

COUNCIL MINUTES

December 1, 2022

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 December 1, 2022, at 4:45 p.m.

COUNCIL PRESENT

John Giles
Jennifer Duff
Mark Freeman
Francisco Heredia
David Luna
Julie Spilsbury
Kevin Thompson

COUNCIL ABSENT

None

OFFICERS PRESENT

Chris Brady
Holly Moseley
Jim Smith

Mayor Giles conducted a roll call.

1. Review and discuss items on the agendas for the December 1 and December 8, 2022, Regular Council meetings.

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: Items 7-a, 8-a, and 8-c.

Planning Director Mary Kopaskie-Brown introduced Assistant Planning Director Rachel Nettles and displayed a PowerPoint presentation regarding Item 10-a, **(Conduct a public hearing on a Minor General Plan Amendment amending the existing Chapter 7: Community Character of the This is My Mesa: Mesa 2040 General Plan pertaining to the educational campus sub-type and the medical campus sub-type of specialty districts.)**, on the December 1, 2022, Regular Council meeting agenda. **(See Attachment 1)**

Ms. Nettles discussed the background of the General Plan, which was last amended in 2020 to add specifics to the amount of primary and secondary zoning districts that needed to be established in the various character areas and additional criteria for the General Plan amendments. (See Page 2 of Attachment 1)

Ms. Nettles provided an overview of the specialty districts in Chapter 7. She explained specialty districts support subtypes for educational campuses, medical campuses, and airports. (See Page 3 of Attachment 1)

Ms. Nettles presented a map illustrating the location of all specialty districts and subtypes within Mesa. (See Page 4 of Attachment 1)

Ms. Nettles reviewed the primary and secondary zoning districts for existing educational and medical campus subtypes. She emphasized that 55% of the educational campus subtypes must be established with primary zoning districts before secondary can be used, compared to 80% within medical campus subtypes. (See Pages 5 and 6 of Attachment 1)

Ms. Nettles outlined the two recommendation options for educational and medical campus subtypes. She explained the Planning and Zoning (P&Z) Board voted to adopt staff recommendations with adding RM-5 as a secondary zoning district under the medical campus subtype. (See Pages 7 and 8 of Attachment 1)

In response to a question posed by Councilmember Luna regarding whether a medical facility has expressed interest, City Manager Christopher Brady indicated the General Plan text amendment applies across the board and is not specific to one zoning case. He mentioned Banner requested to add residential near one of their locations, and he is not aware of any other interest.

In response to a question from Mayor Giles, Ms. Nettles stated Option 2 only applies to medical campus and educational campus subtypes.

Ms. Kopaskie-Brown summarized the first pending planning case based on the City-initiated General Plan Amendment. She illustrated projects with similar densities to the pending planning case and noted projects located outside of the Downtown area tend to be in planned development areas or near public transit. (See Pages 9 and 10 of Attachment 1)

Ms. Kopaskie-Brown pointed out the second pending planning case is a proposed rezoning that allows for Multiple Residence 5 (RM-5) density and is contingent on City Council approving the applicant's Minor General Plan Amendment if the P&Z Board recommendation is not adopted by Council. She outlined the reasons for staff opposition. (See Page 11 of Attachment 1)

In response to a question posed by Mr. Brady regarding staff's recommendation, Ms. Nettles elaborated the City would support a Multiple Residence 4 (RM-4), which is a lower density.

Ms. Kopaskie-Brown added RM-4 is currently allowed in the medical campus subtype.

In response to a question posed by Councilmember Freeman regarding who determines zoning for RM-4 or RM-5, Ms. Nettles explained zoning for RM-4 and RM-5 are options permissible as secondary zoning districts. She elaborated if an applicant submits a rezone application, that would be found consistent with the General Plan; however, if secondary zoning districts were not added, any residential proposal would not be found consistent with the General Plan.

