



TOWN OF HUACHUCA CITY

The Sunset City

**MEETING MINUTES OF THE
HUACHUCA CITY TOWN COUNCIL
March 13, 2025 AT 6:00 PM
COUNCIL CHAMBERS
500 N. GONZALES BLVD.
HUACHUCA CITY, AZ 85616**

A. Call to Order – Mayor

- a. Pledge of Allegiance
- b. Roll Call and Ascertain Quorum

B. Roll Call.

Roll Call.

Present: Johann Wallace, Cynthia Butterworth, Danielle Cardella, Christy Hirshberg Debra Trate, Geovona Thompson, Town Manager Suzanne Harvey (Not voting), Town Clerk Brandye Thorpe (not voting), Town Attorney Thomas Benavidez (Joined at 6:01pm, Not voting).

Absent: Nallely Arreola

- c. Invocation

Any prayer/invocation that may be offered before the start of regular Council business shall be the voluntary offering of a private citizen, for the benefit of the Council and the citizens present. The views or beliefs expressed by the prayer/invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker. A list of volunteers is maintained by the Town Clerk's Office and interested persons should contact the Town Clerk's Office for further information.

B. Call to the Public – Mayor

A.R.S. 38-431.01 states the Public Body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the Public Body. At the conclusion of an open call to the public, individual members of the Public Body may respond to criticism made by those who have addressed the Public Body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the Public Body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

C. Consent Agenda - Mayor

All items listed in the Consent Agenda are considered routine matters and will be enacted by one motion of the Council. There will be no separate discussion of these items unless a Member of the Town Council requests that an item or items be removed for discussion. Council Members may ask questions without removal of the item from the Consent Agenda. Items removed from the Consent Agenda are considered in their normal sequence as listed on the agenda, unless called out of sequence.

C.1 Consider approval of the Minutes of the Regular Council meeting held on February 27, 2025 and the Special Emergency Meeting held on March 7, 2025.

C.2 Consider approval of the Payment Approval Report.

Motion: Items listed on the Consent Agenda Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Cynthia Butterworth.

Mayor Wallace advises that on Friday we did have that Special Emergency Meeting. Mr. Benavidez is preparing some documents for that so at our next meeting we will have that. We still have to approve the minutes from that meeting.

Motion: Approval of the items on the Consent Agenda, **Action:** Approve, **moved by** Johann Wallace, **Seconded by Christy Hirshberg.**

Motion passed unanimously.

D. Unfinished Business before the Council – Mayor

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the mayor at any time.

E. New Business Before Council - Mayor

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

E.1 Discussion and/or Action [Mayor Wallace]: Retirement of Public Works Director, James Halterman.

Mayor Wallace advises that this will be moved to the next Agenda as Mr. Halterman would like some of his family to be able to attend.

E.2 Discussion and/or Action [Mayor Wallace]: Recognition of police department employee, Rebecca Sizemore, for her service to the Town.

Motion: Item E.2 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Cynthia Butterworth.

Mayor Wallace and Chief Berry both speak about Rebecca's contributions to the Town and wish her the best of luck in her new endeavors. She is presented a plaque from the Town.

E.3 Discussion and/or Action [Dr. Jim Johnson]: Desert Sage Rezoning – First Reading of Ordinance No. 2025-01 - CHANGING THE ZONING OF 2.64 ACRES OF PROPERTY OWNED BY DESERT SAGE APARTMENTS, L.L.C., GENERALLY SITUATED AT 712 GONZALES BLVD. (TAX PARCEL NO. 106-47-024), FROM "B/C" ("GENERAL BUSINESS/COMMERCIAL DISTRICT") TO "R-4" ("RESIDENTIAL DISTRICT").

Motion: Item E.3 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Cynthia Butterworth.

Mayor Wallace advises that this is the first reading. We do have representatives for the property available that can give a presentation, the same kind of presentation that we had received before. I think we're all for this. This would allow the owners to add structures and rebuild if it became necessary. No action is needed tonight on this. It is just the first reading.

E.4 Discussion and/or Action [Ruben Villa]: Truth in Taxation presentation: Staff will request guidance on whether to move forward with pursuing a possible property tax increase for budget planning purposes for fiscal year 2025-2026. All anticipated Town revenues and expenditures may be discussed.

Motion: Item E.4 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Cynthia Butterworth.

