

COUNCIL MINUTES

April 15, 2019

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on April 15, 2019 at 5:00 p.m.

COUNCIL PRESENT

John Giles
Mark Freeman
Jeremy Whittaker
Francisco Heredia
Jennifer Duff
David Luna
Kevin Thompson

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

1. Review items on the agenda for the April 15, 2019 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: None.

Items removed from the consent agenda: 5-v.

City Engineer Beth Huning introduced Real Estate Services Administrator Kim Fallbeck, who displayed a presentation **(See Attachment 1)** and discussed item 5-v **(Requesting approval for Staff to continue negotiations to acquire certain property located in the 2200 block of North Center Street for the construction of athletic fields, and in order to avoid construction delays, authorizing and directing Staff, that fee title, or other interests in, and possession of, certain property, be acquired by the City of Mesa through eminent domain, as a matter of public necessity. (District 1)** on the Regular Council meeting agenda.

In response to a question from Councilmember Whittaker, Ms. Fallbeck confirmed the property owners were notified about the eminent domain process being considered by Council. She stated the property was appraised and the offer that had been submitted was countered by the property owner's attorney. She stated the numbers discussed were based on a Letter of Intent (LOI) with a home builder who had not done an appraisal. She explained Mesa Rose, LLC has owned the property since 2015.

In response to questions from Councilmember Whittaker, City Manager Christopher Brady responded that the property was identified for additional soccer fields and that the City owns a five-acre strip in front of the fields. He mentioned that Council has denied previous applications

to develop the property for residential use and the previous owner used the land for radio towers. He added that in 2015 the City did not purchase the property since it had not been identified for the park bond package. He reported since then, the City has been looking to develop the location for Center Street soccer fields as a bond program project location.

In response to a question from Councilmember Duff, Ms. Fallbeck replied that in February 2016 the property owner entered the LOI with a residential developer who did not apply for rezoning until 2018 and did not proceed based on feedback from staff and Council.

Mr. Brady responded by saying the land was zoned as agricultural and when the previous owner tried to rezone the parcel as residential, was informed Council does not believe it fits the character of the area.

In response to a question from Councilmember Duff, Ms. Fallbeck said they do have a contract of the parcel north of the five-acres and that is what will be used for access to the soccer fields.

In response to a request for information from Councilmember Thompson related to the eminent domain process, City Attorney Jim Smith responded that we will file for the condemnation for immediate possession which allows the project to move forward. He stated the court will determine initial valuation for a bond amount, and if agreed upon, will typically get released right away, and the parties will continue litigation for the amount difference. He also pointed out that most cases can be resolved outside of court.

In response to a question from Councilmember Luna, Ms. Fallbeck responded that the land was originally purchased for \$1,225,000 in 2015 from the broadcasting company and is now being sold for \$5 million.

In response to a question from Councilmember Whittaker, Ms. Fallbeck responded by stating the park in northeast Mesa was appraised for \$15.6 million but was purchased for \$21 million to a buyer at auction willing to pay more than the appraised value.

Mr. Brady responded to Councilmember Whittaker's comment by stating he wants to go through the process of buying this land correctly. He mentioned the appraisal had come back at \$3.8 million and there will be a third-party mediator present when having this discussion and they will decide what the land is worth and the amount the City will pay. He stated this is not unusual in the process for determining property value.

In response to a question from Councilmember Whittaker, Ms. Fallbeck explained when the City uses eminent domain to acquire properties the sellers are allowed a longer period to reinvest that money or pay taxes on the properties.

Councilmember Freeman commented the seller is not going to negotiate until this process starts and they can get an appraisal on the table, which we have already done.

Mr. Brady added that the sellers are not complaining or offended about the process, and that they are glad to be able to sell this property.

Councilmember Freeman commented that he fully supports this park and thinks it is needed for this area and would be a permanent landmark for District 1 and bordering Districts.

In response to a question from Councilmember Whittaker, Ms. Fallbeck and Ms. Huning responded the last time eminent domain was used for an entire parcel was for the light rail about two to three years ago and was primarily for drainage basins.