Mr. Brady clarified the recommendation by staff is to allow RM-4 and RM-5; however, for this specific zoning case, only RM-4 is supported.

In response to multiple questions from Councilmember Heredia, Ms. Nettles stated RM-4 is a secondary zoning district in the medical campus subtype. She commented the proposal today for educational campus subtypes is to add the RM-4 and RM-5.

Councilmember Thompson expressed support for Option 1 to allow for construction of housing near educational and medical facilities. He commented the presence of housing, residential, or multi-family developments nearby makes life more convenient for professionals in the medical or educational field, and students attending educational institutions.

Mayor Giles commented he appreciates the compatibility of residential with both educational and medical campuses. He remarked he is in support of either recommendation, but his preference is for the staff recommendation.

In response to a question posed by Councilmember Luna regarding whether any existing RM-4 and RM-5 areas are located near medical facilities, Mr. Brady stated most medical campuses have already been developed and no additional space is available.

Councilmember Spilsbury explained adding RM-4 and RM-5 for educational campus subtypes will provide nearby housing for the workforce and demonstrates compatible use.

Mr. Brady clarified RM-4 is allowed in medical campuses and the proposal is to add RM-5 to medical, whereas the educational campus subtype does not allow RM-5.

Mayor Giles commented no one is entitled to RM-5, even if the text amendments are approved. He stated based on the merits of a project, staff will determine if the project meets the requirements for RM-5.

Mayor Giles thanked staff for the presentation.

In response to a question from Vice Mayor Duff regarding the unknown construction costs for Item 4-i, **(Mesa City Hall Project - Construction Manager at Risk (CMAR), Guaranteed Maximum Price (GMP))**, on the December 8, 2022, Regular Council meeting agenda, Mr. Brady stated the cost is listed in the agenda and the Construction Manager at Risk (CMAR) and Guaranteed Maximum Price (GMP) is \$1.4 million with a 7% change order allowance of \$98,000 for a total of \$1,498,000. He provided an updated time due to material delays resulting in the start date being pushed to the spring of 2023.

In response to a question posed by Councilmember Thompson regarding the total cost of the Mesa City Hall project, Mr. Brady stated the final cost has not been determined; however, the previous estimated cost was over \$30 million. He mentioned the project is expected to be completed by October 2024.

Development Services Department Director Nana Appiah introduced Parks and Recreation and Community Facilities Director Andrea Moore and displayed a PowerPoint presentation for Item 5-a, **(Approving and authorizing the City Manager to enter into a Fifth Amendment to the Mesa Proving Grounds Pre-annexation and Development Agreement with DMB Mesa Proving Grounds, LLC, and related Easement Agreements with the Eastmark Community Alliance, Inc. for property within the Eastmark development)**, on the December 8, 2022, Regular Council meeting agenda. **(See Attachment 2)**

Mr. Appiah recalled as part of the Eastmark Community plan, 106 acres were required to be preserved and developed as the Great Park. He stated the developer was responsible for developing 90 acres and the City was responsible for purchasing and developing the remaining 16 acres as recreation facilities. (See Page 2 of Attachment 2)

Mr. Appiah presented the Great Park Master Plan, illustrating a majority of the park has already been completed. He mentioned a total of 114 acres will be developed for the Great Park, as opposed to the required 106 acres. (See Page 3 of Attachment 2)

In response to a question posed by Mayor Giles, Mr. Appiah explained that additional areas have been added to the original design, resulting in 114 acres.

