



Council Executive Report

Charles P. Potucek, City Manager

November / December 2019

Highlights

- ➔ For the 48th year of the Sierra Vista Firefighters Christmas drive, SVFMS assisted 523 children and 258 families!
- ➔ The EAA provided flights to 113 young people in the annual Fly-In at the Airport on November 2nd.
- ➔ 75 members of the community participated in the first Rec 'N' Roll event on November 9th! Rec 'N' Roll is designed to highlight recreational activities in our neighborhood parks.
- ➔ Sierra Vista hosted the Trip Sisters, a video team from Chicago. The team featured Sierra Vista on their radio program and shared the episode as a podcast. Both videos were accepted by Travel + Leisure and NatGeo, reaching millions of viewers!

Departments

	Page
Police	3
Fire and Medical	7
Community Development	8
Leisure & Library	12
Public Works	18
Economic Development	23
Marketing & Communications	30
Administration	34

City Manager's Message

A Happy New Year once again to everyone! I hope your 2020 is peaceful and prosperous. There is much to look forward to City-wise, starting with the budget process. Staff are scheduling a mid-year budget review for a February work session where I expect to have positive news to share about where the City ended up for FY2018-2019, our projections for FY2019-2020, and priorities for FY2020-2021. An executive session will also be schedule with the first meeting in February; please keep an eye out for the meeting request coming shortly. Staff will also share the budget timeline with Council in the next few weeks.

City Manager Highlights

- 🏠 The SEACOM meeting in December was canceled, but I'm pleased to report once again that Allen Smith began work as the new SEACOM director in mid-December. A retired police officer from the Phoenix Police Department, Allen has made a positive impact on operations at SEACOM already. Staffing remains a challenge, but interviewing candidates and training new employees is ongoing. I expect the new Emergency Medical Dispatching system to be installed and launched in the next few months.
- 🏠 I believe we had a successful meeting with our state legislators, Representative Gail Griffin and Representative Becky Nutt, in mid-December. The City has been scheduling a December meeting for a few years now, and it has been a good opportunity to share the City's legislative agenda and hear their priorities.
- 🏠 As often happens in November and December, the City celebrated a handful of retirements at the end of the year. City staff who retired at the end of 2019 included long-time employees Alan Humphrey (Public Works),

Upcoming Council Meetings

(City Hall Council Chambers except where noted)

Jan. 20 – City offices CLOSED in observance of Martin Luther King, Jr. Day

Jan. 21, 3:00 p.m. – Work Session

- City Manager Update

Jan. 23, 5:00 p.m. – Council Meeting

Feb. 11, 3:00 p.m. - Work Session

- City Manager Update

Feb. 13, 5:00 p.m. – Council Meeting

Feb. 17 – City offices CLOSED in observance of Presidents Day

Feb. 25, 3:00 p.m. – Work Session

- City Manager Update

Feb. 27, 5:00 p.m. – Council Meeting

Other Meetings and Events

Feb. 20, 3:00 p.m. – Sierra Vista Metropolitan Planning Organization Work Session @ City Hall

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Cindy Huff (Finance), and Gil Schwantes (Public Works). My best wishes to everyone for a wonderful and well-deserved retirement.

As always, please don't hesitate to reach out with any questions or concerns.

Chuck Potucek, City Manager

Police Department

Uniform Crime Report (UCR)

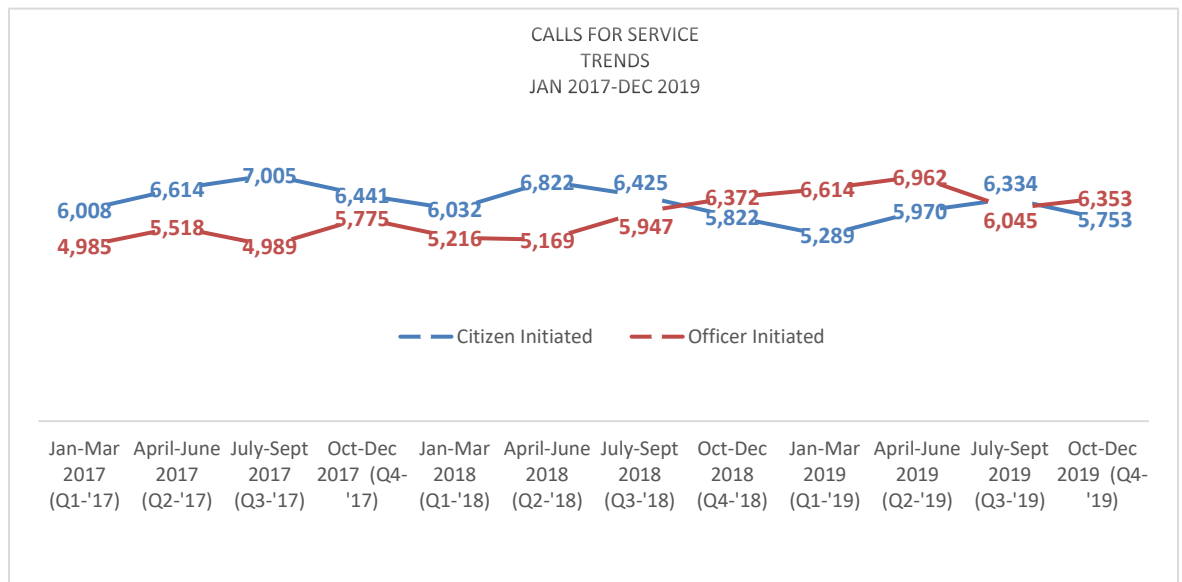
The chart to the right represents a preliminary comparison of UCR Part I crimes for 2018 and 2019. Please note that the statistics for 2019 are preliminary only and can change as the department completes audit processes. In addition, some increases and/or decreases in specific crime categories from 2018 to 2019 may be a result of clarification of crime class definitions by the Federal Bureau of Investigation and the Arizona Department of Public Safety. As an example, some assaults that were once classified as “simple assaults” may be counted as “aggravated assaults” after clarification of the definition for UCR purposes. Based on the preliminary statistics, there has been a 7% decrease in total Part I crimes compared to 2018 and 20% decrease compared to 2017.

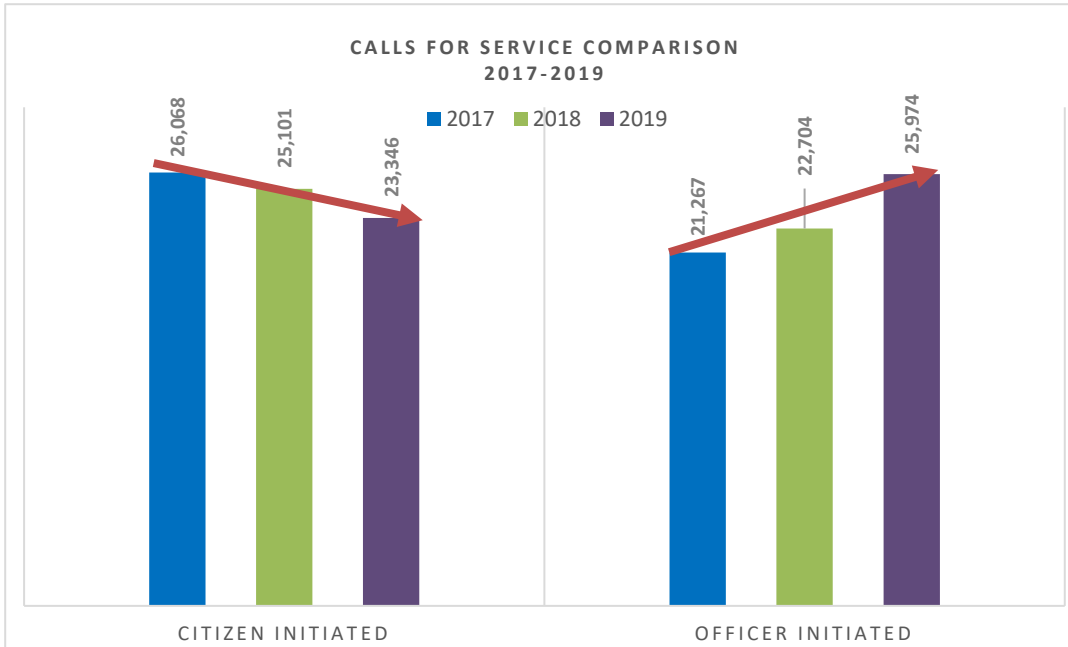
	2018	2019*	% Change
Homicide	3	2	-33%
Forcible Rape	24	10	-58%
Robbery	13	16	+23%
Aggravated Assault	57	98	+72%
Burglary	154	126	-18%
Larceny-Theft	926	817	-12%
Motor Vehicle Theft	46	68	+48%
Arson	2	3	+50%
Total	1,225	1,140	-7%
Officers Assaulted	28	15	-46%
* 2019 statistics are preliminary only			

UCR Part I crimes statistics only count the top eight crime classes (see chart above) and do not adequately demonstrate all that is occurring in a community. A significant amount of officers’ time is spent responding to calls for service not reported in the UCR Part I statistics. Below is an examination of some of these other types of calls for service. It should be noted that these represent calls for service as reported to the department’s dispatch center and do not represent whether or not the officers determined an actual crime was committed.

Calls for Service

In Q4-2019, officer-initiated calls for service outpaced citizen-initiated calls for service. Officers proactively generated 6,353 calls for service and recorded 5,753 citizen-initiated calls for service. In total, the department handled 49,320 calls for service in 2019 with officer-initiated calls for service accounting for 53% of total calls for service and citizen-initiated calls for service accounting for 47%.



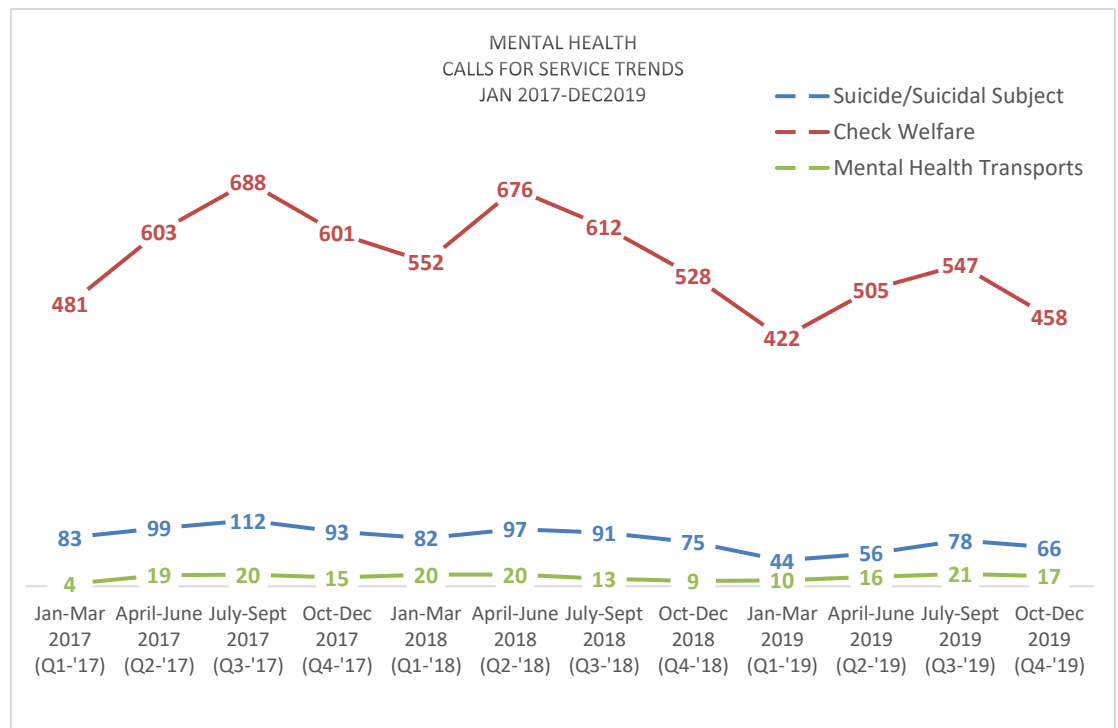


The chart to the left compares calls for service over the last three years. The comparison suggests that officer-initiated calls for service may have an impact by reducing the number of citizen-initiated calls for service and overall crime. Between 2017 and 2018 there was an increase of officer-initiated calls for service of 6.8% with a decrease of citizen-initiated calls for

service of 3.7%. Between 2018 and 2019 there was a 14.4% increased of officer-initiated calls for service with a decrease of citizen-initiated calls for service of 6.9%. During the same time frame there was a reduction in UCR Part I crimes of 14.1% and 6.9% respectively. The department believes the increase in proactive, officer-initiated calls for service is due to the increase in filling vacant officer positions and increased emphasis on proactive activity over the last two years. The benefit of increased proactive officer activity is a decrease in other types of calls for service that pose a greater safety risk to officers and require more investigative time and resources. The department will continue to review the correlation between these two factors over the next few years.

