 1, 2025
- Reduction in state-shared revenue distributions due to decreases in state income & corporate tax collections
- Continued strong building and trade revenues
- Increased investment earnings due to higher interest rates
- Continued salary plans and market adjustments with annual increases to insurance costs + provision for the impact of the Comprehensive Classification and Compensation Study



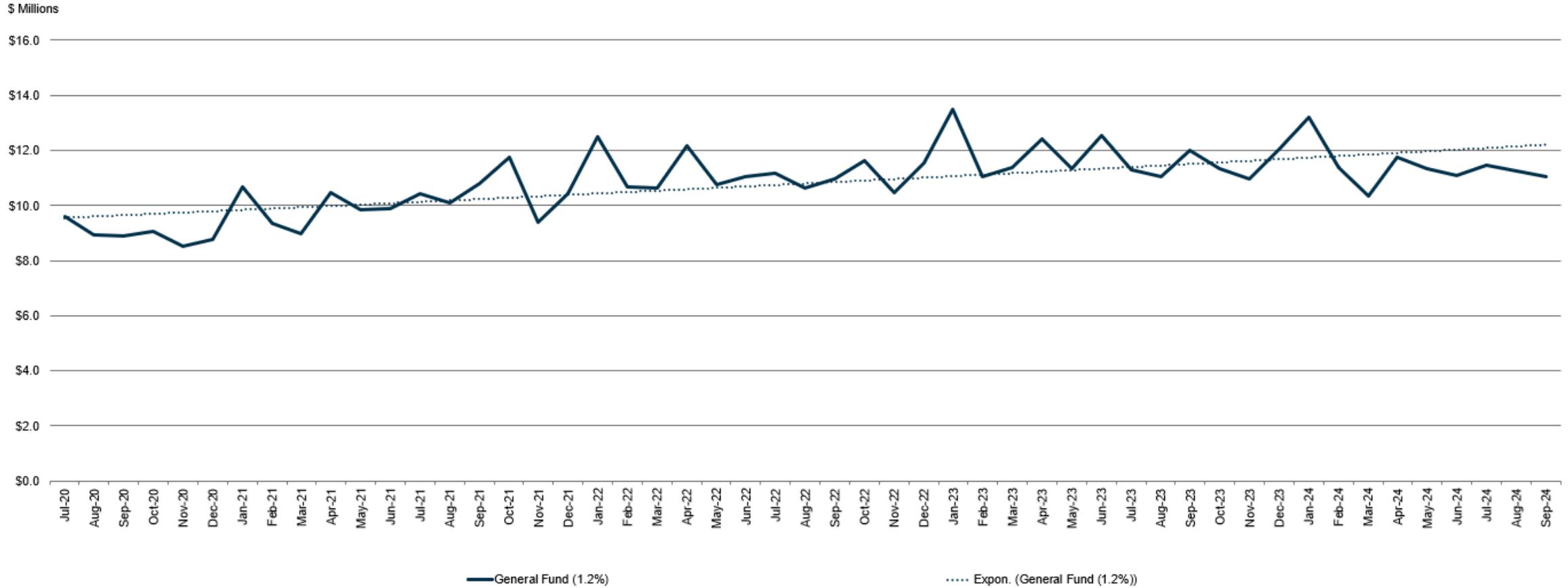
Update From February Forecast

- Local taxes adjusted lower to reflect current revenue trends
- Continue budget balancing efforts to address lower year-to-date sales tax revenues and loss of residential rental revenue
 - General Fund – No recurring and non-recurring supplementals for two more years
 - Transit Fund – The passage of Prop 479 is expected to increase Tempe's share of regional transit funding; however, long-term budget balancing measures are required to address the annual losses



