



PUBLIC MEETING AGENDA

Transportation Commission

MEETING DATE

Tuesday, November 8, 2016
7:30 a.m.

MEETING LOCATION

Tempe Transportation Center
Don Cassano Room
200 E. 5th Street, 2nd floor
Tempe, Arizona

AGENDA ITEM	PRESENTER	ACTION or INFORMATION
1. Public Appearances The Transportation Commission welcomes public comment for items listed on this agenda. There is a three-minute time limit per citizen.	Don Cassano, Commission Chair	Information
2. Approval of Meeting Minutes The Commission will be asked to review and approve meeting minutes from the October 11, 2016 meeting.	Don Cassano, Commission Chair	ACTION
3. Recognition of Outgoing Commission Members	Shelly Seyler, Public Works	Information
4. City Preliminary Long-Range Financial Forecast and Transit Fund Update Staff will provide an update on the city's long-range financial forecast along with an update on the transit fund.	Ken Jones, Deputy City Manager - Chief Financial Officer	Information and Possible Action
5. Streetcar Staff will present an update on the Tempe Streetcar Project.	Eric Iwersen, Public Works	Information and Possible Action
6. Fifth Street Streetscape Project Staff will present an update on the status of the Fifth Street Streetscape project and present design concepts.	Eric Iwersen, Public Works	Information and Possible Action
7. Department & Regional Transportation Updates Staff will provide updates and current issues being discussed at regional transit agencies.	Public Works Staff	Information
8. Future Agenda Items Commission may request future agenda items.	Don Cassano, Commission Chair	Information

According to the Arizona Open Meeting Law, the Transportation 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 350-4311 (voice) or for Relay Users: 711 to request an accommodation to participate in a public meeting.



Minutes City of Tempe Transportation Commission October 11, 2016

Minutes of the Tempe Transportation Commission held on Tuesday, October 11, 2016, 7:30 a.m., at the Tempe Transportation Center, Don Cassano Community Room, 200 E. Fifth Street, Tempe, Arizona.

(MEMBERS) Present:

Ryan Guzy	Lloyd Thomas
Don Cassano (Chair)	Susan Conklu
Philip Luna	Charles Huellmantel
Brian Fellows	Shereen Lerner
Peter Schelstraete (via phone)	
Pam Goronkin	

(MEMBERS) Absent:

Kevin Olson	Charles Redman
Jeremy Browning	Bonnie Gerepka
Cyndi Streid	

City Staff Present:

Shelly Seyler, Deputy Public Works Director	Joe Clements, Transportation Financial Analyst
Sue Taaffe, Public Works Supervisor	Laura Kajfez, Neighborhoods Services Specialist
Tony Belleau, Transportation Planner	Robert Yabes, Principal Planner
Julian Dresang, City Traffic Engineer	Marge Zylla, Government Relations Officer
Chase Walman, Transportation Planner	

Guests Present:

Pete Peterson, resident	John Altman, resident
Art Jacobs, resident	Steven Hardy-Braz, visitor
Clifford Anderson, TBAG	William Terrance, TBAG
Roger Ramirez, resident	

Commission Chair Don Cassano called the meeting to order at 7:33 a.m.

Agenda Item 1 – Public Appearances

Clifford Anderson spoke about Agenda Item 6 - McClintock Drive Traffic Lane Configuration. He stated that traffic count, crash data and science should be included in the discussion as it relates to traffic congestion. He also stated that the methodology needs to be statistically significant, and he posed the question did the bike lanes cause the traffic congestion or was it already there. He does not want the bike lanes removed.

William Terrance spoke about Agenda Item 6 - McClintock Drive Traffic Lane Configuration. He asked the Commission to think about how infrastructure is built in Tempe and that decisions should be based on facts not public opinion. There will be more bike facilities in the future and these connections need to remain.

Steven Hardy-Braz spoke about Agenda Item 6 - McClintock Drive Traffic Lane Configuration. He stated that he is travelling across the country on his bike and stopped in Tempe for the Tour de Fat. He has stayed because of Tempe's good bicycle infrastructure and spent money in the city because Tempe is bike friendly.

Agenda Item 2 – Minutes

Chair Cassano introduced the minutes of the September 13, 2016 meeting and asked for a motion. A motion was made to approve the minutes.

Motion: Commissioner Charles Huellmantel

Second: Commissioner Lloyd Thomas

Decision: Approved

Agenda Item 3 - Transportation Commission Annual Report

Sue Taaffe presented the draft 2016 annual report. The Commission reviewed the annual report including the goals for 2017. Don Cassano asked for a motion to approve the 2016 Transportation Commission Annual Report.

Motion: Commissioner Pam Goronkin

Second: Commissioner Susan Conklu

Decision: Approved

Agenda Item 4 - "Prop 500" Regional Effort Discussion

Robert Yabes provided the Commission with the history of Propositions 300 and 400. He reviewed the list of funded and unfunded projects currently included in Prop 400 including:

- Increased bus frequency:
 - Route 30 – University: Planned for 2020
 - Route 40 – Main: Funded/Complete
 - Route 48 – 48th/Rio Salado: Unfunded
 - Route 56 – Priest/56th: Unfunded
 - Route 61 – Southern: Funded/Complete
 - Route 72 – Rural/Scottsdale: Funded/Complete
 - Route 81 – Hayden/McClintock: Funded/Complete
 - Route 108 – Elliot: Unfunded
 - Express 520: Funded/Complete
 - Express 521: Funded/Complete
 - Express 522: Funded/Complete
 - Dial-a-Ride and Mobility: Funded/Complete
- Improved ADA Service: Funded/Complete
- Replacement Buses for Orbit: Funded/Complete
- Streetcar: Funded/In Design
- Bus Stop Improvements: Funded/Complete
- ASU Transit Center Rehab: Unfunded
- South Tempe Transit Center: Unfunded
- EVBOM Construction/Upgrades: Funded/Complete
- Scottsdale/Rural Link: Unfunded

He also reviewed the list of possible freeway-related projects that are currently being considered for Prop 400 as funding fluctuates, which include:

- Bicycle/pedestrian bridge at Loop 101 and Balboa Drive: \$3.5 million
- Bicycle/pedestrian crossing at Western Canal/Baseline Road and I-10 (I-10 Near-Term Improvements, East Valley): \$7 million
- Art enhancements for Alameda Drive and I-10 pedestrian bridge (I-10 Near-Term Improvements, East Valley): \$500,000
- Bicycle/pedestrian underpass at Highline Canal and ADOT Retention Basin/Pit Park at Knox Road (I-10 Near-Term Improvements, East Valley): \$3.7 million
- Traffic interchange improvements at US-60 and Mill Avenue: \$20 million
- Traffic interchange improvements at I-10 and Baseline Road: \$50 million
- Fiber optic on SR-143 from I-10 to Loop 202: \$5 million

Robert presented a list of possible projects for “Prop 500” including:

- Fund all capital and maintenance costs of all required American with Disabilities Act (ADA) improvements at arterial streets, bus stops, rail stations and along all bus and rail transit routes.
- Fund all existing regional, express, local and planned transit routes to meet or exceed adopted regional transit operation standards. At a minimum, all regional transit routes and ADA services.
- Fund all other required city and regional ADA upgrades as identified in city compliance plans to meet federal requirements.
- Fund design, construction and maintenance of shared use paths and streetscape projects.
- Fund design, implementation and operation streetcar extensions.
- Fund design, implementation and operation of all existing and proposed high capacity transit routes such as light rail, commuter rail, streetcar, bus rapid transit and upcoming new high capacity technologies.
- Fund maintenance and reconstruction cost of major arterials or roads with regional significance, not just state roads and freeways. At a minimum, maintenance and reconstruction costs should be shared with jurisdictions prorated based on the regional significance of the street.
- Fund repair, maintenance, and replacement of bridges at arterial streets.
- Fund construction and maintenance of a complete regional bikeway system that provides grade separated and signalized crossings, where appropriate.
- Fund the design and construction of:
 - grade separation of light rail at University Drive,
 - systemic safety improvements, and
 - safety improvements at high crash intersections.
- Fund design and implementation of integrated corridor management strategies.

Marge Zylla then explained the next steps in the process. The Commission requested that the following be added to the proposed project plan:

- Explore north/south connections from south Tempe to downtown
- Increased bus frequency including Orbit Saturn
- Include new transit elements in “Prop 500” and not just expanding on existing
- Include bike/ped crossings at railroads

Don Cassano asked for a motion. A motion was made to support staff’s list of proposed projects including the ideas mentioned by the Commissioners.

Motion: Commissioner Pam Goronkin

Second: Commissioner Lloyd Thomas

Decision: Approved

Agenda Item 5 - Facility Naming Request

Shelly Seyler introduced the facility naming request agenda item and explained to the Commission the process, which includes a presentation at an Issue Review Session and depending on Council's action, a resolution at a Regular Council Meeting. Art Jacobs spoke about Joe Pospicil and asked the Commission to consider naming a transportation facility after him.

The following ideas were discussed by the Commission:

- Add a bench with a plaque to one of the multi-use paths
- Plant a tree and add a plaque to one of the multi-use paths
- Name the bridge over the Western Canal at Lakeshore after Joe
- Add a plaque to an existing seating area along one of the multi-use paths
- Name the rental code policy after Joe

Don Cassano asked for a motion. A motion was made to refer the naming request back to the Mayor for another Board or Commission to select a facility that closer fits with Joe's accomplishments and interests like Neighborhoods, Schools or Policies.

Motion: Commissioner Lloyd Thomas

Second: Commissioner Phillip Luna

Decision: Approved

Agenda Item 6 - McClintock Drive Traffic Lane Configuration

Julian Dresang presented the Commission with traffic data and resident feedback gathered over the last 12 months for the section of McClintock Drive between Broadway and Guadalupe roads. He reviewed the history of the project and the before and after lane configuration with the Commission. He also presented the methodology and results of vehicular traffic counts, bicycle traffic counts, travel times and safety/crashes. In general:

- traffic counts are lower than in 2004,
- bicycle counts fluctuated over the summer months, but remained steady when comparing January and September 2016,
- travel times are consistent between January 2016 and September 2016, and
- crashes are similar at major intersections between August 2014 to June 15 and August 2015 to June 16, but are lower at minor intersections and in mid-blocks.

Between April 2015 and March 17, 2016, the City received 532 comments of which 482 were unduplicated. Of the unduplicated comments, 234 people were against the bicycle lanes and 244 were in favor. Between March 17, 2016 and September 21, 2016, the City received 54 comments of which 38 were unduplicated. Of the unduplicated comments, 30 people were against the bicycle lanes and 8 were in favor. Comments were received via email to either staff, Council or through the web site and phone calls to either 311, Council or staff.

Options that will be presented to the City Council for consideration on Nov 3 include:

- Continue to collect data and track safety.
- Restripe southbound McClintock from Apache to Broadway: \$10,000 and take 2 business days.
- Restripe McClintock from Apache to Guadalupe: \$130,000 and take 10 business days.

The Commission asked the following questions, and staff responded as follows:

- Has a comparison of traffic volumes between Rural Road and McClintock Drive been conducted? Comparisons were made at the March 2016 Council presentation, but due to limited staff resources, not all data for Rural Road is available for comparison.
- Does staff know the types and severity of the crashes? At this time no, but staff can research that question.
- Were the bollards involved in any of the accidents? Staff will have to research that question.
- Has staff received feedback specifically about the bollards? To date, not really.
- Are bollards being hit and if so, is it because of where they were placed? Originally, staff identified 300 areas for bollards and reduced the number to 100. Additional bollards were removed near US 60 after the initial 100 were installed. Staff believes that most of the bollards are struck due to distracted drivers.
- Were the bollards the only part of the project that was a pilot? Yes. It was a test to see if the bollards provided protection to the bicyclists and deterred vehicles from driving in the bicycle lane.

Don Cassano asked for a motion. A motion was made to keep the bicycle lanes on McClintock Drive.

Motion: Commissioner Lloyd Thomas

Second: Commissioner Ryan Guzy

Decision: Approved

Agenda Item 7 - Small Area Transportation Plan Update

Shelly Seyler presented the Commission with the methodology and status of the Small Area Transportation Study which will create an interactive model to help the City Council understand impacts of potential developments. ASU and Tempe in a joint effort commissioned a "Small Area Transportation Study" with *CivTech* to examine the existing and future conditions of downtown and the facilities district. Over the last six months, city, ASU and CivTech staff have met regularly to discuss the elements of the modelling and provide input on the data collected to date. Tasks included:

- Identifying the study area, which has been defined as the SR202 Red Mountain Freeway on the north to Apache Boulevard on the south, from Priest Drive to Price Road.
- Collecting existing traffic data.
- Analyzing the needs of the network areas.
- Modelling all modes of transportation allowing the city and ASU to pin-point areas that need attention and identifying short term and longer term strategies to ensure the system is operating as efficiently as possible.
- Identifying areas in need of pedestrian treatments, additional mode transfer beyond that already predicted to occur by 2040, and roadway limitations with regional solutions considered.
- Evaluating traffic and pedestrian trips using the current entitlements, parking locations, future masterplans (where provided) and future transit improvements planned by 2040.

A final document will include recommended improvements and a projected level of vehicular, pedestrian and transit trips in the study area with the improvements in place. The report will also include the feasibility of the alternatives given known constraints such as topography, right-of-way, and engineering criteria.

Commissioner Goronkin commented that this study is essential and will alleviate the transportation infrastructure patchwork approach that has been conducted in the past.

Agenda Item 8 - Department and Regional Transportation Updates

There were no updates.

Agenda Item 9- Future Agenda Items

The following future agenda items have been previously identified by the Commission or staff:

- Fifth Street Streetscape Project (October)
- Small Area Transportation Study (October)
- Transportation Commission Annual Report (October)
- "Prop 500" regional effort Discussion (October)
- McClintock Drive Bike Lanes (November)
- Rio Salado @ McClintock Drive MUP Underpass (November)
- Streetcar (November)
- Transportation Commission Annual Report (November)
- Long-Range Forecast Presentation (November)
- Market Research Survey (January)
- Commission business (January)
- Bike Hero (January)
- Leading vs. Lagging Left Turn Signals (January)
- Long-Range Forecast Presentation (February)
- FY 2017-18 Media Plan (February)
- North/South Railroad Spur MUP (May)
- Bicycle/Pedestrian Signal Activate Operations Update (TBD)

Commissioner Conklu requested that the maintenance of multi-use paths and the budget for upkeep for these paths be added to the list of future agenda items.

The Commission's next meeting is scheduled for Nov. 8, 2016. The December 2016 meeting has been cancelled.

The meeting was adjourned at 9:05 a.m.

Prepared by: Sue Taaffe
Reviewed by: Shelly Seyler

**CITY OF TEMPE
TRANSPORTATION COMMISSION**



STAFF REPORT

AGENDA ITEM 4

DATE

October 28, 2016

SUBJECT

City Preliminary Long-Range Financial Forecast and Transit Fund Update

PURPOSE

Staff with the City Manager's Office will discuss the City Preliminary Long-Range Financial Forecast and Transit Fund Update.

BACKGROUND

The Municipal Budget Office prepares an initial Long-Range Financial Forecast in October each year to set the tone for the beginning of the budget process. An updated February forecast provides a long-term view of how current budget proposals will impact the City's future finances. Ensuring that current budget decisions can be sustained with projected future resources is consistent with the City Council's stated priority of long-term financial sustainability.

FISCAL IMPACT

None

CONTACT

Ken Jones, Deputy City Manager - CFO
480-350-8504
ken_jones@tempe.gov

ATTACHMENTS

Nov. 3, 2016 IRS Memo
PowerPoint

Memorandum



City Manager's Office

Date: October 26, 2016
To: Mayor and Councilmembers
From: Ken Jones, Deputy City Manager, CFO
Cecilia Robles, Municipal Budget Office Director
Through: Andrew Ching, City Manager
Subject: Long-Range Financial Forecast Update

Introduction

Every year, in the spring and fall, the Municipal Budget Office compiles updated economic information and reviews the financial conditions of all major operating funds of the City to produce a long-range financial forecast. The fall forecast sets the tone for the upcoming budget development process by providing a long-term perspective on how current budget proposals will impact future City finances.

During your November 3rd Work Study Session, we will review the latest forecast and highlight significant changes since the February 2016 forecast. The financial forecast does not represent a budget recommendation; rather, it is intended to provide context for the development of the City Manager's recommended budget. We use the forecast to demonstrate the projected costs of status quo operations and the potential financial impacts of clearly-defined variables. This is an opportunity for Councilmembers to explore the financial impacts of potential policy changes and examine improved service strategies.

General Economic Conditions and Projections

The City's overall financial condition is strong and stable and current financial policies have provided opportunities for continued investment in programs and services that make Tempe great. The City has experienced steady revenue growth over the past few years and our five-year forecast for revenues remains positive, anticipating moderate growth in taxable sales at both the local and state level. Incredibly strong recent development activity is expected to taper-off, but the impact on revenue should not overshadow continued growth in other segments of the local economy. Growth of taxable sales in Tempe's hotel industry remains strong. Increases in other local taxes should provide for a stable local tax revenue stream for the remainder of the current fiscal year and into fiscal year 2017-18, with moderate growth projected in the subsequent years of the forecast. An economic downturn is inevitable at some point in our cyclical economy. We do not assume an economic downturn in this forecast but we do project healthy fund balances to overcome moderate recessionary trends.

Improved Forecasting Methodology

The Municipal Budget Office employs sophisticated modeling techniques in the development of long-range revenue projections for the City's wide-ranging revenue sources. Revenue projections have been very accurate in the largest and most critical revenue categories over the years. In this forecast, the Budget Office has incorporated a new approach into the forecasting models to improve the accuracy of the projections. Regression analysis has been used in Tempe's revenue

forecasting models for quite some time – plotting past revenue to develop patterns predictive of future revenue. The regression analysis is now being strengthened by analyzing the bias in the underlying economic data used in the models by comparing past revenue predictions with actual outcomes and adjusting our projections based on an acceptable risk of deviation. The result is a more risk-aware, bias-adjusted forecast. Revenue projections are slightly higher throughout the forecast with the introduction of the improved forecasting technique and, I believe, more indicative of future revenue.

Projections of Retirement System Employer Contributions

Contributions to the Public Safety Personnel Retirement System (PSPRS) continue to represent a large expense in the General Fund (\$19 million) that has the potential to change from year to year. PSPRS employer contribution rates for Tempe are 45.68% for Police and 48.95% for Fire employees (net of the Fire Insurance Premium Tax credit) in the current year. PSPRS has provided estimates for future rates, which continue to increase, but only slightly. Recent legislative changes to the PSPRS system are supposed to have a positive impact on employer rates sometime in the future, but there is a case (Hall v EORP) under consideration by the Arizona Supreme Court that could have large negative impacts on future contributions.

The City's required contribution to the Arizona State Retirement System will decrease from the current rate of 11.48% of employee pay to 11.47% in 2017-18.

Potential Budget Challenges

- 1) The State Department of Revenue has taken over sales tax audits and is planning to take complete control of sales tax licensing, collecting and administration in January 2017. The forecast does not anticipate any negative impact on revenues, but we have concerns about the State maintaining our current levels of audit assessments and revenue collections.
- 2) Proposals are being developed by individual legislators to further "simplify" construction sales taxes. The early versions we have seen would negatively impact Tempe's revenue from construction activity. We are working with the League of Arizona Cities and Towns to thwart negative legislation.
- 3) No economic downturns are incorporated into the five-year forecast.

