



City of Phoenix

To: Mayor and City Council

Date: May 2, 2019

From: Ed Zuercher
City Manager

A handwritten signature in black ink, appearing to read 'EZ' followed by a flourish.

Subject: 2019-20 PROPOSED BUDGET MESSAGE

This year, we received over 420 comments on the Phoenix Trial Budget, with over 330 of those comments coming at the 20 budget hearings across the City. The remainder were received through email, voicemail or on-line forums. This is almost exactly the same number as recorded last year. The largest number of comments were about parks, libraries, arts, youth, police, streets and homelessness. The budget hearings showed that residents have clear opinions (sometimes conflicting) about the programs that Phoenix employees provide every day. It was important to spend the time to listen, learn and share thoughts on the City's priorities and residents' specific neighborhood issues.

Since the Trial Budget was published in March, Budget & Research has identified an additional \$465,000 in General Fund resources to be allocated. In response to the input received at budget hearings, the attached proposed budget suggests allocating these additional resources to youth services and homelessness prevention. The proposed budget also rearranges timing of some Police program additions to free resources to respond to the recently-released report on Officer Involved Shootings (OIS). Also, through the Capital Improvement Program (CIP) budget we will be able to respond to some specific capital needs raised at the hearings and by Councilmembers.

Youth Services. It is clear that continued investment in youth is among the highest priorities. Nearly half of the additional resources are proposed for additional summer (including adaptive recreation) and year-round hours for youth at community centers, as well as more citywide park activation. There is also a recommendation for additional citywide kindergarten bootcamp programs at libraries. Also, we propose to reprioritize the vehicle replacement budget to advance the purchase of six new PHX Teens and Mobile Youth Recreation vans so that we can reliably provide these services citywide.

Homelessness prevention. Among the most discussed issues was homelessness and affordable housing, with a variety of suggestions for how to continue to bolster the City's response to the ongoing impacts of homelessness and transience. Additional funds are proposed to prevent evictions, add case management services to the City's Homeless

Court program, and provide citywide coordination to focus the City's internal efforts for additional affordable housing.

Officer Involved Shooting (OIS) study response. Just after the final budget hearing, the Phoenix Police Department received a report from the National Police Foundation on the 2018 OIS incidents. Much of the implementation of the report's recommendations will be accomplished with existing resources; however, significant long-term efforts are required in continuing to equip the Police Department to effectively respond to mental health issues in the community. To support this response, the recommended budget frees up \$300,000 by moving two of the proposed budget program additions back three months. The funds will be available for the City Council to approve specific program recommendations by the Police Chief during 2019-20.

Capital programs. Many committed community members showed up to each hearing to talk about capital needs in their neighborhoods. The CIP budget will be used to address concerns raised about pedestrian safety citywide by doubling the amount allocated each year in the CIP and focuses on specific strategies like more street lighting, HAWK signals and traffic medians; finishing design on 13th Street in the Garfield neighborhood; and moving forward on design for 3rd and 5th avenues from McDowell Road to Indian School as well as 3rd Avenue from Camelback to Missouri. The budget also includes the resources needed to carry out Council's accelerated pavement maintenance plan, which triples the miles of new pavement on major streets each year for the next several years.

Longer Term. Staff will continue to work with the community and the City Council on longer term issues raised, including opening every library every day; arts maintenance; historic preservation project funding; continued strategies for homelessness, transient issues and affordable housing; police and fire staffing levels and continued community involvement in policing; youth services that link with community programs like Fulfillment in Training; adaptive recreation services for those with different needs; building and staffing undeveloped parks in southwest Phoenix such as Laveen Commons; budget process improvements; and many local, neighborhood issues.

I want to thank the City Council for hosting our 20 neighborhood budget meetings over a three-week period. This effort to solicit face-to-face community conversations on the suggested budget is unique in the region and the nation. While we are not able to address all requests immediately, over time we are able to work on many of the issues raised.

I want to thank all the City staff who participated in the hearings to listen and make Phoenix better. In some cases, City staff were able to immediately address questions and concerns individually with residents who spoke at the meetings.

Most of all I want to thank the engaged residents who commented on our budget, employees and City services - both this year and in past budget processes - to shape this Proposed Budget for City Council consideration.