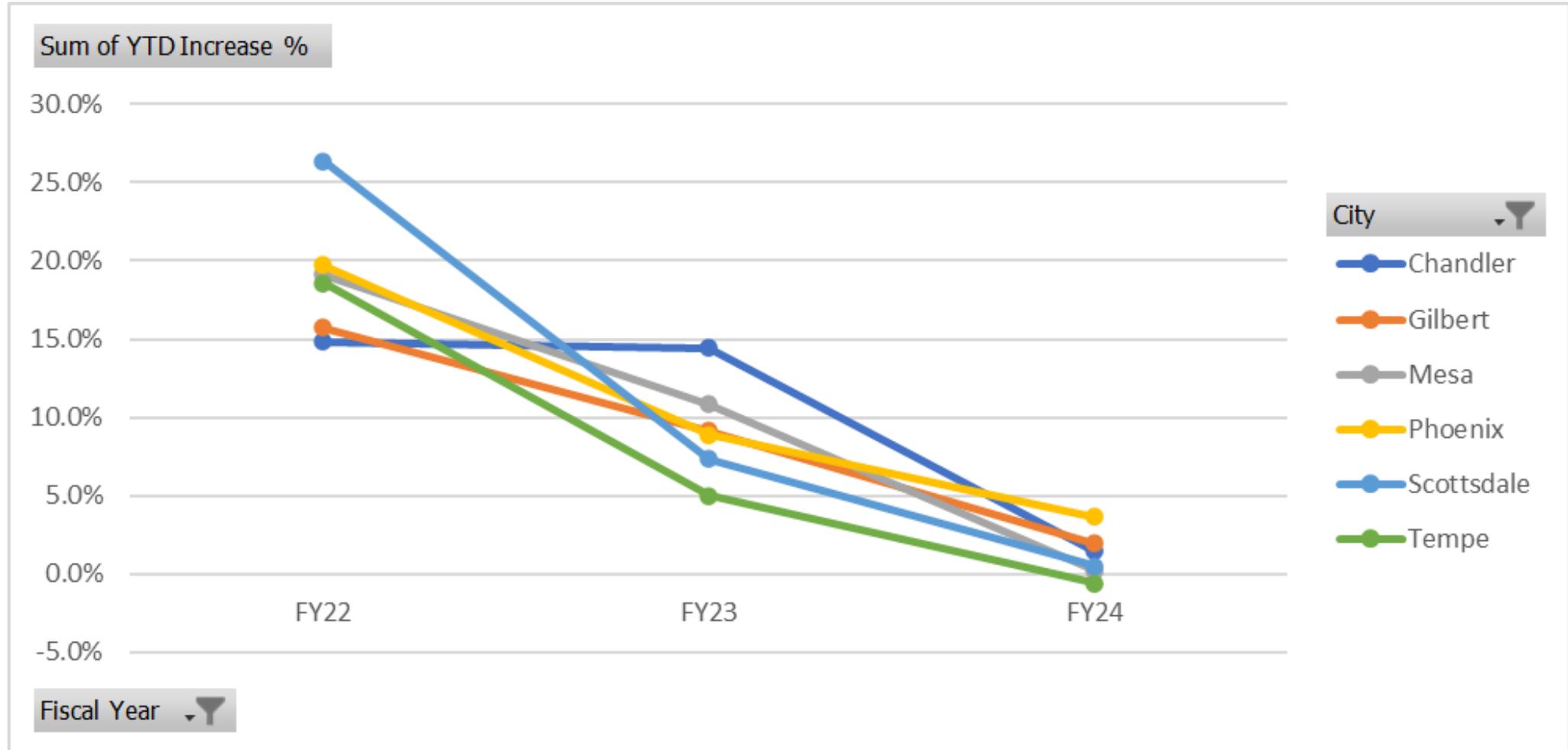
Sales Tax Trends

General Fund - Privilege Tax Trends





Sales Tax Trends





Residential Rental Tax Elimination

- Senate Bill 1131 was signed into law August 1, 2023
- Three operating funds with revenue loss (9% sales tax revenue loss)

Effective January 1, 2025	(half-year)			
	FY24-25	FY25-26	FY26-27	FY27-28
General Fund	\$ 6.6	\$ 13.8	\$ 14.4	\$ 15.0
Transit Fund	\$ 2.8	\$ 5.8	\$ 6.0	\$ 6.3
Arts & Culture Fund	\$ 0.6	\$ 1.2	\$ 1.3	\$ 1.4
Total	\$ 10.0	\$ 20.8	\$ 21.7	\$ 22.7

(\$ Millions)



General Fund Highlights

- The lower sales tax revenue trend and the loss of residential rental tax requires budget balancing measures to maintain fiscal stability
 - Capacity for recurring and non-recurring supplementals significantly reduced to address structural deficit
 - Closely monitor and if necessary, introduce additional budget balancing strategies to maintain financial stability in the February forecast
- Building permit/Plan check/Engineering fees remain strong throughout the forecast
- Provision for the Classification and Compensation study included beginning in FY 2025/26
- At this point, CIP pay-go (cash) funding remains consistent with the February 2024 forecast