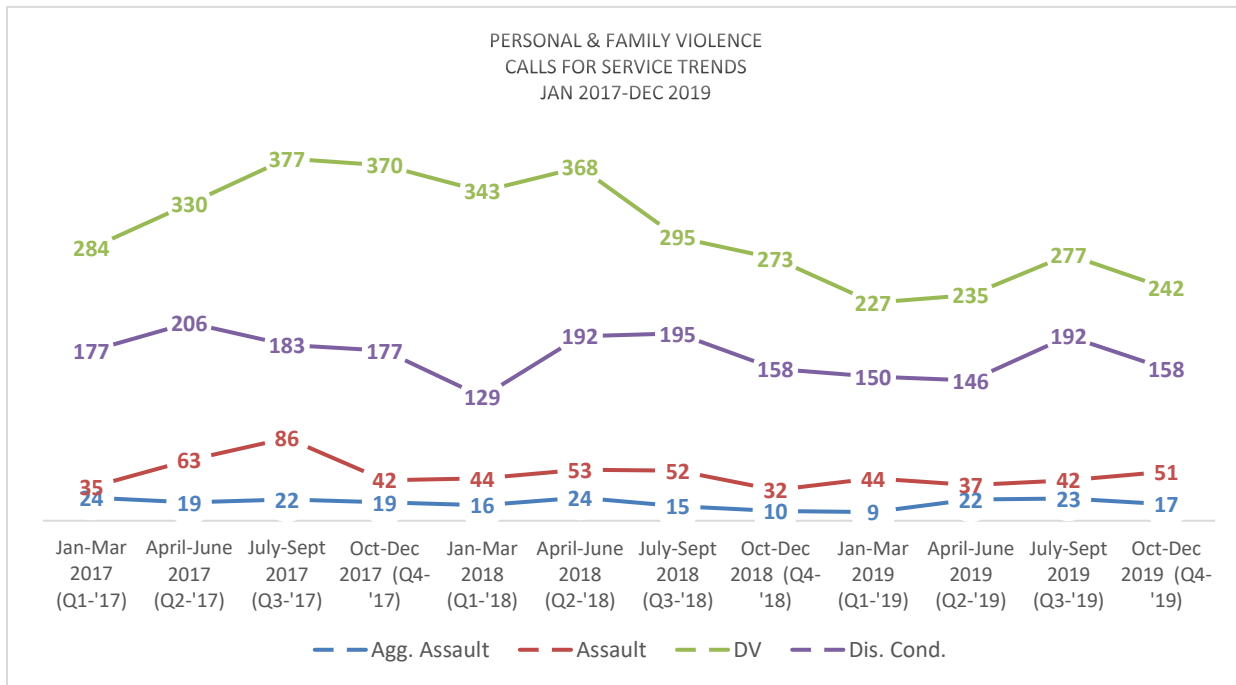
Mental Health Calls for Service

Mental health related calls for service continue to be of serious concern for the department; however, there is a decrease in each call category during Q4-2019. Overall, these calls for service have slightly decreased since 2018. These calls for service continue to take up a significant amount of time for responding officers with overall trends showing an increase over time; however, the department is hopeful the recent decreases will continue.



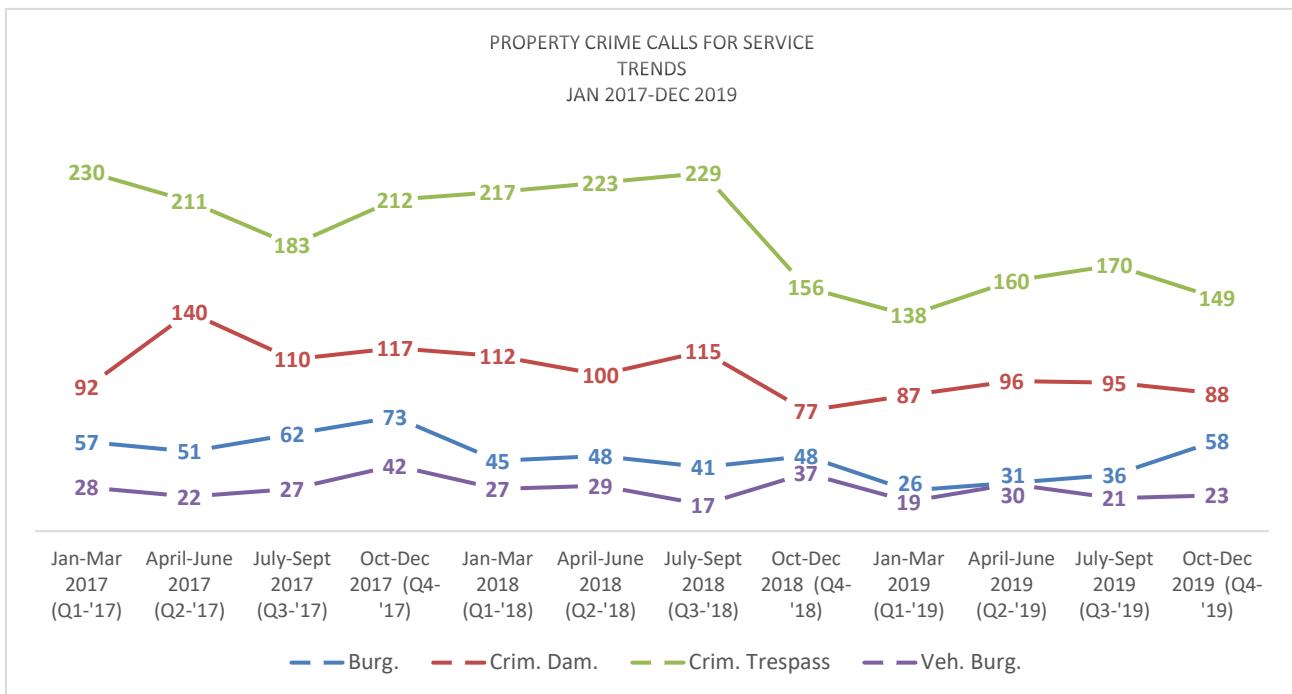
Personal & Family Violence Related Calls for Service

The three-year trend for calls related to domestic violence show an overall decrease, with a significant decrease in 2019. The trends for disorderly conduct, assault, and aggravated assault calls for service have remained relatively steady over the last three years.

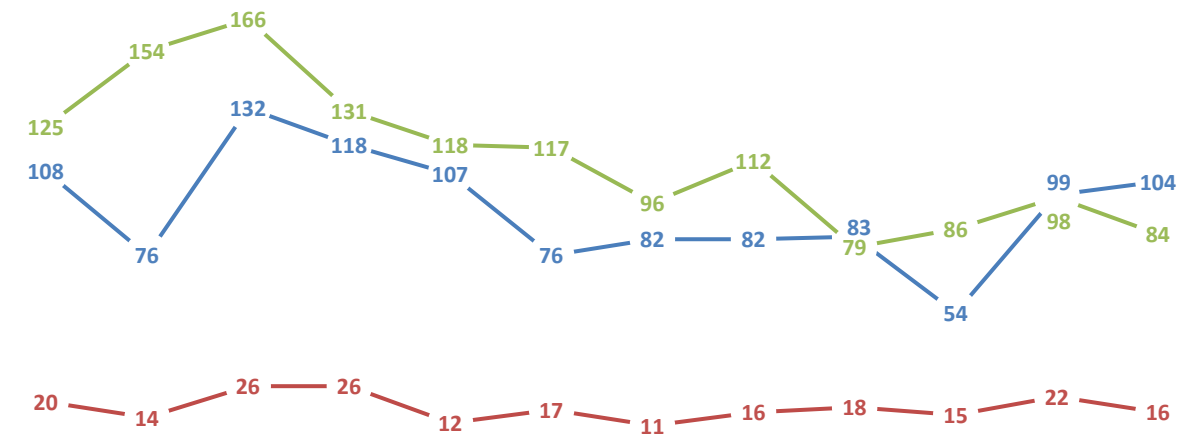


Property Crime Calls For Service

Property crimes continue to be a large portion of the calls for service in which the department responds, however decreases were reported for criminal damage, criminal trespass, theft, and stolen vehicle calls for service in Q4-2019. While there were increases reported for burglary, vehicle burglary, and shoplifting calls for service in Q4-2019, the three-year trend for these crimes shows these calls for service are declining.



PROPERTY CRIME CALLS FOR SERVICE
TRENDS
JAN 2017-DEC 2019



Jan-Mar 2017 (Q1-'17) April-June 2017 (Q2-'17) July-Sept 2017 (Q3-'17) Oct-Dec 2017 (Q4-'17) Jan-Mar 2018 (Q1-'18) April-June 2018 (Q2-'18) July-Sept 2018 (Q3-'18) Oct-Dec 2018 (Q4-'18) Jan-Mar 2019 (Q1-'19) April-June 2019 (Q2-'19) July-Sept 2019 (Q3-'19) Oct-Dec 2019 (Q4-'19)

— Shoplift. — Stolen Veh. — Theft

Sierra Vista Fire and Medical Services (SVFMS)

Sierra Vista Firefighter’s Christmas Drive

Sierra Vista Firefighters completed their 48th year of the Sierra Vista Firefighter’s Christmas Drive. This program could not be possible without the generous donations of this community. With those donations, SVFMS were able to assist 258 families, including 523 children.



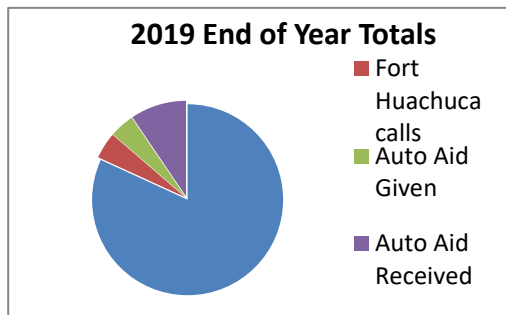
Incident Numbers Totals

December

Sierra Vista Fire and Medical total calls:	692
SVFMS calls on Fort Huachuca:	20
SVFMS auto aid given:	31
SVFMS auto aid received:	62

2019 End of Year Total Incidents

Sierra Vista Fire and Medical total calls:	7719
SVFMS calls on Fort Huachuca:	423
SVFMS auto aid given:	395
SVFMS auto aid received:	895



Nature Code:

Shortness of Breath

The highlighted nature code for November / December is Shortness of Breath. A Shortness of Breath receives a Priority 1 response (1 Engine and 1 Ambulance). The Shortness of Breath nature code is specific to an acute type of illness that potentially requires advanced forms of treatment, to include medication and advanced airway interventions. Having an Engine and Ambulance crew response allows personnel to accomplish these tasks efficiently and effectively. SVFMS personnel responded to 778 Shortness of Breath incidents in 2019. The 778 incidents accounted for 10% of the 7719 total responses within city limits.

Community Development

Planning & Administration

- **Planning and Zoning Commission FY 19-20 Work Program.** Through a series of work sessions, Staff worked with the Commission to identify regulatory amendments necessary to: (1) ensure regulations are clear, internally consistent, easy to follow, and rationally related to achieve a clear public purpose consistent with state and federal laws; (2) ensure permitting processes are efficient and do not require more information than is necessary to determine compliance with applicable codes; and/or (3) minimize the use of special exceptions in the site plan/building permit approval process.