Recent Policy Direction Provided by the City Council

- 1) *Contributions to the Municipal Arts Fund* – By ordinance, a transfer equivalent to 1% of annual budgeted capital expenditures must be made to the Municipal Arts Fund. Specific direction was given by the City Council to suspend the transfer from the General and Transit Funds during the most recent economic downturn. After the introduction of the Arts Master Plan at the beginning of the current fiscal year, direction was given to restore the annual 1% contribution. The contribution is included in every year of the forecast and is estimated to be approximately \$217,000 from the General Fund in 2017-18.
- 2) *Use of restricted cash/revenue* – The City Council placed restrictions on the GPLET lease revenue from the Zaremba, Liberty and Grigio/Picerne developments, as well as the land sale proceeds from the Liberty development. In the past two years, \$6 million of the restricted cash was transferred to capital projects for park improvements at the City Council's direction. There is a current restricted balance of

approximately \$1.7 million. In the current fiscal year, \$700 of the restricted cash was pledged to ensure completion of the McClintock pool upgrades in the event that parks and recreation bonds were not approved in November. If the bonds are approved the pledge of cash will not be used. Projected revenue going forward is as follows:

- Zaremba GPLET lease and parking revenue
 - Continuing revenue stream of \$600k-\$900k per year through 2042
- Grigio/Picerne GPLET lease revenue
 - Continuing revenue stream of \$100k per year through 2020; \$128k per year 2021-2031; \$178k-\$315k per year 2032-2043
- Liberty GPLET lease and land sale proceeds
 - Subsequent revenue is dependent upon future development and land sales

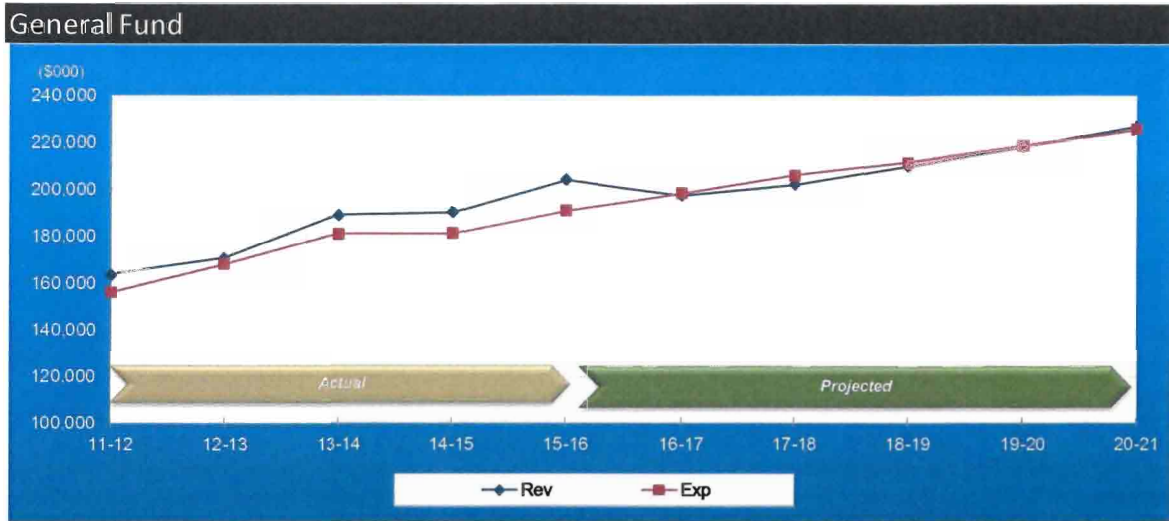
- 3) *Supplemental budgets tied directly to strategic planning* – The budget planning process includes opportunities for departments to request supplemental funding. In the past, this process has involved a prioritization of the supplemental requests, which has been somewhat subjective and has not been guided by any formal performance measurement process. With the City Manager’s initiative to formalize the City’s strategic planning process, we have an opportunity to allocate resources based on measurable performance standards, tied directly to City Council priorities. Supplemental budget proposals by the City Manager for 2017-18 year will be based on more clearly-identified strategically-defined needs.
- 4) *Employee compensation strategy* – The forecast assumes that compensation provisions contained in employee group Memorandums of Understanding (MOU’s) will be honored and that renewed MOU provisions for 2017-18 and beyond would provide for 3% step increases for employees moving through pay ranges in groups that do not have formal pay plans. It also assumes that pay ranges will be adjusted based on market study results.

This forecast incorporates a compensation strategy based on several principles and current policies that were discussed during the last forecast presentation to the City Council:

- Compensate employees fairly, based on pay ranges that are adjusted for changing conditions in a defined market;
- Continue the practice of moving employees through pay ranges as they gain experience in their positions;
- “Fair compensation” is negotiated with each employee group;
- The compensation of one employee or group of employees should not impact the determination of fair compensation for other employees.

Forecast Models for Individual Operating Funds

The following pages contain comments on significant changes to the forecasts of the City’s operating funds. Throughout this document dollar amounts are expressed in thousands of dollars, so add three zeros to the numbers in fund models.



	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Local Taxes	100,706	103,904	111,874	107,921	111,020	114,940	117,614	122,185	127,176	132,068
Intergovernmental	31,723	34,921	38,155	40,572	41,473	44,849	46,440	48,309	50,387	52,583
Bldg & Trades/Plan & Zoning	5,489	5,183	10,495	10,266	9,947	5,876	6,008	6,155	6,306	6,466
Cultural and Recreation	6,053	6,386	6,462	6,831	6,970	6,140	6,364	6,610	6,864	7,136
Fines, Fees and Forfeitures	7,732	8,132	8,190	8,436	8,580	7,740	8,023	8,332	8,653	8,995
Business Licenses	1,651	1,714	1,703	1,616	1,597	1,458	1,491	1,527	1,565	1,605
Interest Income	549	457	356	578	934	800	1,075	1,391	1,668	1,951
Franchise Fees	3,459	3,253	3,311	3,441	4,519	4,095	4,188	4,290	4,395	4,507
Other Revenue Sources	6,181	6,495	8,360	10,325	18,693	11,449	10,877	11,011	11,128	11,259
Total Revenues	163,542	170,445	188,905	189,988	203,732	197,347	202,080	209,810	218,142	226,570
Expenditures (\$000)										
Personnel Costs	124,440	134,594	143,609	144,246	152,638	156,941	160,254	163,667	167,281	171,396
Materials and Supplies	9,567	10,413	8,896	9,046	8,140	9,383	9,387	9,718	10,101	10,533
Fees and Services	24,211	22,471	28,421	26,352	28,509	29,238	29,436	30,225	31,037	31,894
Travel and Training	371	307	337	423	546	598	537	550	563	578
Non-Deprtn W/Loan Repayment	2,118	2,126	2,192	1,867	1,391	2,324	2,876	2,734	2,794	2,905
Capital Outlay	1,472	1,572	1,500	2,385	2,727	3,552	3,082	2,291	2,484	2,199
Cash CIP Funding	0	0	0	2,821	3,239	3,229	4,042	4,196	4,363	4,531
Community Facilities District (incl. x-fers to Special Assessments)	(493)	(138)	134	(92)	(170)	(269)	(297)	(325)	(355)	(385)
Transportation Mince of Effort	701	1,204	626	1,150	1,150	1,300	1,300	1,300	1,300	1,300
Tourism and Convention Bureau	2,060	2,102	2,130	2,160	2,182	2,300	2,440	2,580	2,680	2,730
Internal Services/Adjustments	(8,541)	(8,701)	(7,895)	(10,023)	(10,477)	(11,514)	(11,843)	(12,142)	(12,447)	(12,761)
Municipal Arts Fund Contribution						191	217	206	229	120
Recurring Operating Supplementals						0	2,000	4,000	6,000	8,000
Non-recurring Operating Supplementals						0	1,500	1,500	1,500	1,500
Total Expenditures	155,906	168,013	180,956	181,351	190,893	198,288	205,927	211,516	218,546	225,556
Net Operating Surplus/(Deficit)	7,637	2,432	7,949	8,637	12,839	(941)	(3,848)	(1,706)	(404)	1,014
Interfund Transfers			5,326	496	0	0	0	0	0	0
Change to Assignment of Fund Balance			(2,056)	(1,531)	(3,325)	(1,279)	(1,308)	(1,340)	(1,372)	(1,407)
Capital Improvements Reserve			0	0	0	0	0	0	0	0
Unassigned Fund Balance	50,955	52,659	63,878	71,479	80,893	78,774	73,818	70,572	68,796	68,403
Unassigned Fund Balance % of Revent	31%	31%	34%	38%	40%	40%	36%	34%	32%	30%

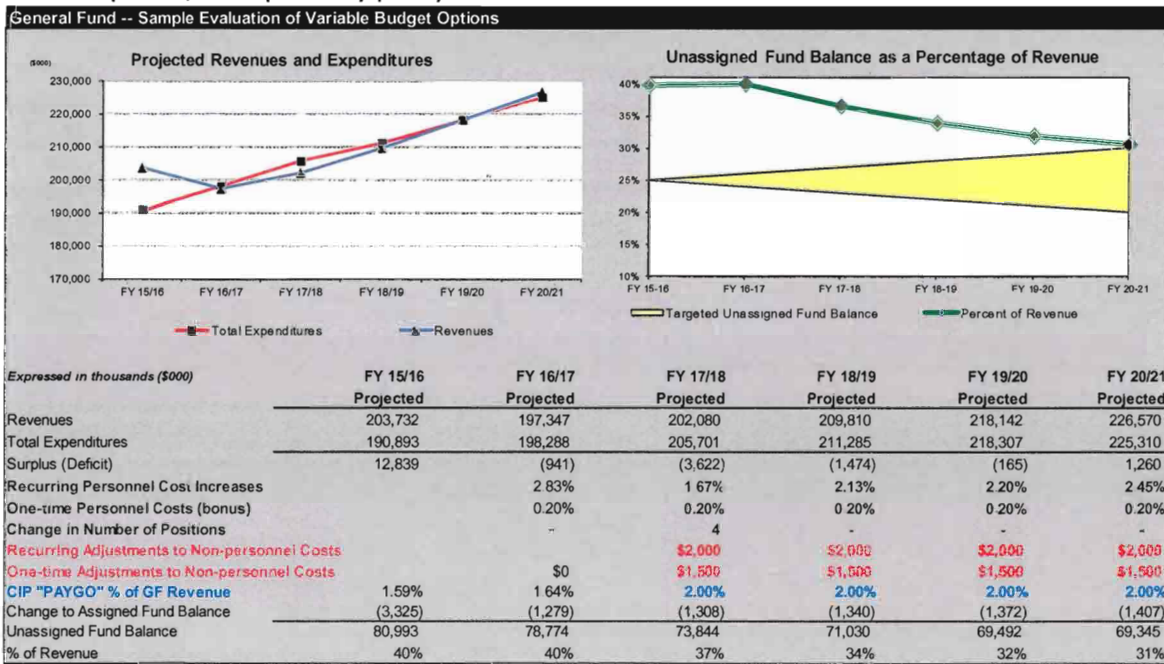
The figure above provides detail for budgeted accounts within the General Fund, with "sample" budget decisions incorporated from the interactive model appearing on the following page:

- 1) Projected growth in annual compensation represents the projected cost of contributions to retirement systems, salary step increases included in current MOU's, 3% step increases for employee groups subsequent to the expiration of current MOU's, projected market adjustments to the salary ranges and increases to health/dental/life insurance plans as

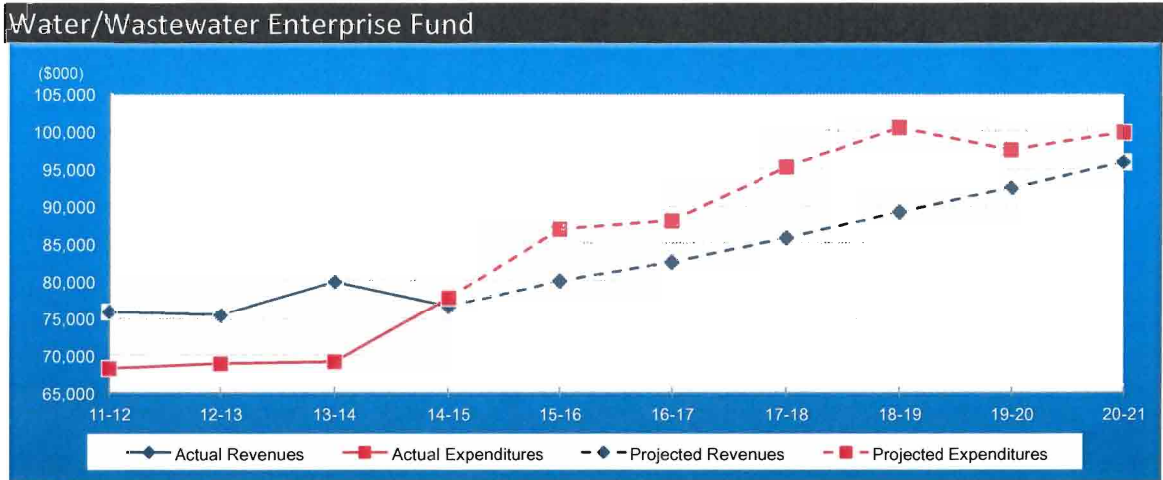
provided in the detailed assumptions on the last page of this report. Personnel costs also reflect the varying amounts necessary to fund Group 3 employees' retiree health reimbursement accounts as the employees reach 10 years of service. For example, there are very few employees who reach the 10-year milestone in 2017-18, which leads to a smaller annual increase in personnel costs. Personnel costs in 2017-18 also reflect the elimination of approximately \$800,000 of one-time funding budgeted in the current year.

- 2) Recurring and non-recurring non-personnel costs have been included in each year of the General Fund model to address potential supplemental funding to maintain and enhance service levels.

The forecast includes a measured spend-down of fund balance without jeopardizing the stability of the fund in the future. This General Fund model is consistent with the City's strategy to use fund balance to soften the impact of the expiration of the temporary .2% sales tax in June 2014. The projected growth variables displayed in the model are not recommendations by management at this point, but examples to demonstrate how projected resources could be allocated in future years and still comply with the fund balance policy. The graph on the right side of the figure shows how the unassigned fund balance stays above the policy minimum of 20% throughout the forecast period, as required by policy.



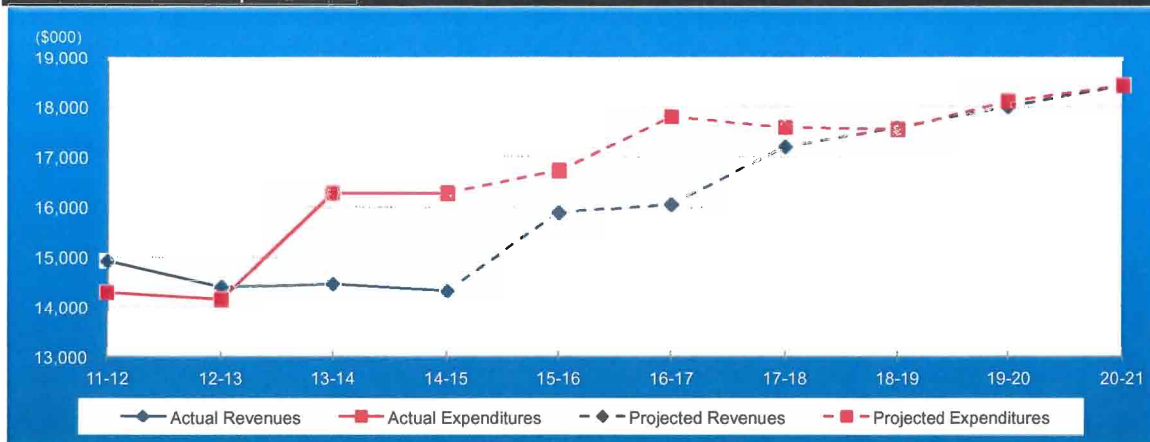
This forecast for the General Fund shows improved revenue forecasts and fund balance projections from the last forecast. Several non-recurring revenues helped bolster the fund balance. For example, the City received \$3 million related to a re-negotiated lease of the Buttes Hotel site and another \$740,000 as a result of a change in ownership at the same hotel.



	11/12 Actual	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Projected	17/18 Projected	18/19 Projected	19/20 Projected	20/21 Projected
Revenues (\$000)										
Charges for Service-Water	40,185	42,014	45,200	44,584	46,720	49,147	51,461	53,883	56,421	59,080
Charges for Service-Wastewater	32,275	31,643	32,374	30,996	31,863	32,100	32,898	33,716	34,555	35,414
Interest Income	267	228	257	382	566	492	619	646	547	500
Land and Facility Rental	520	520	-	-	-	-	-	-	-	-
Loan Repayment	-	-	-	-	-	182	182	182	182	182
Other Miscellaneous Revenue	2,541	1,082	1,940	479	775	673	639	669	677	740
Total Revenues	75,787	75,487	79,772	76,441	79,924	82,595	85,799	89,097	92,383	95,916
Expenditures (\$000)										
Personnel Costs	14,588	15,559	15,384	13,558	13,944	15,094	15,393	15,617	15,975	16,290
Materials and Supplies	4,660	4,962	3,757	3,859	4,838	4,694	4,526	4,751	4,864	5,573
Fees and Services	12,103	11,009	11,737	18,513	17,781	14,766	17,572	18,236	18,927	19,653
Travel and Training	76	52	52	105	88	100	102	104	107	110
Debt Service	32,694	33,199	33,732	35,282	44,042	42,385	50,263	54,300	50,084	50,433
Transfers to CIP	430	223	214	536	3,407	3,408	612	624	571	418
Municipal Arts Contribution	-	-	-	-	-	337	373	339	316	513
Internal Service Charges	1,724	1,812	1,970	3,463	2,380	2,603	2,721	2,786	2,846	2,909
Indirect Cost Allocations	1,985	2,104	2,239	2,422	500	3,633	3,727	3,817	3,898	3,985
Contingency	-	-	-	-	-	1,000	-	-	-	-
Total Expenditures	68,260	68,920	69,086	77,737	86,981	88,019	95,290	100,573	97,587	99,883
Net Operating Surplus/(Deficit)	7,527	6,567	10,686	(1,296)	(7,057)	(5,424)	(9,491)	(11,477)	(5,205)	(3,968)
Unassigned Fund Balance	46,750	54,006	65,176	67,291	60,238	54,814	45,323	33,846	28,642	24,674
Unassigned Fund Balance as a % of Revenue		72%	82%	88%	75%	66%	53%	38%	31%	26%

The Water/Wastewater Fund is stable. The forecast assumes continued rate adjustments in line with recommendations presented by Public Works in the recent Water & Sewer rate study.

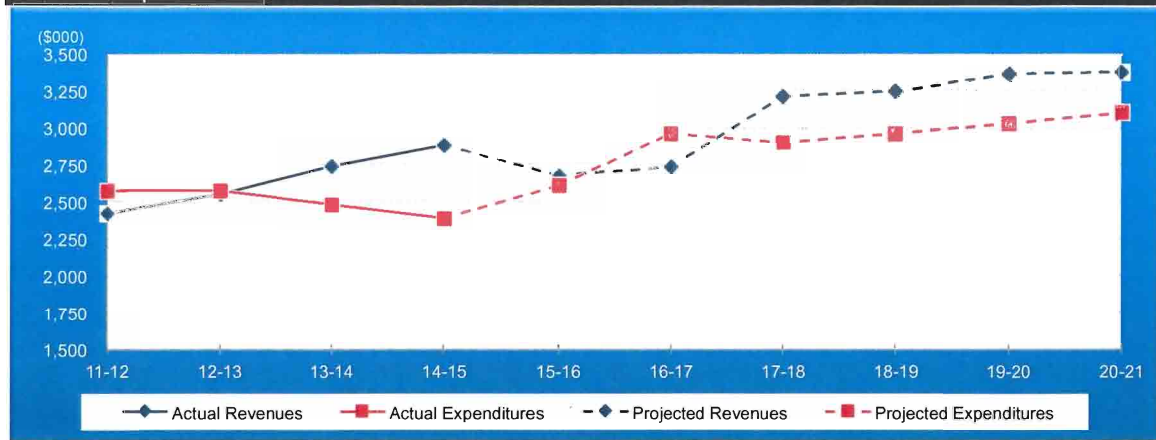
Solid Waste Enterprise Fund



	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Charges for Services	14,866	14,447	14,400	14,217	15,320	15,775	17,002	17,481	17,865	18,271
Interest Income	35	27	18	18	27	24	15	14	16	14
Other Revenue Sources	26	(81)	43	95	523	273	191	96	110	117
Total Revenues	14,927	14,394	14,461	14,330	15,870	16,072	17,209	17,591	17,990	18,402
Expenditures (\$000)										
Personnel Costs	5,260	5,571	5,356	5,049	5,098	5,745	6,009	6,166	6,371	6,480
Materials and Supplies	170	219	180	188	532	204	208	214	219	224
Fees and Services	3,487	3,639	3,743	4,127	3,895	3,647	3,650	3,718	3,728	3,739
Travel and Training	40	4	3	25	30	18	19	19	20	20
Capital Outlay	1,243	312	2,285	1,988	2,421	2,652	2,380	2,124	2,352	2,430
CIP - Cash Funded	0	0	0	0	0	0	141	23	0	0
Internal Service/Adjustments	2,931	2,992	3,359	3,709	3,534	3,847	3,947	4,042	4,128	4,220
Indirect Cost Allocations	807	866	953	993	1,105	1,169	1,199	1,228	1,254	1,282
Transfers	350	541	371	202	107	19	19	19	19	19
Contingency	-	-	-	-	-	500	-	-	-	-
Total Expenditures	14,287	14,143	16,251	16,281	16,722	17,802	17,572	17,552	18,091	18,415
Net Operating Surplus/(Deficit)	640	251	(1,790)	(1,951)	(853)	(1,730)	(363)	39	(101)	(14)
Accrual Basis Adjustments			(88)	(70)	875					
Ending Fund Balance	7,078	7,424	5,547	3,525	3,548	1,818	1,456	1,495	1,394	1,381
Fund Balance as a % of Revenue		52%	38%	25%	22%	11%	8%	8%	8%	8%

The Solid Waste Fund has been spending-down fund balance in a planned effort to avoid rate increases for customers during the recent economic downturn. This model assumes continued implementation of the rate adjustments presented to the City Council by Public Works as a result of their comprehensive rate analysis study, which will stabilize the fund.