2024 City of Tempe Community Survey

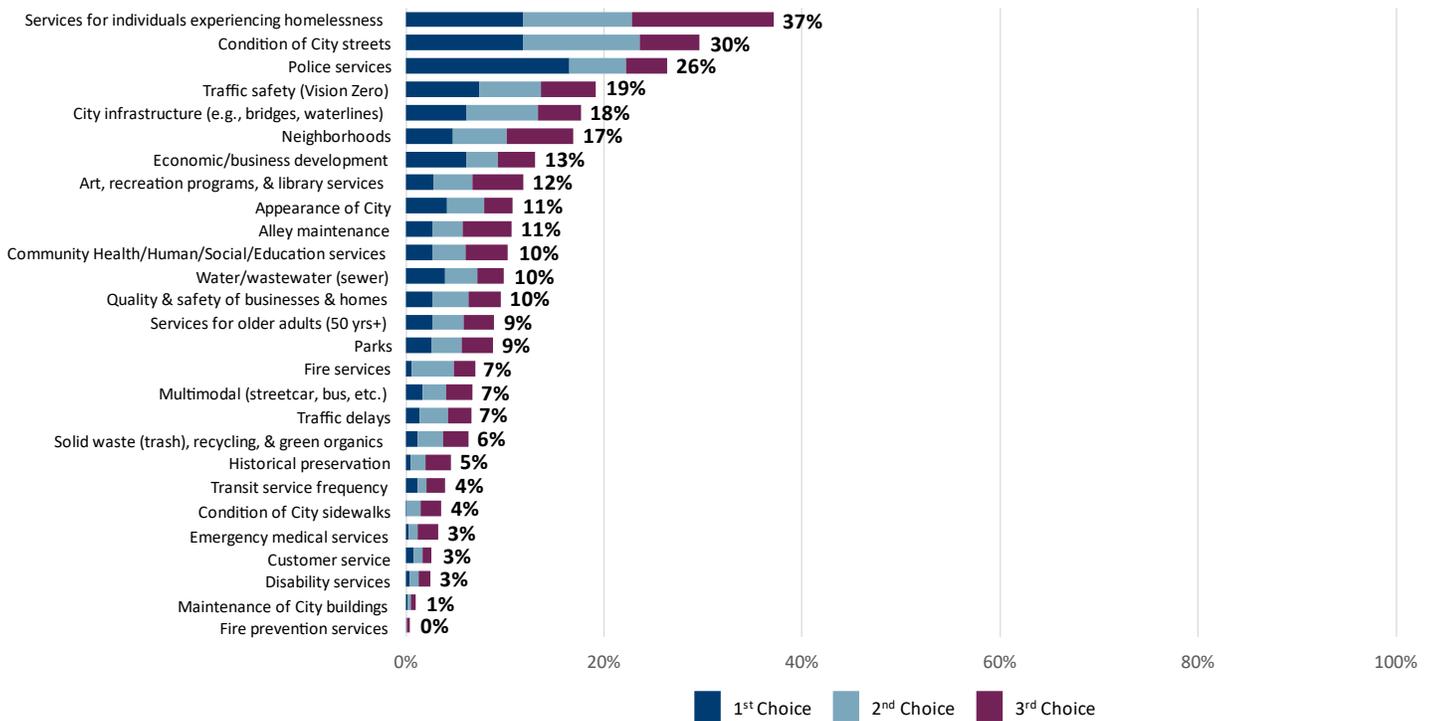
Executive Summary

Top Priorities for the City

- Residents think services for individuals experiencing homelessness (37%), condition of City streets (30%), and police services (26%) should be the City’s top priorities for 2025, these were also the same priorities selected by residents on last year’s survey. The chart below shows the percentage of respondents who selected various City service categories as one of their top three priorities for the coming year. Disability services, maintenance of City buildings, and fire prevention services were the least selected priorities.