Mr. Appiah stated the skate park and disc golf course will be owned and maintained by Community Alliance and is contiguous with the Great Park. He explained the 16 acres for the City's recreational facility site is being expedited by the developer as part of the amendment, and the developer has agreed to develop the park within three years of approval. He added the 16 acres will be maintained and owned by the City. (See Pages 4 and 5 of Attachment 2)

Mr. Appiah reported the additional 8.7 acres is dedicated land that will be developed with recreational facilities. He noted the developer will be collaborating with the City to establish programming and specific details. He reported the well-designed enhanced pedestrian connection to the Great Park is contiguous to park amenities. (See Pages 6 and 7 of Attachment 2)

Mr. Appiah shared a map of the Eastmark Community development that contains an estimated 416 acres of green spaces or parks. He reported a neighborhood meeting was held in May 2022 to inform the residents of the changes. (See Pages 8 and 9 of Attachment 2)

Mr. Appiah shared the belief that the intent for the Great Park and the green space areas have been met with the new proposal. He commented staff is recommending approval of the development agreement with an easement to provide public access to the skate park and disc golf course. (See Page 10 of Attachment 2)

In response to a question from Councilmember Thompson, City Attorney Jim Smith replied the City meets the intent of the original agreement by furnishing 114 acres for the Great Park rather than 106. He commented the developer is donating 24.7 acres to the City in lieu of having to purchase the 16 acres in the original agreement.

In response to a request by Mr. Brady for an update on agenda Item 11-a, **(Accepting the City of Mesa's Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ended June 30, 2022)**, on the December 8, 2022, Regular Council meeting agenda, Financial Director Irma Ashworth displayed a PowerPoint presentation. **(See Attachment 3)**

Ms. Ashworth indicated the audit of the ACFR resulted in no material findings and some of the auditor recommendations have been implemented. (See Page 2 of Attachment 3)

Ms. Ashworth discussed the financial status of the City as of June 30, 2002. She commented the City's revenues increased by \$102 million compared to fiscal year 2021. She mentioned the majority of the revenues were generated through governmental activities, sales taxes, and federal funds. (See Page 3 of Attachment 3)

Ms. Ashworth summarized the revenues for governmental activities for fiscal years 2020 through 2022. She stated the City's sales tax and property tax are the largest contributors to the City's revenues and have increased significantly. She commented for the past three years, federal dollars have been generated by the American Rescue Plan Act (ARPA), Emergency Rental & Utility Assistance Program (ERAP) money, and Mesa CARES money. She explained the

unrestricted intergovernmental revenues derive from state-shared sales tax, state-shared income tax, and the City's Highway User Revenue Funds (HURF). She noted the transfers are from the Utility Fund into the City's General Fund, and the decline in 2021 was related to when the ordinance capping utility transfers went into effect. (See Page 4 of Attachment 3)

Ms. Ashworth discussed the City's total assets, which increased to \$5.2 billion from \$4.9 billion last year. She commented the capital assets are the largest portion of the City's assets and include buildings, infrastructure, water treatment plants, and all City-owned assets. (See Page 5 of Attachment 3)

Ms. Ashworth highlighted the City's cash and investments categories as of June 30, 2022. She mentioned long-term investments are from one-to-five-year maturities and provide liquidity as the City has the option to sell. (See Page 6 of Attachment 3)

Ms. Ashworth stated the City has \$4.2 billion in total assets and that long-term obligations constitute the majority of the City's liabilities. She explained the City provides other post-employment benefits (OPEB) liabilities to employees upon retirement. (See Page 7 of Attachment 3)

Ms. Ashworth summarized the long-term obligations have all decreased, except for the utility revenue obligations which increased due to a change in methodologies and the utility revenue bonds now being issued through the utility revenue obligations. She explained the utility revenue bonds decreased slightly due to methodology adjustments and the issuance of revenue obligations instead, which resulted in the increase to the revenue obligations. (See Page 8 of Attachment 3)

Ms. Ashworth reviewed the pension and OPEB unfunded liability. She commented the City's pension liabilities decreased compared to the prior year, except for the City's OPEB plan. She advised the investment market was better a year ago and the results were increases in investments and the plans, which decreased the unfunded liability. (See Page 9 of Attachment 3)

Mayor Giles thanked staff for the presentation.

