

WORK SESSION MINUTES OF THE AVONDALE CITY COUNCIL

CITY OF AVONDALE, ARIZONA

CITY COUNCIL CHAMBER

March 05, 2025

A **Work Session Meeting** of the City Council of the City of Avondale, Arizona was convened at 11465 West Civic Center Drive in open and public session at 8:04 a.m.

Members Present: Mayor Mike Pineda; Councilmembers Tina Conde*, Jeannette Garcia, Gloria Solorio, Shari Weise, and Max White.

Members Absent: Vice Mayor Curtis Nielson

Other Municipal Officials Present: Ron Corbin, City Manager; Tracy Stevens, Assistant City Manager; Katie Gregory, Assistant City Manager; Dale Nannenga, Deputy City Manager; Nicholle Harris, City Attorney; Marcella Sarmiento, City Clerk; Liz Barker Alvarez, Intergovernmental Affairs Administrator; Kirk Beaty, Public Works Director; Barbara Coppage, City Auditor; Memo Espinoza, Police Chief; Joel Evans, Facilities Director; Craig Jennings, Judge; Corey Larriva, Parks and Recreation Director; Chris Lopez, Neighborhood and Family Services Director; Andy Mesquita, Human Resources Director; Kimberly Moon, Engineering Director; Jodie Novak, Development Services Director; Abril Ruiz-Ortega, Court Administrator; Larry Rooney, Fire Chief; Jeffrey Scheetz, Chief Information Officer; Pier Simeri, Marketing and Public Relations Director; Jennifer Stein, Economic Development Director; and Renee Weatherless, Finance and Budget Director.

Audience: No members of the public were present.

1. ROLL CALL BY THE CITY CLERK

2. WELCOME AND INTRODUCTIONS

Councilmember Solorio shared the opportunity and experience of throwing out the first pitch at the Cincinnati Reds v Los Angeles Dodgers game on March 4, 2025.

City Manager Corbin discussed the importance of the strategic plan that is used to guide daily decisions, assign funding, assign priorities to projects, determine how tasks will get done, among other things. The strategic plan is the unifying document from the Council to the City Manager that provides a clear statement of work and expectations.

Ms. Hetrick reviewed resources provided that contribute to and assist Council with the work before them today as they reflect and engage as a body develop the strategic plan

Councilmember's shared observations and reflections and commented on yesterday's work session, including hearing how everything ties together with stakeholders, partners and the City, uncertainty in things out of the City's control as it relates to the economy, the importance of having staff that are able to pivot and look for new opportunities, and always looking to see what can be done better.

Ms. Hetrick spoke about the strategic planning process and the importance of knowing where the organization is and where it wants to go. Take advantage of opportunities that arise while recognizing something may take longer to accomplish than others depending on the circumstances. A recession could or could not happen. Be alert, have cohesion of the elected body, have good practices, and don't rest on your laurels. Continue looking to the future and relying on the competence of the staff and available resources to make informed decisions.

Economic Development is a "team sport" that incorporates many players like everyone in the room and key stakeholders. Focusing on that and knowing no individual can conquer everything will allow things to come together with a focus on Avondale and what needs to be achieved for the community and how the City can support it.

An overview of the agenda and preview of the day was provided. An overview of the "Basic Norms" for the meeting was provided including listening with respect, being bold, strive for consensus, and have fun. Ideas, topics, or issues that require more information or follow up will be captured on the "bike rack".

Councilmembers participated in an icebreaker activity where in six words they described something they hope has been achieved by the City by March 5, 2030.

3. BUDGET UPDATE

Renee Weatherless, Finance and Budget Director, presented and discussed the budget update that covered the FY 2025 status, financial forecast, and the budget process for FY26.