Code Amendments Approved by City Council in November/December 2019:

- *Ordinance 2019-007 (Adopted on 11/14/19). Removed redundant regulations regarding trash and debris from development code; removed minimum size requirement for panels on multi-tenant/shopping center signs.*
- *Ordinance 2019-008 (Adopted on 12/12/19). Amended use permissions for accessory dwelling units from conditional to permitted in single-family residential zoning district; established certain use, development and design requirements and review and approval procedure.*

Code Amendments for consideration in Process:

- *Amend use permissions for schools of general education from conditional to permitted in certain zoning districts including single-family residential (on one-acre site or larger). This amendment will equalize private schools with public schools as required by A.R.S. 41-1493.03 (Free Exercise of Religion). This statute prohibits government from imposing or implementing a land use regulation that treats a religious assembly or institution on less than equal terms with a non-religious assembly or institution, regardless of a compelling government interest. The City Attorney recommends this change be made. The Planning and Zoning Commission held a work session on November 19, 2019, and a public hearing on December 17, 2019, and unanimously recommended Staff proceed with the amendment. The item will be scheduled for City Council consideration on January 23, 2020.*
- *General Update to Subdivision Regulations. On November 19, 2019, the Planning and Zoning Commission held a work session to review proposed amendments to the City's subdivision platting procedures and requirements. Public hearings on this matter are scheduled for January 28, 2020 (Planning and Zoning Commission) and City Council on February 13, 2020).*

Building & Inspection Services

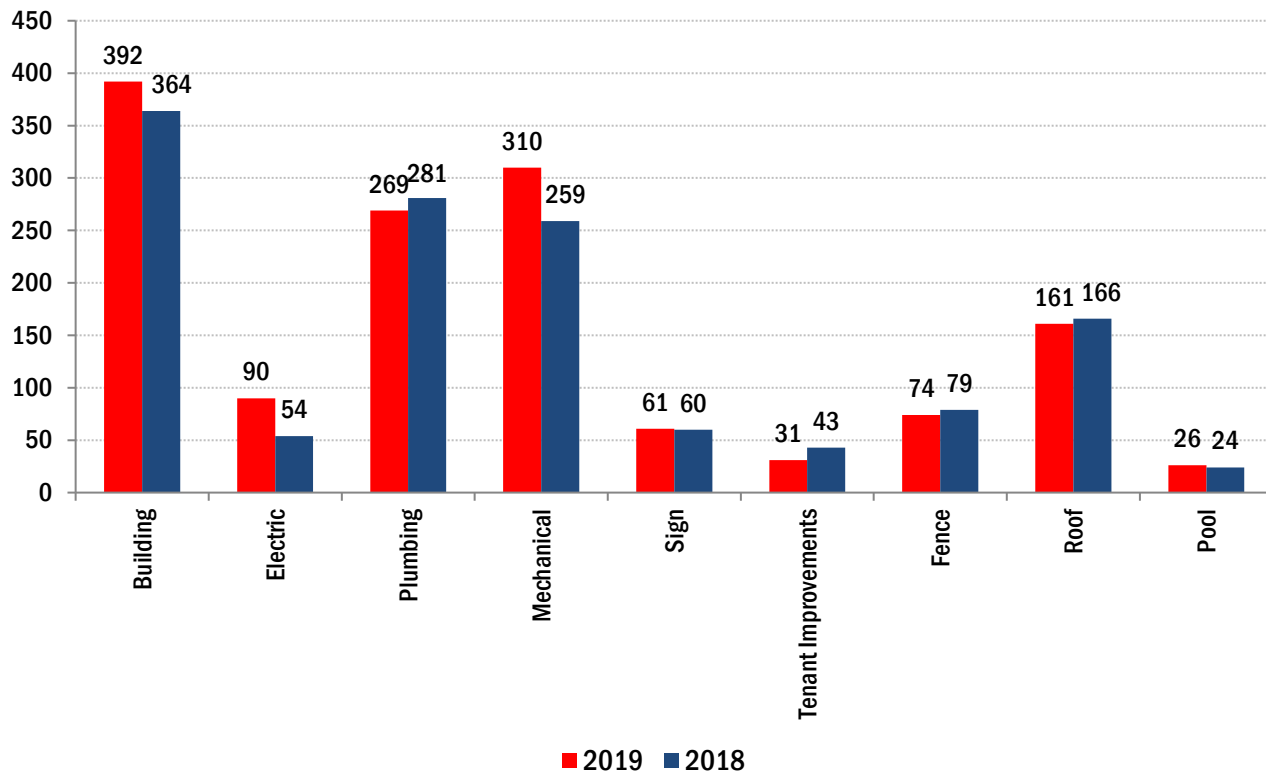
During November/December 2019, Staff worked on the following projects:

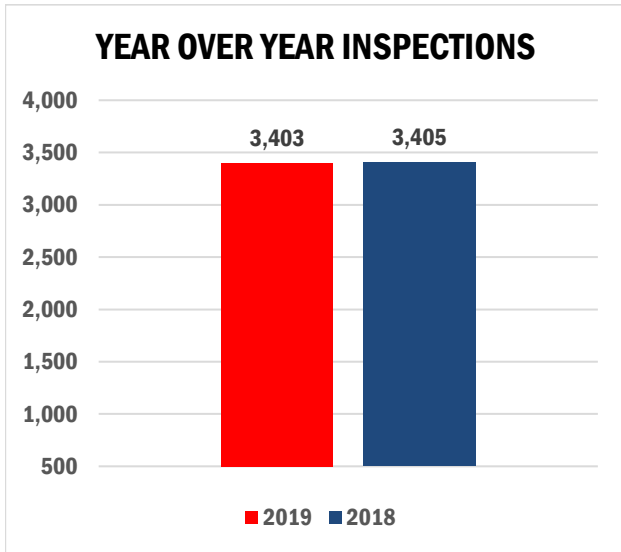
PLANS UNDER REVIEW		
PROJECT NAME	PROJECT TYPE	PROJECT ADDRESS
SV Chiropractic	Tenant Improvement	247 S 7th Street, #B
PDS Multipurpose Building	Commercial New	5130 Paseo Las Palmas
Pamper Me Suites	Tenant Improvement	1965 Frontage Road
APPROVED PLANS		
PROJECT NAME	PROJECT TYPE	PROJECT ADDRESS
USAA Drive Up ATM	Accessory Commercial	493 N Highway 90
Vanilla Shell	Tenant Improvement	135 S Highway 92, #A
143 Street Tacos	Tenant Improvement	124 W Fry Blvd
PROJECTS UNDER CONSTRUCTION		
PROJECT NAME	PROJECT TYPE	PROJECT ADDRESS
Buena High School Theater Expansion	Commercial Addition	5225 Buena School Blvd
Community Baptist Church Outreach Center	Tenant Improvement	1763 Paseo San Luis
U-Haul - Interior Renovations (Phase 2)	Tenant Improvement	2011 E fry Blvd
U-Haul - Outside Storage Units	Accessory Commercial	2011 E Fry Blvd
KFC	Tenant Improvement	1060 E Fry Blvd
Freedom Automotive	Tenant Improvement	297 E Fry Blvd
AAA Fort Storage RV Shade	Accessory Commercial	255 W Kayetan Drive
Carmichael Elementary	Addition Commercial	701 N Carmichael Ave
PDS - Restroom Renovations	Tenant Improvement	5130 Paseo Las Palmas
Town and County - Restroom Renovations	Tenant Improvement	1313 S Lenzner Ave
Village Meadows - Restroom Renovations	Tenant Improvement	905 El Camino Real
Church of Christ Freestanding Ramada	Accessory Commercial	4960 E Highway 90
AT&T Wireless	Cell Tower Modifications	1045 S Lenzner Ave
Buena High School - Bus Enclosure	Tenant Improvement	5225 Buena School Blvd
T-Mobile	Cell Tower Modifications	260 N Garden Ave
Pepsi Freestanding Cover	Accessory Commercial	175 W Kayetan Drive
Verizon Wireless	Cell Tower Modifications	4253 Enterprise Way
Schlotzsky's Deli - Patio Covers	Tenant Improvement	3900 E Fry Blvd
SV Lutheran Church - Parking Lot Upgrades	Site Improvement	101 N Lenzner Drive
CSV Composting Facility	Tenant Improvement	--
Culver's - Flagpole	Accessory Commercial	632 S Highway 92
Via Elegante - Convert to Alzheimer's Facility	Tenant Improvement	4255 Calle Vista
AT&T	Cell Tower Modifications	240 N Highway 90
Chill Factor Hookah Lounge	Tenant Improvement	833 E Fry Blvd, #D
American Family Insurance	Tenant Improvement	999 E Fry Blvd, #110
Oasis Apartments	Tenant Improvement	4250 E Busby Drive
PC's Lounge	Tenant Improvement	4700 E Highway 90

PROJECTS COMPLETED

PROJECT NAME	PROJECT TYPE	PROJECT ADDRESS
Properties Plus	Commercial New	664 Bartow Drive
Tiffany Plaza	Tenant Improvement	1618 E Fry Blvd
Northrup Grumman - Restroom	Tenant Improvement	4067 Enterprise Way
T-Mobile	Cell Tower Modifications	2047 S Highway 92
AT&T	Cell Tower Modifications	2047 S Highway 92
Food City	Tenant Improvement	85 S Highway 92
Dish Wireless	Cell Tower Modifications	4253 Enterprise Way
Verizon	Cell Tower Modifications	3616 E Little Hill Lane
Schlotsky's Deli	Tenant Improvement	3900 E Fry Blvd
Canyon Vista	Cell Tower Modifications	151 Colonia de Salud, #B
Buena High School Theater Expansion	Commercial Addition	5225 Buena School Blvd
Laus Deo	Tenant Improvement	550 W Fry Blvd
City Nails	Tenant Improvement	3676 E Fry Blvd
Jo 2 Go	Accessory Commercial	40 S Avenida Escuela
Damingo Paiz Light poles	Tenant Improvement	3020 E Tacoma St
CAS - Shade Structures x3	Accessory Commercial	900 Carmelita Drive
SSVEC - Remodel PSR Station	Tenant Improvement	311 E Wilcox Dr, 201
Properties Plus	Commercial New	No Physical Address
U-Haul - Indoor Storage Facility	Tenant Improvement	2011 E Fry Blvd

YEAR OVER YEAR PERMIT HISTORY





CONSTRUCTION TYPE	NEW CONSTRUCTION	
	2018	2019
SINGLE-FAMILY UNITS	68	75
SINGLE-FAMILY ADDITIONS	6	16
MANUFACTURED HOME UNITS	2	1
MULTI-FAMILY UNITS	0	0
COMMERCIAL (SQ. FT.)	20,000	0
INDUSTRIAL (SQ. FT.)	0	0
INSTITUTIONAL (SQ. FT.)	27,009	1,650
OFFICE (SQ. FT.)	24,394	0

