

Phoenix City Council
Transportation, Infrastructure and Innovation Subcommittee
Summary Minutes
Wednesday, Nov. 4, 2020

City Council Chambers
200 West Jefferson Street
Phoenix, Arizona

Subcommittee Members Present

Councilwoman Thelda Williams, Chair
Councilwoman Debra Stark
Councilwoman Laura Pastor
Councilwoman Betty Guardado

Subcommittee Members Absent

CALL TO ORDER

Chairwoman Williams called the Transportation, Infrastructure and Innovation Subcommittee to order at 9:06 a.m. with Vice Mayor Guardado and Councilwomen Pastor and Stark present.

CALL TO THE PUBLIC

None.

MINUTES OF MEETINGS

1. For Approval or Correction, the Minutes of the Transportation, Infrastructure and Innovation Subcommittee Meeting on Oct. 7, 2020

Councilwoman Pastor made a motion to approve the minutes of the Oct. 7, 2020 Transportation, Infrastructure and Innovation Subcommittee. Councilwoman Stark seconded the motion which passed unanimously, 4-0.

Items 2-8 were for consent action. No presentations were planned but staff was available to answer questions.

Councilwoman Pastor made a motion to approve consent items 2-8.
Councilwoman Stark seconded the motion which passed unanimously, 4-0.

CONSENT ACTION (ITEMS 2-8)

2. AerSale, Inc. Amendment to add 12 acres at Phoenix Goodyear Airport

3. Worldwide Flight Services, Inc. Ground Lease at Phoenix Sky Harbor International Airport

4. Luke Air Force Base 56th Fighter Wing Intergovernmental Agreement

- 5. Distributed Antenna System Solicitation Request**
- 6. Airports Council International - North America Membership**
- 7. Keep Kids Alive Drive 25 Campaign**
- 8. Public Transportation Agency Safety Plan - Request for Approval**

INFORMATION ONLY (ITEMS 9-14)

9. Metro, Regional Public Transportation Authority, and Maricopa Association of Government Meetings

Information only. No Councilmember requested additional information.

10. Citizens Transportation Commission Meetings

Information only. No Councilmember requested additional information.

11. Freeway Program Update

Information only. No Councilmember requested additional information.

12. Better Utilizing Infrastructure Leveraging Development 2020 Grant Award - 35th Avenue Safety Corridor Project

Information only. No Councilmember requested additional information.

13. Fiscal Year 2020 Transportation 2050 (T2050) Annual Progress Report

Information only. No Councilmember requested additional information.

14. Pedestrian Safety Program Update

Councilwoman Williams requested a presentation on updates to the Pedestrian Safety Program.

Deputy City Manager Mario Paniagua introduced Street Transportation Director Kini Knudson to present on the item.

Mr. Knudson explained Phoenix had its highest rates of pedestrian injuries and fatalities in 2018, with the number of incidents decreasing in 2019 and so far in 2020. He attributed the decrease in incidents to improvements to pedestrian and driver education, engineering and construction projects, and improved evaluation methods for pedestrian incidents.

Mr. Knudson noted Item 12 was related to pedestrian safety, as it pertained to infrastructure improvements in an area considered a hot spot for pedestrian fatalities. He highlighted an award of \$17.4 million from the Better Utilizing Infrastructure Leveraging Development 2020 Grant which would be combined with a local match of approximately \$7 to 8 million to upgrade signals, median islands, street lighting, and communications technology.

Councilwoman Pastor requested a presentation at the next subcommittee meeting on the overall pedestrian safety program, including street improvements for other transportation modes. Chairwoman Williams agreed.

Mr. Knudson responded staff will return with a safety program presentation accompanied by maps demonstrating hot spot areas in the City.

DISCUSSION AND POSSIBLE ACTION (ITEM 15)

15. Light Rail Small Business Financial Assistance Program Pilot

Deputy City Manager Mario Paniagua introduced Light Rail Administrator Markus Coleman to present on the Light Rail Small Business Financial Assistance Program Pilot. Mr. Paniagua described the distinctiveness of this financial assistance program, acknowledged the support of Salvador Reza, who was involved in assisting businesses in the South Central Corridor, and highlighted the Citizens Transportation Commission's unanimous support for the program. He explained that while the level of financial assistance would not be a lot of money for the businesses, staff wanted to make it available to the community as soon as possible with the resources available.

