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DISTRICT 16

Arizona House of Representatives
Phoenix, Arizona 85007

COMMITTEES:
Natural Resources, Energy,
and Water
Rules
Transportation and
Infrastructure

November 21, 2024

Via Email and U.S. Mail

Kris.mayes@azag.gov

Kris Mayes

Arizona Attorney General

2005 N. Central Ave.

Phoenix, Arizona 85004

Rachel.mitchell@mcao.maricopa.gov

Hon. Rachel Mitchell

Maricopa County Attorney

225 West Madison Street

Phoenix, Arizona 85003

**Re: Request for Investigation – Conflicts of Interest Re: Contracts Awarded to
Lisa Urias and Urias Communications by Governor Hobbs’ Administration**

Dear Attorney General Mayes & County Attorney Mitchell:

I write to you today in my official capacity to formally refer a matter to you for investigation into potential conflicts of interests and violations of Arizona law, including but not limited to A.R.S. § 38-503. To that end, I have enclosed a recent article that discusses Governor Hobbs’ appointment of Lisa Urias as the Executive Director of the Office of Tourism, as well as Urias’s ties to multiple lucrative state contracts awarded to Urias Communications.

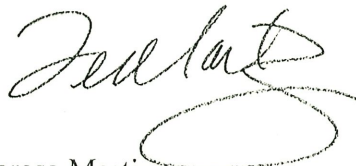
These reported facts, if true, raise significant questions that must be immediately investigated. Arizona’s conflict of interest laws are designed to prevent waste, fraud, and self-dealing by public officials. To make matters worse, there are serious unresolved issues surrounding Governor Hobbs’ appointment of Ms. Urias. Just a few months ago, a Maricopa County Superior Court judge found that Governor Hobbs “unilaterally appointed *de facto* directors” for 13 state agencies, including the Office of Tourism, “without the consent of the Senate in violation of Arizona law.”¹ Simply put, Governor Hobbs already violated the law when she appointed Ms. Urias, and as a consequence, Ms. Urias has avoided the legislative checks and balances that are critical to maintaining the separation of powers and the integrity of state government.

¹ See *Arizona State Senate v. Hobbs*, No. CV 2023-019899 (6/5/24 Ruling), available at: <https://www.documentcloud.org/documents/24735796-cv2023-019899-652024-under-advisement-ruling>

Letter to AG Mayes and County Attorney Mitchell
November 21, 2024
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All government officials must comply with Arizona laws and act responsibly, ethically, and transparently. Please confirm that you intend to open an investigation into this matter.

Respectfully,

A handwritten signature in black ink, appearing to read "Teresa Martinez", with a large, stylized flourish at the end.

Teresa Martinez
Majority Whip
Representative, Legislative District 16

The bill for branding Arizona

Nepotism is our state brand ... 2024 is also 2004 ... And don't dodge old rumors.

NICOLE LUDDEN AND HANK STEPHENSON

NOV 21, 2024

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Share



The Arizona Office of Tourism shelled out \$700,000 to create a new state logo this year.

And of all the artists in the state who could have drafted that logo, the contract just happened to go to one who has close ties to the Office of Tourism Director **Lisa Urias**.

Part of the office's mandate when coming up with the new logo was to include elements of Arizona's Native American cultures in the design, and Urias' business specializes in "diverse multicultural markets."

The rebrand wasn't cheap.



The Office of Tourism spent the \$700,000, which came from federal pandemic relief funds, on 57 in-person and digital listening sessions across the state, not to mention the \$27,500 that went to the brother of the CEO of Urias' marketing agency. He helped work on the logo with a separate graphic design company.

And Urias Communications has another state contract.

"It's clearly an ethical violation. Whether or not it's a legal violation is another issue," Sen. John Kavanagh said after we briefed him on the situation.

Jason Coochwytewa became the CEO of Urias Communications in 2021, per the company's [website](#). He's the brother of **Kevin Coochwytewa**, a Hopi professional designer who's worked with companies like the Heard Museum, Google, and recently, Heart & Soul Marketing — the graphic design firm that won the contract to craft the new state logo and marketing materials.

And the client section of Kevin's [portfolio](#) also lists Urias Communications as a past customer.

Discover the New Arizona Brand: Brand Launch



Urias still owns the company with her namesake, but she "doesn't have any role in its day-to-day operations," per **Josh Coddington**, the tourism department's communications director.

Coddington said it was ultimately up to the contractor, Heart & Soul Marketing, whether to hire Kevin. But he acknowledged that Urias suggested they should hire him for the gig.

About a month after taking over as governor, **Katie Hobbs** [tapped Urias](#) to lead the state's tourism department. One of her first acts upon taking the job was to launch the state's image reboot.

And Urias had an edge as the long-time head of a well-known marketing agency.

She founded Urias Communications in 2006 as a firm “particularly focused on the Latino and Native American markets,” per a [news release](#). Before that, she led international marketing for SRP.

Phoenix Business Journal, Most Admired CEOs - Lisa Urias





Now, the state tourism department is working with an \$8 million budget to persuade people to come here, and tourism spending is a huge driver for Arizona’s economy.

The appointment seems to have been an economic driver for Urias Communications as well.

More than a year after Urias became the tourism director, the Arizona Department of Education approved a \$250,000, five-year contract with Urias Communications.

The contract is to manage events for the [Office of Indian Education](#) site, an arm of the state education department that administers state programs for Native American students.

The purpose of the agreement, according to the contract, is “to contract an event planning agency familiar with American Indian/Native American/Indigenous customs, traditions, values, beliefs and culture.”

	NONCOMPETITIVE CONTRACT	ARIZONA DEPARTMENT OF EDUCATION 1535 W. Jefferson, Bin # 37 Phoenix, Arizona 85007 (602) 364-2517 (602) 542-3264 Fax
	Contract No: CTR071331	
PROJECT TITLE:		Effective Date: Upon Execution Termination Date: 1 Year After Execution
The Undersigned hereby offers and agrees to furnish the materials, service(s) or construction in compliance with all the terms, conditions, specifications and amendments in the contract.		
Dated this <u>15</u> day of <u>May</u> , 2024		For clarification contact: Name: Lynnann Yazzie Phone: 602-542-5235 Email: lynnann.yazzie@azed.gov
URIAS COMMUNICATIONS LLC Contractor Name	 Signature of Person Authorized to Sign	May 15, 2024 Date
5343 N. 16th Street, Suite 240 Address		Jason J. Coochwyte Printed Name
Phoenix AZ 85016 City State Zip Code	CEO	Title
This Agreement shall henceforth be referred to as Contract No: CTR071331		
		State of Arizona Steven Paulson <small>Digitally signed by Steven Paulson Date: 2024.05.16 08:15:39 -07'00'</small> Chief Procurement Officer
Revised 6/7/2023		

It's a non-competitive contract signed by **Jason Coochwyte**, the CEO of Urias' agency. Those types of contracts circumvent the state's typical, extensive bidding-out process when "only one supplier possesses the unique ability or capability to meet the particular requirements."

Again, Coddington from the tourism office said Urias has no part in the contracts.

But even if she isn't involved with the day-to-day operations of the company that she founded, Urias seems to be financially benefiting from the state's contract with her company at the same time she is pulling a salary from the state.