Councilmember Duff commented that the whole process of eminent domain is too long, unnecessary and has no clarity.

2-a. Hear a presentation, discuss, and provide direction on the Development Services Department budget.

Development Services Department Director Christine Zielonka introduced Deputy Director John Sheffer, Planning Director Nana Appiah and Senior Fiscal Analyst Chase Carlile who displayed a PowerPoint presentation. **(See Attachment 2)**

Ms. Zielonka reviewed Council strategic priorities and mentioned working collaboratively on new development and redevelopment projects with the Police Department and Economic Development. (See Page 3 of Attachment 2)

Ms. Zielonka explained that a major focus area is small business assistance and helping new or existing businesses navigate the land entitlement and building processes. She noted a new position was added in FY2018/19 that focuses on assisting small businesses and homeowners through the development process. (See Page 5 of Attachment 2)

Ms. Zielonka stated that one of the metrics that the department tracks is customer service. She mentioned the website has been improved for customers ease of use and added there was an increase in use in 2017-2018, which she attributes to the electronic permitting system. She reported that there is still a fair number of walk-in customers who prefer the personal approach. (See Page 6 of Attachment 2)

Ms. Zielonka reported on call volume and stated the average calls per month is approximately 3,400. She pointed out there is a monitor in the permit tax office that shows call wait times and how many calls are in the queue so resources can be managed.

Ms. Zielonka highlighted a major improvement is a service for customers called Q Matic which will allow customers to pre-schedule appointments online with a planner.

Mr. Appiah explained improvements in service delivery and commented that there are ongoing discussions with the development community and residents regarding a consistent and timely system. He stated that next month, the Planning and Zoning Committee will be meeting to discuss implementing a process of timeliness and responsiveness to make sure projects are no longer delayed and are moving forward in a timely manner. He also spoke about a streamlined process for getting information to applicants and then following up with them to resolve issues before they go before the Planning and Zoning board.

Councilmember Thompson commented that he would like to find a way to get ahead of the pre-submittals since developers either have a contingency or an escrow on the property. He suggested trying to address issues in the beginning stages of a development instead of at the end to make it more cost effective for businesses.

Ms. Zielonka provided average building plan review times and stated reviews for a commercial development takes 18 business days and 10 for Residential. She added for small projects, staff

tries to complete the project approval in a shorter timeframe, however, larger projects require longer. She stated that the goal of the department is to have plan reviews done 2 days prior to due dates. (See Page 10 of Attachment 2)

Ms. Zielonka discussed total permits issued over the last three years and indicated a slight drop in residential, and an increase in commercial. She mentioned a forecasted increase for residential permits in FY19/20 and a slight decrease in FY 20/21. (See Page 11 of Attachment 2)

In response to a question from Councilmember Whittaker, Ms. Zielonka replied by saying they can track where the current economic development activity is, and that the department will provide a heat map for future meetings showing this information.

In response to a question from Councilmember Duff, Ms. Zielonka stated the process of tracking development in opportunity zones is just beginning.

Ms. Zielonka reviewed the Development Services financial overview and noted the department is not anticipating any major increases. She also mentioned FY 18/19 was a banner year and that temporary contract employees continue to be utilized to meet customer demand. (See Page 12 of Attachment 2)

In response to a question from Councilmember Whittaker, Ms. Zielonka commented that over the past five to six years the department has started to scan all planning files to be digitized and made available through an electronic management system for the public to view. She added that there are still 65,000 – 70,000 sets of improvement plans left to scan.

In response to a question from Councilmember Thompson, Councilmember Freeman said these scanned files are available to first responders.

Mayor Giles thanked staff for the presentation.

2-b. Creation of the Mesa Achieves Higher Education Task Force and appointments to the Task Force.

It was moved by Councilmember Luna, seconded by Vice Mayor Freeman, that the Council concur with the Mayor's recommendations and the appointments (**See Attachment 3**) be confirmed.