Mr. Coleman shared the goals of the program to assist in the retention of small and microbusinesses currently along the South Central Extension and Northwest Extension Phase II and mitigate costs for those businesses. He explained the one-year pilot program had support from numerous businesses in the light rail construction areas and could be extended, if successful.

Mr. Coleman explained the program was developed after learning best practices from other cities, feedback from prior light rail projects, recommendations from Transit-Oriented Development businesses assistance grant consultants, and meetings with local businessowners.

Mr. Coleman described the profile for eligible businesses and how the funding could be used. He explained businesses could apply for Tier 1 funding of \$1,000 or Tier 2 funding of up to \$5,000 annually. He explained the Tier 1 awards would come from a \$500,000 grant from the Phoenix Community Development and Investment Corporation (PCDIC).

Mr. Coleman concluded by sharing staff's request that the Transportation, Infrastructure and Innovation Subcommittee recommend City Council approval to work with Valley Metro on a proposed Light Rail Small Business Financial Assistance Program Pilot and to accept grant funding from PCDIC.

Councilwoman Stark asked if staff conducted outreach with businesses about the pilot program.

Mr. Coleman responded staff discussed the need for a financial assistance program with businesses, as well as PCDIC, but wanted to ensure the program would be fully vetted before communicating it to the community at large. He mentioned Valley Metro had conversations with Salt River Project (SRP) and Arizona Public Service (APS) to encourage their participation in the program. Mr. Paniagua added that staff had worked with several businesses throughout the process that were aware the program would be presented to the subcommittee.

Councilwoman Pastor recommended raising Tiers 1 and 2 in the future and asked her fellow subcommittee members to reach out to other companies who might be able to provide additional funding. She requested staff contact the Maricopa County Industrial Development Authority and work with the Board of Supervisors to gather additional funding. She asked if any of the small businesses qualified for Coronavirus Relief Funds.

Mr. Coleman confirmed some of the businesses qualified for Coronavirus Relief Funds and explained staff worked closely with Valley Metro and the Community and Economic Development Department to ensure relief opportunities were promoted specifically to businesses throughout the light rail corridors. He mentioned some of the applications were only produced in English, and staff worked with Valley Metro to also produce them in Spanish.

Councilwoman Pastor made a motion to approve staff's recommendation. Councilwoman Stark seconded the motion which passed unanimously, 4-0.

INFORMATION AND DISCUSSION (ITEMS 16-18)

16. Downtown Shared Electric Scooter Pilot Program Update

Deputy City Manager Mario Paniagua introduced Street Transportation Director Kini Knudson and Assistant Street Transportation Director Briiana Velez to present an update on the Downtown Shared Electric Scooter Pilot Program.

Mr. Knudson provided an overview of the 6-month pilot program and explained the pilot extension had been delayed due to the COVID-19 pandemic.

Ms. Velez discussed the outcome of the initial pilot program, including scooter fleet composition, ridership and reporting requirements, and violations. She shared the City's revenue from the initial pilot was \$51,288, which accounted for application and permit fees, trip surcharges, violations, infrastructure costs, and program administration costs. She also shared public outreach and stakeholder comments, which included 30 emails and phone calls regarding improper scooter parking and riding on the sidewalk.

Ms. Velez explained the pilot extension, which would run from Oct. 1 to March 31, 2021, would help to further refine the program. She stated Razor and Spin expressed interest and submitted applications for the extension and deployed approximately 100 scooters. She concluded the presentation by sharing the next steps for the program, including

requesting the City Council extend Phoenix City Code to allow shared electric scooters to operate until December 2021, continued administration and reporting on the program, and drafting final recommendations for a permanent shared micromobility program.

Councilwoman Pastor asked for clarification regarding the request to extend Phoenix City Code to allow the scooters to operate until December 2021.

Ms. Velez explained the initial pilot program required modifications to the ordinance and staff wanted to ensure there would be enough time to adjust for any pauses that might occur due to the COVID-19 pandemic.

Councilwoman Pastor shared that she had provided feedback during the initial pilot program.

Chairwoman Williams asked if this item would go straight to the City Council for approval.

Mr. Knudson confirmed the item would go before City Council in early December.

Chairwoman Williams opened the floor for comments.

Phuong Bui, representing Spin, expressed a commitment to mitigating clutter, ensuring safety, and enhancing the Phoenix workforce through the scooter partnership.

17. Concessions Relief Update

Deputy City Manager Mario Paniagua introduced Interim Aviation Director Charlene Reynolds to present an update on concessions relief.