Mr. Villa provides the following information for Council:

Levy Limitations

1. Neutral Levy Amounts the property tax rate that would generate the same total revenues the previous year, excluding revenue from new construction. If a jurisdiction sets a rate above this level, it is considered a tax increase under Truth in Taxation laws, requiring public notice and hearings.

2. Maximum Allowable Levy Amount Arizona State Constitution, Article IX, Section 19 limits a city's annual increase in the primary property tax levy to 2%, plus the assessed value of new construction. The Arizona Department of Revenue (ADOR) provides official property tax levy rates and total collection amounts for each fiscal year.

Truth in Taxation (TNT)

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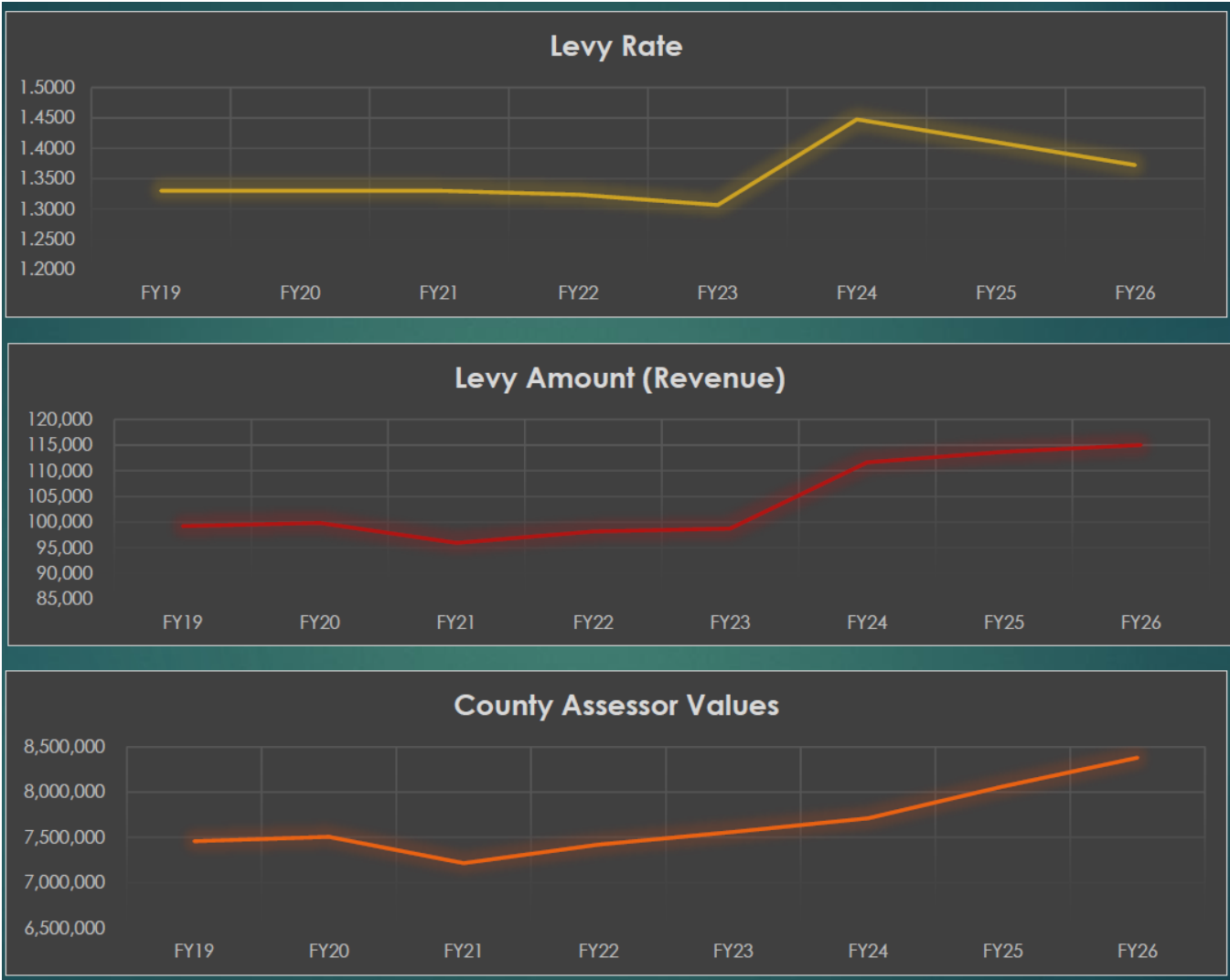
Arizona's Truth in Taxation law (A.R.S. §42-17107) requires taxing jurisdictions to notify the public and hold a hearing if they plan to increase property tax revenue beyond the Neutral Rate. Requires explicit approval from elected officials.