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Luna-Thompson-Whittaker
NAYS – None

Carried unanimously.

3. Hear reports on meetings and/or conferences attended.

Councilmember Duff: Celebrate Mesa

4. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the schedule of meetings is as follows:

Wednesday, April 17, 2019, 7:00 a.m. – Bike2WorkDay

Thursday, April 18, 2019, 7:30 a.m. – Study Session

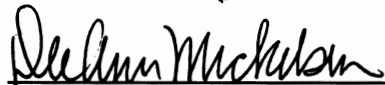
5. Adjournment.

Without objection, the Study Session adjourned at 5:47 p.m.

ATTEST:




JOHN GILES, MAYOR



DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 15th day of April 2019. I further certify that the meeting was duly called and held and that a quorum was present.


DEE ANN MICKELSEN, CITY CLERK

Js/jg
(Attachments – 3)

North Center Street Athletic Fields



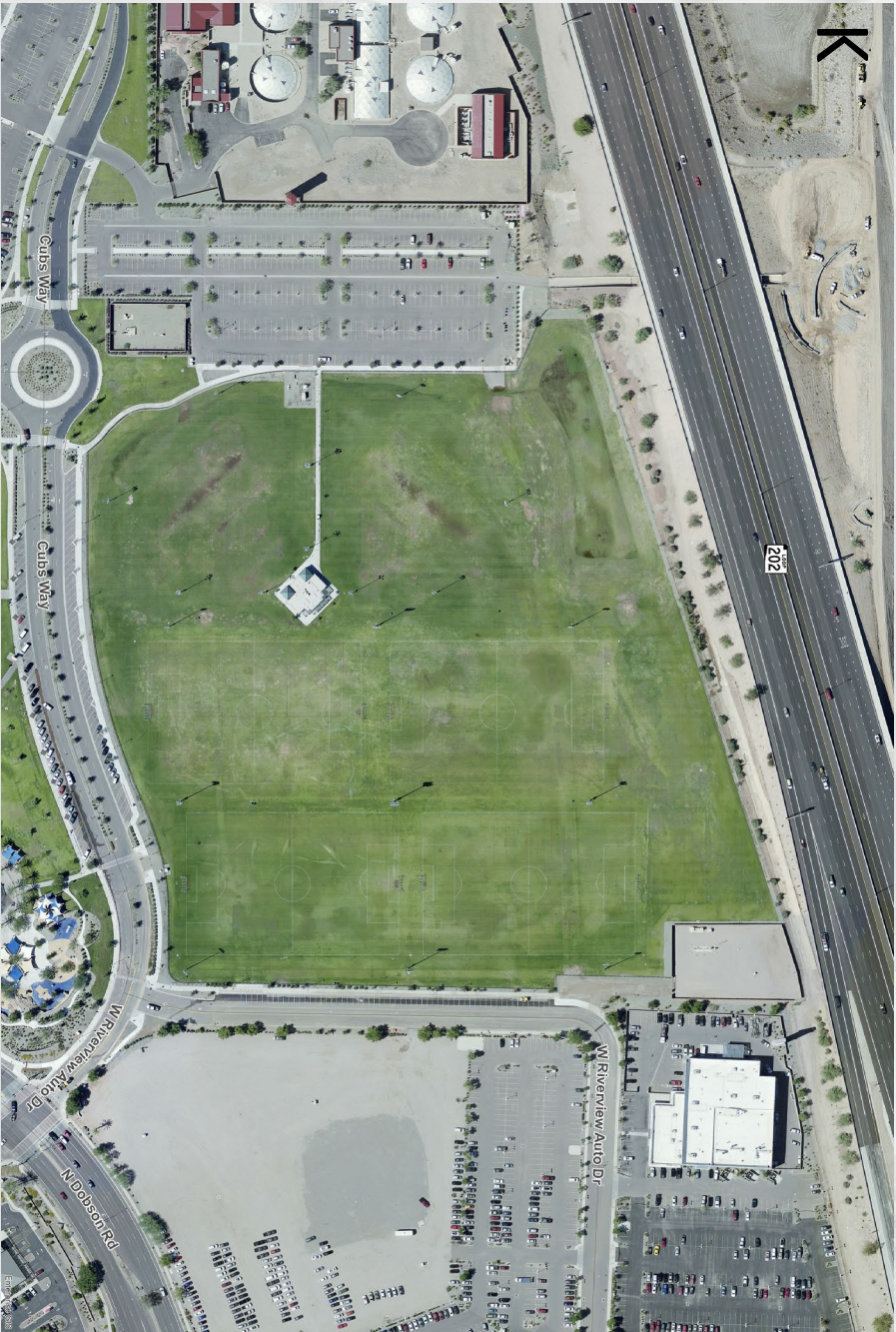
North Center Soccer Complex 04/15/2019

- 6 lighted soccer fields
- 360 parking spaces
- Restroom
- Estimated cost
\$14.2M