Revenue through January 2025 shows all sales tax revenues are above the forecast and last year. The enterprise funds show water above forecast and last year, while sewer and solid waste are slightly trending down. The proposed rate changes have been factored into the calculations and assumptions. The general fund revenue is less than last year with the loss of residential rental sales tax revenue effective January 1, 2025. State shared revenues are down from last year due to changes in income tax revenue that were planned for. An increase in development revenue from permitting is increasing the license revenues. Property sales are down from last year due to property being sold.

An overview of sales tax over the last five years has been holding steady. Regarding questions about a recession, it is possible, but the city follows retail sales that for the most part have been holding strong. Contracting sales tax revenue has been carrying the sales tax revenue in Avondale for a few years, which is great, but it is one-time revenue.

Year to date the budget is five percent over last year and eleven percent over budget which will continue to be monitored going forward.

A review of the operating expenses shows the general funds over last year but under budget by \$5 million due to FTE vacancy savings, same as public safety, and the enterprise funds have the new rates incorporated.

A review of the general fund forecast included an overview of the assumptions currently in the forecast such as salary increases, benefit costs, the police department's take home vehicle program, loss of residential rental tax, and contracting sales returning to base levels, but it does not account for the impact of a recession. The loss of the residential rental sale tax had a \$2 million impact, and the city will need to be strategic with ongoing expenses. The thirty-five percent stabilization funds are set aside per the financial forecast and another \$5 million is set aside for capital reserve for any capital projects that have unanticipated changes or cost. The balances show FY2024 with \$99 million down to \$30.6 million in FY2030

The following economic indicators were shared with Council.

- Average hourly earnings - national average is \$35.85 compared to the state at \$33.40. For several years Avondale was outpacing the average but is now even.
- Inflation - national average is 2.9 percent compared to Phoenix metro at 1.6 percent. Another area, Avondale, was outpacing the national average a couple years ago.
- Single-family permits – they tend to be cyclical, but Avondale follows the trend
- Median listing home price as of December 2024 – national average was over \$402,000 and Phoenix metro area was just under \$500,000

The budget process that is under way was discussed noting the goal is to have a structurally balanced budget and all salaries and the cost of doing business every day is covered in the five-year forecast. Part of that process is to target a ten percent fund balance above stabilization, look ahead at operating expenses and capital expenses for the five-year forecast, and continue working on cash flowing expenses. Compensation assumptions that are built into the budget include the five percent salary increases, any changes based on the market study, and changes to the costs of benefits.

The Citizen Bond Committee task and status was reviewed noting they will be making a recommendation to Council next month. The timeline was reviewed noting that the preliminary budget will be presented at the end of March, the City Manager's Recommended Budget will be presented in April, the tentative budget adoption will be presented in May, and final budget adoption will be in June.

In response to Councilmember questions, Mr. Corbin explained the status of HCR2021 regarding sales tax on grocery items, which has been amended to a capped rate of two percent. The measure passed the House and is in the Senate, if it passes the Senate it will go to the voters in November 2026. Ms. Weatherless confirmed the potential increase in utility rates was included in the budget.

4. STRATEGIC PLANNING PROCESS

Ms. Hetrick discussed the planning process that included revisiting of the process, an overview of strategic plan, elements of strategic plan, and a summary of stakeholder input that occurred within the last couple of months.

The strategic plan should answer three questions; What is going well, Where do you want to go, and how are you going to get there. The strategic plan is a three-to-five-year plan that informs all the work the organization is prioritizing and funding through the budget and other work avenues.

Key components of the strategic framework are vision, strategic outcomes, and strategies. Other elements of the current strategic plan include core purpose being the organizational mission statement, and core values.

Councilmembers engaged in an information gathering activity, "*True Today, True in 10 Years*", where they shared three things that are true today about Avondale that they hope will still be true in ten years. They also shared three things that are not true today about Avondale, but they hope will be true in ten years. Ms. Hetrick and Ms. Janick compiled and aligned the notes by category of themes that stood out that were reviewed and discussed with Council.