2-a. Hear a presentation, discuss, and provide direction about the potential acquisition of The Grand Hotel, located in Mesa at 6377 East Main Street, using federal funding as part of a long-term solution for a location to operate the City of Mesa's Off the Streets program which provides temporary housing and services for people experiencing homelessness.

Community Engagement Administrator Lindsey Balinkie introduced Real Estate Services Supervisor Lisa Davis and displayed a PowerPoint presentation. **(See Attachment 4)**

Ms. Balinkie reviewed the Off the Streets (OTS) program, which is part of the City's housing path to recovery and a core strategy in addressing homelessness in the city. The OTS program is considered an entry point for those experiencing homelessness to provide temporary housing to allow a transition into services that create a housing plan and long-term stability. (See Page 2 of Attachment 4)

Ms. Balinkie discussed the idea of purchasing a hotel for the program, rather than continuing to rent rooms at a local hotel. She mentioned ownership will continue to enhance the City's partnership with Community Bridges, who runs and operates the program. She explained the potential location is in the East Mesa area and allows the City to continue to spread services

citywide and enforce urban camping laws. She advised owning property allows the City to control decisions for the future of the program and sell or lease the property for other purposes to control costs. (See Page 3 of Attachment 4)

Ms. Davis provided an overview of the property under review for the OTS program. She explained the property is close to commercial retail jobs and public transit. She remarked federal dollars will be used for the program and federal guidelines will be followed regarding the use of funds. (See Page 4 of Attachment 4)

Ms. Davis identified the location of the Grand Hotel, which is adjacent to commercial property, and near a commercial retail center. (See Page 5 of Attachment 4)

In response to a question from Councilmember Luna regarding use restrictions, Ms. Davis stated the title report did not indicate any restrictions on the property.

Mr. Brady added if the City decides to pursue the property, a Council Use Permit (CUP) for social services facility will need to be obtained.

In response to a question posed by Councilmember Luna, Ms. Balinkie confirmed Community Bridges, Inc. (CBI) will continue to provide wraparound services.

Ms. Balinkie stated before proposing a purchase, the City will conduct outreach, perform research, draft a Good Neighbor Policy based on operations of the program research, and allow for public comments and input.

In response to multiple questions posed by Vice Mayor Duff, Ms. Balinkie stated there are 10 units in the single-story building and the goal is to move the OTS program to the Grand Hotel if the property is obtained. She commented the City is considering using space at the Windemere Hotel for temporary transitional use. She added most days the Windemere Hotel is at full capacity, and if space is not available the City provides triage services and searches for additional locations around the Valley.

Councilmember Thompson commented he supports the program and the concept but does not want the City to own the hotel. He stated the City owning property has not worked in the past due to ongoing costs in the future and the depletion of the City's General Fund. He suggested using the Community Development Block Grant (CDBG) funds and having CBI or other agencies purchase the hotel.

Mayor Giles expressed his support for the purchase of the Grand Hotel and thinks long term it is the most effective and affordable solution for the City for the foreseeable future. He explained this will allow the City to provide services throughout the entire City, rather than concentrate all of the services in one particular neighborhood or area.

In response to a question posed by Councilmember Spillsbury regarding a breakdown of costs, Mr. Brady confirmed he will provide the cost estimates to Council for review if Council chooses to move forward. He mentioned the City has federal funds and the plan would be to own the Grand Hotel and lease others to allow for flexibility to expand the program.

Discussion ensued relative to the use of federal funds, CDBG funds, or a third-party for the purchase of the hotel.

Mayor Giles stated the consensus of Council was to proceed with the purchase of the hotel.

Mayor Giles thanked staff for the presentation.

2-b. Hear a presentation and discuss the existing recycling program in Mesa as well as future recycling opportunities, including Mesa's joint efforts with the Town of Gilbert, and various associated agreements.