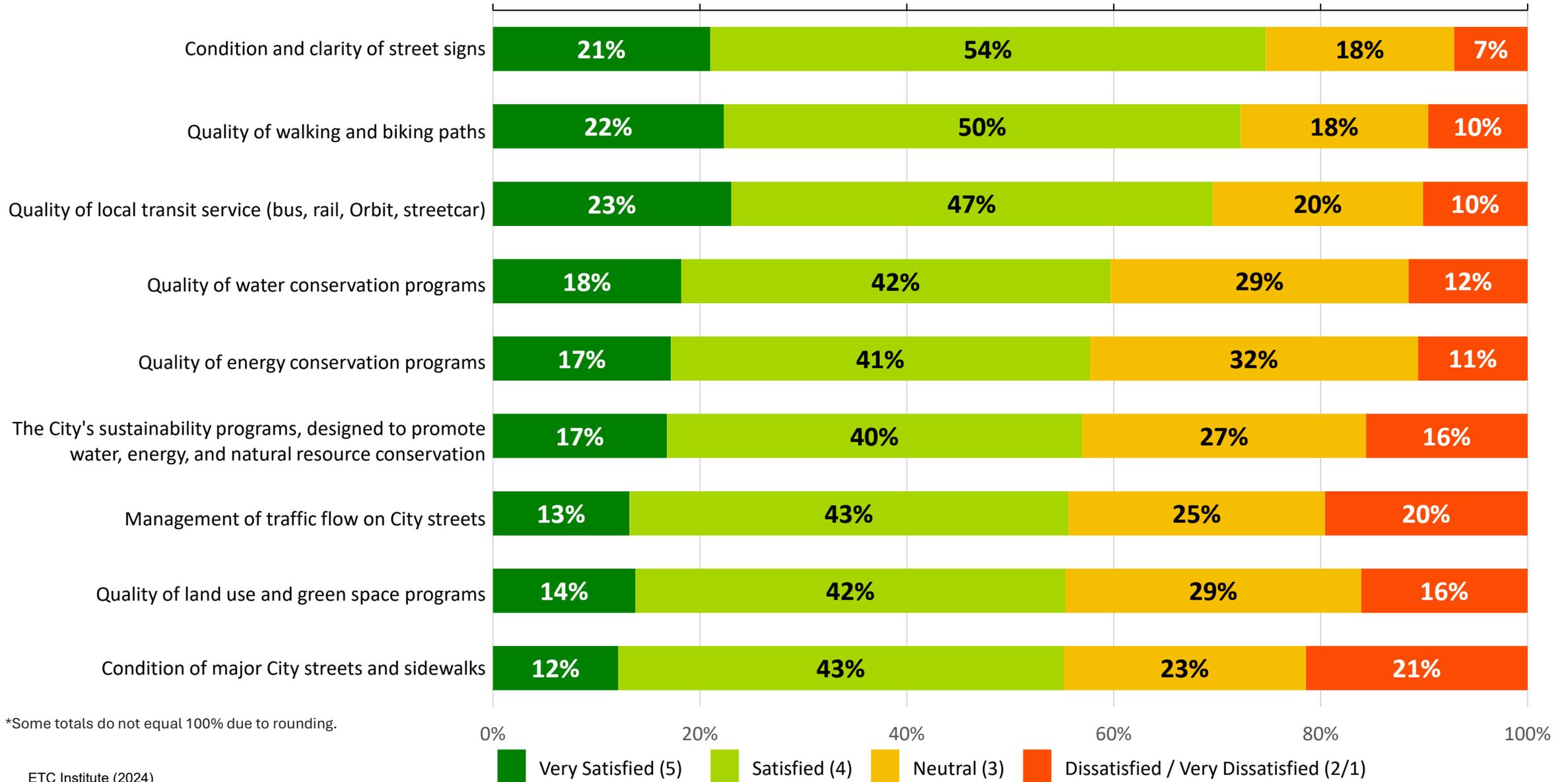
Q10. Which Three Of The Following Do You Think Should Be The City’s Top Priorities Over The Next Year?

by percentage of respondents who selected the item as one of their top three choices