Code Enforcement

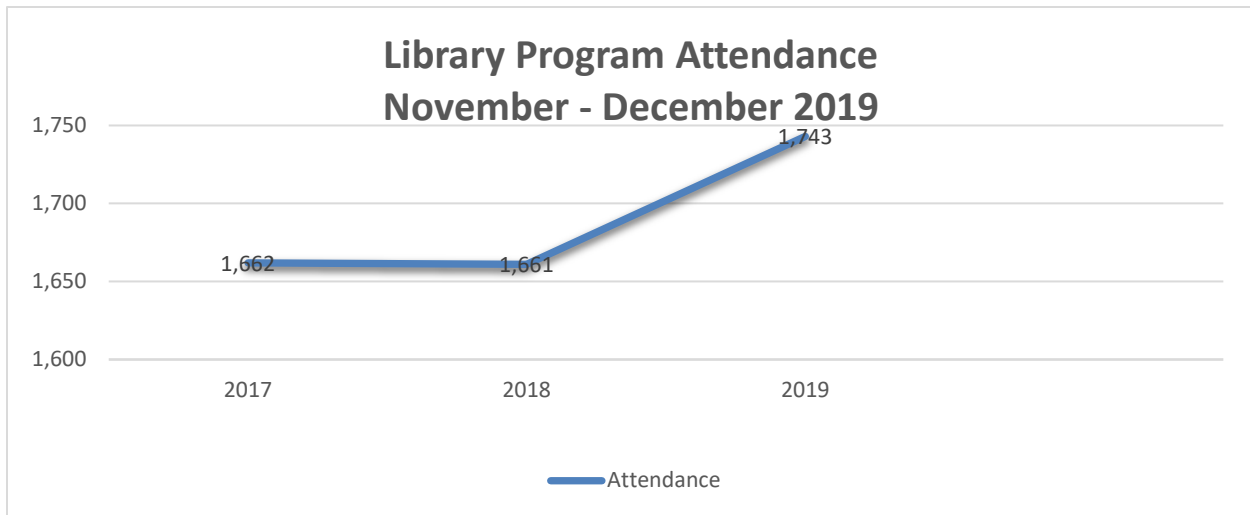
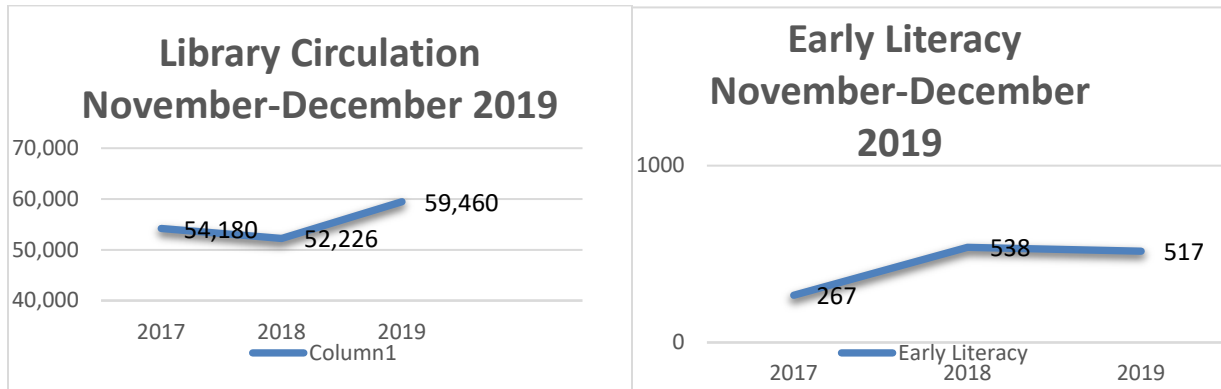
During the reporting period, significant activities include:

- 161 cases were initiated, with 123 closed due to compliance;
- 4 property abatements were completed;
- 2 demolitions were carried out;
- Provided support to streets workers in clearing out vegetation impeding visibility of street signs at 70 intersections;
- Assisted streets and sanitation departments on illegal dumping cases including the installation of a barrier at the end of Avenida Del Sol to prevent unauthorized vehicle access.

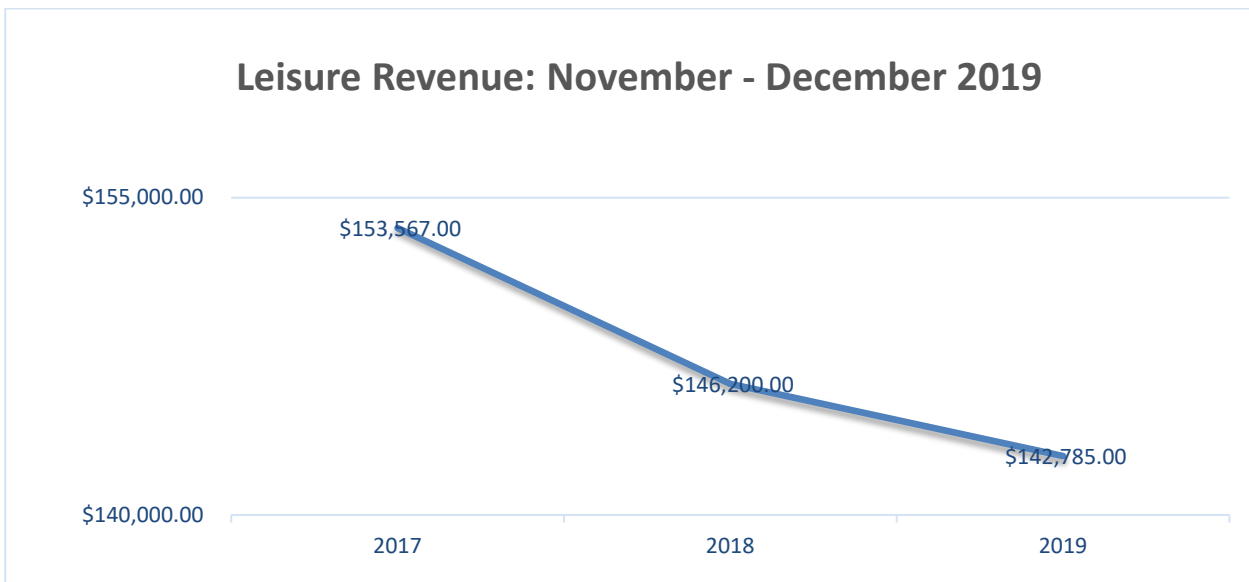
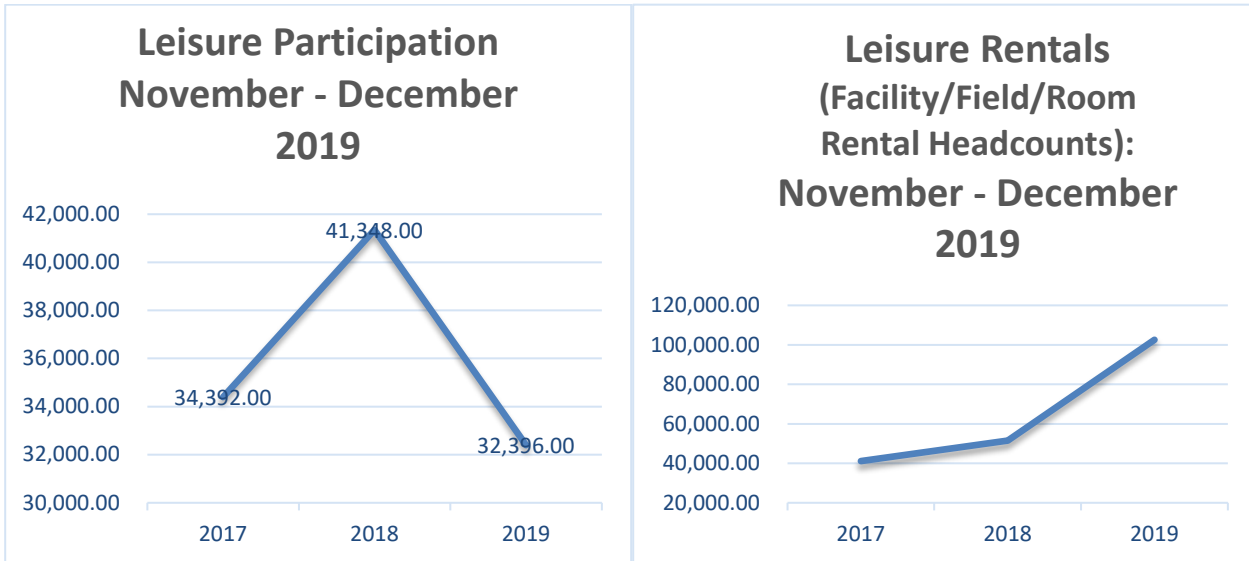
Leisure and Library Services Department

November—December Dashboard (Years: 2017 vs. 2018 vs. 2019)

Library Circulation: November - December	59,460
Library Program Attendance: November - December	1,743
Early Literacy Attendance: November - December	517



Leisure Revenue: November - December	\$142,785
Leisure Program Attendance: November -December	32,396
Rentals: November - December	102,561



2019 Senior Holiday Dinner

The Senior Holiday Dinner was well received with over 100 guests this year! The dinner has been a tradition in the department for over 20 years and it's always a great time. Staff and volunteers prepared and served this year's traditional holiday meal at the Ethel Berger Center. The guests enjoyed the food, the ambience, and the entertainment.

Pooch Pool Pawty

The Cove shut its doors for annual maintenance on November 17th, but not before the first annual Pooch Pool Pawty on Sunday, November 16. Over 60 dogs registered and attended the event with their families, creating an awesome atmosphere and a lot of wagging tails! Dogs and owners alike enjoyed wading through the water, frolicking while chasing tennis balls, other dog toys, and enjoying the community.



Annual Tree Lighting: A Light to Remember



The annual tree lighting ceremony was expanded to include some extra holiday magic this year! Families, neighbors, and friends, both old and new, came out to celebrate the arrival of the season. They enjoyed almost 2,500 cookies and over 800 cups of cocoa, while listening as the Community Band play holiday music. Then, the large crowd joined the Mayor to light up the big trees in Veteran's Memorial Park. Families were able to enjoy the refurbished Santas once again and had the opportunity to purchase collectable ornaments to remember the evening.

Children received a gift from Santa, talked with him about their Christmas wishes, and smiled for free pictures. They also had the opportunity to win various prizes by playing carnival style games with a holiday twist. The giant inflatable gingerbread house obstacle course captured the interest of the kids throughout the night! The artificial skating rink quickly became a fan favorite from start to finish. Kids and adults strapped on a pair of skates and enthusiastically took their turns on the synthetic ice. The artificial snow brought the biggest smiles to children of all ages during the event! This year's Tree Lighting was certainly a 'Light to Remember.'



2019 COVE Aquatics Center Shutdown

The Annual Cove shutdown is producing some marvelous results. The long closure provided the Schneider Energy Efficiency Project the opportunity to replace the boiler system for a more energy efficient and more comfortable water temperature. Additional work, such as chipping out and re-pebble teching the surface of the warming pool, a full interior paint-job, and a thorough cleaning, has the Cove looking and feeling like a completely different place! It is brighter and gives off an energetic vibe, which will pave the way for exciting new programming coming to the Cove in 2020. Staff looks forward to re-opening the doors in early February for all to see the amazing work that has been done these last few months!



Rec 'N' Roll – One in the books

The first iteration of Rec 'N' Roll was held on November 9th. Rec 'N' Roll is a pop-up recreation event designed to highlight recreational activities in our neighborhood parks. The event, put on by the Sports Division, was held at Soldiers Creek Park. 75 members of the community came out and participated in various games and activities. On site were hula-hoops, soccer and kick balls, and our very own Sierra Vista branded corn-hole boards. The younger crowd enjoyed a Thanksgiving craft and, of course, the big hit of the afternoon was the bouncy house. The event was a great success and staff looks forward to putting the next event on in March!



Upcoming Events:

January 9: Dine-A-Night: -4:30 PM
Landmark Cafe

January 11: Wine and Food Pairing –
1:30 PM, EBC

January 22: Domingo Paiz Soccer Fields
Grand Re-Opening – 5:30 PM Domingo
Paiz Soccer Fields

January – March: – Youth Recreation
Basketball League – Rothery and JCMS
gyms

February 13: Dine –A-Night-4:30 PM
Hibachi Grill

February 14: Desert Swing's Swinging
Valentine Dinner and Dance – 6:00 PM
EBC

February 22: Senior Expo – 10:00 AM
EBC

Therapeutic Recreation Christmas Show

The Therapeutic Recreation Christmas Show took place on Saturday, December 21 to much fanfare and acclaim! This annual event is one of the participant's favorites--and once again everyone chose their own song to perform on stage for the entire TR family. Families and friends came out to support their loved ones and went home with a full stomach after an enjoyable potluck after the show. If you haven't already attended one of these shows, we encourage you to attend next year! The event is not only festive, it displays the enjoyment that TR adults have performing for their peers and families.



Little Library Bookstore Luncheon & Donation

The LLB, as it's fondly referred to at the Library, had its annual volunteer appreciation luncheon on December 20th. All library employees were invited to join them for a potluck to ring in the New Year. At the luncheon, the group donated a \$5,000 check to the Library—bringing the total amount of donations received by the Library division to over \$16,000 in a little over a year. With that donation money, the Library has been able to purchase a new water fountain (complete with bottle filler), replace several worn out pieces of furniture, purchase a new conference room table and chairs, and keep up with electronic book orders—which are very expensive and increasing in demand in the community. The Library is very grateful for their support. The LLB has gathered enough community support in just over a year to regularly donate to the Library. We can't thank them enough! Not only does the store stock movies and books—they also sell gift certificates which are perfect for the book lover in your life!