Scenarios – Rate and Levy

Scenario	Neutral Rate	Neutral Levy	Proposed Rate	Proposed Levy Amt	Above Neutral	Increase %
Maximum Allowable	1.3722	\$115,008	1.5896	\$133,229	\$18,221	15.84%
Midpoint	1.3722	\$115,008	1.4809	\$124,118	\$9,110	14.95%
No Change	1.3722	\$115,008	1.3722	\$115,008	\$0	0%

Scenarios – Tax on Property Examples

Scenario	Home Valued at		Proposed Rate	Tax Bill	Above Neutral	Increase %
Maximum Allowable	\$100,000.00		1.5896	\$158.96	\$21.74	15.84%
Midpoint	\$100,000.00		1.4809	\$148.09	\$10.87	14.95%
No Change	\$100,000.00		1.3722	\$137.22	\$0.00	0%



Other Jurisdictions (Current FY25)

Jurisdiction	Primary Rate	Levy Amount	% of GF	GF - Revenue	Tax on \$100K Home
Bisbee	3.0163	\$ 1,351,729	16.8%	8,046,800	\$ 301.63
Huachuca City	1.4102	\$ 113,684	3.5%	3,271,473	\$ 141.02
Douglas	1.1138	\$ 703,542	2.8%	24,715,117	\$ 111.38
Benson	0.9244	\$ 403,949	3.4%	11,738,544	\$ 92.44
Tombstone	0.8866	\$ 137,331	4.3%	3,174,084	\$ 88.66
Wilcox	0.3824	\$ 78,942	0.1%	5,971,418	\$ 38.24
Sierra Vista	0.1033	\$ 387,167	0.7%	51,925,724	\$ 10.33

Options for the City Council

- Direct staff to publish the required Truth in Taxation notices to allow for the City Council to consider adopting a levy above the neutral amount, if necessary, as part of the budget process.
- Direct city staff to implement the Neutral Levy Amount, which does not require the Truth in Taxation process.

Mayor Wallace clarifies that the neutral rate adjusts so that we don't bring in any more or less money than last year.

Council agrees that we should use the neutral levy amount.

Mayor Wallace tells staff to plan on neutral.

E.5 Discussion and/or Action [Dr. Jim Johnson]: Presentation from the Zoning Administrator concerning the Town's current regulations with respect to renting out portions of dwelling units.

Motion: Item E.5 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Cynthia Butterworth.

Mayor Pro Tem Hirshberg recuses herself because she has an upstairs apartment that she could rent out.

Dr. Jim Johnson provides the following information:

Section 18.35.020 of the Town Code lists only one permitted principal residential use within an R-1 zoning district – Single-Family Residence

Town Code defines Single Family Dwelling as *“a detached residence designed for occupancy by one household only.”*

The Intent for restricting dwellings within the R-1 Zoning District. *“These districts are comprised of single-family residential areas and certain open land areas where such development is desirable and appears likely to occur. Regulations are designed to stabilize and protect the single-family character of the districts, to promote and encourage creation of a desirable environment for family life where most families include children, and to prohibit all incompatible activities. Principal uses are therefore restricted to single-family dwellings on individual lots.”*

Town Code also permits detached accessory buildings that are incidental and subordinate to the principal building. However, Section 18.100.130 of the Town Code specifically states that *“Living and sleeping quarters shall not be permitted in any accessory building in any residential district except as specifically permitted herein.”*

BOTTOM LINE: RENTING OUT A PORTION OF YOUR HOME OR AN ACCESSORY BUILDING IS NOT CURRENTLY A PERMITTED USE IN A R-1 ZONE

What if you have your heart set on renting out an apartment on your property? Can this be done?

At present, the only option would be to rezone your property to a R-2, R-3, or R-4 as these zones allow for multi-family residences. However, this is an expensive endeavor and requires input from neighbors, public hearing and council approval. Depending on the location it could also require an amendment to the General Plan which is also expensive and can only be done at a certain time of the year.

Are there any alternatives? I think I may have one.