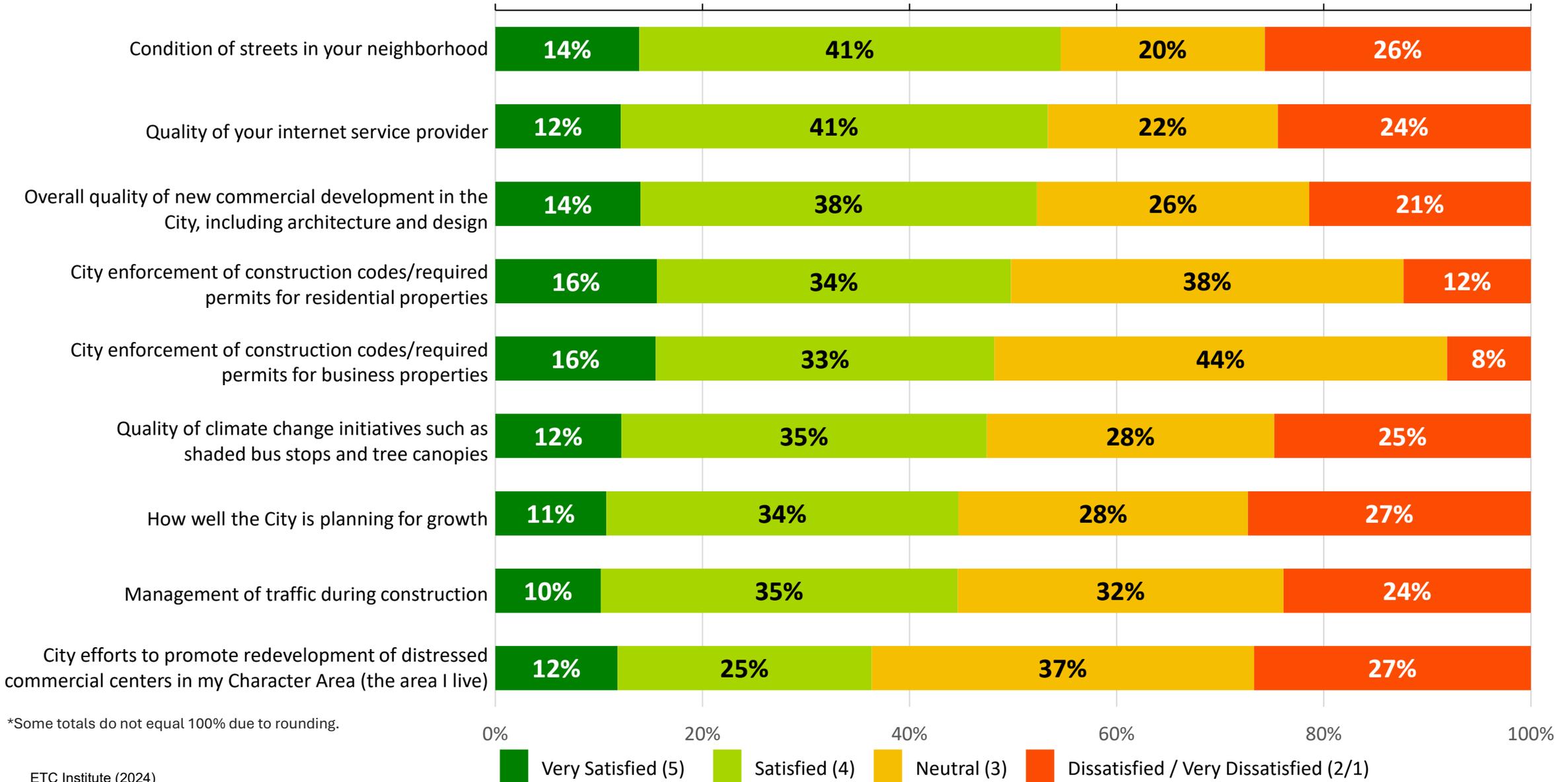
Q12. Satisfaction With Sustainable Growth and Development

by percentage of respondents (excluding "don't know")



Q12. Satisfaction With Sustainable Growth and Development: Cont.

by percentage of respondents (excluding "don't know")



Performance - Led Budgeting

TOP PRIORITIES



**ACCELERATED
PERFORMANCE MEASURES**



**Collaborate
with
Strategy
Partners**



**Shift
Resources**



**Additional
Funds**



FY 2024/25 Accelerated Performance Measures



- 1.22 Pavement Quality Index *
- 3.28 Ending Homelessness *
- 3.01 Property Code Enforcement
- 1.05 Feeling of Safety in Your Neighborhood *
- 5.07 Employee Turnover *