Solid Waste Director Sheri Collins introduced Environmental Management & Sustainability Interim Deputy Director Lauren Whittaker, who displayed a PowerPoint presentation. **(See Attachment 5)**

Ms. Collins discussed the current and future state of recycling and mentioned the City has one vendor that recycles approximately one-third of the tons collected. She mentioned the contract expires at the end of the year without renewal options. She commented since the City of Mesa (COM) and the Town of Gilbert share the same situation of an expired contract that cannot be renewed, both have partnered and issued a Request for Proposal (RFP). (See Pages 2 and 3 of Attachment 5)

Ms. Collins reported the results of the RFP and the two vendors selected for recycling services. She stated the current vendor, United Fibers, offered a short-term option to continue accepting Mesa's recycled material until a long-term solution is available. She shared Republic Services will provide a long-term solution once their Materials Recovery Facility (MRF) is completed. (See Page 4 of Attachment 5)

Ms. Collins illustrated the location of recycling facilities in Mesa. She explained the costs of the short-term option with United Fibers will be \$30 a ton and the long-term option with Republic Services is budgeted at \$45 a net ton for recycling at the MRF. She advised since the City only has one vendor, the City will continue to work on future solutions with the Town of Gilbert, the MRF, and transfer stations. She noted an update will be provided to Council next year. (See Pages 5 and 6 of Attachment 5)

Ms. Collins reviewed the materials that the City currently collects and confirmed that materials collected will remain the same with the new contracts. (See Page 7 of Attachment 5)

In response to multiple questions from Councilmember Spilsbury, Ms. Collins confirmed that the facility capacity can only accommodate 30% of the recyclables collected, which is the maximum the City can transport due to the location of the facility. She commented the other 70% is transported to a landfill, and the City maximizes everything possibly to recycling facilities. She advised contaminated materials are removed, which then reduces the 30% of recyclables. She reported the East Mesa Service Center and the Pecos/Sossaman Transfer Station currently do not provide solid waste and recycling. She confirmed the Germann Transfer Station is not a viable option for recycling due the significant costs of fuel for that location and the increased charge of \$30 per ton. She commented United Fibers is at full capacity and cannot accept additional recyclables.

In response to an additional question posed by Councilmember Spilsbury, Mr. Brady replied that the City does not have a facility that can accept 100% of the recycling collected and hopes to have a solution in the future.

In response to a question from Vice Mayor Duff regarding the proposed Pecos/Sossaman Transfer Station, Mr. Brady confirmed that the options for the City are to either own the facility or co-own in collaboration with the Town of Gilbert.

In response to a question posed by Vice Mayor Duff regarding the process of owning the facility, Ms. Whittaker explained there are two options: one is contracting out the operation of the facility with a broker, or the City could run the operations and contract out a broker for materials.

Responding to an additional question from Vice Mayor Duff regarding cost savings of owning a MRF, Mr. Brady stated the City is researching the best options, but the goal is to be able to recycle more than 30% of materials.

Vice Mayor Duff suggested researching what the City of Phoenix is doing with circular economy and exploring entrepreneurial opportunities next to a MRF.

In response to a question posed by Councilmember Heredia regarding the West Mesa and East Mesa facilities, Mr. Brady stated those facilities are not considered a MRF and that is where the trucks are located.

In response to a question from Councilmember Heredia, Ms. Collins stated the Salt River MRF location in the North is needed to transport recycling from areas in North Mesa.

Responding to an additional question from Councilmember Heredia regarding smaller recycling centers, Ms. Whittaker stated in 2019 a study was conducted with Arizona State University (ASU) recycling centers options, and the results concluded that Mesa has such a large quantity of materials that several mini MRFs throughout the City would not make economic sense, as well as the significant amount of labor in comparison to automation in larger MRFs.

Mayor Giles thanked staff for the presentation.

3. Approval of minutes from the September 8, 2022, Executive Session.

It was moved by Councilmember Thompson, seconded by Vice Mayor Duff, that the September 8, 2022, Executive Session minutes be approved.