Upcoming Events:

January 14: Tuesday Talks—Native American Signs & Symbols, 1:00 PM, SVPL

January 15: Preschool Storytime, 10:20 AM, SVPL

January 16: Stacks After Sunset: Paint Night, 6:00 PM, SVPL

January 18: Youth Chess Club, 10:30 AM, SVPL

January 23: Kids Code, 4:30 PM, SVPL

January 24: Socrates Café, 10:30 AM, SVPL

January 25: Brain STEM: Air Powered Show, 1:30 PM, SVPL

January 27: Conversational Spanish, NOON, SVPL

January 31: Teen Paint Night, 5:30 PM, SVPL

Public Works

Engineering

Old Yard Demolition. The demolition of the Old Yard was completed late last year. After sitting vacant and increasingly becoming an eyesore, all of the buildings have been removed. All that remains are a few trees, concrete curbs, and foundations. The site will now be less maintenance intensive and is available for future development opportunities, including a planned expansion to Eddie Cyr Park. Prior to the expansion, the site can be used as a staging area and for overflow parking for the newly improved park area.



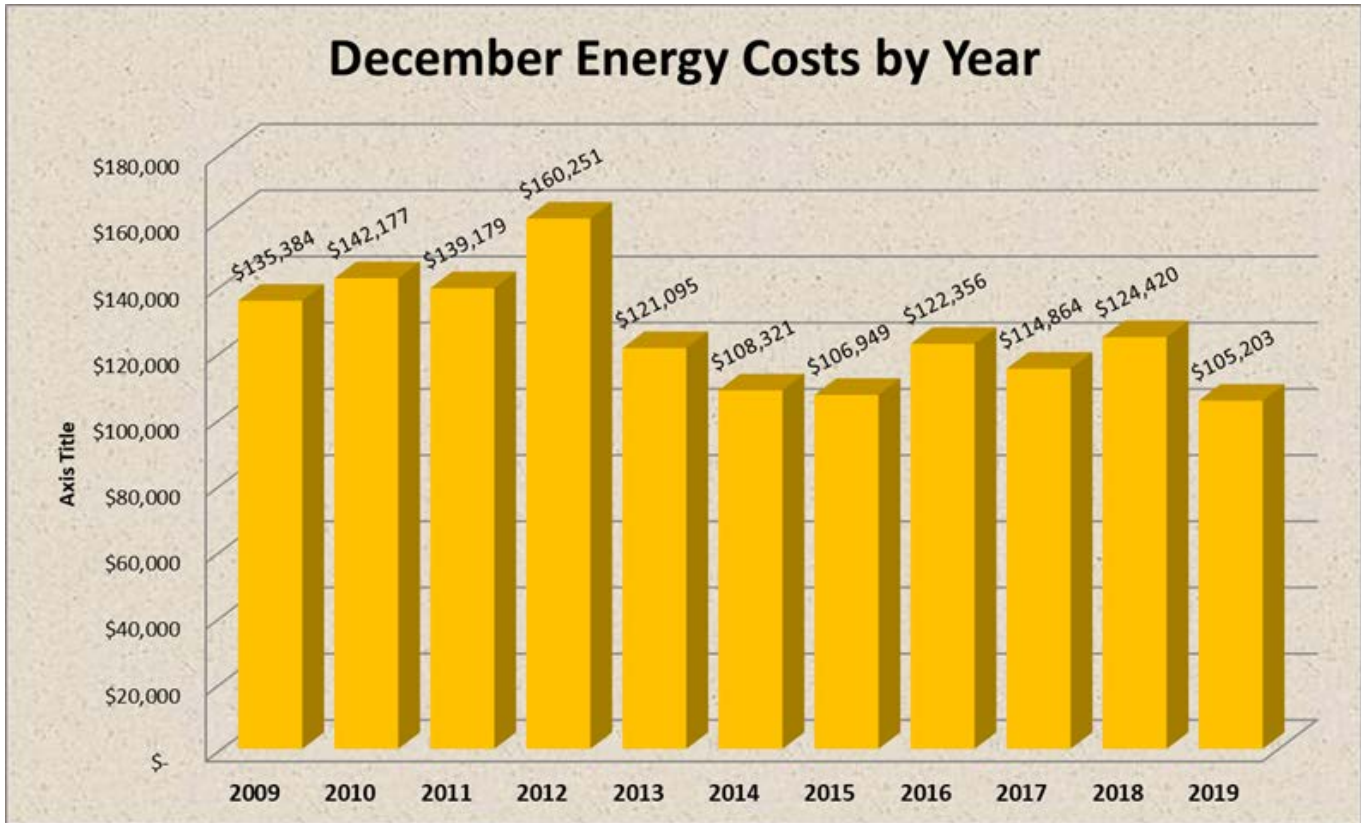
Fry / North Garden. The design process for the Fry and North Garden improvements is continuing, and two public meetings were held in mid-November. The meetings were very well attended, with 100 people signing in at the reception area. The format of the meeting was largely unstructured, which allowed attendees the opportunity to view display boards at their leisure and ask questions of consulting team members and staff stationed at each set of boards. Each attendee who signed in was given plastic tokens to “vote” at each set of boards and a feedback form to record any additional comments or concerns. Comments from the meetings have been consolidated, and feedback was generally positive. Some of the concerns included funding, maintenance, and safety issues in general. The consultant has reviewed the feedback from the meeting and is moving forward with developing the top-ranking ideas. An additional round of public meetings will be held in the future to refine the overall design concept prior to moving into full-scale design. This project will create a new, cohesive look for the West End of Sierra Vista, which will in turn spur economic development opportunities. Funding is through the Sierra Vista Metropolitan Planning Organization (SVMPO).

Upcoming Projects. Engineering has several projects which are either getting ready to bid or recently had bids opened including the Effluent Water Reuse, Security Gate Improvements, Adaptive Signal Control, Annual Street Maintenance, Airport Helipad Erosion Repair, and two Community Development Block Grant projects. The spring construction season is going to be busy! Additional details will be provided in future reports as the projects move into construction.

Facilities

Schneider Project. The Schneider Energy Efficiency Project is going well, with some aspects of the project now nearing completion. From a Public Works perspective, some of the most notable changes to date have been to replace existing lighting at all City facilities with more energy efficient LED fixtures. The chart below is a great example of what staff is starting to see on our monthly energy reports. Despite this December being relatively cold, the City spent less in electricity in December 2019 than in any December in the past ten years. This is all the much more remarkable considering there have been rate increases since 2009, which would lead to the City paying more now for the same amount of electricity.

December Energy Costs by Year



Refuse

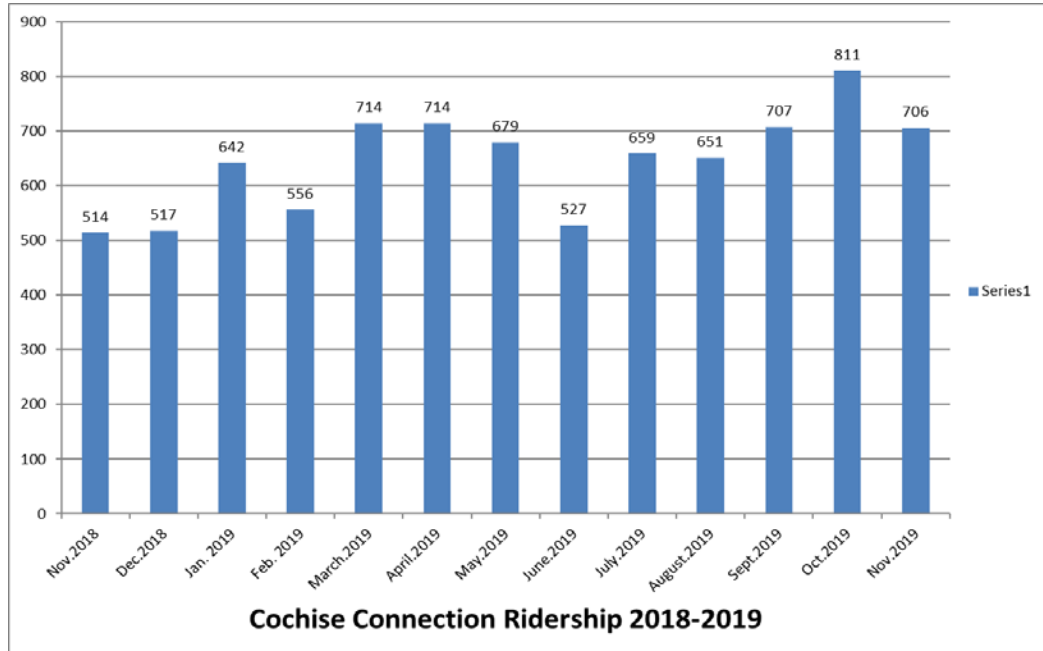


Recycling Changes. The City is currently in the middle of a 30-day public comment period on a proposal which would open curbside recycling collection to private vendors. Since the City ended curbside recycling in July, several vendors with an interest in providing the service have reached out. However, regulations currently prohibit anyone besides the City providing residential pick-up. If approved, the change would allow private vendors to begin offering recycling pick-up within City limits. The service would be fee based, with the cost being set by the individual vendor. The change would also likely lead to the closure of the City's recycling center since both drop-off and pick-up recycling services would be provided by other entities in the area. Staff will have an implementation plan ready to share for the potential closure of the recycling drop-off site. Although the recycling center has grown in popularity since its opening, it is a manpower

intensive operation which handles only a fraction of the volume which was formerly accepted curbside.

Transit

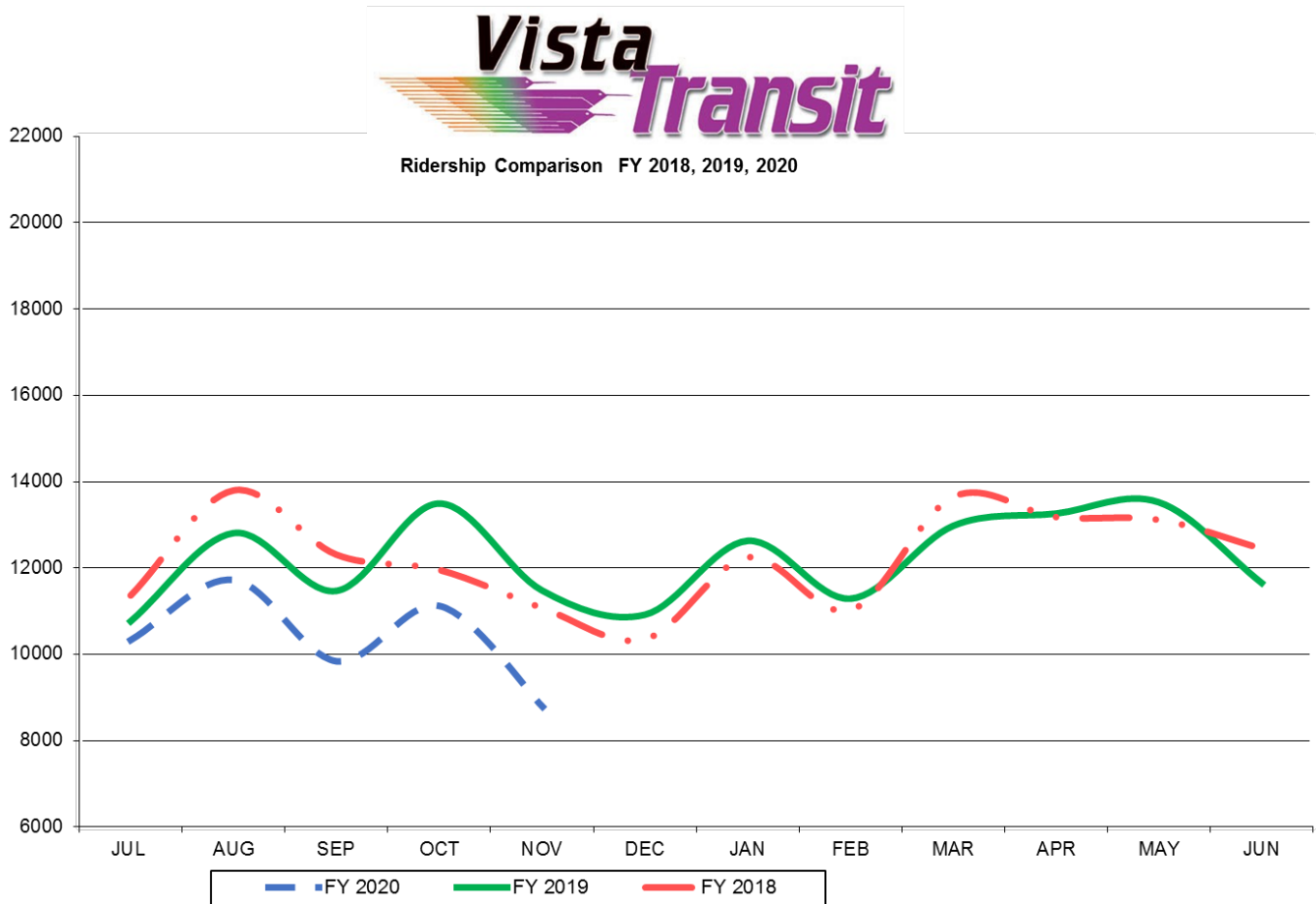
Cochise Connection. The Cochise Connection is continuing to see strong ridership with steady growth and substantial year over year increases.