Source:
Strategy Tool for Aligning Resources for Tempe, November 2023

* FY23/24 Acceleration Models

**General Governmental Program
FY 2024/25 - FY 2028/29 CIP Project Listing**

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2024-25 Appropriation Request	2024-25 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2025-26	2026-27	2027-28	2028-29	
Community Services										
Community Services Asset Restoration	6708269	General Obligation Bonds	1,196,890	447,000	1,643,890	537,000	743,000	876,000	700,000	4,499,890
Facility Landscape Improvements	N/A	General Obligation Bonds	-	-	-	-	100,000	150,000	50,000	300,000
Library Check Out and Sorter System	6711249	General Obligation Bonds	100,000	-	100,000	-	-	-	-	100,000
Library Landscape & Irrigation Implementation	6709829	General Obligation Bonds	282,450	-	282,450	-	-	-	-	282,450
Community Services Total			1,579,340	447,000	2,026,340	537,000	843,000	1,026,000	750,000	5,182,340
Economic Development										
Redevelopment Property Acquisitions	6711259	TBD	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000
Economic Development Total			-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000
Engineering & Transportation										
Community and Workplace Charging Infrastructure	6710799	General Obligation Bonds	200,000	-	200,000	-	-	-	-	200,000
		General Fund Cash Reserve-CIP	100,000	600,000	700,000	600,000	-	-	-	1,300,000
		Project Total	300,000	600,000	900,000	600,000	-	-	-	1,500,000
Downtown Entrance Signs	N/A	General Obligation Bonds	-	1,280,321	1,280,321	725,059	-	-	-	2,005,380
Downtown Infrastructure - Asset Management	6704329	General Obligation Bonds	65,624	100,000	165,624	100,000	100,000	75,000	125,000	565,624
Downtown Safety Barrier Installation	6710379	General Obligation Bonds	806,000	-	806,000	-	-	-	-	806,000
Energy Conservation Program	6705179	General Obligation Bonds	659,000	175,000	834,000	175,000	175,000	175,000	175,000	1,534,000
		General Fund Cash Reserve-CIP	-	500,000	500,000	800,000	-	-	-	1,300,000
		Project Total	659,000	675,000	1,334,000	975,000	175,000	175,000	175,000	2,834,000
Energy Efficiency and Renewable Energy Federal Grant Contingency	6709867	Federal Grants	-	3,000,000	3,000,000	-	-	-	-	3,000,000
Implementation of Downtown Improvement Plans (Mill Ave Improvements)	6708311	General Obligation Bonds	6,029,354	-	6,029,354	5,800,000	5,800,000	-	-	17,629,354
		Capital Projects Fund Balance	3,800,000	-	3,800,000	-	-	-	-	3,800,000
		Project Total	9,829,354	-	9,829,354	5,800,000	5,800,000	-	-	21,429,354
Municipal Facilities Warehouse	N/A	General Obligation Bonds	-	-	-	-	-	-	3,000,000	3,000,000
		Capital Projects Fund Balance	-	-	-	600,000	-	-	-	600,000
		Project Total	-	-	-	600,000	-	-	3,000,000	3,600,000
Overhead to Underground Utility Relocation	6710819	General Obligation Bonds	252,000	-	252,000	252,000	177,000	252,000	318,926	1,251,926
Resilient Energy Hubs & Microgrids	6710829	General Obligation Bonds	900,000	200,000	1,100,000	200,000	200,000	200,000	200,000	1,900,000

**General Governmental Program
FY 2024/25 - FY 2028/29 CIP Project Listing**

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Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2024-25 Appropriation Request	2024-25 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2025-26	2026-27	2027-28	2028-29	
Shade and Green Stormwater Infrastructure (formerly Green Infrastructure)	6710809	General Obligation Bonds	775,000	375,000	1,150,000	400,000	400,000	2,000,000	2,500,000	6,450,000
Solar Power Partnerships & Solar in City Facilities	6708369	General Obligation Bonds	457,794	200,000	657,794	200,000	200,000	200,000	200,000	1,457,794
Tempe Municipal Operation Center - Phase I	6710611	American Rescue Plan Act	8,349,658	-	8,349,658	-	-	-	-	8,349,658
		General Obligation Bonds	1,000,000	-	1,000,000	-	-	-	-	1,000,000
		Project Total	9,349,658	-	9,349,658	-	-	-	-	9,349,658
Tempe Municipal Operation Center - Phase II	6711269	General Obligation Bonds	5,900,000	-	5,900,000	-	-	-	-	5,900,000
		HOLD - Pending General Obligation Bond Election	-	8,556,224	8,556,224	-	-	-	-	8,556,224
		Solid Waste Excise Bonds	20,000,000	-	20,000,000	-	-	-	-	20,000,000
		General Fund Cash Reserve-CIP	18,557,466	8,400,000	26,957,466	-	-	-	-	26,957,466
		Project Total	44,457,466	16,956,224	61,413,690	-	-	-	-	61,413,690
Engineering & Transportation Total			67,851,896	23,386,545	91,238,441	9,852,059	7,052,000	2,902,000	6,518,926	117,563,426
Financial Services										
ADA Improvements - City Facilities	6709869	General Obligation Bonds	535,978	500,000	1,035,978	500,000	500,000	500,000	500,000	3,035,978
BEAM	N/A	General Fund Cash Reserve-CIP	-	2,260,000	2,260,000	-	-	-	-	2,260,000
Chilled Water Loop Repairs - Downtown City Buildings	6710109	General Obligation Bonds	2,000,000	900,000	2,900,000	900,000	900,000	900,000	900,000	6,500,000
		HOLD - Pending General Obligation Bond Election	1,591,859	-	1,591,859	-	-	-	-	1,591,859
		Project Total	3,591,859	900,000	4,491,859	900,000	900,000	900,000	900,000	8,091,859
City Facilities Small Scale Remodels	6708289	General Obligation Bonds	268,560	750,000	1,018,560	750,000	750,000	750,000	750,000	4,018,560
City Hall Municipal Complex Improvements	6709519	General Obligation Bonds	-	-	-	260,000	4,145,000	5,239,500	-	9,644,500
City Hall Municipal Complex Repairs	6710119	General Obligation Bonds	1,888	1,500,000	1,501,888	1,500,000	1,500,000	-	1,000,000	5,501,888
City Owned Historic Building Deficiencies Correction	N/A	HOLD - Pending General Obligation Bond Election	-	250,000	250,000	250,000	-	-	-	500,000
Cooling Tower Replacement and Repairs	6711279	General Obligation Bonds	175,000	-	175,000	-	-	-	3,000,000	3,175,000
		HOLD - Pending General Obligation Bond Election	-	300,000	300,000	300,000	-	-	-	600,000
Eisendrath Adobe Restoration	N/A	General Obligation Bonds	79,263	325,000	404,263	325,000	325,000	325,000	325,000	1,704,263