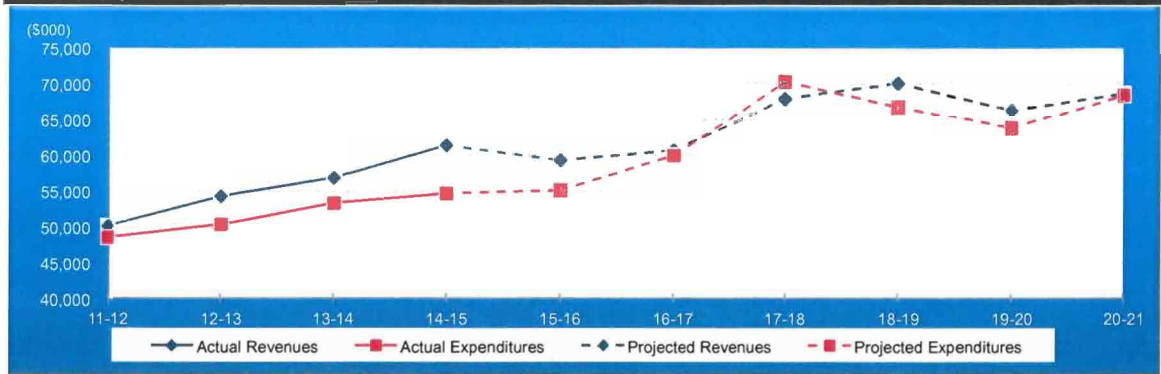
Golf Enterprise Fund



	11/12 Actual	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Projected	17/18 Projected	18/19 Projected	19/20 Projected	20/21 Projected
Revenues (\$000)										
Greens Fees	1,509	1,600	1,809	1,908	1,822	1,834	2,348	2,360	2,486	2,499
Rental Charges	581	645	639	555	495	597	609	609	609	609
Range Fees	173	189	191	194	167	174	176	177	179	179
Interest Income	(2)	(1)	(1)	8	19	13	-	-	-	-
Other Revenue Sources	155	114	103	213	169	118	74	91	87	87
Total Revenues	2,417	2,548	2,741	2,878	2,673	2,736	3,207	3,238	3,362	3,374
Expenditures (\$000)										
Personnel Costs	852	689	692	554	511	541	544	556	571	583
Materials and Supplies	451	555	380	340	386	530	542	556	569	584
Fees and Services	923	937	969	1,114	1,256	1,085	1,046	1,075	1,105	1,137
Capital Outlay	137	121	87	96	138	267	224	224	224	224
Internal Service Charges	151	160	205	148	179	199	204	209	214	218
Indirect Cost Allocations	66	115	150	139	134	152	156	159	163	166
Debt Service	-	-	-	-	-	182	182	182	182	182
Total Expenditures	2,580	2,578	2,484	2,391	2,604	2,957	2,899	2,962	3,028	3,095
Net Operating Surplus/(Deficit)	(163)	(30)	257	487	68	(221)	308	275	333	279
Accrual Basis Adjustments			(259)	(210)	160					
Ending Fund Balance	(473)	(697)	(700)	(423)	(194)	(415)	(106)	169	502	781
Fund Balance as a % of Revenue		-27%	-26%	-15%	-7%	-15%	-3%	5%	15%	23%

The Golf Enterprise Fund continues to generate increased revenues and is projected to perform slightly better than break-even in the remaining years of the forecast. Projected surpluses in future years will be used for asset maintenance/replacement, while maintaining a fund balance at or above the 15% policy level. Improvements to the irrigation system at the Rolling Hills Golf Course should further stabilize the fund. User fees in 2015-16 and 2016-17 reflect a short shut-down of Rolling Hills during the irrigation system repairs.

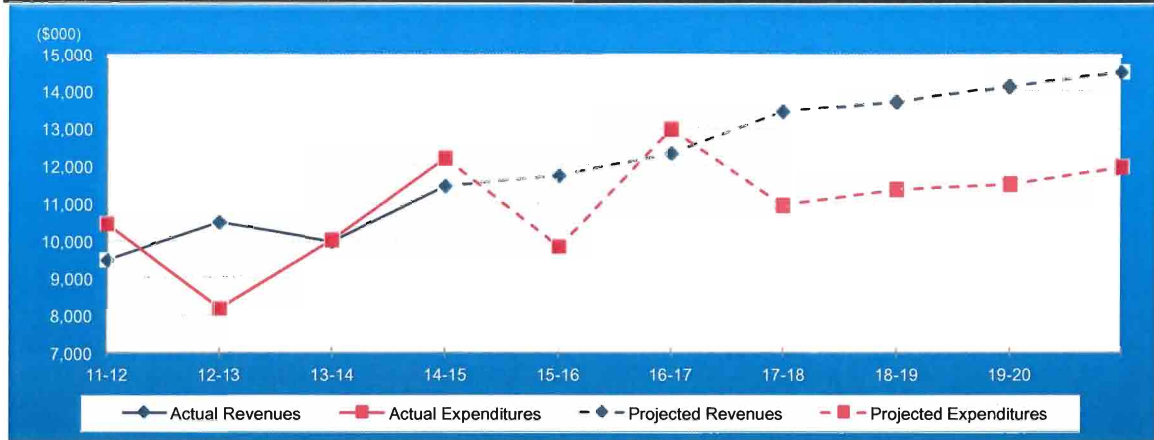
Transit Special Revenue Fund



	11/12 Actual	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Projected	17/18 Projected	18/19 Projected	19/20 Projected	20/21 Projected
Revenues (\$000)										
Transit Tax	30,172	30,087	33,539	36,148	37,159	37,297	38,552	40,059	41,726	43,338
EVBOB Maint & Fuel (RPTA)	-	182	6,312	5,853	4,492	5,018	5,046	5,136	5,277	5,355
PTF Funding	2,270	2,166	2,145	2,233	3,412	3,962	4,189	4,358	5,006	5,108
Federal Grants - Bus and Light Rail	3,198	7,147	3,887	3,298	2,762	2,807	2,819	2,837	2,897	2,927
Out of Jurisdiction Service Revenue	7,960	7,357	(76)	630	-	-	-	-	-	-
Bus Fares	-	-	4,992	4,519	4,136	4,508	4,655	4,751	4,856	4,970
Light-Rail Fares	3,521	3,814	3,603	3,696	3,047	3,751	3,677	3,756	3,868	3,984
Street Car Fares	-	-	-	-	-	-	-	-	-	430
Alt Fuel Credit	626	1,585	86	913	1,429	-	-	-	-	-
Bond Proceeds - Streetcar	-	-	-	-	-	-	6,500	6,500	-	-
Miscellaneous Revenue	2,433	2,038	2,342	4,054	2,774	3,211	2,598	2,558	2,616	2,526
Total Revenues	50,180	54,375	56,831	61,344	59,211	60,554	68,036	69,955	66,246	68,640
Expenditures (\$000)										
Personnel Costs	2,681	2,911	3,032	2,248	2,225	2,526	2,523	2,580	2,635	2,692
Transportation Center O&M	267	231	362	330	405	493	471	483	495	507
Bus Operations	23,255	23,941	23,312	23,139	24,061	26,372	26,765	27,312	27,907	28,314
Bus Operations-EVBOM - Fuel & Maint	5,745	4,786	5,619	5,130	3,740	4,727	4,699	4,832	5,020	5,147
Light Rail Operations	8,228	9,993	9,262	9,368	8,969	10,563	10,403	10,541	11,304	12,044
Security - Transit Operations	362	397	401	460	475	469	492	504	516	529
Transit Store - Bus Media	733	771	618	573	556	815	833	853	874	896
Admin / Marketing / Planning / Signal Systems	364	418	521	595	503	844	1,015	1,040	1,065	1,092
Bus Stop & Bike Path Maintenance	384	680	738	766	878	1,149	1,336	1,369	1,403	1,438
Operating Capital Outlay	49	214	168	138	231	120	149	153	156	160
Street Car O&M	-	-	-	-	-	-	-	-	-	4,300
ORBIT South of US 60	-	-	-	-	-	-	1,200	1,230	1,261	1,292
New Transit Tax CIP Funding	367	959	3,760	5,390	6,476	4,727	6,547	2,822	4,698	3,533
Municipal Arts Contribution	-	-	-	-	-	54	66	28	47	35
Capital Funding Transfer - Streetcar	-	-	-	-	-	-	6,500	6,500	-	-
Debt Service	5,313	4,247	4,668	4,658	4,663	4,669	4,654	4,033	4,034	4,034
Internal Service Charges/Adjustments	868	841	920	1,873	2,019	2,253	2,311	2,366	2,417	2,471
Contingency	-	-	-	-	-	112	178	188	-	-
Total Operating Expenditures	48,615	50,389	53,379	54,668	55,201	59,892	70,140	66,834	63,832	68,485
Net Operating Surplus/(Deficit)	1,565	3,986	3,451	6,676	4,010	662	(2,104)	3,121	2,413	154
Transfer from Transit Capital Fund					4,000					
Unassigned Fund Balance	72,956	27,571	31,070	37,770	45,780	46,442	44,337	47,458	49,871	50,025
Unassigned Fund Balance as a % of Revenue		51%	55%	62%	77%	77%	65%	68%	75%	73%
Fund Balance Assigned for Debt Retirement			8,500	8,500	8,500	8,500	8,500			

The Transit Fund is relatively stable with a healthy fund balance. The model includes estimated operating costs for the proposed streetcar project and the expansion of Orbit bus services farther south in the City. The model also includes a \$13 million commitment to fund a portion of the construction of the streetcar project, as well as the offsetting \$13 million revenue anticipated from the formation of a special assessment district.

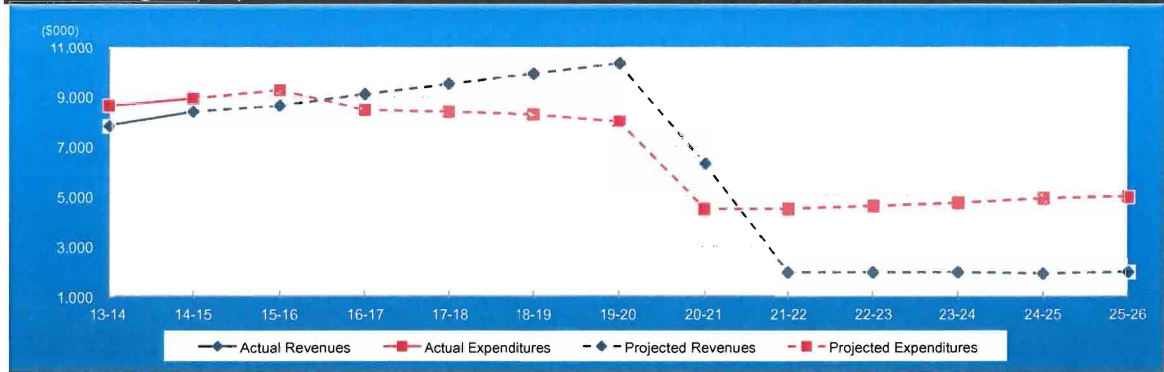
Transportation (HURF) Special Revenue Fund



	11/12 Actual	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Projected	17/18 Projected	18/19 Projected	19/20 Projected	20/21 Projected
Revenues (\$000)										
Highway User Revenue Tax	8,098	8,856	9,125	10,014	10,458	10,486	11,608	11,841	12,234	12,606
Maintenance of Effort Transfer	701	1,177	626	1,150	1,150	1,300	1,300	1,300	1,300	1,300
Miscellaneous	682	479	257	282	150	536	551	578	596	615
Total Revenues	9,481	10,512	10,009	11,446	11,758	12,322	13,459	13,719	14,129	14,521
Expenditures (\$000)										
Personnel Costs	3,048	3,587	3,917	4,058	4,207	4,572	4,618	4,723	4,769	4,816
Materials and Supplies	424	457	580	609	619	736	745	764	782	802
Fees and Services	1,892	1,936	2,058	2,059	2,163	2,473	2,548	2,626	2,706	2,790
Travel and Training	10	12	8	8	15	18	18	19	19	20
Capital Outlay	107	77	227	663	590	645	218	398	373	535
Debt Service	1,550	500	-	-	-	-	-	-	-	-
CIP - Cash Funded	-	-	1,427	3,277	300	2,319	539	510	500	600
Loan Repayment	3	3	3	5	5	5	5	5	5	5
Internal Service Charges	2,758	983	1,062	678	1,084	1,239	1,271	1,302	1,329	1,359
Indirect Cost Allocations	641	654	758	861	870	960	985	1,009	1,030	1,053
Total Expenditures	10,433	8,210	10,041	12,216	9,852	12,967	10,947	11,355	11,514	11,979
Net Operating Surplus/(Deficit)	(952)	2,302	(32)	(771)	1,906	(645)	2,513	2,365	2,615	2,542
Accrual Basis Adjustments										
			-	(1)						
Ending Fund Balance	6,747	8,120	8,088	7,317	9,224	8,579	11,091	13,456	16,071	18,613
Fund Balance as a % of Revenue		77%	81%	64%	78%	70%	82%	98%	114%	128%

The Transportation Fund receives the large majority of its funding from State-shared Highway User Revenue Funds (HURF). The City uses the money to fund street improvements. After sweeping over \$6.8 million from the City's distribution from 2004 through 2014, the Legislature partially restored the annual appropriations. For FY 2015-16 and forward, HURF tax collections are expected to improve slightly, providing additional cash-funding for street projects. The "CIP Pay as You Go" line item will be increased during the City's CIP process this year.

Performing Arts Special Revenue Fund



	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Projected	17/18 Projected	18/19 Projected	19/20 Projected	20/21 Projected	21/22 Projected	22/23 Projected	23/24 Projected	24/25 Projected	25/26 Projected
Revenues (\$000)													
Performing Arts Tax	6,922	7,460	7,656	7,698	7,958	8,268	8,612	4,473	-	-	-	-	-
Facility Revenue	905	899	975	1,389	1,549	1,597	1,647	1,694	1,745	1,797	1,851	1,906	1,964
Interest Income	8	10	9	8	-	8	50	118	201	158	73	-	-
Total Revenues	7,835	8,369	8,640	9,095	9,507	9,873	10,310	6,284	1,945	1,955	1,923	1,906	1,964
Expenditures (\$000)													
Personnel Costs	1,813	1,828	2,017	2,276	2,345	2,383	2,450	2,502	2,510	2,579	2,625	2,732	2,762
Materials and Supplies	112	107	105	221	226	232	237	243	249	256	262	269	276
Fees and Services	509	495	442	949	1,032	1,060	1,088	1,118	1,149	1,180	1,213	1,246	1,281
Capital Outlay	-	-	-	-	-	25	32	28	29	29	30	31	32
CIP - Cash Funded	-	100	258	1,058	825	597	208	76	-	-	-	-	-
Debt Service	5,928	5,924	5,924	3,438	3,429	3,428	3,434	-	-	-	-	-	-
Internal Service Charges	247	472	497	512	525	538	550	562	574	587	600	614	627
Total Expenditures	8,609	8,927	9,242	8,454	8,382	8,262	7,968	4,529	4,511	4,631	4,730	4,892	4,978
Net Operating Surplus/(Deficit)	(774)	(558)	(602)	641	1,125	1,611	2,312	1,755	(2,565)	(2,677)	(2,807)	(2,986)	(3,014)
Accrual Basis Adjustments	(6)	1	(200)										
Ending Fund Balance	894	137	(665)	(24)	1,101	2,712	5,024	6,779	4,214	1,537	(1,270)	(4,256)	(7,270)
Fund Balance as a % of Revenue	9%	2%	-8%	0%	12%	27%	49%	108%	217%	79%	-66%	-223%	-370%

Approximately 90% of the revenue in the Performing Arts Fund is derived from the City's 0.1% Arts Sales Tax. The rest is received from users of the Tempe Center for the Arts (TCA).

Revenues have not been sufficient to cover expenditures and the fund balance has been depleted. Half of the debt issued to build the TCA was retired in 2015-16, resulting in a \$2.5 million reduction of the annual debt service cost. Going forward, an annual surplus will grow to approximately \$2.3 million by 2020, when the Arts Tax expires and the remaining debt is retired. The ongoing structural deficit after 2020 is projected to exceed \$2.5 million per year.