Parcel Acquisition



Riverview Soccer Fields





Department Overview

Innovative Approaches to Quality Development



Council Strategic Priorities



Sustainable Economy



Placemaking



Transforming
Neighborhoods

Department Overview

- Customer Service Focus
- Planning Process Improvements
- Permit Trends

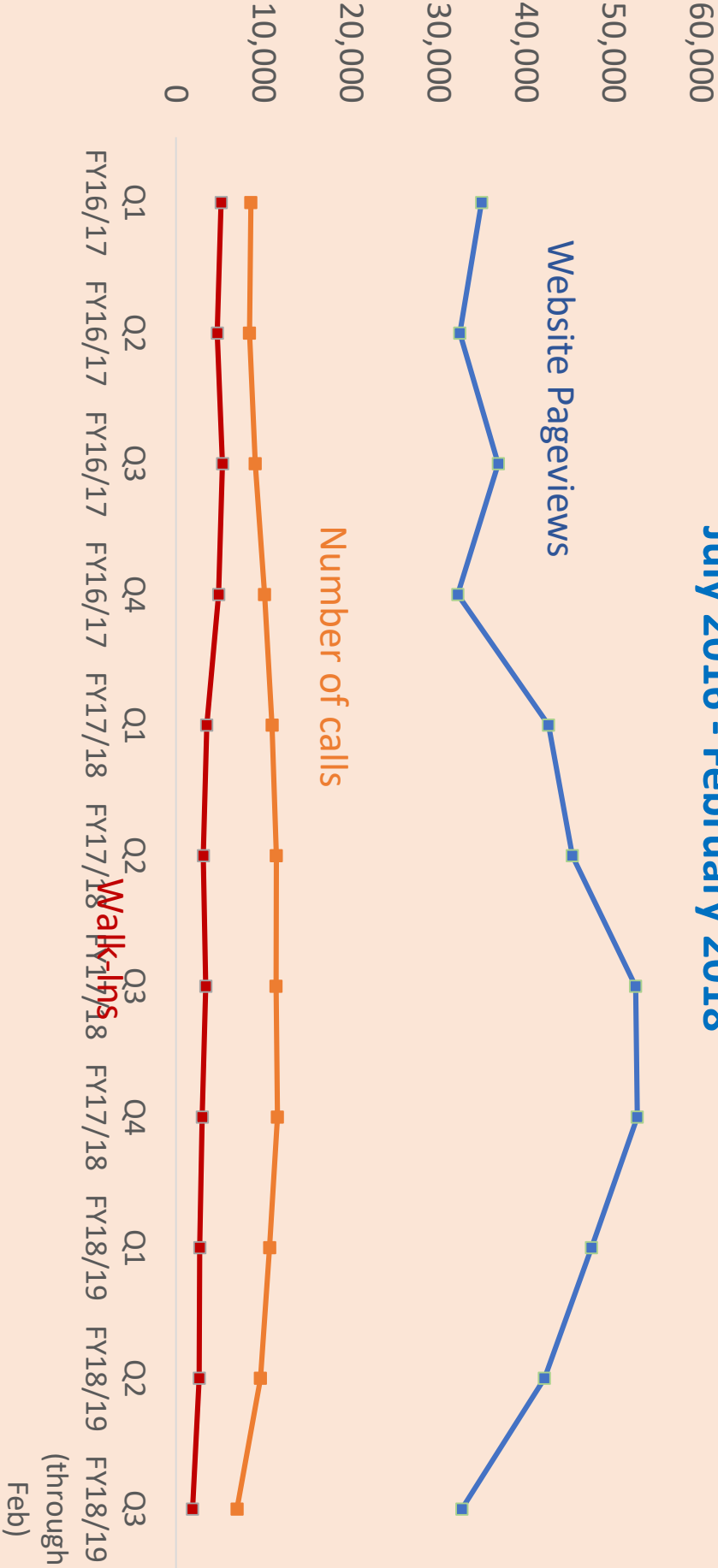
Small Business Assistance



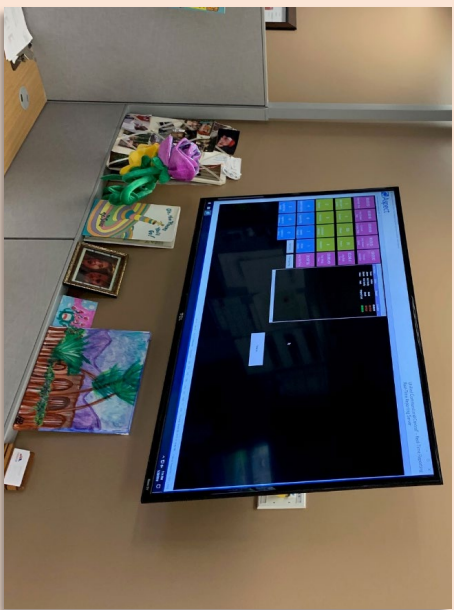
- Position added in FY18/19
- Focus is helping small businesses and homeowners through the development process