**General Governmental Program
FY 2024/25 - FY 2028/29 CIP Project Listing**

New project requests are underlined

Project Name	Project Number	Proposed Funding Source(s)	Capital Budget Re-appropriations	New 2024-25 Appropriation Request	2024-25 Total Requested Appropriation	Additional Projected Needs				Total 5-Year Program
						2025-26	2026-27	2027-28	2028-29	
Team Technology Refresh	6707229	General Obligation Bonds	800,000	-	800,000	-	-	-	-	800,000
		HOLD - Pending General Obligation Bond Election	-	1,430,475	1,430,475	864,775	1,560,925	1,810,450	1,765,250	7,431,875
	3204021Z	Water / Wastewater Fund	-	482,500	482,500	-	55,675	-	482,500	1,020,675
	6010499	Transit Fund	-	-	-	300,000	20,400	-	-	320,400
		Project Total		800,000	1,912,975	2,712,975	1,164,775	1,637,000	1,810,450	2,247,750
UPS Replacement	6710859	General Obligation Bonds	469,998	108,000	577,998	162,000	140,000	128,000	156,000	1,163,998
		Water / Wastewater Fund	-	100,000	100,000	-	-	44,000	130,000	274,000
	3204023	Project Total	469,998	208,000	677,998	162,000	140,000	172,000	286,000	1,437,998
Vault Replacement	6710869	General Obligation Bonds	200,000	643,400	843,400	643,400	646,200	-	-	2,133,000
Information Technology Total			4,576,405	8,972,375	13,548,780	6,944,175	4,398,200	5,026,850	6,816,475	36,734,480
Municipal Utilities										
Electric Vehicle Charging Infrastructure/Stations	6709899	General Obligation Bonds	1,646,253	-	1,646,253	-	-	-	-	1,646,253
		HOLD - Pending General Obligation Bond Election	-	1,348,733	1,348,733	1,302,611	1,170,000	1,284,000	1,080,519	6,185,863
		Project Total	1,646,253	1,348,733	2,994,986	1,302,611	1,170,000	1,284,000	1,080,519	7,832,116
Fuel Dispenser Replacement Project	6710879	General Obligation Bonds	352,000	-	352,000	-	-	-	-	352,000
Municipal Utilities Total			1,998,253	1,348,733	3,346,986	1,302,611	1,170,000	1,284,000	1,080,519	8,184,116
Strategic Management and Innovation										
Wastewater Analytics Program Infrastructure	N/A	General Obligation Bonds	757,504	-	757,504	-	-	-	-	757,504
		HOLD - Pending General Obligation Bond Election	-	958,800	958,800	295,000	-	-	-	1,253,800
		Grants/Other	-	146,122	146,122	-	-	-	-	146,122
		Project Total	757,504	1,104,922	1,862,426	295,000	-	-	-	2,157,426
Strategic Management & Innovation Total			757,504	1,104,922	1,862,426	295,000	-	-	-	2,157,426
General Governmental Total			109,117,476	108,528,575	217,646,051	46,132,845	42,215,200	38,176,350	42,911,920	387,082,366



Sustainability and Resilience Division Budget Summary

<i>Fiscal Year</i>	Operating Budget	Capital Budget
2018-19	---	\$503,897
2019-20	\$159,529	\$606,605
2020-21	\$217,535	\$631,698
2021-22	\$559,450	\$966,568
2022-23	\$1,454,945	\$2,835,368
2023-24	\$1,323,249	\$4,443,422
2024-25	\$1,323,249	\$5,141,794
2025-26	\$1,323,249	\$2,375,000