Forecast Growth Rates - November 3, 2016

Revenues	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Taxable Sales Growth	1.8%	1.9%	3.9%	4.2%	3.9%
General Fund Sales Tax Revenue ⁽¹⁾	2.5%	1.9%	3.9%	4.2%	3.9%
Total Sales Tax Rate	1.8%	1.8%	1.8%	1.8%	1.8%
General Fund	1.2%	1.2%	1.2%	1.2%	1.2%
Transit Fund	0.5%	0.5%	0.5%	0.5%	0.5%
Performing Arts Fund	0.1%	0.1%	0.1%	0.1%	0.1%
Primary Property Tax Levy Growth	5.8%	4.0%	4.0%	4.0%	4.0%
Bed Tax Taxable Sales Growth	19.4%	3.5%	3.4%	3.4%	3.3%
Bed Tax Rate	5.0%	5.0%	5.0%	5.0%	5.0%
City Population Growth	1.4%	1.4%	1.4%	1.4%	1.4%
State Population Growth	1.6%	1.8%	1.8%	1.8%	1.8%
State Shared Income Tax Growth	10.7%	2.6%	3.4%	3.8%	4.2%
State Shared Sales Tax Growth	2.3%	4.2%	4.5%	4.9%	4.7%
State Vehicle License Tax Growth	14.1%	4.9%	4.8%	4.6%	4.0%
Building and Trades Growth	-40.9%	2.3%	2.5%	2.5%	2.6%
Cultural and Recreational Growth	-11.9%	3.7%	3.9%	3.9%	4.0%
Fees, Fines, Forfeitures Growth	-9.8%	3.7%	3.9%	3.9%	4.0%
Business Licenses Growth	-8.7%	2.3%	2.4%	2.5%	2.6%
Expenditures	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Personnel Costs Growth ⁽²⁾	3.2%	2.6%	2.4%	2.1%	2.2%
FICA (% of payroll)	7.65%	7.65%	7.65%	7.7%	7.7%
State Retirement (% of payroll)	11.48%	11.47%	11.22%	10.69%	10.20%
Police Retirement (% of payroll)	45.68%	45.58%	45.58%	45.61%	45.33%
Fire Retirement (% of payroll) ⁽³⁾	48.95%	48.88%	48.93%	49.01%	48.70%
Health, Dental, Life Actives	7.7%	7.7%	7.7%	7.7%	7.7%
Health, Dental, Life Retirees	10.4%	9.2%	-7.1%	-5.3%	0.9%
Mediflex Growth	0.0%	0.0%	0.0%	0.0%	0.0%
Other Fringe Benefits Growth	0.0%	0.0%	0.0%	0.0%	0.0%
General Inflation	1.6%	2.3%	2.5%	2.5%	2.6%
Electricity Inflation	3.3%	3.3%	3.3%	3.3%	3.3%
Water Inflation	4.8%	4.8%	4.8%	4.8%	4.8%
Sewer Inflation	2.5%	2.5%	2.5%	2.5%	2.5%
Gasoline Inflation	-0.5%	9.8%	7.3%	7.9%	8.6%

Notes:

- ⁽¹⁾ The 0.2% temporary sales tax expired 7/1/14.
- ⁽²⁾ Excluding OPEB Trust Fund Advance/Withdrawal
- ⁽³⁾ Net of Fire Insurance Premium Tax credit

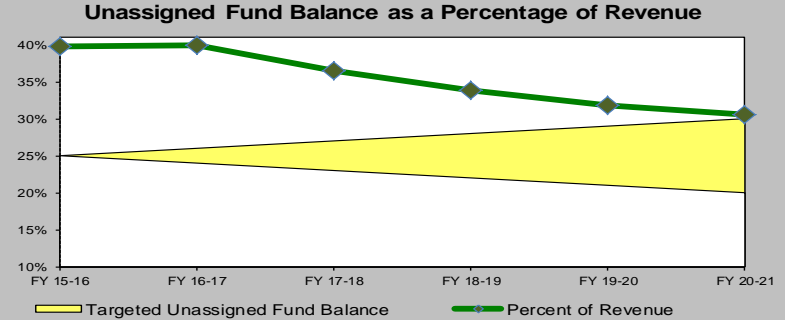
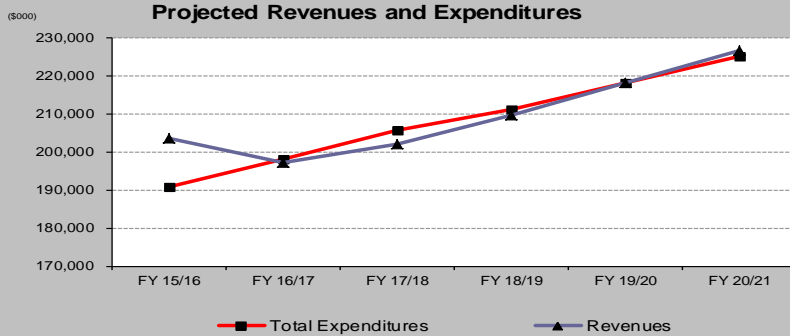


City of Tempe

LONG-RANGE FINANCIAL FORECAST

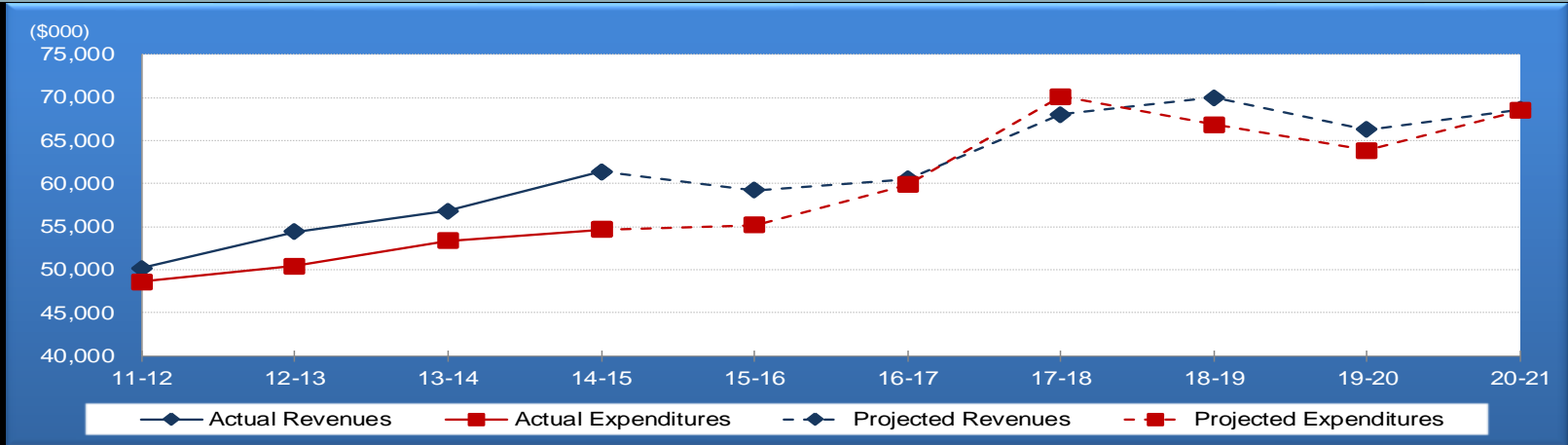
CITY COUNCIL WORK STUDY SESSION NOVEMBER 3, 2016

GENERAL FUND OUTLOOK



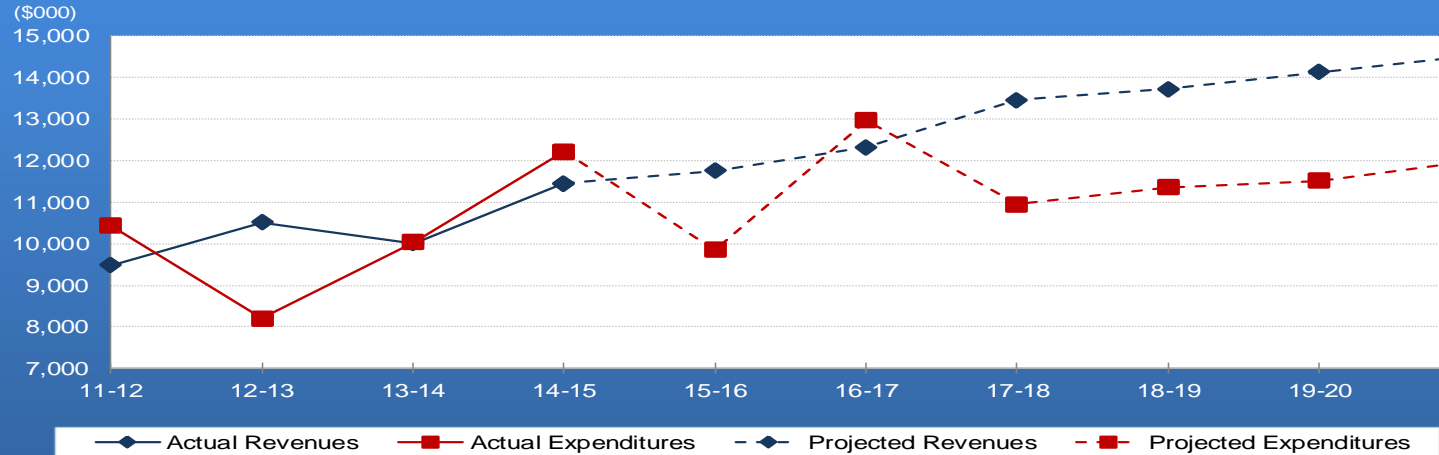
<i>Expressed in thousands (\$000)</i>	FY 15/16 Projected	FY 16/17 Projected	FY 17/18 Projected	FY 18/19 Projected	FY 19/20 Projected	FY 20/21 Projected
Revenues	203,732	197,347	202,080	209,810	218,142	226,570
Total Expenditures	190,893	198,288	205,701	211,285	218,307	225,310
Surplus (Deficit)	12,839	(941)	(3,622)	(1,474)	(165)	1,260
Recurring Personnel Cost Increases		2.83%	1.67%	2.13%	2.20%	2.45%
One-time Personnel Costs (bonus)		0.20%	0.20%	0.20%	0.20%	0.20%
Change in Number of Positions		-	4	-	-	-
Recurring Adjustments to Non-personnel Costs			\$2,000	\$2,000	\$2,000	\$2,000
One-time Adjustments to Non-personnel Costs		\$0	\$1,500	\$1,500	\$1,500	\$1,500
CIP "PAYGO" % of GF Revenue	1.59%	1.64%	2.00%	2.00%	2.00%	2.00%
Change to Assigned Fund Balance	(3,325)	(1,279)	(1,308)	(1,340)	(1,372)	(1,407)
Unassigned Fund Balance	80,993	78,774	73,844	71,030	69,492	69,345
% of Revenue	40%	40%	37%	34%	32%	31%

TRANSIT FUND OUTLOOK



	11/12 Actual	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Projected	16/17 Projected	17/18 Projected	18/19 Projected	19/20 Projected	20/21 Projected
Total Revenues	50,180	54,375	56,831	61,344	59,211	60,554	68,036	69,955	66,246	68,640
Total Operating Expenditures	48,615	50,389	53,379	54,668	55,201	59,892	70,140	66,834	63,832	68,485
Net Operating Surplus/(Deficit)	1,565	3,986	3,451	6,676	4,010	662	(2,104)	3,121	2,413	154
Transfer from Transit Capital Fund			-	-	4,000	-	-	-	-	-
Unassigned Fund Balance	72,956	27,571	31,070	37,770	45,780	46,442	44,337	47,458	49,871	50,025
Unassigned Fund Balance as a % of Revenue		51%	55%	62%	77%	77%	65%	68%	75%	73%
Fund Balance Assigned for Debt Retirement			8,500	8,500	8,500	8,500	8,500	-	-	-

TRANSPORTATION FUND (HURF) OUTLOOK



	11/12 Actual	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Projected	16/17 Projected	17/18 Projected	18/19 Projected	19/20 Projected	20/21 Projected
Total Revenues	9,481	10,512	10,009	11,446	11,758	12,322	13,459	13,719	14,129	14,521
Total Expenditures	10,433	8,210	10,041	12,216	9,852	12,967	10,947	11,355	11,514	11,979
Net Operating Surplus/(Deficit)	(952)	2,302	(32)	(771)	1,906	(645)	2,513	2,365	2,615	2,542
Accrual Basis Adjustments			-	(1)						
Ending Fund Balance	6,747	8,120	8,088	7,317	9,224	8,579	11,091	13,456	16,071	18,613
Fund Balance as a % of Revenue		77%	81%	64%	78%	70%	82%	98%	114%	128%

CITY OF TEMPE TRANSPORTATION COMMISSION



STAFF REPORT

AGENDA ITEM 5

DATE

October 28, 2016

SUBJECT

Tempe Streetcar Update

PURPOSE

The purpose of this memo is to provide an update on the status of the Tempe Streetcar Project and introduce upcoming efforts and critical decisions related to project development.

BACKGROUND & PROJECT STATUS

The Tempe Streetcar Project is a three mile urban circulator rail transportation technology with fourteen stops, six vehicles and two connections to light rail. The project will connect Tempe Town Lake and the development of Rio Salado, through the downtown core, linking ASU and Tempe's oldest neighborhoods. In February 2016 the Streetcar Small Starts Grant Request of \$75 million was included in President Obama's budget and months earlier (late 2015) the project received a rating of "medium-high" (a positive rating).



Small Starts Grant Agreement & Correspondence with the Federal Transit Administration

The SSGA is the next required step to secure the \$75 million Small Starts Grant request from the Federal Transit Administration to fully fund the project. A final signed SSGA is anticipated in fall 2017. Staff continues to coordinate directly with the FTA and Valley Metro to meet all “roadmap” steps needed for the grant. The Tempe lobbyist efforts are also contributing to successful inclusion of the project in the fiscal year 17 budget. With the passage of the FAST Act (Fixing America’s Surface Transportation Act), the Tempe Streetcar was re-submitted (initial submittal request was fall 2015) in September, along with other cities (Sacramento, Ft Lauderdale) advancing streetcars not yet having a signed SSGA. In addition to quarterly meetings with representatives from FTA, staff continues to meet with the monthly Project Management Oversight Consultant (PMOC) hired by FTA to review status of the project.

Preliminary Engineering

Preliminary engineering has been completed for the project, which includes track location, specific stop and platform sites, and utility and right of way needs identification. The project team continues to work closely with all stakeholders, utilizing this preliminary engineering information to share with the public and serve as the baseline for the formal design team and contractors that will take the project into final design and construction.

Vehicle Procurement

Procurement of the streetcar vehicles continues to advance as proposals are in the process of review by city and Valley Metro staff, as well as technical review by the consultant team, CTE (Center For Transportation and the Environment). In May, the Request For Proposals was released for six vehicles. Submissions limited vehicle length from 65-82 feet, and wireless options with a battery technology were encouraged. The two wireless portions that the RFQ allows for consideration and proposal are: Mill Avenue, from University Drive to Rio Salado Parkway, and Ash Avenue from Rio Salado Parkway to University Drive. Submittals have been received as of late September and Valley Metro and Tempe staff are working towards negotiations with a single vendor, with final award slated roughly for February 2017.

Design and Construction Procurements

A formal design team and a Construction Manager at Risk are currently in procurement and are expected to be on contract by end of the December.

Public Art

Public art elements will be developed for each of the fourteen stops, with four public artists assigned to one of the four design zones along the streetcar route. The installations will be critical to capturing sense of place, creating unique system identity, and garnering community support for the project. The Regional Rail Advisory Committee, Tempe and Valley Metro staff will oversee the public art process. In October four community stakeholder teams selected an artist for each zone of the alignment. The selected artists will be presented to the Valley Metro board for approval at their December meeting. Public meetings with project artists will be scheduled to shape the work. The budget for each stop is set at \$52,500 and artists will be working closely with the final design team.]

Public Art



- Four public art and design zones



Public Outreach & Next Steps

Efforts to inform and include the public in project updates continue to expand as staff meets with stakeholders; including character area neighborhood meetups, DTA merchants, Marina Heights, Hayden Ferry Lakeside, and ASU.

Staff hosted an open house for the project on October 26th in the Cassano Room of the Transportation Center, which was promoted widely by Tempe Today, postcard/fliers, downtown distribution, social media, radio and television. Valley Metro staff presented a project summary, including goals, milestones, projected dates and preliminary artwork related to the streetscape design and function. Staff represented the project and was on hand to answer questions and record feedback by those in attendance.

In early 2017 the Commission will be involved in Streetcar decisions related to vehicle branding, fare policy, and design aesthetics of the project.

FISCAL IMPACT

n/a

RECOMMENDATION

This item is for information only.

CONTACT

Eric Iwersen, Principal Planner
eric_iwersen@tempe.gov
 480-350-8810

ATTACHMENTS

Public Meeting Presentation/PowerPoint

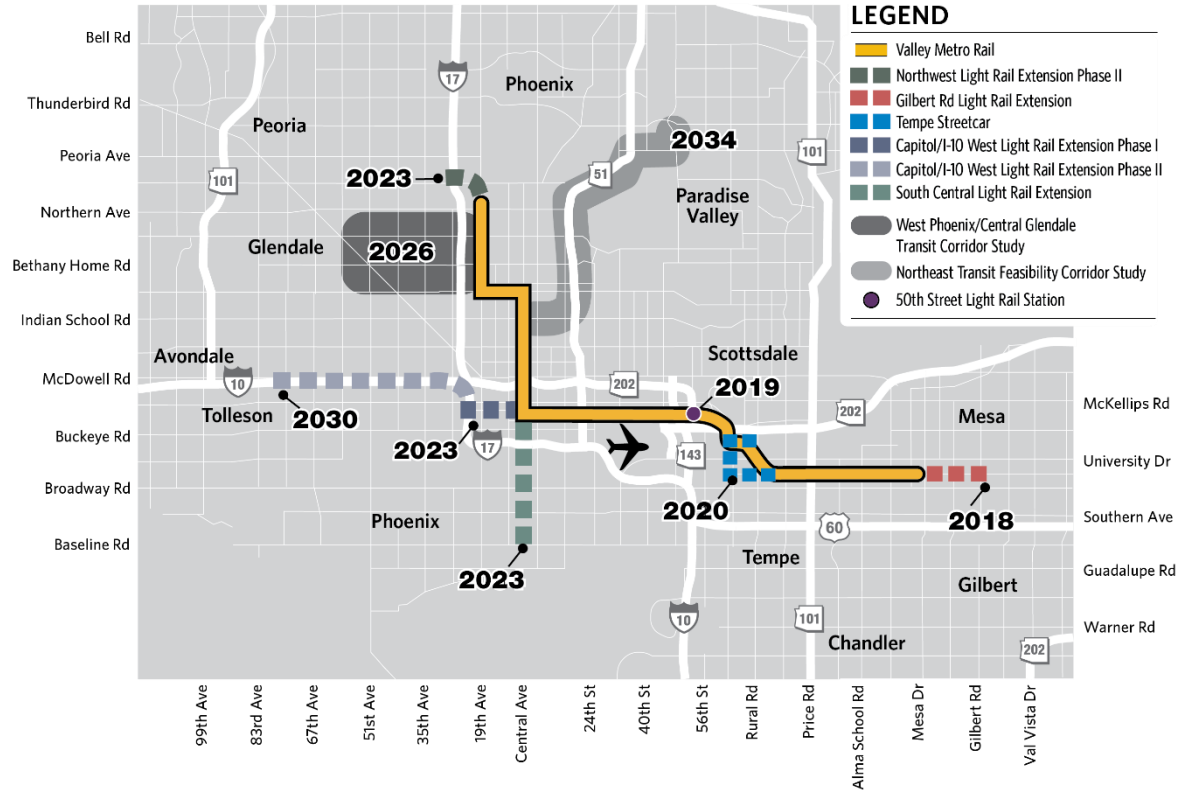


Tempe Streetcar

Transportation Commission

November 8, 2016

Future Transit System

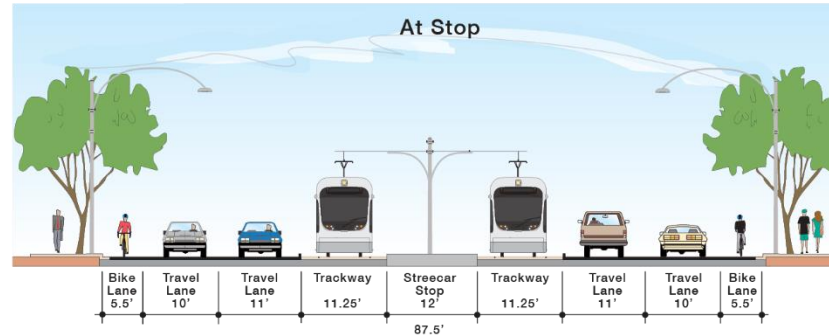
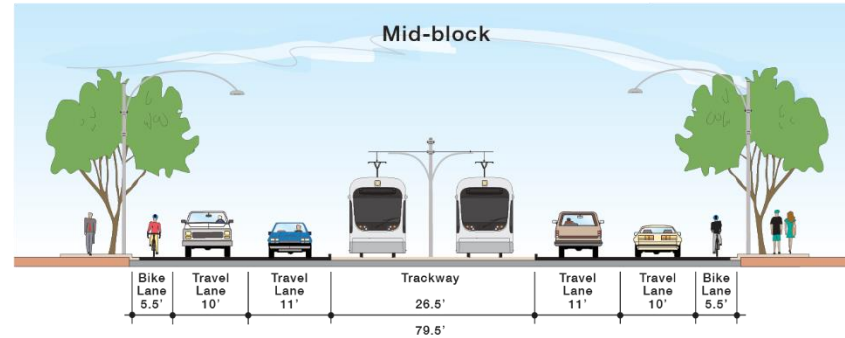
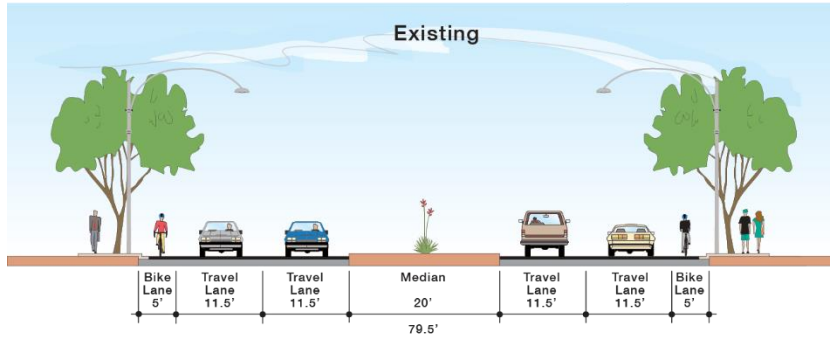