Website Pageviews, Total Calls and Walk-ins By Quarter

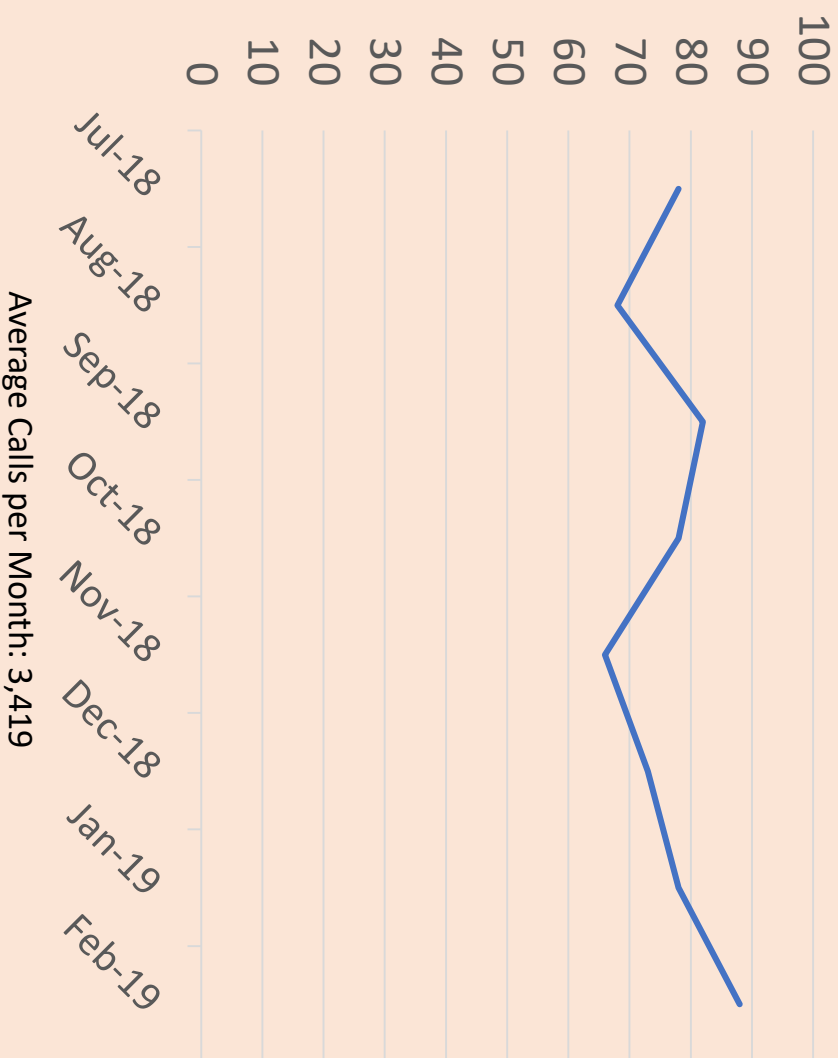
July 2016 - February 2018



Percent of Calls Answered Within 5 Minutes



Percent of Calls Answered Within
Five Minutes



Improving Customer Service



Improvement in Service Delivery: Planning (2 Planning & Zoning Board Meetings per Month)

Time Line

Submittal:



Comments: Day 15



Review Meeting: Day 21



Re-submittal: Day 35



Comment Resolution Date: Day 49



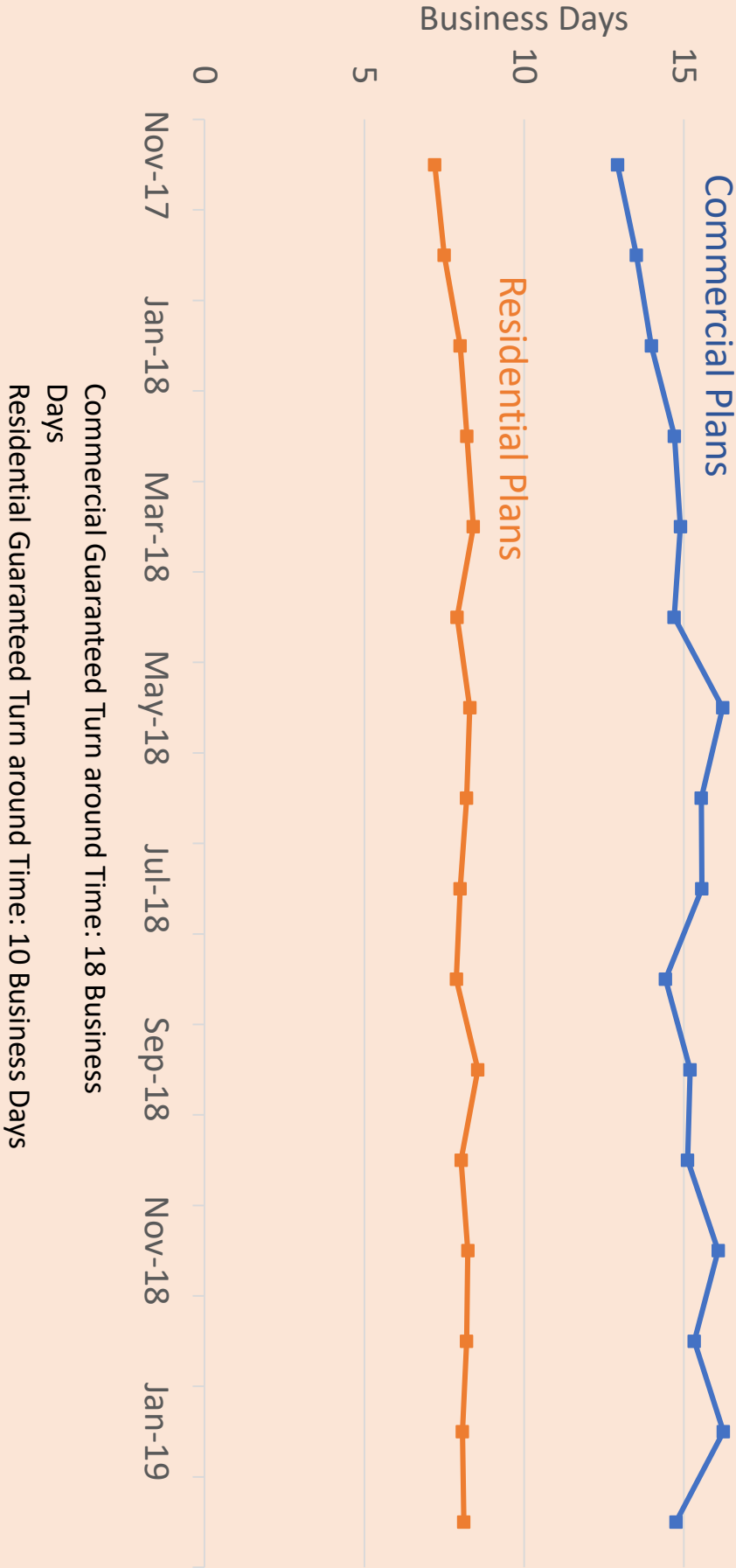
Public Notice: Day 56



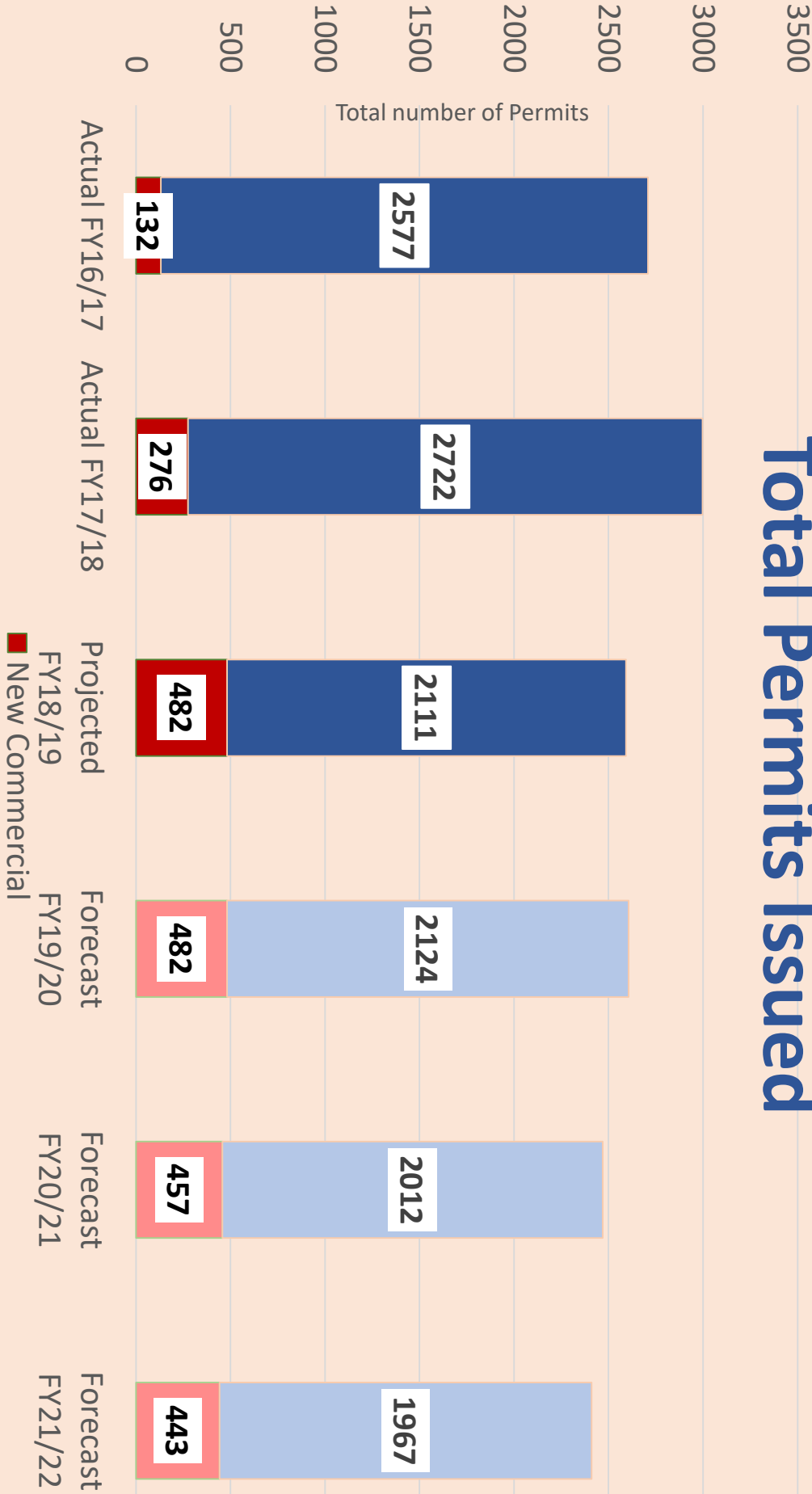
P&Z Hearing: Day 79



Average Building Plan Review Time



Total Permits Issued



Financial Overview

| | FY 17/18 | FY 18/19 | FY 18/19 | FY 19/20 |
|-----------------------|----------|----------------|-------------------|-----------------|
| | Actuals | Current Budget | Year End Estimate | Proposed Budget |
| Administration | \$1.0 M | \$1.4 M | \$1.4 M | \$1.2 M |
| Land Entitlement | \$1.7 M | \$1.9 M | \$1.9 M | \$1.8 M |
| Historic Preservation | \$0.1 M | \$0.2 M | \$0.1 M | \$0.2 M |
| Permitting | \$1.3 M | \$1.7 M | \$1.2 M | \$1.2 M |
| Plan Review | \$1.8 M | \$2.0 M | \$1.9 M | \$2.0 M |
| Building Inspection | \$1.3 M | \$1.4 M | \$1.5 M | \$1.3 M |
| | \$7.2 M | \$8.6 M | \$8.0 M | \$7.7 M |

Questions?

April 15, 2019