Upon tabulation of votes, it showed:

AYES – Giles–Duff–Freeman–Heredia–Luna–Spilsbury–Thompson

NAYS – None

Carried unanimously.

4. Acknowledge receipt of minutes of various boards and committees.

4-a. Library Advisory Board Meeting held on September 20, 2022.

4-b. Transportation Advisory Board Meeting held on September 20, 2022.

It was moved by Councilmember Spilsbury, seconded by Councilmember Freeman. that receipt of the above-listed minutes be acknowledged.

Upon tabulation of votes, it showed:

AYES – Giles–Duff–Freeman–Heredia–Luna–Spilsbury–Thompson
NAYS – None

Carried unanimously.

5. Current events summary including meetings and conferences attended.

Vice Mayor Duff –

Merry Main Street
Asian District and Broadway Corridor meeting
British Consul General from L.A. – Falcon Field
Luncheon with Swiss U.S. Ambassador – SRP
Canyon Vista Recovery Center opening
Newberry Station opening

Councilmember Freeman announced an event at the Mesa Historical Museum on Saturday, December 3, 2022, at 12:00 p.m.

6. Scheduling of meetings.

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

Thursday, December 8, 2022, 5:15 p.m. – Study Session

Thursday, December 8, 2022, 5:45 p.m. – Regular Council meeting

7. Adjournment.

Without objection, the Study Session adjourned at 6:13 p.m.



A handwritten signature in black ink, appearing to read "John Giles", is written over a horizontal line.

JOHN GILES, MAYOR

ATTEST:

A handwritten signature in black ink, appearing to read "Holly Moseley", is written over a horizontal line.
HOLLY MOSELEY, 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 1st day of December 2022. I further certify that the meeting was duly called and held and that a quorum was present.

A handwritten signature in black ink, appearing to read "Holly Moseley", is written over a horizontal line.
HOLLY MOSELEY, CITY CLERK



PROPOSED MINOR GENERAL PLAN TEXT AMENDMENT

Chapter 7: Community Character

Specialty Districts

Educational Campus Sub-type

Medical Campus Sub-type

Mary Kopaskie-Brown, Planning Director
Rachel Nettles, Assistant Planning Director