Project Overview

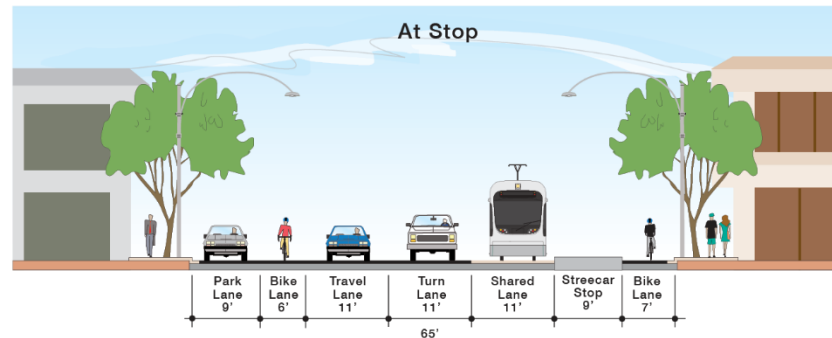
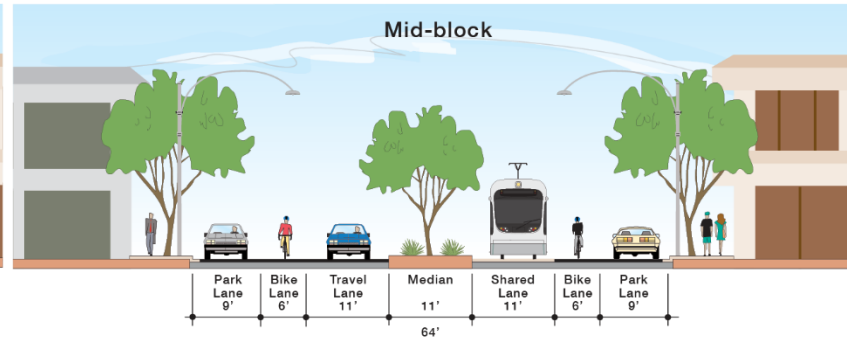
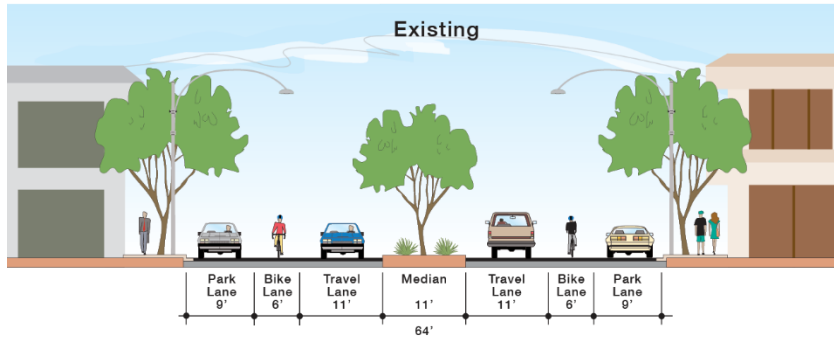
- 3 miles
- 14 stops
- 6 vehicles
- 2 LRT connections



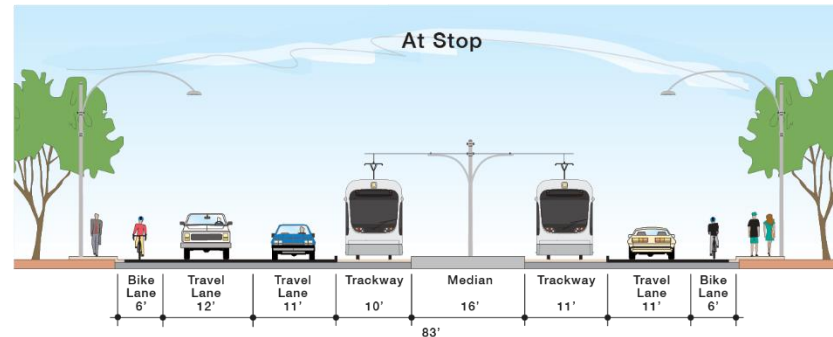
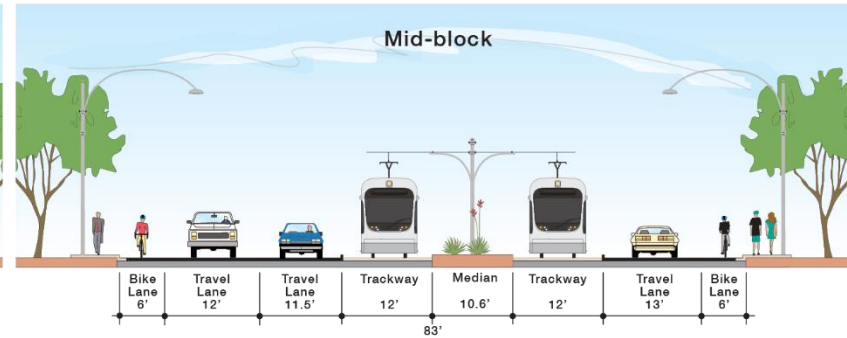
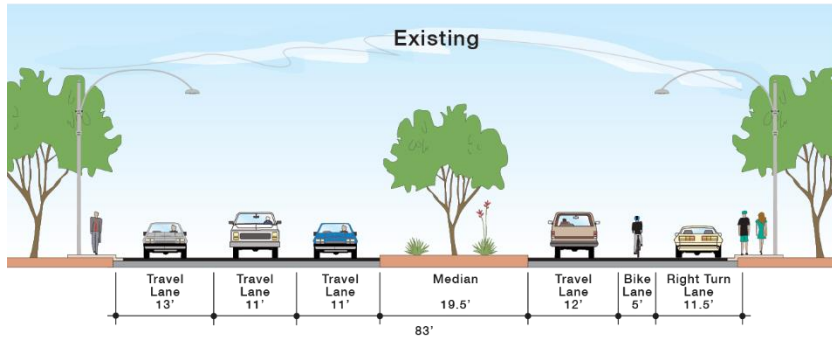
Rio Salado Pkwy. (East of Mill Ave.)



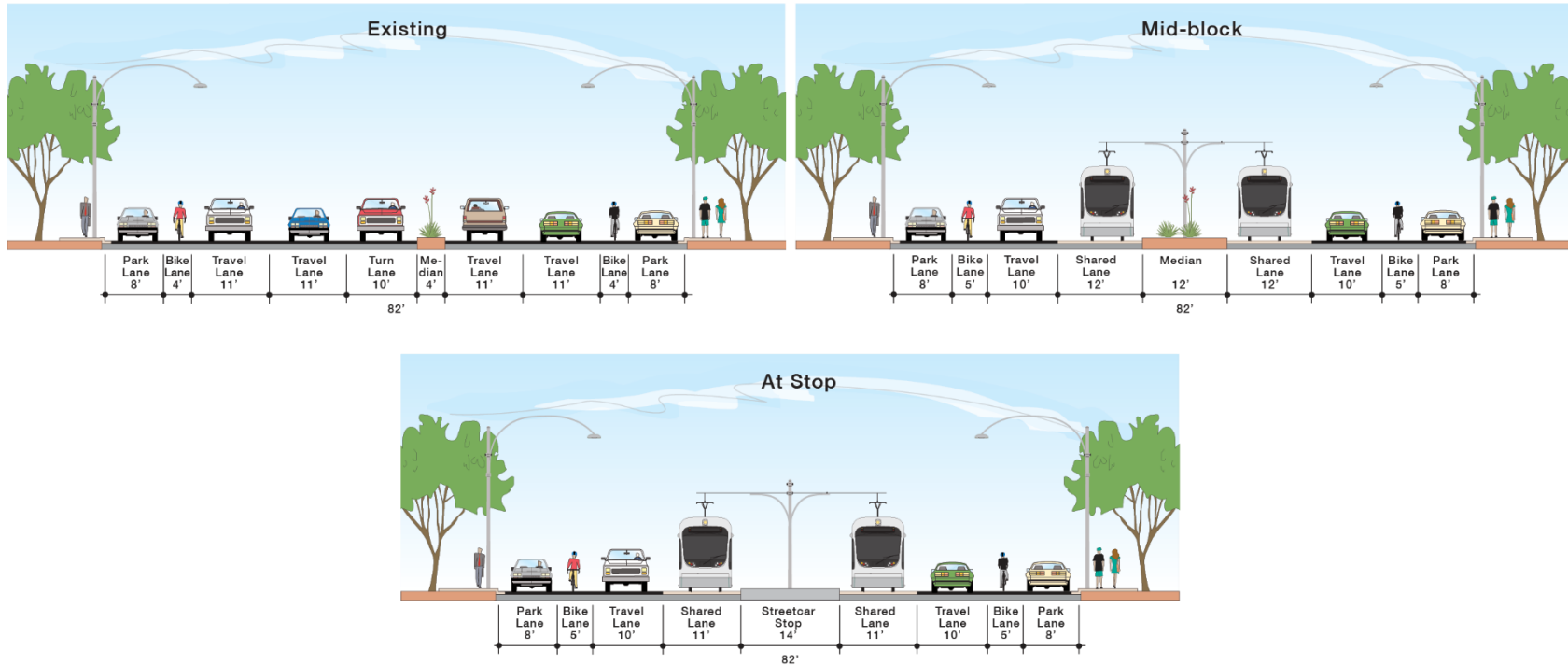
Mill Ave. (North of University Dr.)



Mill Ave. (South of University Dr.)



Apache Blvd.



Ash Ave.

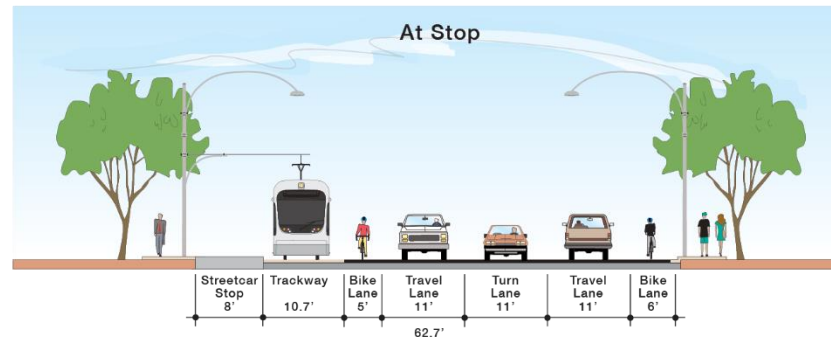
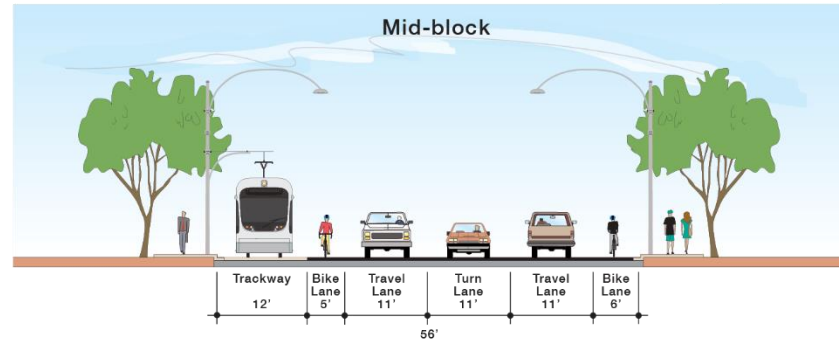
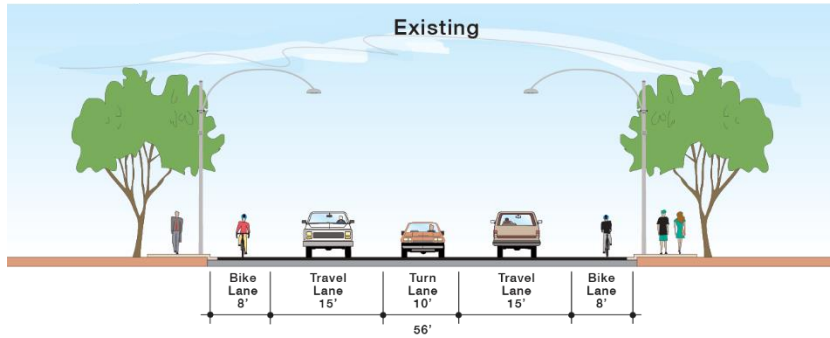


Photo Simulation: Mill Ave. and 3rd St.



Photo Simulation: Ash Ave. and 5th St.



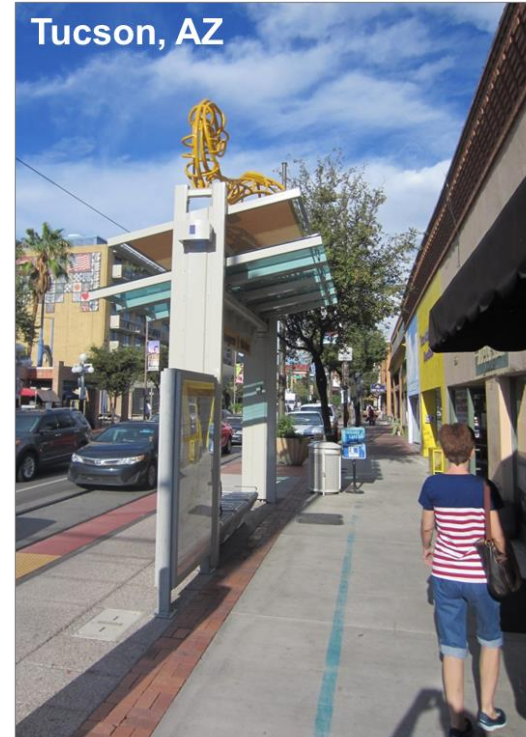
Urban Design Guidelines

- To provide a general framework for the design team
- Based on guidelines previously developed with a community working group
- Elements addressed include:
 - Circulation and safety
 - Shade
 - Landscaping
 - Signage
 - Finishes (e.g. paving and seating materials)



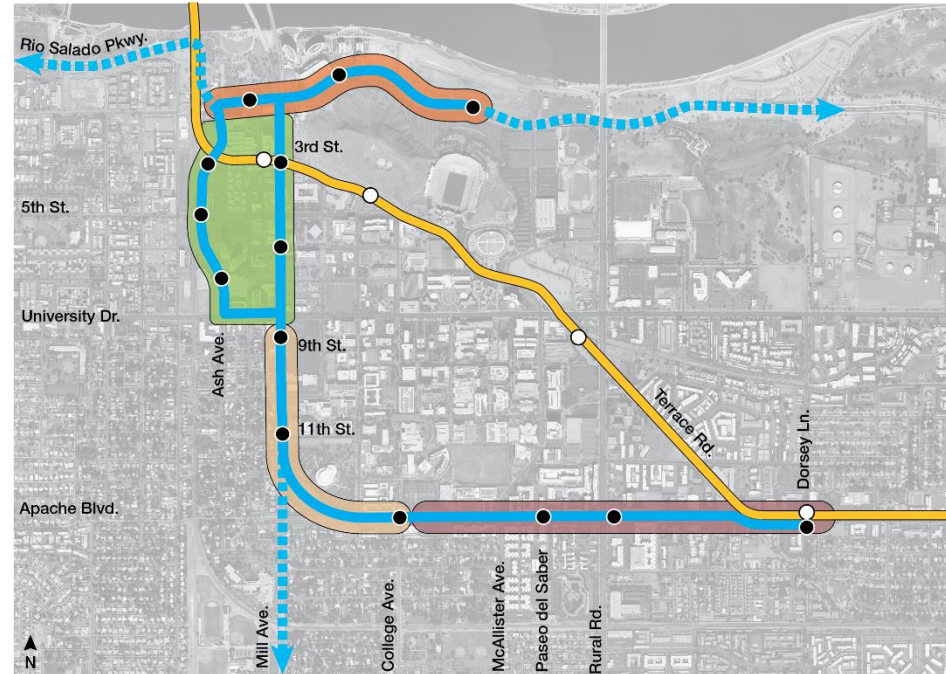
Streetcar Stops

- Stops to include:
 - Seating
 - Shade canopy
 - Schedule and system information
 - Trash receptacles
 - Fare vending machine
 - Landscaping



Public Art

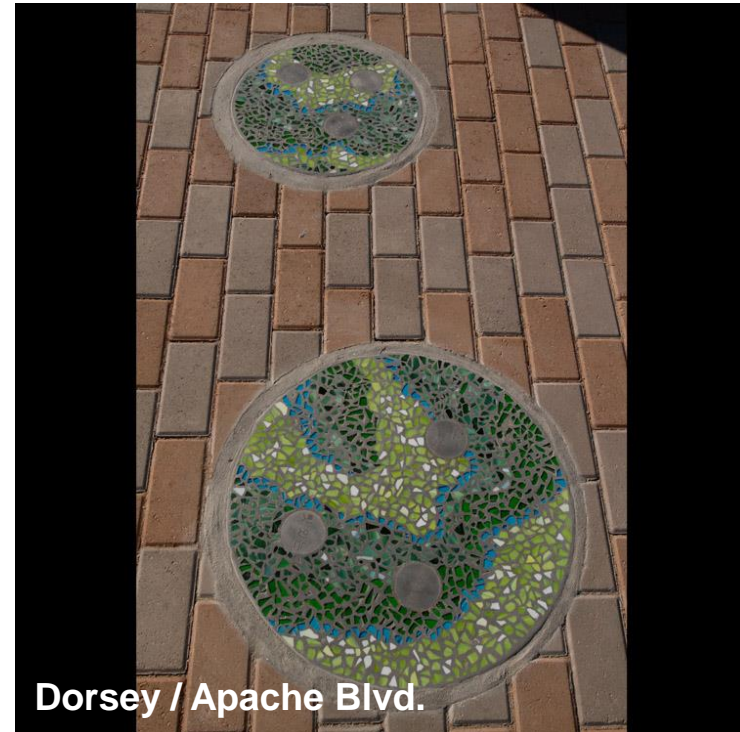
- Four public art and design zones



LEGEND	
	Valley Metro Rail/Station
	Tempe Streetcar Route
	Streetcar Stop
	Possible Future Expansion
	Rio Salado
	Downtown
	Gammage Curve
	Apache

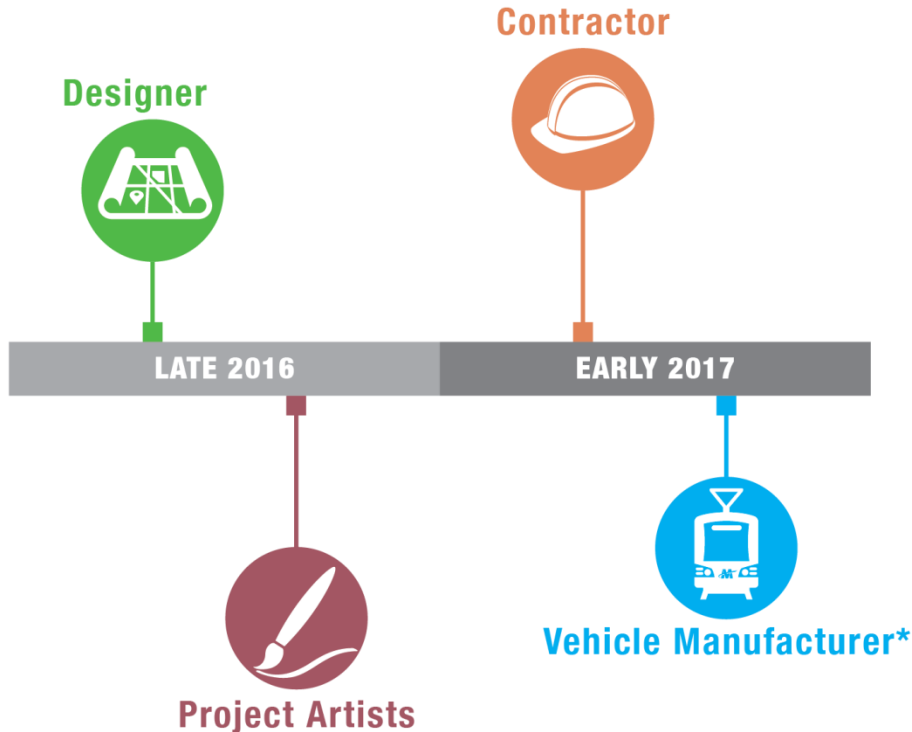
Public Art Process

- One artist selected for each of the four zones
- Zone artists selected by panels comprised of:
 - Stakeholders (from that zone)
 - Regional Rail Arts Committee members
- Every streetcar stop will receive artistic treatment