TO: CITY COUNCILMEMBERS

FROM: MAYOR JOHN GILES

SUBJECT: Mesa Achieves Higher Education Task Force

The following is an overview and my recommendations for appointments to the Mesa Achieves Higher Education Task Force.

Purpose

The Task Force will be responsible for developing the City of Mesa's Achieve60AZ action plan for the purpose of improving higher education outcomes. Through examination of nationwide programs and best practices, the Task Force will determine the strategies necessary to elevate Mesa's educational attainment. The Task Force will meet monthly throughout 2019 and bring any proposed recommendations to the City Council.

Background

Through Achieve60AZ, Arizona has set an ambitious goal for the State's future. By 2030, the goal is to ensure 60% of Arizona adults, aged 25-64 have at least two years post-high school attainment such as a certificate, license, or degree. This is critical for meeting future business workforce needs.

Task Force Members

The following individuals are being recommended to serve on the Task Force:

Councilmember Francisco Heredia, Co-Chair
Councilmember Jen Duff, Co-Chair
Dr. Richard Haney, Mesa Community College President
Jonathan Schmitt, ASU Assistant Vice President – Educational Outreach & Student Services
Dr. Ember Conley, Mesa Public Schools Superintendent
Elaine Miner, Mesa Public Schools Governing Board President
Dr. Shane McCord, Gilbert Public Schools Superintendent
Vince Yanez, Helios Education Foundation Senior Vice President of Community Engagement
Mike Hutchinson, East Valley Partnership Executive Vice President
Deanna Villanueva-Saucedo, Mesa Community College Community Engagement Director
Jaye O'Donnell, City of Mesa Assistant Economic Development Director

Fiscal Impact

Creation of this Task Force has no fiscal impact on the City of Mesa. Any fiscal recommendations proposed by the Task Force will be brought to the City Council for consideration.