Ms. Reynolds began by providing an overview of financial assistance and relief provided to airport concessionaires since the start of the COVID-19 pandemic. Ms. Reynolds provided an overview of data collected regarding passenger spending since the beginning of the pandemic, noting a correlation between spending and enplanements of which there was a significant decrease this year compared to last year. She explained there had been changes to passenger type and their reasons for travel, sharing that business travelers frequented restaurants and leisure travelers looked for grab and go or national options. She noted a drop in average per passenger spending from \$11.38 to \$9.36.

Ms. Reynolds provided an overview of the current concession closures and the decline in gross sales among food and beverage, services, and terminal advertising. She explained additional impacts of the pandemic, including the cancellation of 50 terminal advertising contracts, the loss of a currency exchange vendor, and the closure of Duty Free and Brooks Brothers locations at the airport.

Ms. Reynolds discussed the Airport Concession Disadvantaged Business Enterprise Program (ACDBE) and highlighted local business partners that had benefitted from the program, such as Panera, Refuge Coffee, Sir Veza's, and Peet's Coffee.

Ms. Reynolds provided an update on concessions employment and shared information on the number of employees furloughed and recalled to work by HMSHost Corporation, SSP America, Stellar Retail Group and other airport concessions partners.

Vice Mayor Guardado asked about the current status of the companies' capital investment in the airport and asked if they had recouped their costs.

Ms. Reynolds shared there had been \$40 million in capital investments in Terminal 4 and concessionaires would have to commit to a mid-term refurbishment, as well as a capital investment in excess of \$20 million in Terminal 3. She added the relief package included a requirement to work with employees to grant relief and to notify Aviation staff of any federal relief they receive. She stated she can provide additional information on the capital investments, if necessary.

Councilwoman Pastor and Vice Mayor Guardado expressed concern regarding recalling of employees by SSP and HMSHost. They requested updates from SSP and HMSHost representatives.

Steven Douglas, Vice President of Business Development at HMSHost, stated the company has recalled 389 employees based on seniority in compliance with their collective bargaining agreement.

Mr. Douglas stated a notification letter was sent out in accordance with the Warren Act, which provided early notification of a potential layoff, and the company intended to bring back as many employees as they could.

Vice Mayor Guardado asked if employees would be terminated if they had not been called back by March.

Mr. Douglas explained the Warren Act states employees would go from furlough to layoff status after the cut-off date.

Councilwoman Pastor asked if HMSHost could extend their cut-off date to 2022, as SSP had done for their employees.

Chairwoman Williams requested HMSHost provide a written statement by December, so that the City Council could understand the company's intent to recall employees.

Vice Mayor Guardado stated SSP and HMSHost should be able to provide the same cut-off date for employees.

Leann Jacobs, Human Resources Director at SSP, shared that 134 associates had been recalled.

Chairwoman Williams asked if SSP was recalling employees by seniority.

Ms. Jacobs affirmed that SSP was recalling their employees by seniority.

Councilwoman Pastor wanted to confirm the furlough date is in 2022.

Ms. Jacobs explained SSP had sent the Warren Act letter to notify staff the recall process would extend 24 months from November 2020.

Councilwoman Pastor asked how SSP worked with their collective bargaining groups.

Ms. Jacobs explained the negotiation process with Unite Local 11 and final memorandum of understanding outlined how the company must proceed through the pandemic and operations in the airport.

Derryl Benton, Executive Vice President in Business Development from HMSHost, stated he would work with the collective bargaining team to get more information regarding a potential recall cut-off date extension.

Chairwoman Williams emphasized the importance of this issue to the City Council and the community.

Chairwoman Williams opened the floor for comments.

Gonzalo de la Melena, owner of Sir Veza's, requested continued business relief and support through ACDBE.

Lachele Mangum, president of LAM Holdings, LLC., requested continued percentage rent only to assist businesses at the airport.

Bruce Mosby, operator of Peet's Coffee, requested continued percentage rent only to assist businesses at the airport.

Tracey Gunderson spoke about her experience working for HMSHost and advocated for the company to extend the recall cut-off date for those who are currently furloughed.

Vice Mayor Guardado asked Ms. Gunderson how long she had worked for HMSHost.

Ms. Gunderson stated she had worked for the company for 10 years and had not yet been recalled. She stated SSP had extended their recall deadline and she would like HMSHost to do the same.

Teresa Dominguez, representing Paradies-Phoenix, requested continued business assistance to maintain their service levels at the airport.

Joya Kizer Clarke, representing CASA Unlimited Enterprises, requested continued percentage rent only to assist businesses at the airport.