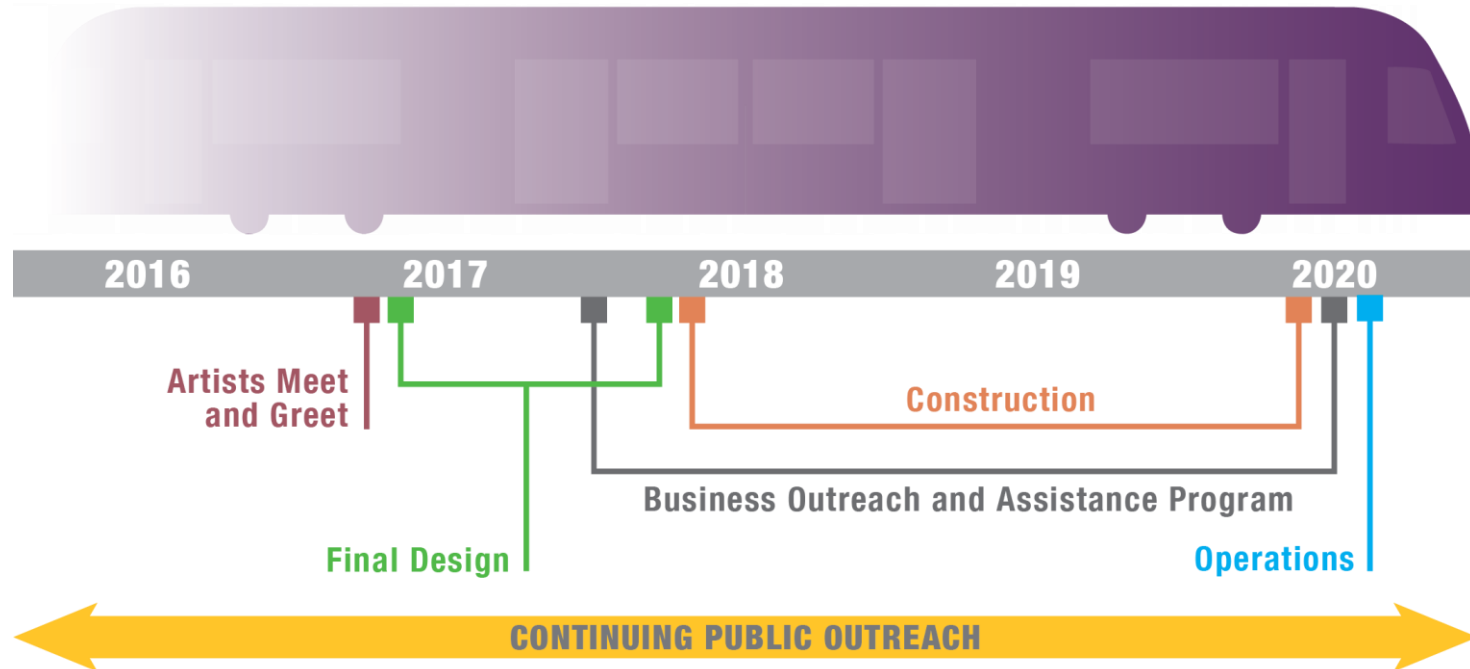
Dorsey / Apache Blvd.

Procurement Timeline



- *Request For Proposal (RFP) includes language seeking:
 - Off-wire capable vehicle for portion(s) of route
 - A 65 to 82-foot-long vehicle

Milestones and Next Steps



CITY OF TEMPE TRANSPORTATION COMMISSION



STAFF REPORT

AGENDA ITEM 6

DATE

October 28, 2016

SUBJECT

Fifth Street Streetscape Project (Farmer to College)

PURPOSE

The purpose of this memo is to provide the Transportation Commission with an overview and update of the Fifth Street Streetscape Project.

BACKGROUND

This streetscape project extends from College to Farmer avenues along Fifth Street in downtown Tempe, and includes and connects to Tempe City Hall, Mill Avenue, a Union Pacific Railroad crossing, ASU Campus, Sun Devil Stadium, City of Tempe Courts and Police Administration, Tempe Transportation Center, light rail, regional and neighborhood transit service, high volume bicycle and pedestrian use, the Streetcar, mixed-use high density development including multi-family housing, the North South Rail Spur Path, Hayden Butte/A Mountain, and historic and redeveloping adjacent neighborhoods including Riverside Neighborhood and the Farmer Arts District.

The project was first identified as a need through the 2014-2015 Kimley Horn Downtown Parking Study, which encouraged the City to look at maximizing the on-street parking availability and to reconfigure the street to be more multi-modal; alleviating strain on parking demand and providing comfortable alternatives to driving.

This project will specifically involve the development of design and construction documents that may include short term and long term improvement / phasing options for the street. The final documents will be for a buildable project that will strive to enhance landscaping, increase and improve bicycle, pedestrian and transit access, improve parking availability, preserve vehicular access in the east and west bound lanes and ensure optimal ADA design. The project will look at landscape architecture and traffic, civil and structural engineering and a review of lighting and public art opportunities. The project will also explore creative shade, parklets, gateway treatments, enhanced bicycle lanes, landscape median islands with left turn pockets, back-in angled parking and improved pedestrian areas. The project aims to create an iconic downtown street with a focus on sustainability and providing mobility for all.

In October, presentations of the project were presented to the Sustainability Commission for an overview and feedback, as well as at a public meeting on Oct. 19 inviting local stakeholders to comment

on the goals and project scope. Staff will also be presenting to the Mayors Commission on Disability Concerns, the Parks, Recreation and Cemetery Advisory Board and others.

NEXT STEPS

Feedback collected from these preliminary meetings will be used to inform the work moving forward, including conversation with a newly-formed staff advisory team; representing all areas of the city, from operations to landscape, traffic to public art. Additionally, representatives from ASU and the DTA will be part of the guidance for the project.

FISCAL IMPACT

Design and construction document creation is funded through the Downtown Parking fund. There are no funds allocated for construction at this time.

RECOMMENDATION

Staff would like to receive feedback on design elements for the project. Staff is also requesting three to five Transportation Commissioners to represent the project on an ad-hoc subcommittee in partnership with the Sustainability Commission for the remainder of the design process.

CONTACT

Eric Iwersen
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480-350-8810
eric_iwersen@tempe.gov

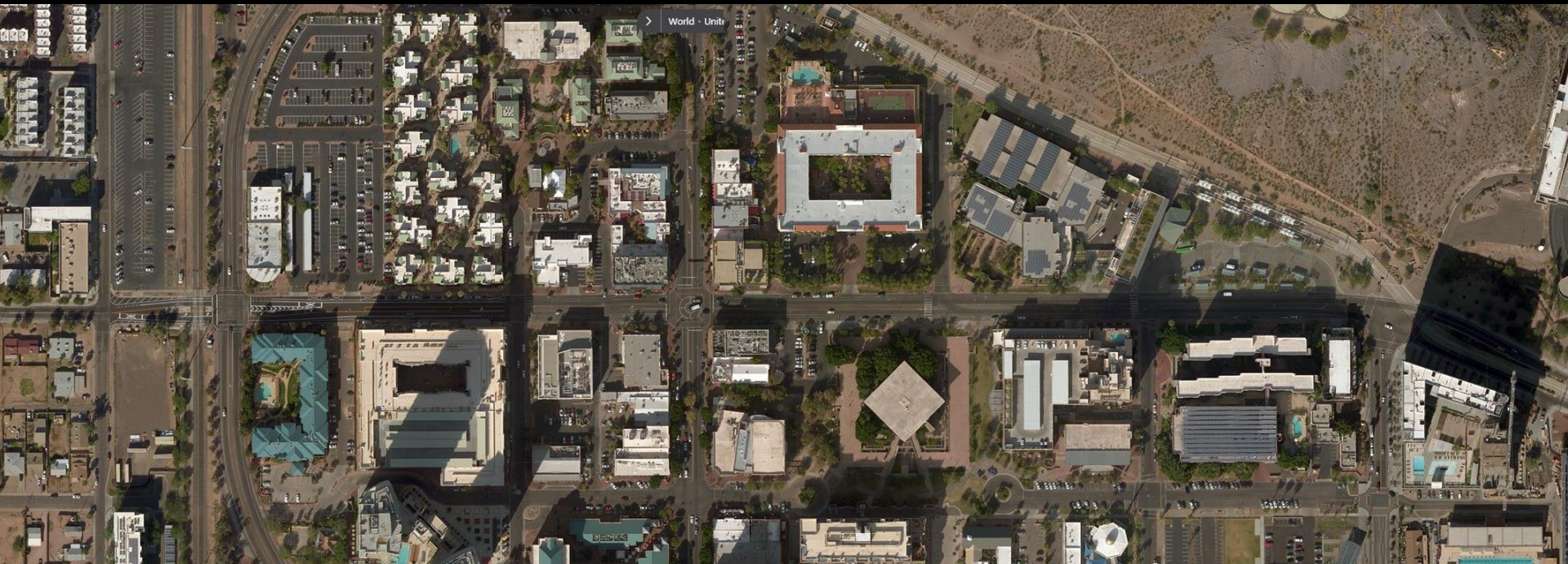
Project Website: www.tempe.gov/5thStreet

Attachments: PowerPoint

Streetscape - 5th Street
Farmer Avenue to College Avenue
Transportation Commission
November 8, 2016



5th Street & Downtown Tempe



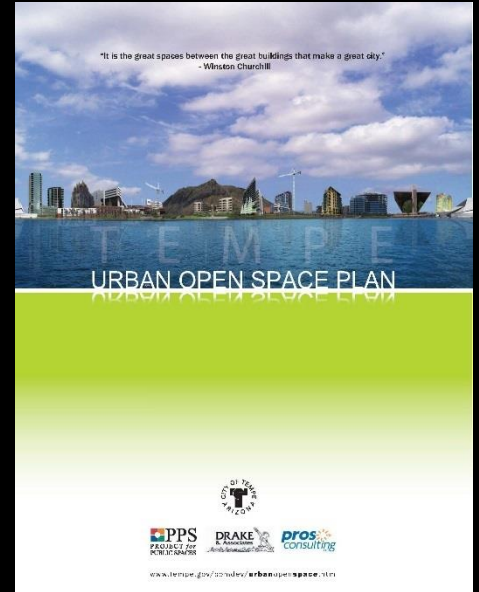
5th Street Streetscape Project History

- 2014
 - Downtown Parking Study
- 2015
 - Identified in Tempe Transportation Plan 2020 Improvements
 - City Council supported design project for 5th St, Farmer to College
 - Design funded through Downtown Parking Fund
- 2016
 - CollectiV design team hired through RFQ process
 - Begin public involvement, data collection

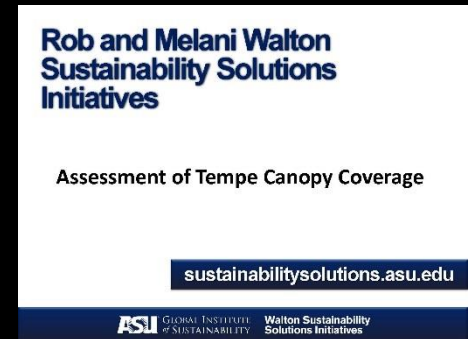
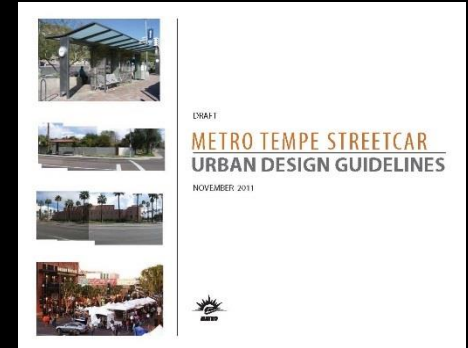
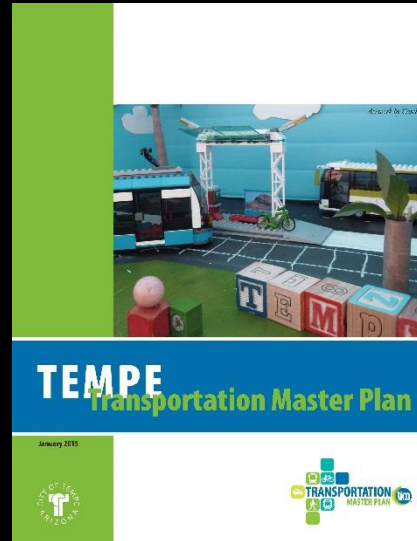
5th Street Existing Conditions

- Half mile collector street heart of downtown Tempe
- Multi-modal, 3500-4000 vehicles per day
- Links established/historic & redeveloping neighborhoods with downtown & ASU
- Historic structures, contemporary infill, public art, LEED Platinum TTC, & Hayden “A Mountain” Butte
- Some on-street parking
- Varying quality of sidewalk, ADA, street, bicycle & landscape

Guiding Documents



Guiding Documents



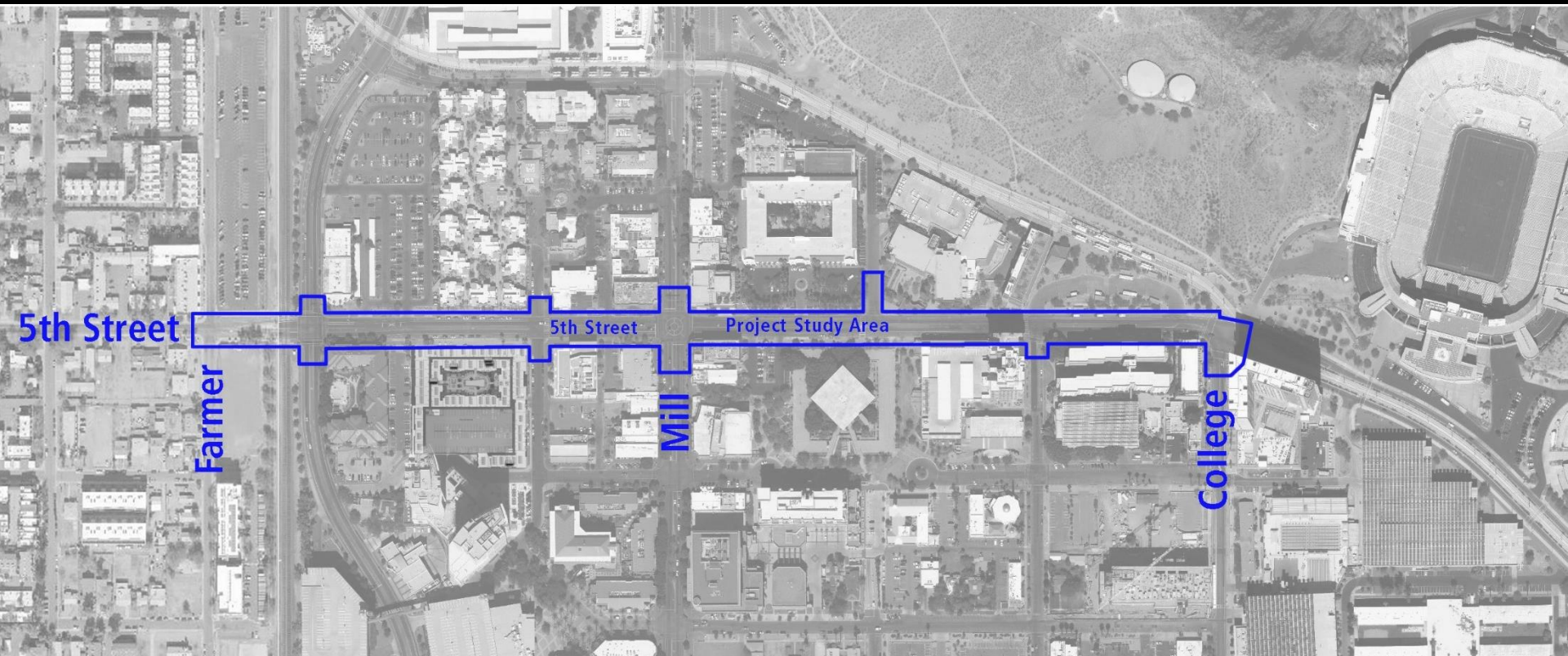
5th Street Design Goals

- Enhance multi-modalism (improve bike, ped, transit & ADA)
- Utilize innovative transportation design (NACTO)
- Maintain vehicular & special event access & integrate traffic calming
- Expand & improve landscape & shade options, particularly tree coverage
- Address heat island & user comfort, utilize Low Impact Development techniques (water harvesting, solar)

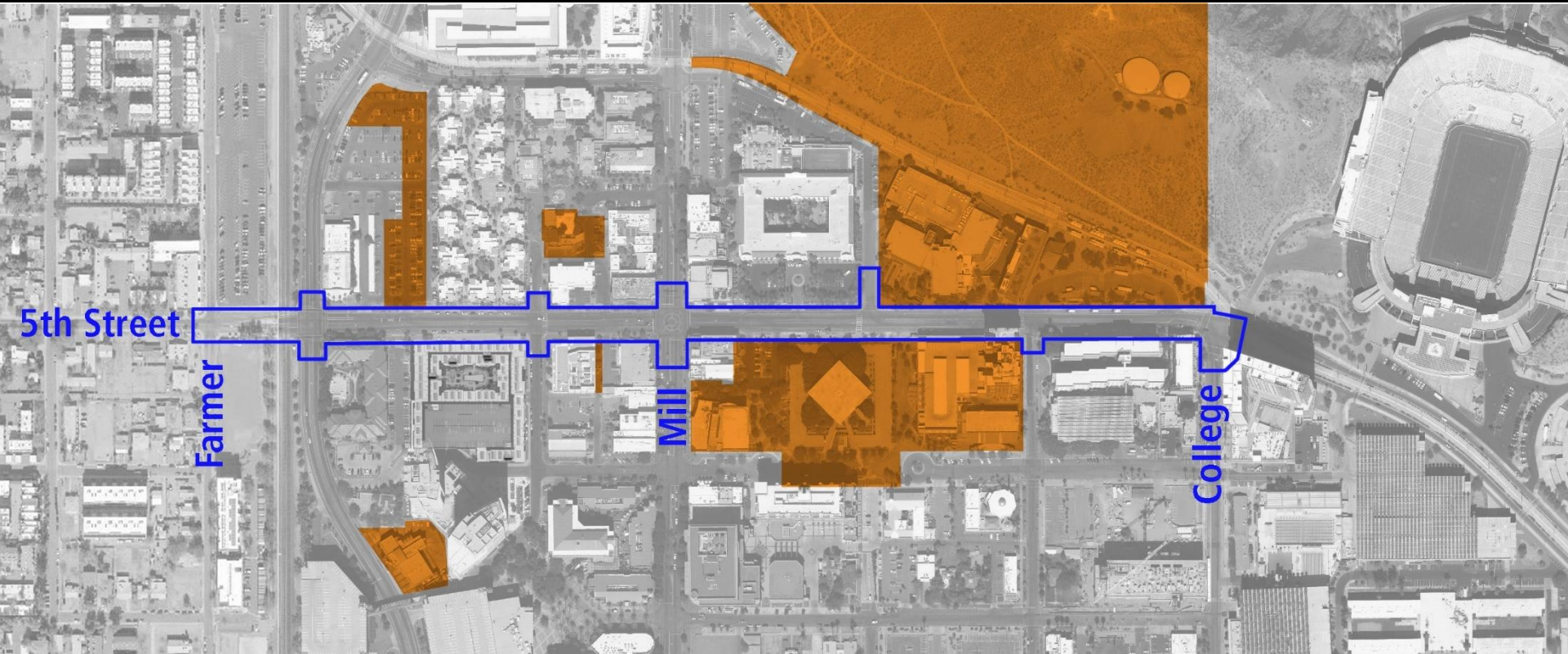
5th Street Design Goals

- Balance design with cost control & long term maintenance
- Connect to neighborhoods, protect & create gateways/transitions
- Ensure access to existing utility infrastructure, and accommodate for future expansion of utility corridors
- Create innovative, sustainable, iconic street with mobility for all