- Connected and Engaged Community
- Economic Development
- Transportation
- Programming
- Core Purpose – not a category or theme, but overarching purpose
- Safety
- Housing
- Effective Government
- Natural Resources

Councilmember White discussed concerns from the panelist session related to the safety of the water and air quality and the potential need for more controls related to them. A discussion brief discussion ensued.

Mayor Pineda commented on how the ideas presented are a true representation of the current Council.

5. REVIEW STAKEHOLDER INPUT

Janae Janik, Management and Strategy Consultant, presented and discussed an overview of the stakeholder input that occurred over the last several months. This included stakeholder engagements, meetings with department heads, and community meetings. Avondale Connect and social media channels were also available for comments. This information will be used in forming the strategic plan.

Topics highlighted included key engagement themes, what the stakeholders and residents' vision is for Avondale, what do they want to see in the future, what do they want the community to be about, review of strengths, values, and purpose. There are

also challenges in community engagement with a need to bridge the gap between engagement and getting involved. Responsiveness is a strength that becomes an expectation and a challenge with constrained resources. Balancing growth amongst uncertainty and a lack of prioritization. Take advantage of the opportunities that present themselves, such as economic development, using assets and natural resources, engaging and connecting community members in person, and cultivating partnerships

Councilmembers were given an opportunity to share and discuss their thoughts.

- Councilmember Garcia noted the importance of seeing the challenges because that is what they will be looking at to do better. With staff providing great customer service now it will be interesting to see what can be done better.
- Councilmember Weise commented on being part of a family that is seen and felt by new employees and residents through the core values. It was surprising to hear residents feel that Council is not prioritizing City needs. Ms. Janick noted the response was a combination of residents, stakeholders, and staff.
- Mayor Pineda commented on opportunities being ways to improve and as those become clear and gaps are identified a new mission will be developed.

6. VISION FOR AVONDALE

Ms. Hetrick provided an overview of the purpose of the Vision and transitioned into facilitating a conversation with the Council to revise or affirm the vision statement regarding the future of Avondale.

The vision statement is the North Star, a directional statement. Councilmember White read the current vision statement into record.

Ms. Hetrick shared feedback received about the current vision statement during engagement activities. Overall, it was liked and supported, some felt it was more descriptive than aspirational, they did not like the outcome areas, but residents did feel a sense of pride being a driven City ready to take on the future. What you want to develop is a Vision that you connect to and reflects where you want to go. It should be memorable and concise like the core purpose and values. The Vision should include the things that must be held onto and elevated as well as envisioning future things to be created.

- Councilmember Conde spoke about incorporating opportunity into the vision statement, because there are so many opportunities in Avondale, and it should be a focus on what can be rather than what was.
- Councilmember White spoke about Avondale's brand of Aspire, Achieve, and Accelerate and tying the Vision to it. Noting words matter and discussing the direction of the federal government having perceptual impacts on Avondale and needing to be a friendly location that the federal government to other municipalities feel they can work with. Ms. Hetrick responded that words do matter but sometimes less is more because you want to be clear and intentional.

Ms. Hetrick proposed three vision statements for discussion, acknowledging the suggested elements.

Mayor Pineda suggested *“In Avondale, we embrace the future with confidence, by fostering, innovation, and empowering all residents and businesses to aspire, achieve, and accelerate to reach their full potential”*, which took pieces from all three recommendations. Councilmember White recommended adding the three A’s.

Discussion ensued among the Council and Ms. Hetrick. The discussion resumed upon completion of discussion on strategies. Councilmember White recommended adding the three A’s. It was noted that a neighboring City has a similar vision statement. This will be further discussed when the draft is brought for review.

7. STRATEGIC OUTCOME AREAS

Ms. Hetrick reviewed the purpose of strategic outcomes and facilitated a conversation regarding the City’s strategic outcome areas. Strategies within each area were reviewed, revised or affirmed.

Strategic outcomes are the focus for the organization, what the City Manager and team will use to prepare a budget. They are longer horizon activities that will be focused on and progress over time.