Christine Miller, representing Unite Local 11, spoke in opposition to the recall practices of HMS Host.

Douglas Marmol shared he worked for HMSHost in Los Angeles for 24 years and expressed his disappointment in the company's practice of terminating health insurance for furloughed employees. He also discussed the class action lawsuit filed against HMSHost in California for not compensating employees sufficiently and requested that the City of Phoenix not provide any additional relief funds to the company.

Lotes Perez-Silva shared she worked for HMSHost for more than 30 years and discussed the class action lawsuit filed against the company in California for not compensating employees sufficiently. She requested that they not be provided any additional relief funds.

Ibado Mahmud shared she worked for HMSHost for 20 years and had been furloughed in October. She recounted that she was treated poorly by the company, specifically when she requested additional information about her work status and needed to use her health insurance when she was ill.

Carmen Quintana, assisted by a Spanish interpreter, shared she worked for HMSHost for 33 years and had been notified that she would be permanently laid off. She expressed concern for what would happen to her and her fellow employees and thanked the subcommittee for their support.

Vivien Lavelly requested clarification on the seniority aspect of the collective bargaining agreement and expressed concern about concessions' salary management and recall practices.

Hiwt Kidane shared she worked for HMSHost for 14 years and explained she had been impacted financially by this action.

Councilwoman Williams stated it is important that people have listened and will follow through in a timely fashion.

Vice Mayor Guardado emphasized the importance of this issue. Phoenix was rated the tastiest airport in the country, and we cannot forget our workers who contributed to that.

18. Climate Action Planning Update

Deputy City Manager Mario Paniagua introduced Deputy City Manager Karen Peters, Environmental Programs Administrator Nancy Allen, and Chief Sustainability Officer Mark Hartman to provide an update on the City's Climate Action Plan.

Ms. Peters began by acknowledging the collaboration of staff from all City departments to develop the framework of the Climate Action Plan. She expressed the need to act now to adapt and prepare for a hotter environment, explaining input from the community showed 75 percent of residents were extremely concerned with extreme heat, prolonged drought, and decreased air quality. She also highlighted the City's membership in C40 Cities and Mayor Gallego's affirmation of the Paris Climate Accord and provided the timeline of the City's greenhouse gas emissions inventory, sustainability goals, and climate action planning.

Ms. Allen shared Phoenix experienced a per capita decrease in greenhouse gas emissions from 2012 to 2018, while seeing population and economic increases in the same period. She discussed the composition of the City's greenhouse gas inventory, including stationary energy, transportation, and waste. She stated staff has discussed regional solutions with partners such as Maricopa County and the Maricopa Association of Governments.

Ms. Allen provided an overview of the climate action planning process, which included gathering information on existing plans and programs from City departments and community input to develop actions related to mitigation and adaptation. She explained the mitigation actions would focus on emission reduction and adaptation would consist of establishing resiliency goals to improve air quality, strengthen local food systems, decrease the urban heat island, and deal with drought and water supply.

Mr. Hartman stated the framework would articulate the past, present and future climate actions the City would take and that it had been published online for input from the public. He highlighted feedback that had already been received from the Environmental Quality and Sustainability Commission, Arizona Public Service (APS), the Arizona Diamondbacks, Republic Services, and Ni

Ms. Allen concluded the presentation by outlining the future actions on the plan and stated there had been more than 52,000 impressions on the framework since it had been shared on NextDoor.

Chairwoman Williams thanked staff for their planning efforts and opened the floor for comments.

Alana Langdon, representing Nikola Motor, spoke in support of the Phoenix Climate Action Plan.

Michael Denby, representing Arizona Public Services (APS), spoke in support of the Phoenix Climate Action Plan.

Alisa Lyons, representing Valley Partnership, spoke in support of the Phoenix Climate Action Plan.

Colin Tetreault, chair of the Environmental Quality and Sustainability Commission, spoke in support of the Phoenix Climate Action Plan.

Linda Brady, representing Salt River Project (SRP), spoke in support of the Phoenix Climate Action Plan.

CALL TO THE PUBLIC

Dan Weecks recognized the work of Phoenix Fire Department staff and requested the topic of first response services for pets be added to a future subcommittee agenda.

FUTURE AGENDA ITEMS

None.

ADJOURNMENT

Chairwoman Williams adjourned the meeting at 11:36 a.m.

Respectfully submitted,

Adeoffer-Marie Rabusa
Management Intern