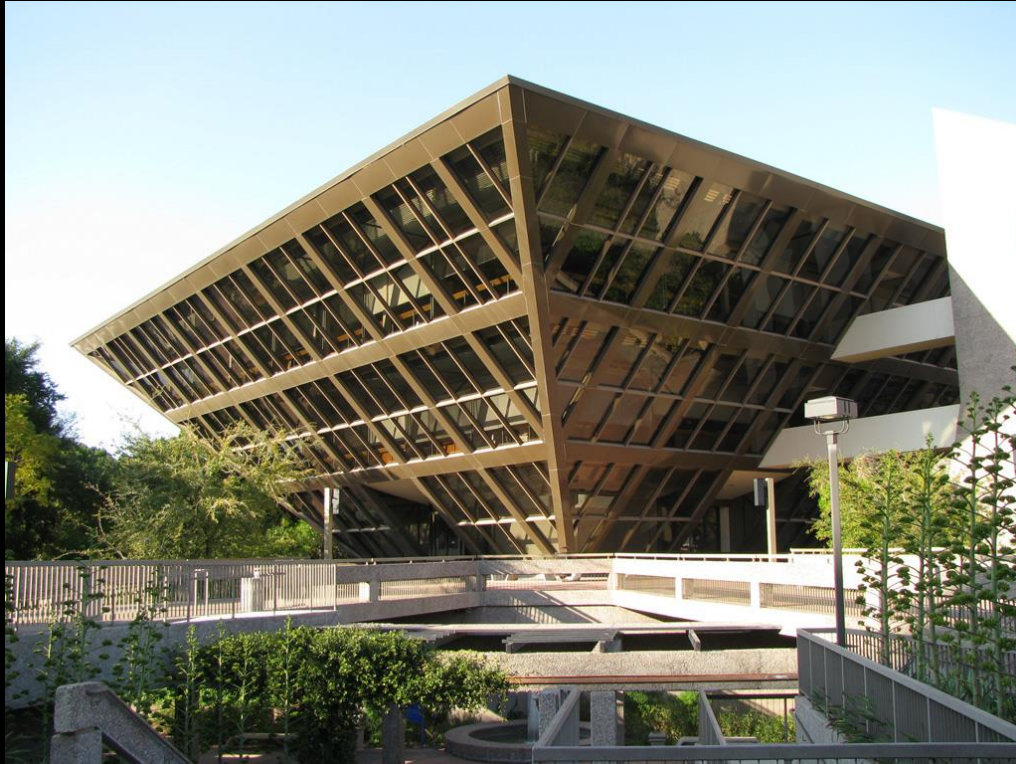
Project Limits



Surrounding Context – Tempe Land



Surrounding Context – City Facilities



Surrounding Context – City Facilities



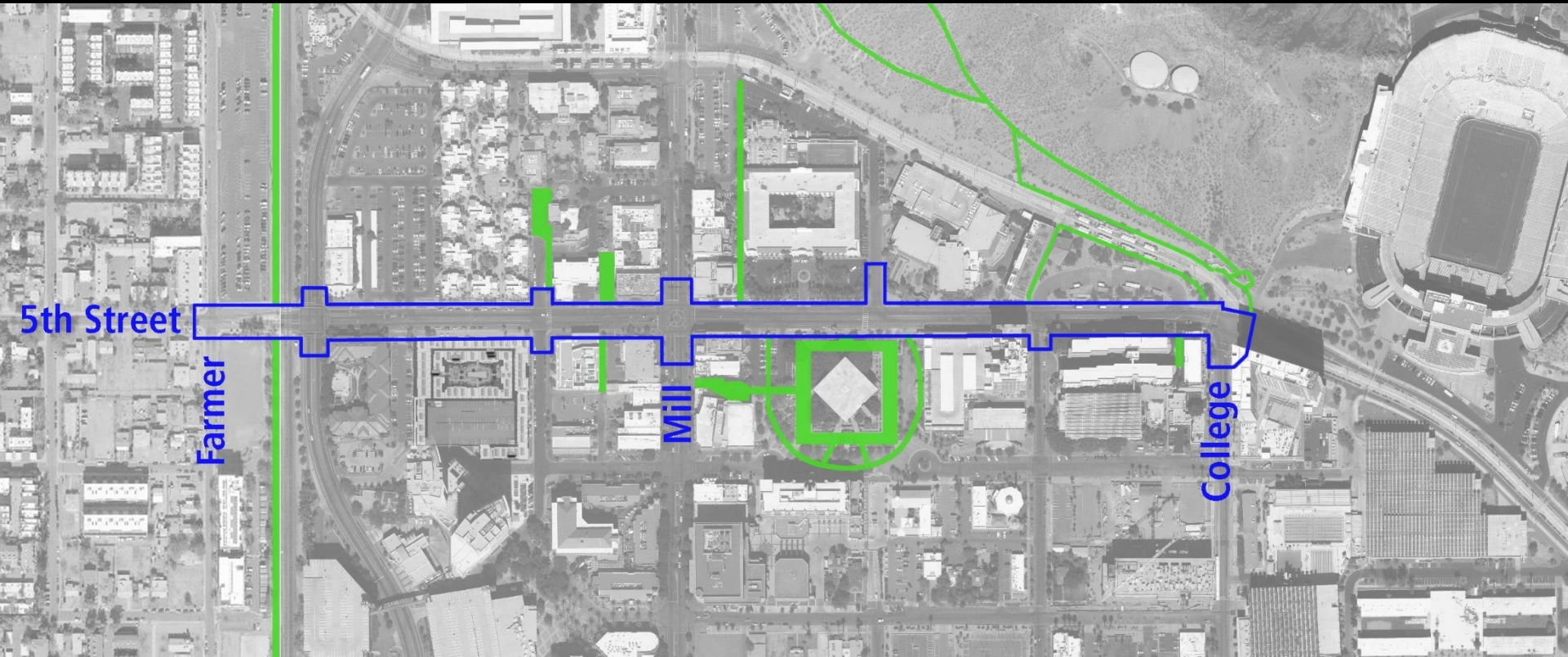
Surrounding Context – ASU



Surrounding Context – ASU



Surrounding Context – Alleys, Vias, Paths & Trails



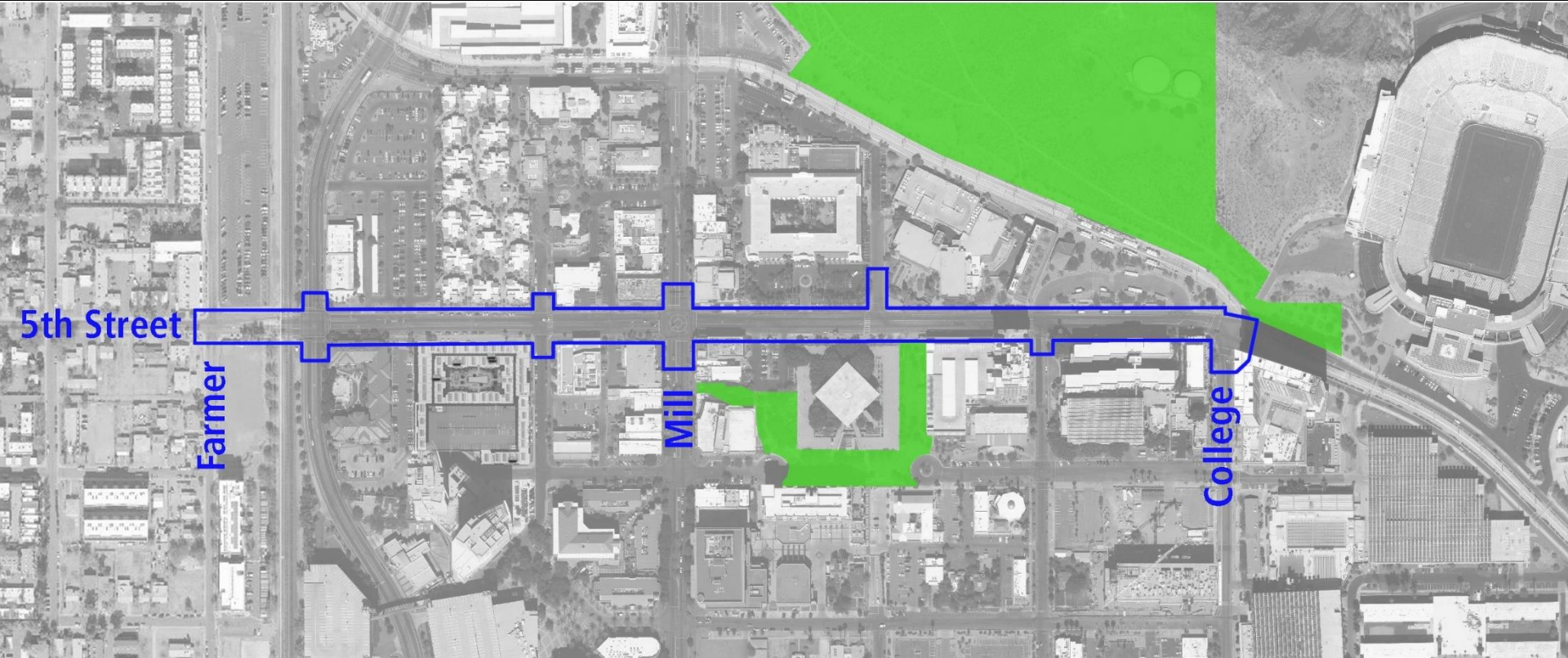
Alleys, Vias, Paths & Trails



Alleys, Vias, Paths & Trails



Surrounding Context – Recreation/Park Links



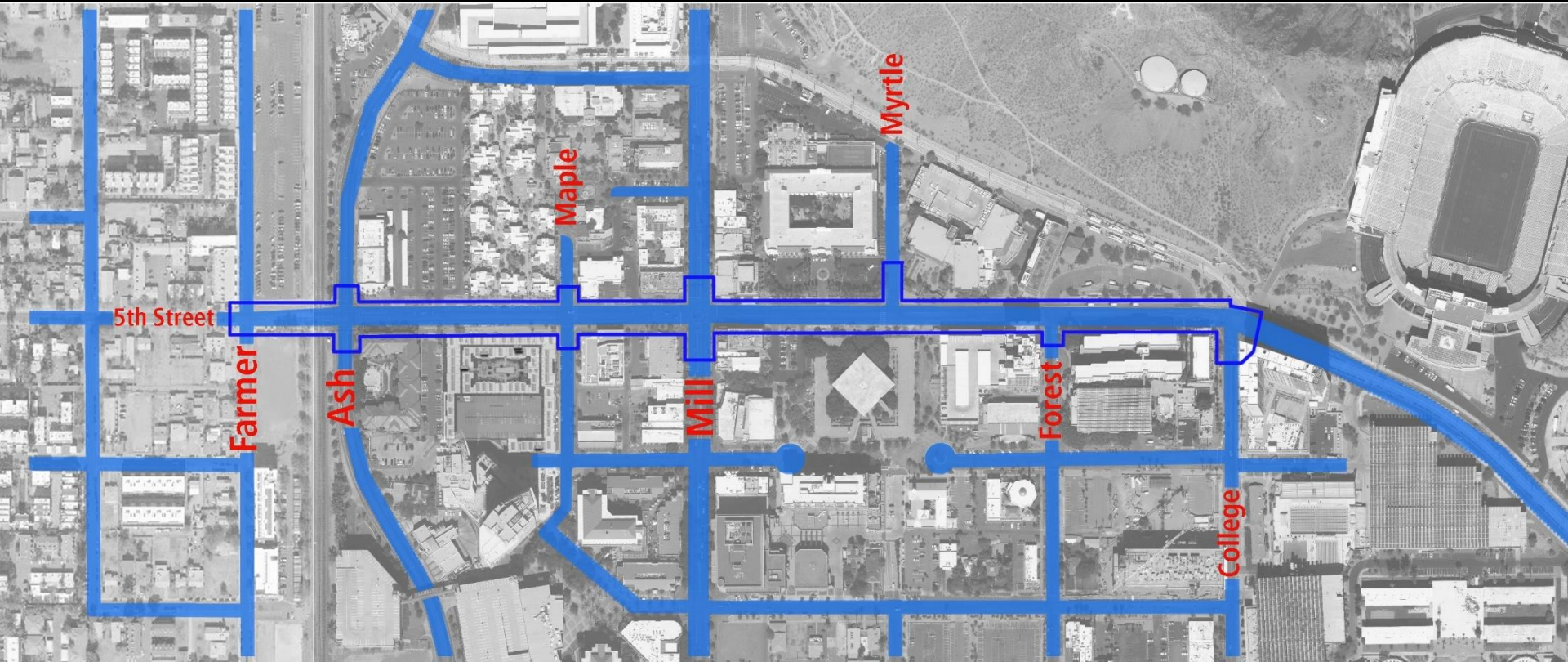
Surrounding Context – Recreation Opportunities