If you remember last fall when we were discussing the State mandated changes to the zoning code, we talked about SB 2720. This Senate Bill had two parts to it, one for Accessory Dwelling Units (ADU's) and another for Vacation/Short-term Rentals. The Town was required to make provisions for Vacation and Short-term Rentals and we did that in December 2024. The other half of the Bill pertained to Accessory Dwelling Units, defined as *“a self-contained living unit that is on the same lot or parcel as a single-family dwelling of greater square footage than the accessory dwelling unit, that includes its own sleeping and sanitation facilities and that may include its own kitchen facilities”*

If you remember, it was discussed that the ADU mandates did not apply to the Town, because the Town is located within the “Territory in the Vicinity of a Military Airport”. The Bill specifically states that this Section of the Bill does not apply due to the military airport. So it was decided

to skip that portion of the bill, with the understanding the Town could revisit the subject and determine the appropriate regulations at a later time.

Since there has been an interest expressed for the possibility of allowing rentals within the R-1 zone, I believe exploring the possibility of allowing ADU's would now be a good idea.

If the Council agrees that this is something they would like to explore, I will research out the appropriate regulations and present them to the Council at a future work session.

Mayor Wallace asks what we would have to do to allow somebody to rent out a spare room in their house.

Dr. Johnson states that would be considered a boarding house.

Mayor Wallace asks how do we do this without getting too convoluted?

Dr. Johnson states he would have to go put some regulations together and bring back to Council at a work session.

Councilmember Trate states that it makes sense because it's becoming more common because things are getting more costly.

Councilmember Thompson brings up the housing shortage.

Councilmember Butterworth wants to make sure we address the ADU issue and also make allowances to rent out a room.

Mayor Wallace wants this to be done in the easiest, cleanest way that will cause the least amount of work for staff. He tells Town Manager Harvey to work with Dr. Johnson to make this happen.

Mayor Pro Tem Hirshberg rejoins the meeting.

E.6 Discussion and/or Action [Suzanne Harvey]: Staff seeks input from the Council for the Town's Strategic Planning Retreat, scheduled for April 1, 2025, to plan the Town's strategic direction for the next few years.

Motion: Item E.6 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Christy Hirshberg.

Manager Harvey asks Council to each send her their vision for the town and also 4-5 things that they would like to see achieved in the next five years. She asks that they email it to her by March 28th.

E.7 Discussion and/or Action [Chief Berry]: Approval of an agreement with Off Duty Management, Inc., to help manage and coordinate our off-duty police officers working for other entities; and consideration and approval of the police department's off duty employment policy.

Motion: Item E.7 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Debra Trate.

Chief Berry explains that the police department currently does not have a policy that is conducive for off-duty employment. Off-Duty Management is a scheduling agency that is able to see who is available for shifts and can schedule them for assignments. They have provided

the packet of information to Council. One of the things requested by them was that we provide them the off-duty policy. The town determines the rate of pay and they can schedule off-duty officers for assignments that are paid by whatever agency requests the service. There is no charge to the town to participate and the officers would be able to make extra money while providing the services. We would charge an hourly rate for the vehicles that would be paid to the town, and they would pay the officers directly for their time.

Mayor Wallace asks Attorney Benavidez if he reviewed the policy.
Attorney Benavidez confirms that he has and that it looks great.

Mayor Pro Tem Hirshberg asks what the hourly rate is for the vehicles.
Chief Berry explains that currently most agencies are charging \$5.00/hour. We can keep our rate in line with theirs if Council agrees.

Motion: The off-duty policy for the police department and authorize staff to go forward with the agreement, on approval from the Attorney, with Off Duty Management, Inc. , Action: Approve, moved by Johann Wallace, Seconded by Christy Hirshberg.
Motion passed unanimously.

E.8 Discussion and/or Action [Stephanie Fulton]: Approval of a Library Services and Technology Act (LSTA) grant in the amount of \$4000.00 to renew the Library's WIFI Hotspot Lending Program.

Motion: Item E.8 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Cynthia Butterworth.

Mayor Wallace states this is to continue having hotspots for checkout at the Library.

Motion: Library Services and Technology Act (LSTA) grant in the amount of \$4000.00 to renew the Library's WIFI Hotspot Lending Program. Action: Approve, moved by Johann Wallace, Seconded by Christy Hirshberg.
Motion passed unanimously.

E.9 Discussion and/or Action [Stephanie Fulton]: Approval of a Library Services and Technology Act (LSTA) grant in the amount of \$4000.00 for the purchase of STEAM materials available for checkout by patrons.