PROPOSED CIP BUDGET

	Sum of 2025-26	Sum of 2026-27	Sum of 2027-28	Sum of 2028-29	Sum of 2029-30
General Fund Cash Reserve-CIP	\$1,400,000	\$0	\$0	\$0	\$0
Community and Workplace Charging Infrastructure	\$600,000	\$0	\$0	\$0	\$0
Energy Conservation Program	\$800,000	\$0	\$0	\$0	\$0
Shade and Green Stormwater Infrastructure (formerly Green Infrastructure)	\$400,000	\$0	\$0	\$0	\$0
Solar Power Partnerships & Solar in City Facilities	\$200,000	\$0	\$0	\$0	\$0
 General Obligation Bonds					
Gen Gov	\$1,075,000	\$1,075,000	\$2,650,000	\$3,200,000	\$1,963,942
Community and Workplace Charging Infrastructure	\$0	\$0	\$0	\$0	
Energy Conservation Program	\$375,000	\$375,000	\$375,000	\$375,000	
Resilient Energy Hubs & Microgrids	\$200,000	\$200,000	\$200,000	\$200,000	
Shade and Green Stormwater Infrastructure (formerly Green Infrastructure)	\$400,000	\$400,000	\$2,000,000	\$2,500,000	
Solar Power Partnerships & Solar in City Facilities	\$200,000	\$200,000	\$200,000	\$200,000	
(blank)					\$1,963,942

Month	SRC Agenda	City of Tempe Calendar
January	Budget Overview Energy Equity Roadmap 2024 Utility Rate Study ** Neighborhood Awards due Feb 12 **OML and Forms	<u>Council:</u> <ul style="list-style-type: none"> January 16 - Mill Avenue Streetscape Project Update January 30 - Solid Waste Program and Landfill Diversion January 31 - Council Retreat <u>Public Meetings:</u> <ul style="list-style-type: none"> January 14 virtual and EnVision Center: Energy Equity Roadmap
February 10th	Urban Cooling Performance Measure Rain to Roots Master Plan Update	<u>Council:</u> <ul style="list-style-type: none"> Feb., 24 - Energy Equity Roadmap Feb./ 24 - 5 Year CIP Requests and Long Range Financial Forecast <u>Public Meetings:</u> <ul style="list-style-type: none"> TBD: Urban Cooling Developer Forum
March 17th	Neighborhood Awards Vision Zero Update Bicycle Infrastructure Update Transit Update	<u>Council:</u> <ul style="list-style-type: none"> March 20 - Initial Recommended Five Year CIP and Acceleration Strategies Transit Fund Revenue Analysis <u>Public Meetings:</u>
April 21st	JOINT: Meeting with Transportation Commission (tentative) (March 17) <ol style="list-style-type: none"> Transportation Plan & Transportation Equity 	<u>Council:</u> <ul style="list-style-type: none"> April 24 Urban Cooling Policy Recommendations April 24 Fiscal Year Budget Review Session April 24 -Preserve Management Plan <u>Public Meetings/Events:</u> <ul style="list-style-type: none"> April 5 Neighborhood Award Celebration EARTH MONTH CALENDAR
May 19th	<ul style="list-style-type: none"> Local Food Production Program (LFPP) Grant Growing Together Grant Update 	<u>Council:</u> <ul style="list-style-type: none"> May 8 - Public Arts Plan Update May 8 – Budget Review Session May 19 - Joint DRC Meeting <u>Public Meetings:</u>
June 16th	Mobile Home Retrofit Program Update	<u>Council:</u>

	IgCC Status Report w/ Quest	<u>Public Meetings:</u>
July		<u>Council:</u> <u>Public Meetings:</u>
August 18th		<u>Council:</u> <u>Public Meetings:</u>
September 15th		<u>Council:</u> <u>Public Meetings:</u>
October 20th		<u>Council:</u> <ul style="list-style-type: none"> National Clean Energy Month Proclamation Federal and Legislative Principles <u>Public Meetings:</u> <ul style="list-style-type: none"> GAIN
November 17th	<ul style="list-style-type: none"> Annual Report 	<u>Council:</u> <ul style="list-style-type: none"> Community Survey and START Tool <u>Public Meetings:</u> <ul style="list-style-type: none"> ELECTION 2026 REMINDER
December 15th		<u>Council:</u> <ul style="list-style-type: none"> Strategy Tool for Aligning Resources for Tempe (START) <u>Public Meetings:</u>
HOW TO USE:	<p>KEY:</p> <p>WSS - Work Study Session (starts at 4pm)</p> <p>RCM - Regular Council Meeting (starts at 6pm)</p> <p>Green Highlight - GREEN INFASTRUCUTRE TEAM</p> <p>Orange Highlight - ENERGY TEAM</p> <p>Resources:</p> <p>Tempe Channel - Watch Tempe Council meetings live (cannot participate)</p> <p>City Council Comment Card</p> <p>How to join and speak virtually at a Council Meeting</p> <p>Council Chambers Address - 31 E 5th St, Tempe, AZ 85281</p>	