Surrounding Context – Recreation Opportunities



Surrounding Context – Connected Streets



Surrounding Context – Neighborhood Link



5th & Farmer



5th & Ash



5th & Maple



5th & Mill



5th & Myrtle



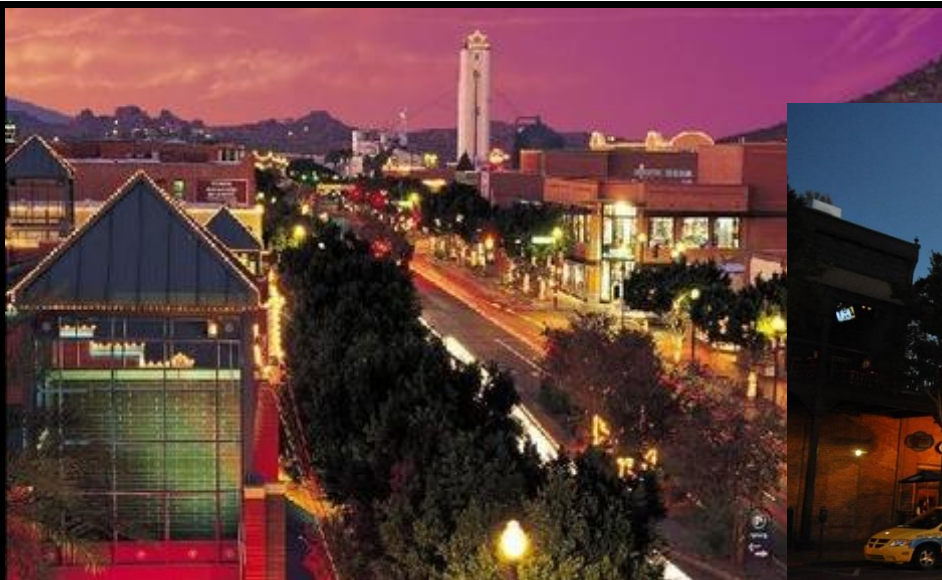
5th & Forest



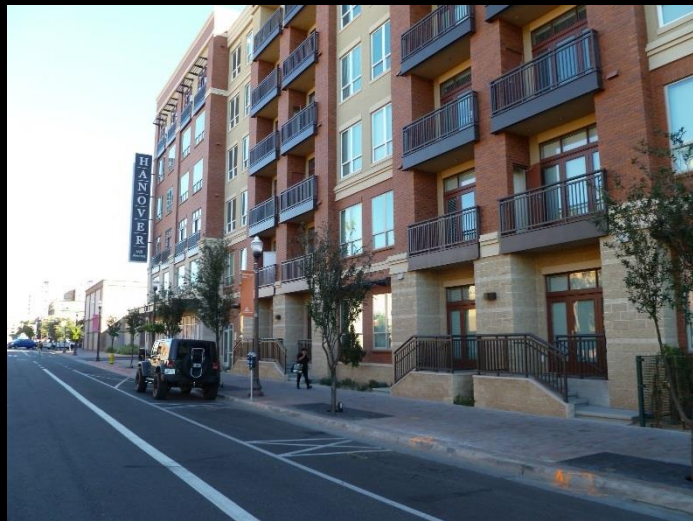
5th & College



Surrounding Context – Mill Avenue



Sidewalks



Sidewalks



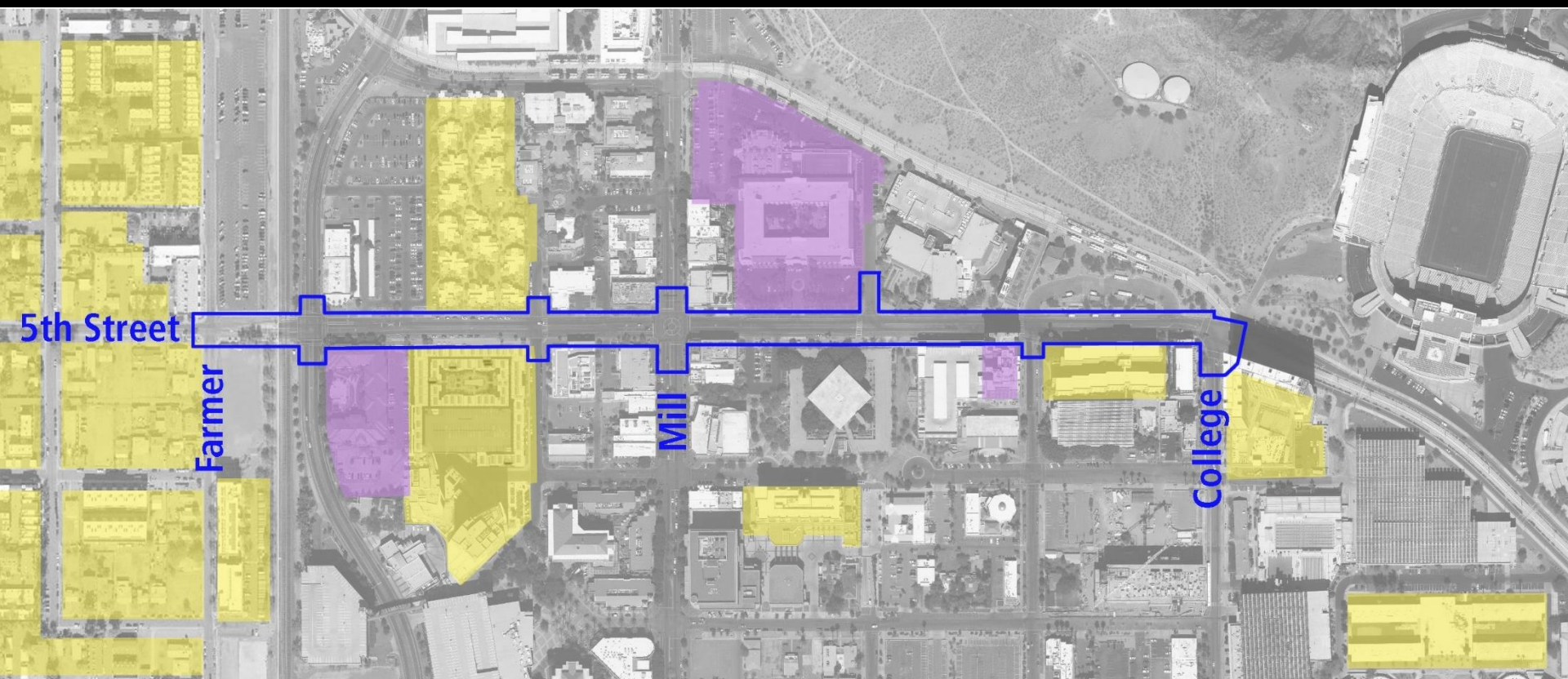
Crosswalks



Community Festivals



Residential/Hotel Uses



5th Street

Farmer

Mill

College

Surrounding Residential – Hanover on Mill



Surrounding Residential – University House



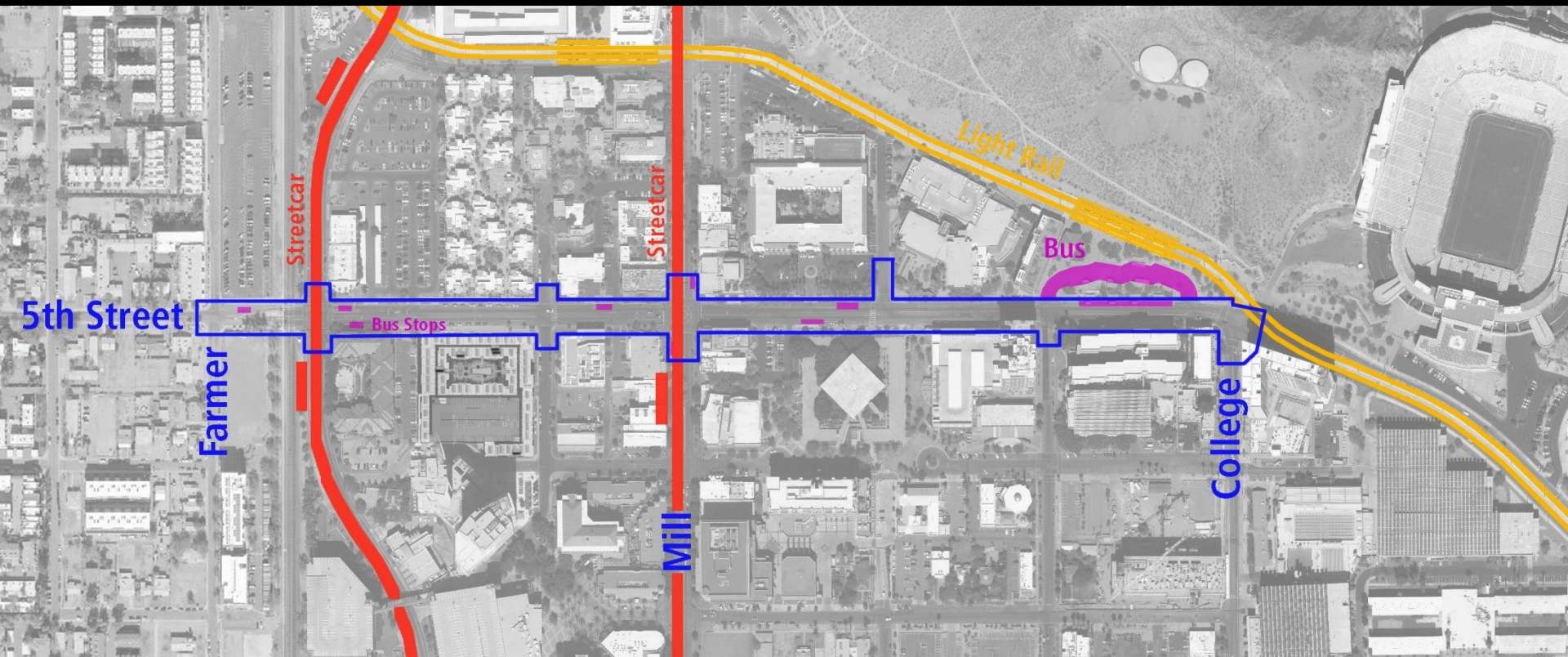
Surrounding Hotel – Mission Palms



Surrounding Hotel – Marriott Properties



Transit Facilities



Transportation Center



Transportation Center



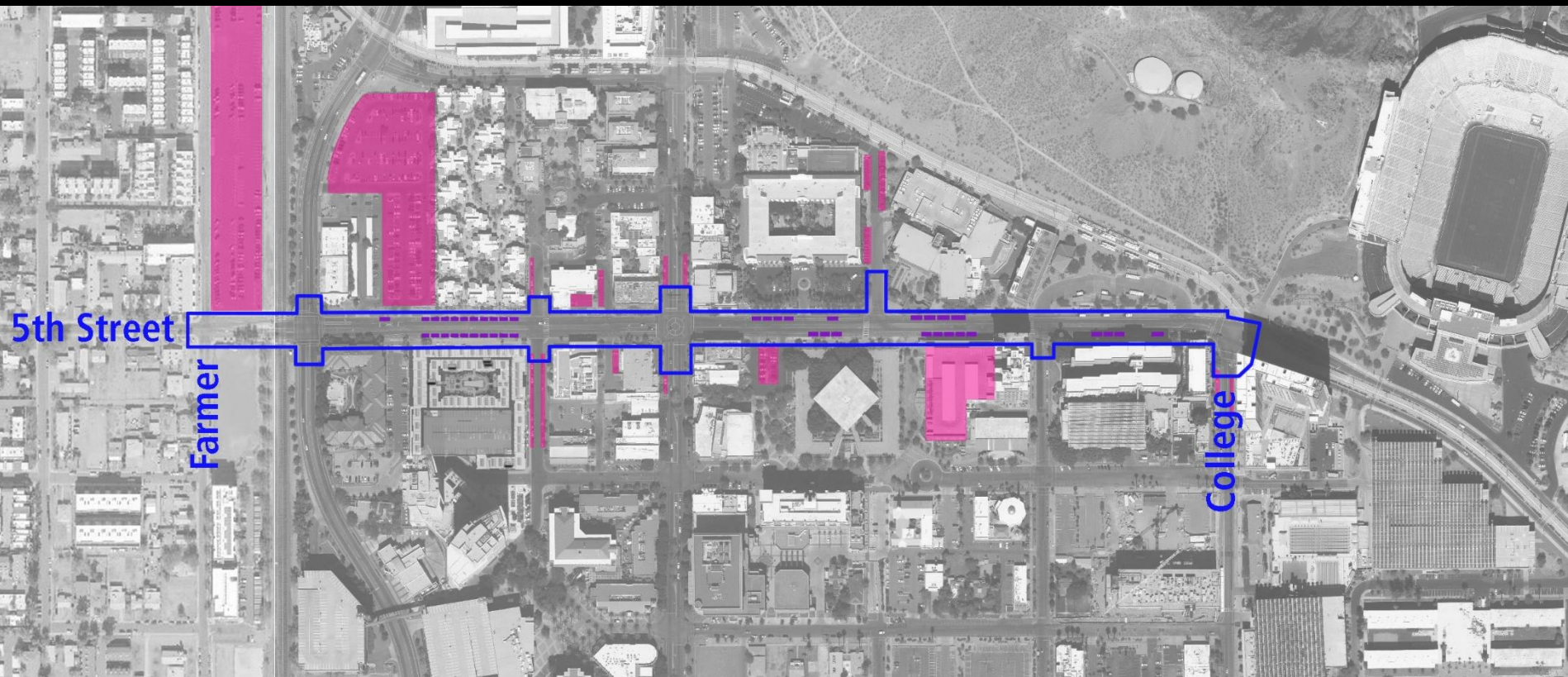
Transit Shelters



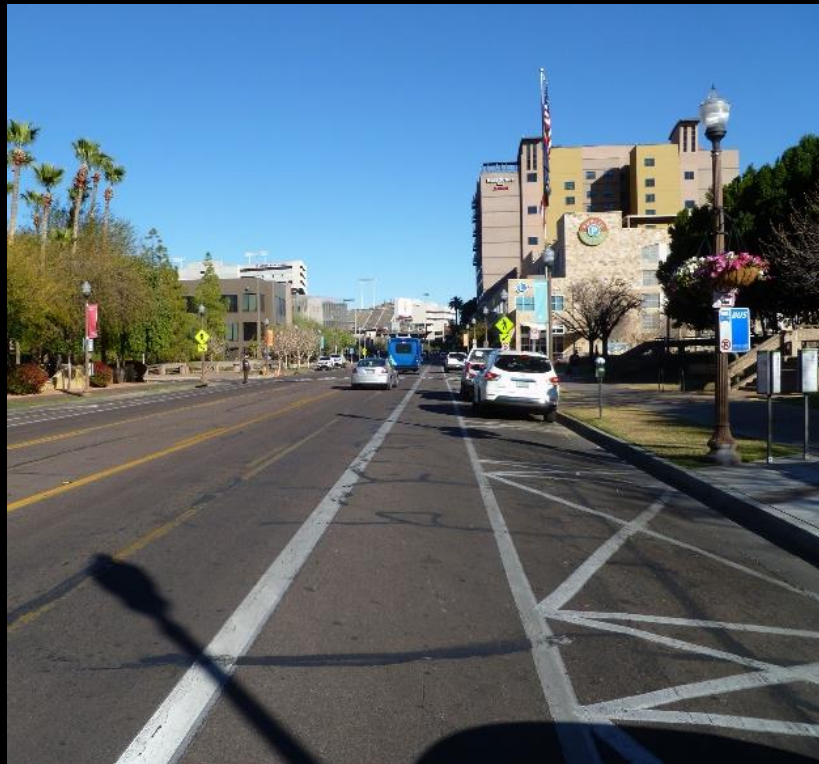
Streetcar



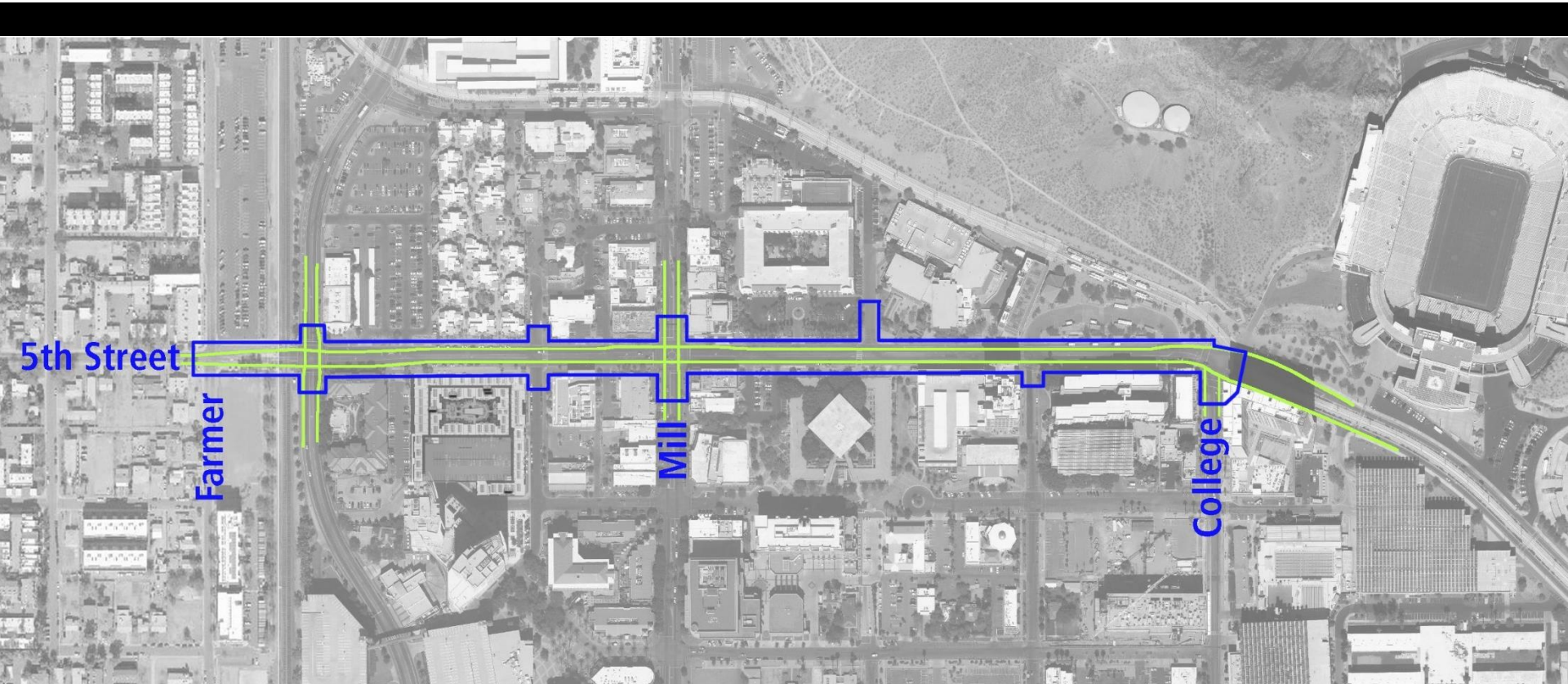
Parking On-Street and On-Lots



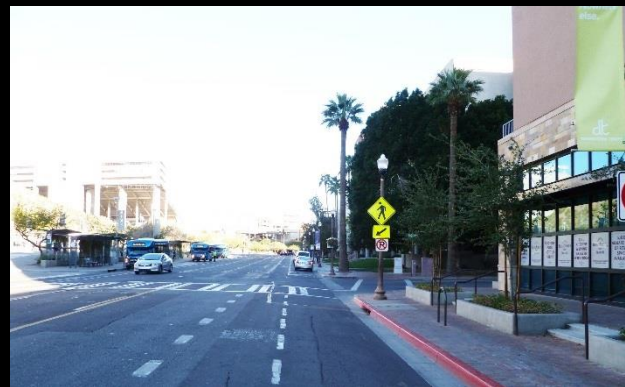
On-Street Parking



Bike Lanes



Bike Lanes



Existing Tree Locations



SYMBOL LEGEND



BLUE PALO VERDE



BOTTLE TREE



CARAB



CALIFORNIA FAN PALM



DESERT MUSEUM



DESERT WILLOW



ELM



ASH



FICUS



PEAR



ITALIAN CYPRESS



JACARANDA



MESQUITE



MEXICAN FAN PALM



OAK



RED PUSH PISTACHE



SHOESTRING ACACIA

Tree Canopy Coverage



● TREE LOCATION

*EXISTING TEMPE AVERAGE CANOPY COVERAGE - 13.4%

*EXISTING TEMPE/ASU/DOWNTOWN CANOPY COVERAGE - 12.1%

*TEMPE R.O.W. CANOPY COVERAGE - 1.6%

EXISTING R.O.W. 5TH STREET STUDY AREA CANOPY COVERAGE - 8.3%

Light Fixture Locations



SYMBOL LEGEND



Light Fixtures



Light Fixtures

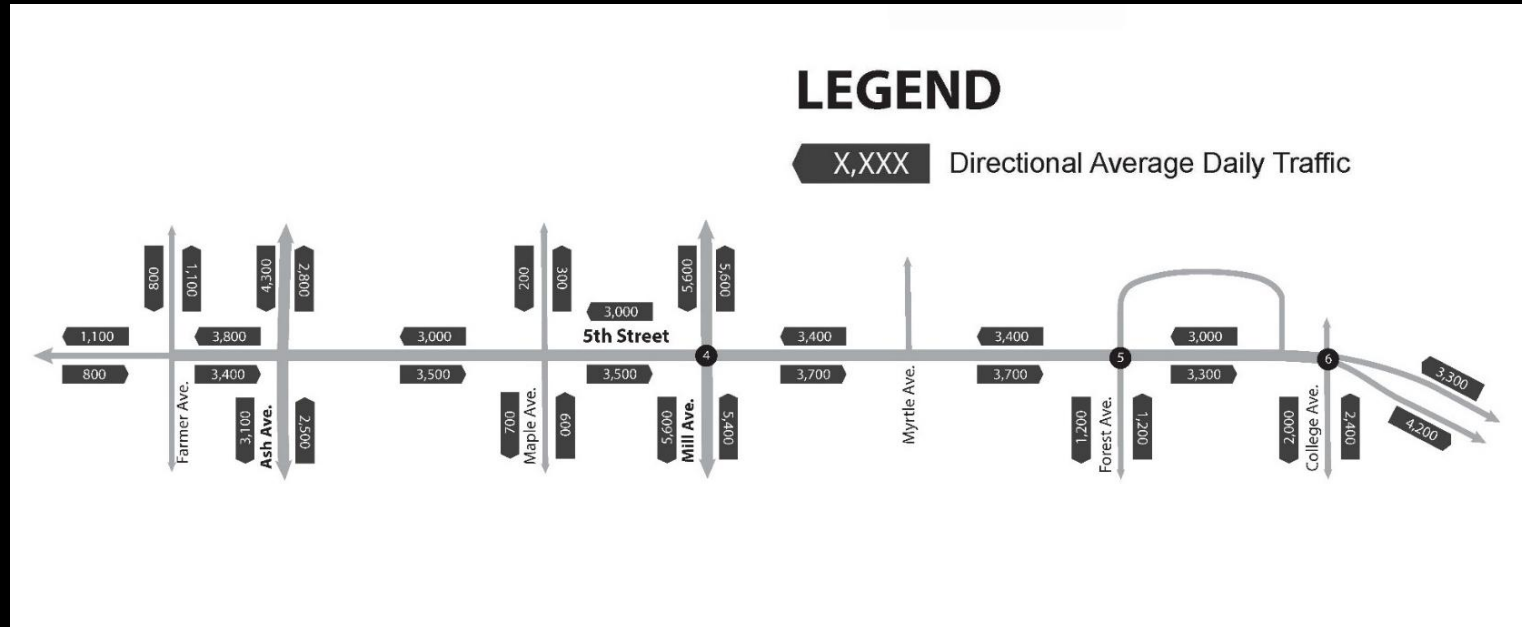


UPRR Crossing



Traffic Analysis – Current Average Daily Data

- Consistent volume of traffic
- No major traffic issues
- Higher volume on east side connection to ASU
- Seven intersections
- Access to off-street parking and building entries





Multi Modal, Smart, Green, Distinctive Street Possibilities

Street Possibilities



Parallel Parking

Street Possibilities



Angle Parking

Street Possibilities



Reverse Angle Parking

Street Possibilities



On- Street Motorcycle and Scooter Parking

Street Possibilities - Parklets



Street Parklets and Pop-up Patios

Street Possibilities - Parklets



Street Parklets

Street Possibilities



Street Tree Formations

Street Possibilities



Special Event Spaces

Street Possibilities



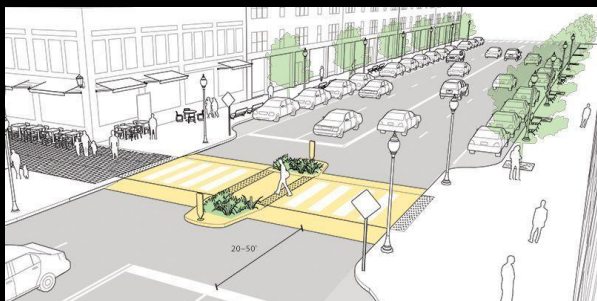
Intersection Bump outs and Chicanes

Street Possibilities



Raised Crossings at Intersections

Street Possibilities



Mid-Block Crossings

Street Possibilities



Bike Lanes – Adjacent to Parking

Street Possibilities



Bike Lanes – Green Lanes

Street Possibilities



Buffered Bike Lanes

Street Possibilities



Bike Lanes – Physically Protected / Cycle Tracks

Street Possibilities



Painted Transit Lanes

Street Possibilities



Bicycle Boxes at Intersections

Street Possibilities



Stormwater Planters / Water Harvesting

Street Possibilities



Open Tree Trenches

Street Possibilities



Bike Share Stations

Street Possibilities



Public Art

Street Possibilities



Electric Vehicle Charging Stations

Street Possibilities



Decorative Paving Treatments

Street Possibilities



Historic & Contemporary References in Paving

Street Possibilities



Street Medians

Street Possibilities



Street Medians

Timeline and Next Steps

- Fall 2016
 - Develop Concept Alternatives
- Winter / Spring 2017
 - Public Meeting #2 - Review Concept Alternatives
 - Boards & Commissions
 - City Council Direction
- Summer / Fall 2017 Prepare final Construction Documents
- Develop phases, temporary & permanent solutions

Stakeholders

- City of Tempe Leaders & Commissions
 - Mayor and Council
 - City Departments
 - Transportation Commission
 - Commission on Disability Concerns
 - Historic Preservation Commission
 - Municipal Arts Commission
 - Parks and Recreation Board
 - Sustainability Commission

- Key Stakeholders
 - Downtown Tempe Authority
 - ASU
 - Neighborhood/Homeowner Associations
 - Tempe Bicycle Action Group
 - Valley Metro
 - Residents, business and property owners adjacent to 5th Street

CITY OF TEMPE TRANSPORTATION COMMISSION



STAFF REPORT

AGENDA ITEM 8

DATE

October 28, 2016

SUBJECT

Future Agenda Items

PURPOSE

The Chair will request future agenda items from the commission members.

BACKGROUND

The following future agenda items have been previously identified by the Commission or staff:

- Commission Business (January)
- Bike Hero (January)
- Transportation Program Market Research Survey (January)
- Streetcar (January)
- Traffic Congestion Market Research Survey (February)
- Long-Range Forecast Presentation (February)
- Rio Salado @ McClintock Drive MUP Underpass (February)
- FY 2017-18 Media Plan (February)
- Country Club Way Bike/Ped Project (March)
- ASU Bike Registry Outreach Efforts (March)
- Streetcar (March)
- Leading vs. Lagging Left Turn Signals (March)
- Maintenance of MUPs (April)
- North/South Railroad Spur MUP (May)
- Streetcar (May)
- Bicycle/Pedestrian Signal Activate Operations Update (TBD)
- Small Area Transportation Study (TBD)

RECOMMENDATION

This item is for information only.

CONTACT

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