New Buses. Two new paratransit buses recently arrived at Public Works, and they will be out on the road soon! The new buses are smaller and are mounted on a standard axle. As a result, they will get better gas mileage and will be less expensive to operate overall. They also have reduced seating more appropriate for the City's paratransit services but still provide two wheelchair spaces as well as several standard seats for companions or other passengers.



Vista Transit Ridership Data. Statistics for the current and previous two grant years are shown below. Since ridership appeared to be trending below previous years, staff took a deeper dive into the data. As it turns out, the perceived decrease is actually the result of operational improvements made in July. The ridership numbers shown below reflect the total of all riders, including transfers. In other words, if a passenger makes multiple transfers, they are counted again each time. However, the recent route changes focused on providing more single seat rides. Instead of passengers on the West End having to transfer at the Transit Center to do their shopping, they are now able to take one bus directly to their destination. Since transfers have decreased, ridership numbers have also decreased. Based on staff experience, though, the number of passengers is roughly the same. Buses are also fuller since there are fewer loops and they operate on longer intervals. It is therefore difficult to compare FY 2020 ridership data with previous years. Starting in FY 2021, year over year comparisons will again be possible.



Huachuca City Bus Service. Huachuca City recently received a grant from the Legacy Foundation to help re-establish their bus service which was ended about a year ago. Previously, Huachuca City was providing services which were redundant with other Federal Transit Administration (FTA) providers, including Vista Transit, so they were not eligible for FTA funding. Operational expenses were paid solely from their general fund. Under the new model, Huachuca City will be partnering and sharing resources with the Town of Tombstone. Their busses will travel to Sierra Vista three days per week and drop passengers at the Transit Center to connect with Vista Transit. Service is anticipated to begin in March. There are no fiscal impacts to Sierra Vista as a result of this agreement. Vista Transit's role will be to assist with schedule coordination and provide a dedicated bay at the Transit Center for the Huachuca City bus, similar to the partnerships which are already in place with Greyhound and the Cochise Connector. An IGA outlining the terms of the agreement will be presented to Council soon.

Airport

Fly-In. The annual Fly-In was held at the Airport on November 2nd. The event is a cooperative endeavor of the Experimental Aircraft Association Chapter 776 and the City of Sierra Vista. The event has been held in our community for more than twenty years and has provided first flights for thousands of children. This year's event looked a bit different in that it was held on Saturday only. Previous years had taken place on both Friday and Saturday, but Friday was reserved for school groups. Circumstances change over time, though, and it was noted that the school groups were bringing fewer chaperones in recent years, potentially leading to liability issues. There were also a growing number of kids without signed permission slips who were therefore unable to fully participate in the day's events. The new format seemed to work fairly well, and the EAA provided flights to 113 young people.

Economic Development

Strategic Plan

Empower 1.3 Create opportunities for business incubation

Economic Development staff held an initial meeting with the Chamber of Commerce to begin discussion of home-based business demand to support the potential of a virtual incubator. Discussions will be scheduled in the coming weeks as the new Executive Director is now in place, but additional partners will be researched to meet this goal.

Empower 1.5 Look for partnership opportunities with higher education to enhance workforce development.

Staff provided support to University of Arizona's College of Applied Science and Technology effort for a spring Intelligence Forum on main campus for Administration Faculty, and Staff to highlight the tremendous potential of this first of its kind program. Staff also supported Cochise College's AZ Legislative engagement on October 31 to review potential new programs between the College and Fort Huachuca.

Empower 1.7 Partner with chambers of commerce and other organizations to create and implement a plan that encourages shopping locally.

Staff intends to leverage the presentation at Good Morning Sierra Vista presentation by Local Arizona First director Kimber Lanning. In coordination with the Chamber of Commerce, staff will engage local businesses to identify their support for a buy local campaign. Coordination has been ongoing with the Alliance of Arizona Nonprofits on the potential implementation with an AmeriCorps VISTA (Volunteers in Service to America) to lead the buy local campaign. Technical support, training, and expertise would be provided by Local Arizona First who has provided such support in other communities across Arizona. Execution of the buy local campaign is dependent on funding for the VISTA, program costs, and then availability of a VISTA to begin the effort. Staff will begin meetings with the Sierra Vista Chamber of Commerce to determine the way forward in 2020.

Empower 3.2 Evaluate solutions to create a space for small business incubation on the West End, and implement where feasible.

Ongoing discussion and coordination of the Sonoran Mercado remains a staff priority effort with alternative solutions being identified to meet the original intent. Staff held a meeting with key stakeholders to explore a new course of action to bring this concept to reality.

Economic Framework Strategy Development

Maximize Economic Impact of the Municipal Airport

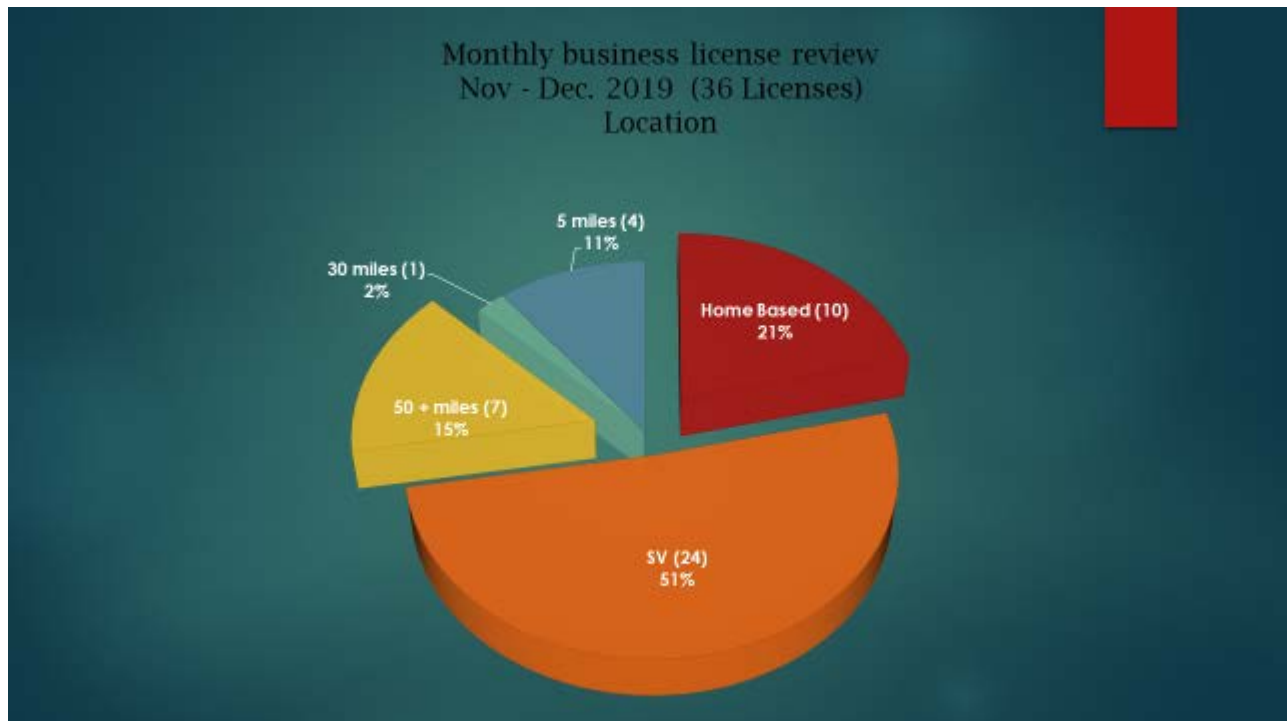
Economic Development Staff continues to pursue attracting business at the municipal airport. Staff released the Notice to Proceed (NTP) on October 23 to C&S Engineers Inc. to conduct engineering and construction documents to support future development at the airfield. The intent is to maximize the buildable area, recommend utility location, and cost estimate for the construction phase at the airport to prepare buildable pads for hangar construction. Ultimately the City would like to be positioned to demonstrate the ability to expedite construction for potential business therefore attracting new jobs. A kick-off meeting was held November 1st. The primary site inspection was completed and site testing and ground boring will be completed during the first

week of January 2020. Staff will then be able to recommend construction costs to Council in the 2020-2021 budget cycle.

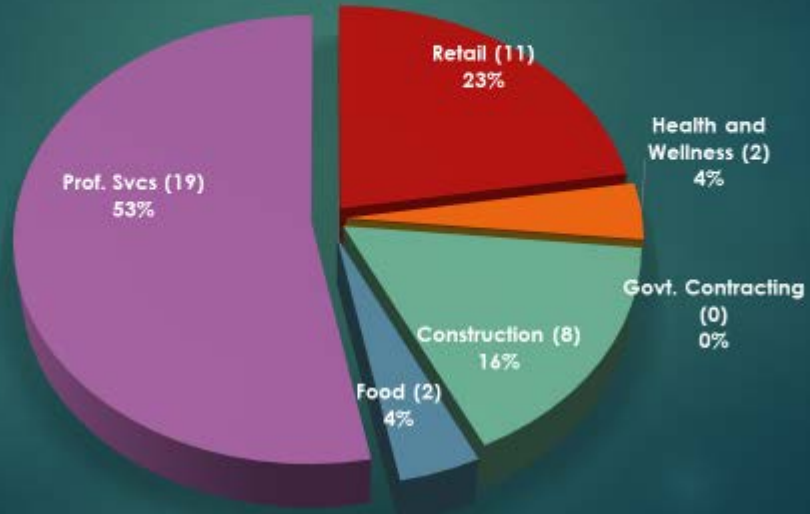
November / December 2019 Business License Analysis

There were a total of 36 new business licenses issued between November - December. Of the new licenses, 10 were home based businesses. 12 of the licenses were out of town businesses. 4 were within five miles of the City, 1 was within 30 miles and 7 were greater than 50 miles from Sierra Vista. The remaining licenses were for a variety of services based on categories.

