



Memorandum

TO: Mayor and City Council

THRU: Bill Jabjiniak and Lori Gary, Economic Development
Beth Huning, Engineering

FROM: Natalie Lewis, Asst. to City Manager

DATE: May 20, 2013

RE: DMA Assessment Hearing and Final Action

At City Council study session on May 16, the Downtown Mesa Association (DMA) came forward to recommend an alternative assessment for FY 13/14 and FY 14/15. DMA has a reserve balance that has been collected over time and with the intention of using the funds for special projects downtown and to be available to the DMA for use during challenging economic times.

The recommendation by DMA is to decrease the property owner assessment amounts by 50% for both FY 13/14 and FY 14/15. In essence, this provides some financial relief for property owners during most of the light rail construction time period. The level of service by the DMA will not be impacted because DMA will draw down on their reserves to compensate for the reduced collections. The special assessment district collections will return to 100% in FY 15/16.

As set by State Statute, the DMA/City has been going through a property owner notification process for the last few months. The notification at the time included information about the May 20th hearing. Also, the past notifications did not include the new recommendation to reduce assessments by 50% for the next two years. In order to be inclusive and respectful to the public, staff recommends conducting the May 20th public hearing in case property owners decide to attend. And rather than taking action on the 50% reduction recommendation that evening, staff recommends Council postpone final action to Thursday, May 30th at 7:30 a.m. Postponing action provides time for the DMA Board to take final action on their recommendation and time to send a letter to all property owners to inform them about this good news—reduced assessment amounts.

Therefore, the Council's action on Monday evening May 20th is to conduct a public hearing for the Mesa Town Center District No. 228 and to set a final public hearing and action on May 30, 2013 at 7:30 a.m.

A new staff report, attachments and resolution will be publicly noticed and available in advance of the May 30 special meeting of the City Council. If you have questions, please feel free to call the Downtown Mesa Association at 480-890-2613. Thank you.