Ms. Hetrick recommended that, based on conversations with the panels to not try to refine the previous outcome but start fresh with what Avondale is today. Proposed strategic outcomes were reviewed including the ingredients for each element and discussed.

1. Economic growth and prosperity
2. Community well being
3. Connected and engaged community
4. Resilient Infrastructure and natural resources
5. Innovative and effective government

The Council engaged in feedback discussions highlighting the following.

- ▶ Attainable housing and generational wealth
- ▶ Child development
- ▶ Workforce creation, workforce preparation and development
- ▶ Education
- ▶ Innovative programs and recreation
- ▶ Create opportunities for residents to create wealth

A discussion ensued regarding natural resources and open spaces. When asked what the focus would be, it was noted that it would require coordination among the many agencies and municipalities, which can be a barrier. The concern is if specific and

deliberate development plans are not in the plan they will not occur. Mr. Corbin further defined natural resources which include water and air quality as well as other amenities.

Ms. Hetrick reviewed the ideas and statements for each strategic outcome that were informed by the economic development presentation. Discussion was facilitated with the Council and staff.

Economic Growth and Development

- ▶ Missing high quality entertainment, food, and retail, as well as workforce development.
- ▶ Be bold and use bold language
- ▶ Achieve a full-service city that includes amenities
- ▶ Quality over quantity
- ▶ Attainable diverse housing opportunities

What does success look like in the five-year time frame. Councilmembers discussed indicators of success.

- ▶ Collaboration colleges and programming that is building a workforce
- ▶ Homes in variable price ranges
- ▶ Building out the BLVD
- ▶ Increase tourism
- ▶ High quality entertainment and restaurant amenities
- ▶ Thriving Old Town

Community Well-Being

- ▶ Outdoor space, parks and recreation amenities
- ▶ Physical, mental, and emotional aspects
- ▶ All residents have access
- ▶ Reducing the barriers to employment
- ▶ Capture recreation
- ▶ A resource conscious community
- ▶ Building a lifestyle of wellness or Access to amenities to achieve a lifestyle that promotes wellness
- ▶ Promote open space in river basins and riverbeds as an asset to promote economic development.
- ▶ Preservation of natural resources beyond open space, being resilient and smart.

Indicators of success.

- ▶ More active and engaged community, education programs on well-being,
- ▶ Connected trail system, new parks with ADA components and fences around playgrounds
- ▶ Compliance with regulatory requirements for natural resources

- ▶ Implementation of sustainability plan
- ▶ Reduction in people experiencing homelessness in Avondale
- ▶ Presence of a micro hospital
- ▶ Veteran housing/ seen
- ▶ Renewal of designated shared water supply

Mr. Corbin commented on the process, noting today is a workshop to capture thoughts and feelings to be put into words that fit into a draft strategic plan.

Connected and Engaged Community

- ▶ Informs, prepares, and engages
- ▶ Ensures access to resources, more than programs
- ▶ Creation of opportunities for connection
 - City Ambassadors (strategy)
 - Connecting to the community through digital outlets. (strategy)

Indicators of Success

- ▶ Increased participation rates in surveys, community programs, events, and visiting facilities
- ▶ Increased voter turnout
- ▶ Informed community
- ▶ More people have downloaded the AviWise App

Resilient Infrastructure and Transportation

- ▶ No traffic, connected lighted trails, high speed transit – light rail, multi-modal, access by walking trails, free transportation around the city (from sticky notes)
- ▶ Avondale invests in its infrastructure including regional planning and development, development and maintenance of sustainable infrastructure including roads, water, sewer, air, and regional transit system

Indicators of Success

- ▶ Transportation options
- ▶ Walkable community
- ▶ Safer streets, reduction in accidents
- ▶ Road condition

Innovative and Effective Government

The Council and staff worked on developing the statement for this element. Avondale's elected leaders, strategic partners, and employees collaborate to be a model of innovation, efficiency, and responsiveness.