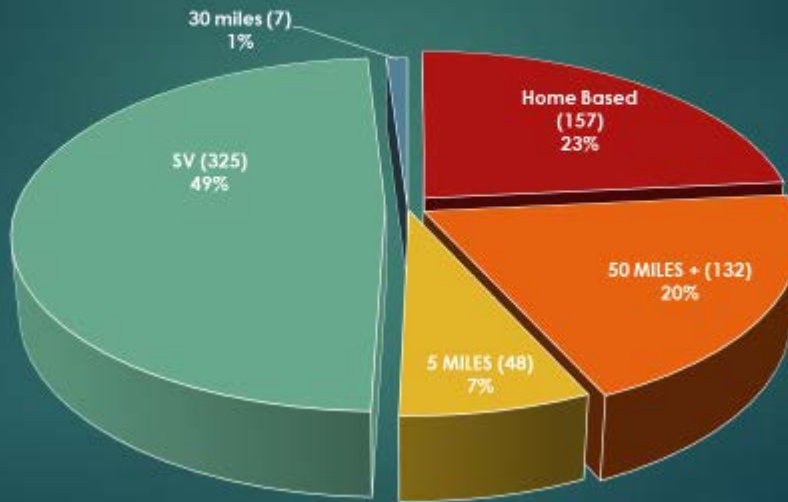
- 11 – Retail
- 1 – Health and Wellness
- 0 – Govt. Contracting
- 8 – Construction
- 2 – Food
- 19 – Professional Services



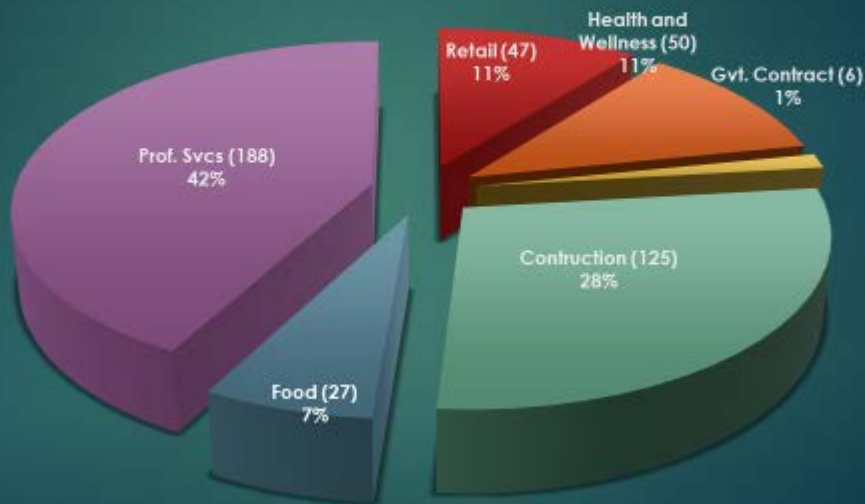
Monthly business license review
 Nov- Dec 2019 (36 Licenses)
 Category



FY 2018 / 2019 YTD
 BUSINESS LICENSE REVIEW
 LOCATION



FY 2018 / 2019 YTD
BUSINESS LICENSE REVIEW
TYPE



Economic Development Activities and key engagements

- 11/01 Airport engineering kickoff teleconference
- 11/05 Telephonic coordination meeting with opportunity zone specialist
- 11/06 Participated in the Canyon Vista community partners meeting
- 11/07 Carmichael Neighborhood Meeting
- 11/07 Participated in the Superintendent’s Roundtable on education across Cochise County
- 11/08 Hispanic Chamber function
- 11/12 Good Morning Sierra Vista
- 11/13 Women’s Council of Realtors
- 11/13 Fry Blvd West End Improvement Project Public Participation Open House
- 11/18 Rural ED telecom
- 11/20 AAED Luncheon Tucson
- 11/20 Jacobs Open House and Hiring Event
- 11/20 Opportunity Zone discussion with Cochise College
- 12/3 Douglas world trade Conference
- 12/4 Served as a panel member for the Rural Caucus at Legislative Forum
- 12/9 Rural ED telecom
- 12/9 West End Commission Meeting
- 12/11 Moderated the business panel for the SV Chamber’s leadership event
- 12/12 Attended the Mexico-United States International Cross-Border Workshop
- 12/12 Az@Work Board Meeting
- 12/13 Cochise County ED teleconference
- 12/16 Airport site survey
- 12/19 Sonoran Plaza Mtg. at Mall at SV
- 12/19 Attended a Joint Meeting with AREDF and ACA

Housing report

In the Sierra Vista area, November 2019 active inventory was 392. This is a 15% decrease from the same period in 2018. There were 139 closings in November 2019, a 2% increase from November 2018.

Months of Inventory was 2.8, down from 3.4 in November 2018. Median price of sold homes was \$190,000 for the month of November 2019, up 18% from November 2018.

Year-to-date 2019 there were 1,628 closings, a 1% increase from year-to-date 2018. Months of Inventory was 2.8, down from 3.4 in November 2018.

This information is based on sales across the defined community to include all realtors. The entire report can be viewed at the following address.

www.longrealtyonline.com/HousingReportSelect.asp?Agent=2013654&Area=SV&SubArea=&Report=hr-sv&Source=CRM

Arizona – Mexico Economic indicators

- AZ exports to MX at \$2.0 billion in Q3 2019 up 9.7% from 2018 Q3
- Total US trade from MX via AZ \$6.5 billion total goods Q3 2019 up 8.3% from Q3 2018
- 5.9 million “Persons” crossing northbound AZ border in Q3 2019, down 2.3% from Q3 2018
Recent declines in persons crossing have reversed a long upward trend since 2012, likely due to longer wait times crossing, declining value of the peso and increased online shopping.
- 2.2 million “Vehicles” crossing northbound AZ border in Q3 2019 down 6.6% from Q3 2018.
Commercial truck traffic has remained consistent.
- 19.43 peso/\$US exchange rate average in Q3 2019 which translates into a 2.4% decrease in the peso’s value from Q3 2018

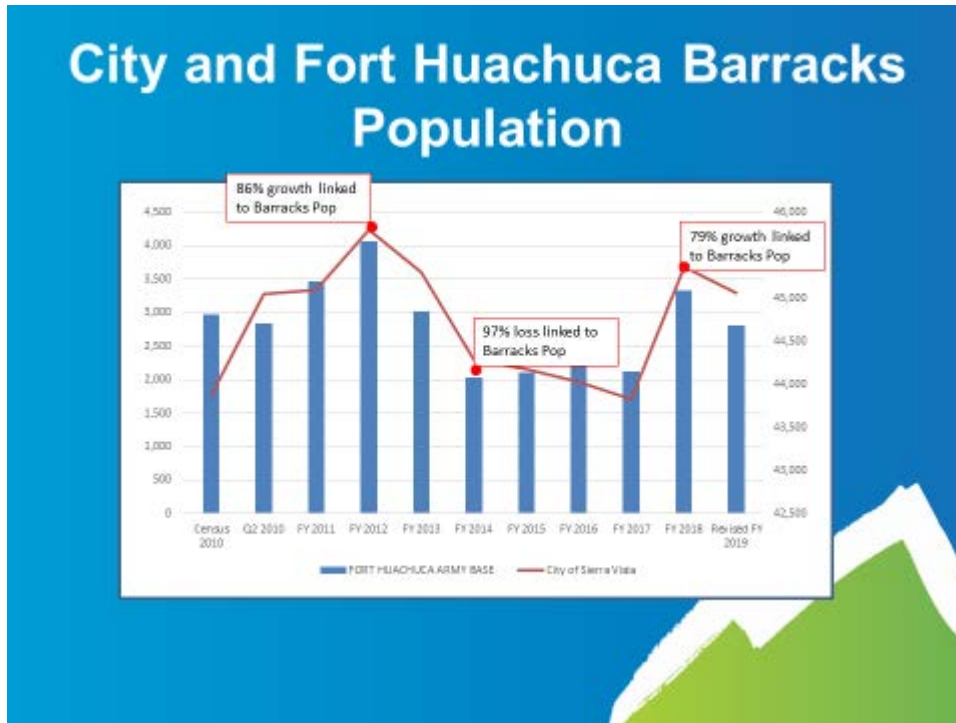
Economic and Business Research Center, Eller College of Management, The University of Arizona

Broader Economic indicators

- Overall the Economic indicators remain mixed for the City of Sierra Vista and the Sierra Vista-Douglas MSA (Cochise County)
 - Housing Market is positive and trending up
 - County Population estimates are generally flat
 - Job Growth is lagging Arizona as a state, but does exceed the U.S. Average
 - Hour Wage Growth in Cochise County is outpacing the U.S. and Arizona Average
- The Office of Economic Opportunity (OEO) published the estimated July 1, 2019, population data for cities and counties across Arizona. In the estimate, the State demographer included a 3% drop in population, or 1,324 residents for the City of Sierra Vista. Staff identified the issue in the Fort Huachuca barracks population estimate and is working to fix the data with SEAGO and the State Demographer. Staff confirmed the barracks population

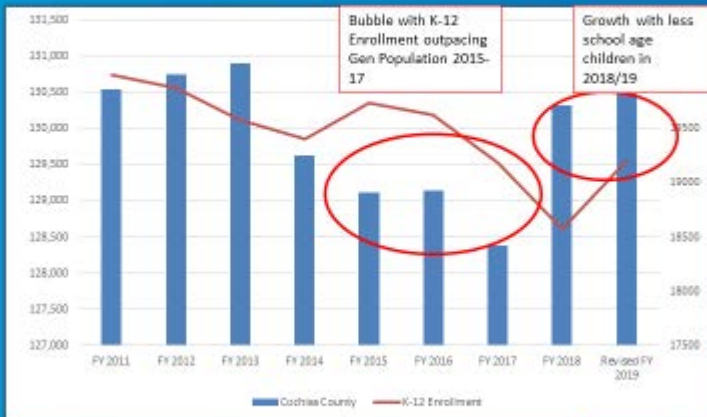
as of June 1, 2019, was 2,809, not the originally reported 1,779, bringing the overall City of Sierra Population to 45,065 for a net loss of 294 residents. With the updated number the MSA and Cochise County overall grew by 489 residents. Accurate data and estimates drive business decisions on growth and expansion, so it is critical that the information is accurate.

Staff identified the correlation of barracks population and the growth and decline of the overall City of Sierra Vista Population. Staff will meet with Fort Huachuca key leaders and SEAGO to ensure we have a consistent methodology and communication for collecting additional data. Furthermore the 2020 census will be a significant event for the City and County driving political representation and revenue sharing.



- Staff reviewed the overall Cochise County K-12 Population from 2011 through 2019 enrollment. Staff selected the overall County numbers as they more accurately reflect the MSA and eliminates the movement of enrollment by school district. There was a slight bubble with additional students enrolled in 2015-2017 while the overall population came down. Additionally, the growth in 2018 and 2019 of population trends with K-12 enrollment but does not keep pace with the overall growth. Staff will continue to monitor as the community health and future depends on the growth of families with children.

County Population to K-12 Enrollment



- OEO also published the employment data as of November 2019 at <https://laborstats.az.gov/sites/default/files/documents/files/emp-report-slides.pdf>
 - Key findings included that the Sierra Vista-Douglas MSA employment growth over the month gains slightly outpaced (.6%) the U.S. average of .4%, but fell short of Arizona overall (1.1%) and the MSAs of Yuma (1.8%), Lake Havasu City–Kingman (1.3%), Tucson, Phoenix-Mesa-Scottsdale (1.0%), and Prescott (.7%).
 - Hourly gains/loss by MSA put Sierra Vista-Douglas in third overall at (7%) in hourly earnings growth trailing Yuma (16.2%), Flagstaff (12%), but ahead of Arizona’s average of 5.4% as well as Phoenix-Mesa-Scottsdale (5.1%), Tucson (4.8%), Prescott (3.9%), and the U.S. average of 3.2%.

Marketing & Communications

Tourism marketing as a catalyst for economic development. Several studies have demonstrated the correlation between tourism marketing and economic development. Oxford Economics, one of the world's leading providers of economic data and advice, published a report in November 2014 entitled "[Destination Promotion: An Engine of Economic Development.](#)" The report concludes that visitor attraction results in the following economic impacts:

- A visitor economy supports amenities and standards of living that are valued by residents—and are important in attracting investment in other sectors;
- Destination promotion builds awareness, familiarity, and relationships in commercial sectors that are critical in attracting investment and strategic events;
- Destination promotion raises the destination profile among potential new residents, supporting and attracting a skilled workforce growth;
- Destinations with a higher concentration of visitors can enhance transportation networks;
- Cities with a higher concentration of visitor-related industries tend to grow faster than average;
- Structural shifts in the visitor economy are followed in subsequent years by sustained changes in growth in other parts of the economy;
- Net changes to jobs in hospitality and tourism exceed gains in other economic sectors, including aerospace, defense, and information technology among others (1998-2012).



The catalytic impacts of destination promotion drive a community's economic growth. (Oxford Economics, Nov. 2014).



One of the top-performing digital ads.

To that end, the Marketing & Communications division has been working closely with the Economic Development division, and in this fiscal year the divisions are pooling advertising dollars to fund a digital campaign targeting geographic visitor markets. These markets are the same ones targeted for business and employee attraction. The campaign launched in mid-November. As of December 30, 2019, the campaign has included 2.08 million impressions, generating a 0.20% click-thru rate, which is about average for the industry. The agency contracted to manage the campaign is refining the marketing to increase results in the coming months. The best-performing creative includes outdoor activities (hiking and bicycling) and visiting nearby wineries.