Motion: Item E.9 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Debra Trate.

Mayor Wallace explains this is the same thing, good for the library.

Motion: Library Services and Technology Act (LSTA) grant in the amount of \$4000.00 for the purchase of STEAM materials available for checkout by patrons.
Action: Approve, moved by Johann Wallace, Seconded by Christy Hirshberg.
Motion passed unanimously.

E.10 Discussion and/or Action [Suzanne Harvey]: Approval of an agreement with the Legacy Foundation to use their Outreach Center as a venue for the Town's Strategic Planning Retreat.

Motion: Item E.10 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Christy Hirshberg.

Manager Harvey explains that this is so that staff can work on the strategic planning without interruption. The room doesn't cost anything. She will need to get our insurance to cover the building for the day, which will not cost us more money.

Motion: Agreement with the Legacy Foundation to use their Outreach Center as a venue for the Town's Strategic Planning Retreat. Action: Approve, moved by Johann Wallace, Seconded by Debra Trate.

Motion passed unanimously.

E.11 Discussion and/or Action [Chief Berry]: Approval to purchase a vehicle for the police department.

Motion: Item E.7 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Cynthia Butterworth.

Chief Berry advises that this is a really good deal on a nearly fully equipped police vehicle. It would replace the vehicle that the Chief is currently driving, which has had a lot of issues lately. He states that we just replaced several vehicles through grants and a lease. This is the last vehicle that needs to be replaced.

Mayor Pro Tem Hirshberg asks if there will be another grant available to buy a vehicle instead of spending the money on this one.

Chief Berry states that he is unsure at this time. There usually are grants available but there is no guarantee that there will be and it takes a lot of time to get a new one and get it equipped and get everything it needs, whereas this one is nearly ready to use right now.

Mayor Wallace confirms with Chief Berry that he has the money in his budget right now. Chief Berry confirms this.

Motion: Purchase a vehicle as discussed for the police department.

Action: Approve, moved by Johann Wallace, Seconded by Cynthia Butterworth.

Motion Passed 5-1 Mayor Pro Tem Hirshberg votes Nay

E.12 Discussion and/or Action [Suzanne Harvey]: Approval of a purchase agreement with HME, INC., for a Type 6 wildland truck on a Ford F-550 4-door 4x4 chassis.

Motion: Item E.13 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Debra Trate.

Manager Harvey advises that it is finally time to purchase this. We have the funds and need to complete the purchase. She further states that delivery time may increase from what is stated in

the purchase agreement, along with the cost may increase. That is just how it is with these vehicles and it is stated in the agreement.

Motion: Purchase agreement with HME, INC., for a Type 6 wildland truck on a Ford F-550 4-door 4x4 chassis.

Action: Approve, moved by Johann Wallace, Seconded by Debra Trate.

Motion passed unanimously.

E.13 Discussion and/or Action [Mayor Wallace]: Proclamation No. 2025-02 – A proclamation of the Mayor declaring the Month of April as Garden Month in the Town of Huachuca City.

Motion: Item E.13 Action: Open for discussion and/or Action, moved by Johann Wallace, Seconded by Christy Hirshberg.

F. Reports of Current Events by Council

Councilmember Butterworth- Upcoming: Saturday is the gathering in the garden. 20th SVMPO meeting. 21st Food distribution. 22nd Community meeting.

Councilmember Cardella- nothing to report

Councilmember Trate- Went to the Hispanic Chamber mixer in Tombstone. Will be at the community meeting next Saturday.

Mayor ProTem Hirshberg- Will attend the SVMPO and the community meeting on 22nd.

Councilmember Arreola- not in attendance

Councilmember Thompson- Met with Brandye to discuss her daily operations.

Mayor Wallace- Nothing reported.

G. Adjournment

Motion: To Adjourn, **Action:** Adjourn, **Moved by** Johann Wallace, **Seconded by Christy Hirshberg.**

Motion passed unanimously.

Approved by Mayor Johann R. Wallace on March 27, 2025.

Mr. Johann R. Wallace
Mayor

Attest: _____
Ms. Brandye Thorpe,
Town Clerk

Seal:

Certification

I hereby certify that the foregoing is a true and correct copy of the Minutes of the Meeting for the Huachuca City Town Council held on March 13, 2025. I further certify that the meeting was duly called and a quorum was present.

Ms. Brandye Thorpe,
Town Clerk