**Councilmember Conde departed the meeting at 11:41 a.m.*

Indicators of Success

- ▶ Positive outcomes of grant awards
- ▶ Continued responsiveness to residents
- ▶ Continue to see national certified departments and individual employees
- ▶ Industry leading or maintaining accreditation practices and processes that put Avondale on the map.
- ▶ High response rates to surveys
- ▶ Winning awards
- ▶ Budget outcomes for efficiencies
- ▶ Demonstrated independent thinkers and collaborative doers.
- ▶ Other municipalities replicate implemented innovations
- ▶ Lower turnover rate and lower vacancy rate
- ▶ Maintaining Avondale as an employer of choice
- ▶ Innovative in streamlining, creating enhancements, having unique processes or ways of customer service or plan review.
- ▶ Customer focused

City Council recessed the Work Session at 11:51 a.m.

City Council reconvened the Work Session at 12:30 p.m.

STRATEGIC STRATEGIES

Ms. Hetrick provided an introduction into the next step of the process which is to review and develop strategies for each focus area. An overview of the proposed strategies was provided noting they reflect on the goals in the economic strategic plan. A discussion among the Council and staff was facilitated.

1. Economic growth and prosperity
 - a. Create, generate, and market tourism opportunities
 - b. Plan and invest in infrastructure that supports economic development activity
 - c. Expand workforce development
 - d. Plan for State Route 30 development
2. Community well being
 - a. Promoting healthy lifestyles and providing access to recreational activities and amenities for all ages
 - b. Add education on how to live a healthy lifestyle under bullet #4
 - c. Maintain the safety of residents in the community, including police, fire, emergency management, among others
 - d. Meeting the needs of all our community residents regardless of their need
 - e. Code enforcement and continued beautification of the City
3. Connected and engaged community
 - a. Artificial intelligence
 - b. Host community events that create opportunities for connection
 - c. Council prioritizes the creation of multi-modal connections

- d. Investing in facilities that promote engagement
- e. Creating spaces for connection
- 4. Resilient Infrastructure and natural resources
 - a. Building infrastructure for pedestrians
 - b. Aviation for drones
 - c. Collaboration with stakeholders
 - d. The council is investing annually in road maintenance
- 5. Innovative and effective government
 - a. Attract, retain, and develop a highly competent workforce that reflects our community
 - b. Leveraging technology to the best of our ability, to streamline our processes internally
 - c. Encouraging innovation in delivering efficient and effective services
 - d. Empowering people to find better ways to do things
 - e. Transparency, accuracy, accountable
 - f. Pursue nontaxpayer resources to fund things

8. CLOSING AND NEXT STEPS

Ms. Hetrick provided an overview of the next steps up to and including the presentation of the final comprehensive strategic plan for adoption by the Council in June.

Mayor Pineda and Councilmembers shared their gratitude for this experience, recognizing alignment among the Council that goes towards making the City better.

Mr. Corbin thanked Ms. Hetrick and Ms. Janik for their work, recognized Anisa and her team, and thanked the Council for taking time out of their work schedules to participate in this process.

9. ADJOURNMENT

There being no further business before the Council, Councilmember Garcia, moved to adjourn the Work Session Meeting; Councilmember White seconded the motion.

Upon vote, the motion was carried unanimously 7 to 0.

Councilmember Conde	Aye
Councilmember Garcia	Aye
Councilmember Solorio	Aye
Councilmember Weise	Aye
Councilmember White	Aye
Vice Mayor Nielson	Aye
Mayor Pineda	Aye

The meeting was adjourned at 01:45 p.m.

Mike Pineda

Mike Pineda (Apr 8, 2025 12:27 PDT)

Mike Pineda, Mayor

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session Meeting of the Council of the City of Avondale held on the 5th day of March 2025. I further certify that the meeting was duly called and held, and that the quorum was present.

Marcella Sarmiento

Marcella Sarmiento, City Clerk

April 7, 2025

Date Approved by City Council