Sober driving video. Cpl. Scott Borgstadt approached the Marketing & Communications division with an idea. He wanted to share his personal experience of losing his daughter Abby to the carelessness of a drunk driver—and he wanted to video in time for the holidays. The division's video team developed the storyboard, improvised lighting equipment, shot the interview, and edited the footage in record time, releasing a poignant video in time for the New Year's Eve weekend, offering surprising statistics backed with Borgstadt's personal story. The video reached 11,000 viewers in two days and was shared 143 times.



Cpl. Borgstadt shares the real cost of a DUI in this emotional video created by the Marketing & Communications staff.

National Tour Association Travel Exchange. The annual Travel Exchange (Trex) presents an opportunity for destination marketing organizations (DMOs) like the City of Sierra Vista to meet one-on-one with tour operators and present the community as a potential stop or destination for tour groups and agents recommending itineraries for independent travelers planning for 2021-22. Sierra Vista attended the event in Fort Worth in mid-December. Prior to the event, 19 meetings were scheduled; additional contacts were made during the event. The marketing specialist for Cochise County

Tourism Council also attended, giving a greater opportunity to represent the region, network with operators and other DMOs, and presenting the region as a destination. The Arizona Office of Tourism also attended, leading a Southern Arizona mission during which Sierra Vista presented along with Yuma, Tucson, and Cochise County to a dozen additional operators. The group presentation positioned southern Arizona as a destination, with stops in represented communities. As a follow up, southern Arizona DMOs will be working together to develop proposed regional itineraries to present at similar events in the future.



TREX permits the distribution of one, one-page flyer during interviews. This info-packed sheet was distributed at the event.

In the media. In November, Sierra Vista hosted the Trip Sisters, a video team from Chicago featuring Colleen Kelly and Catie Keogh. The duo visited several Sierra Vista attractions, including enjoying a wine-tasting tour aboard ATVs, exploring Coronado Cave, and visiting the Patterson Observatory. Along the way, the sisters posted several Instagram posts and videos. After the trip, the team featured Sierra Vista on their radio program in the Chicago area, and archived the episode as a podcast to reach a greater audience. Part of the package included a pitch to Travel + Leisure and NatGeo, and both videos were accepted by these national outlets, reaching millions of viewers.



The online version of Sweden-based American Trails is distributed in the U.S., Canada, Scandinavia, the UK, and Ireland.

Another result from travel media hosted in last fiscal year appeared in October 2019, in [American Trails](#). While the first issue spoke to Sierra Vista's unique offering of international cuisine, this article went into detail about Sierra Vista's western history, with a long look at cowboy poetry, featuring Steve Conroy, who performed for the writer at the Arizona Folklore Preserve. The article also promotes the Cowboy Poetry & Music Gathering, reaching more than 100,000 people in the U.S. and Canada.

Closer to home, Roger Naylor included a segment on the original McDonalds drive-thru location, here in Sierra Vista at 7th and Coronado. The article appeared in the Dec. 12 issue of the [Arizona Republic](#).

Visitor Data

The table to the right totals the visitor source for individuals contacting the Visitor Center for information. For tax revenue changes in the Extended Stay and Restaurant & Bar categories, please see the Finance Department report. In October 2018, we discontinued delivering visitor literature to hospitality-related businesses due to staffing limitations. This change is noticeable in the decreased volume tallied in the Literature Racks year over year.

“Nice and helpful people (at the Visitor Center). Lots of brochures and maps for places to visit in and around Sierra Vista and Cochise County.”
~J.R. Wilson

Visitor Source	January		February		March		April		May		June	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Local-Not Identified	285	298	308	385	338	335	263	335	298	280	225	250
In-State	48	99	45	98	58	115	88	78	85	85	35	63
Out-of-State	598	528	755	660	688	680	488	550	228	233	138	213
Foreign	123	78	73	90	103	73	58	53	60	43	28	-
Phone Calls	266	300	293	230	270	240	240	230	260	245	228	178
Total Other Fulfillment	1041	1303	2103	1109	1724	935	1,417	897	1830	1,363	903	959
Fulfill Wpress/VC	551	436	396	354	388	310	403	202	323	253	310	281
Literature Racks	515	470	707	345	871	165	438	240	657	850	453	63
Groups, Mtgs, etc.	335	562	1000	410	465	460	576	455	850	260	140	615
TOTAL	3,764	2,771	3,577	2,572	3,569	2,378	2,554	2,143	2,761	2,249	1,557	1,663

Visitor Source	July		August		September		October		November		December	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2017	2018
Local-Not Identified	275	285	298	250	255	223	258	288	253	195	205	250
In-State	50	118	65	88	20	80	63	140	33	43	48	35
Out-of-State	183	218	160	190	188	193	235	240	240	225	235	140
Foreign	45	5	38	0	13	20	18	20	40	43	18	90
Phone Calls	228	255	260	238	193	198	574	248	178	248	205	205
Total Other Fulfillment	1120	686	1724	890	955	673	1582	1,403	760	1,043	1,124	681
Fulfill Wpress/VC	319	286	297	250	265	238	271	233	240	193	288	241
Literature Racks	328	200	690	100	670	50	301	620	275	260	378	70
Groups, Mtgs, etc.	473	200	737	540	690	385	1010	550	245	590	458	370
TOTAL	1,901	1,567	2,545	1,656	3,249	1387	2,730	2,339	1,504	1,797	1,835	1,401

Administration

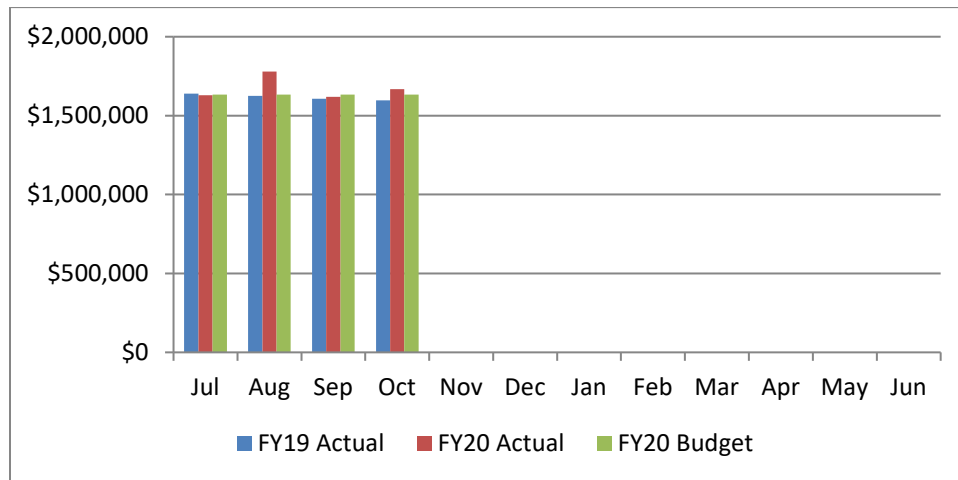
Sales Tax Collection. Gross privilege tax collections for September were up \$10,910, or 0.7%, from last July, and for October were up \$71,288, or 4.5% from last October.

Starting November 1, 2019, certain out-of-state businesses were required to start collecting and remitting City, County and State Transaction Privilege Tax. This implementation is on a tiered basis depending on the entity’s sales into the State as follows:

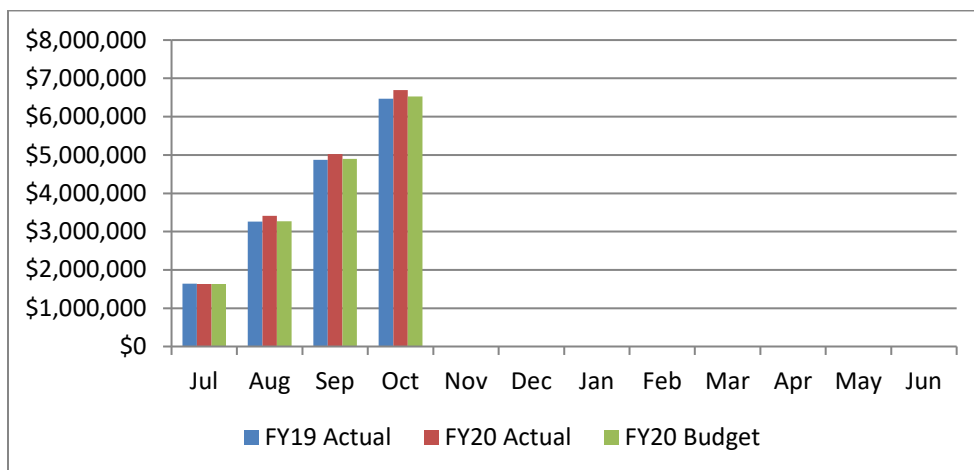
2019	Over \$200,000
2020	Over \$150,000
2021	Over \$100,000

Also, business facilitators with over \$100,000 in sales into the State also were required to start collecting and remitting City, County and State TPT on November 1, 2019.

The chart below provides a monthly comparison of FY20 actual, FY20 budget, and FY19 actual.



Through the end of October Privilege Taxes are 2.5% ahead of budget and 3.5% above last Fiscal Year. The chart below provides a monthly comparison of FY20 actual, FY20 budget, and FY19 for the complete Fiscal Year.



Description	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19
Utilities	92,107.71	82,377.68	94,966.76	108,468.99	92,296.70	101,402.73	82,829.63	86,762.75	88,249.27	23,926.77	187,370.65	103,067.90	87,268.57
Communications	20,188.44	18,361.51	18,763.06	19,587.86	20,152.78	21,345.50	20,869.86	21,194.04	20,179.29	20,392.32	20,258.24	20,609.07	20,427.16
Publication	3,342.50	108.84	5,956.99	63.01	6,939.99	2,783.30	2,441.00	3,135.80	2,721.41	2,867.66	2,291.44	3,837.74	3,281.19
Restaurant & Bar	187,538.02	177,010.90	194,846.19	179,706.84	188,749.87	230,881.44	215,375.98	220,230.13	214,270.26	207,715.16	205,262.40	197,415.00	189,395.23
Contracting - Prime	71,088.91	60,235.09	59,186.41	43,861.77	83,049.61	58,163.04	64,261.67	36,477.16	82,395.97	40,832.04	52,160.62	61,968.03	72,726.18
Retail Sales	776,195.96	877,541.53	1,055,079.08	724,796.65	756,807.90	913,556.94	864,912.82	841,040.53	844,565.20	861,120.18	866,499.67	801,748.59	825,142.63
Use Tax Purchases	77,924.63	100,784.30	63,809.44	63,007.53	55,468.32	64,278.41	68,490.98	50,042.36	63,700.78	75,668.81	60,909.14	58,101.37	61,061.36
Use Tax from inventory	170.94	447.47	934.45	252.66	573.48	1,139.88	(242.09)	357.13	1,371.46	842.70	523.60	1,276.30	(2,044.16)
Residential Rental	41,498.68	36,493.19	49,979.30	38,110.28	35,731.35	35,350.43	35,678.35	31,140.57	38,201.48	29,962.27	30,905.62	39,417.59	32,755.47
Retail Food for home consumption	189,759.34	192,075.18	277,420.21	198,620.93	192,578.63	204,064.23	199,897.86	213,827.50	194,974.51	208,471.22	201,153.54	198,627.20	197,856.92
Commercial Rental	27,286.47	30,390.81	33,917.16	27,969.22	31,967.96	32,336.58	33,368.66	31,452.70	31,613.39	30,004.35	25,380.53	27,777.78	30,920.86
Tangible Property Rental	18,909.50	18,598.24	17,709.39	21,432.01	47,426.15	13,846.63	21,274.61	20,106.66	22,059.78	21,197.63	20,393.41	19,716.15	21,474.10
Extended Stay	74,252.74	63,781.82	52,357.21	69,326.34	82,130.35	95,717.27	92,997.31	94,905.40	79,698.76	96,156.46	96,787.24	71,430.05	90,286.22
Other	16,143.61	8,916.75	8,389.67	4,232.45	15,285.04	14,604.17	8,591.89	9,903.86	18,694.66	10,890.87	8,562.47	13,327.04	37,143.26