BACKGROUND – GENERAL PLAN

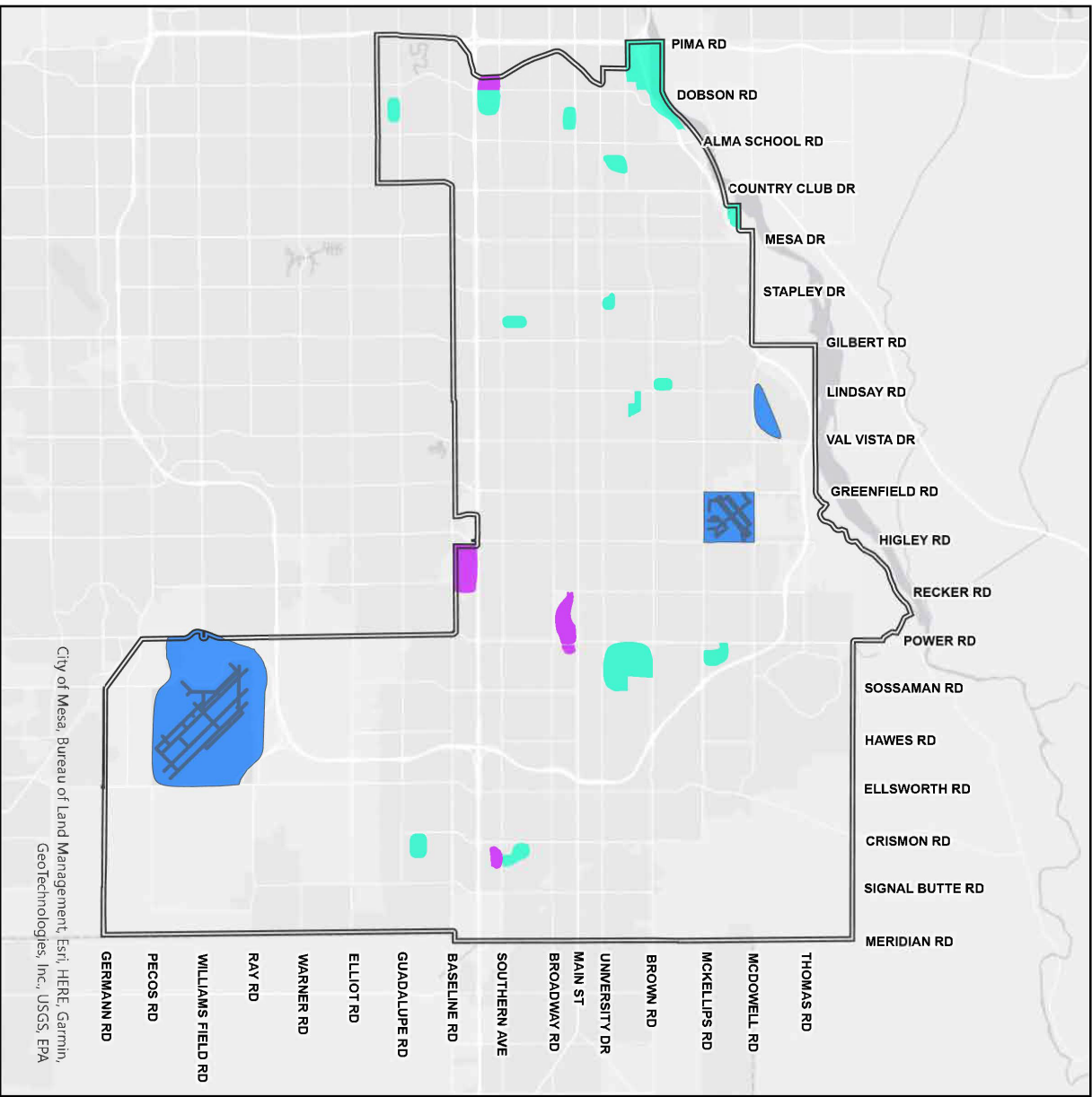
- General Plan adopted by voters in 2014
- Official policy guide concerning desired physical development of the city
- Plan's policies and strategies reviewed annually in accordance with state statute (ARS 9-461.07)
- Chapters 7: Community Character & Chapter 16: Plan Implementation and Amendment amended in 2020

OVERVIEW OF THE SPECIALTY DISTRICT

- Chapter 7 - Community Character Specialty District
 - Educational Campus Sub-type
 - Medical Campus Sub-type
- Specialty Districts support a single use and develop in a campus like setting
- Staff evaluated the overall purpose of the Educational and Medical Campus Sub-types
- Residential uses may be appropriate as supportive uses under certain circumstances and in specific areas



LOCATION OF SPECIALTY CHARACTER AREAS & SUB-TYPES



General Plan 2040
Specialty Character
Area and Sub-types

- Planning Area
- General Plan 2040
Specialty Character Area
- Sub-types
- Airport
- Educational Campus
- Medical Campus

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EXISTING EDUCATIONAL CAMPUS SUB-TYPE

Primary Zoning Districts:

- Limited Commercial (LC)
- General Commercial (GC)
- Public and Semi-Public (PS)
- Leisure and Recreation (LR)

Secondary Districts:

- Planned Employment Park (PEP)
- Light Industrial (LI)
- General Industrial (GI)

Majority of the entire character area (55%) must be established with primary zoning districts & uses before secondary is allowed



Existing MEDICAL CAMPUS SUB-TYPE

Primary Zoning Districts:

- Neighborhood Commercial (NC)
- Limited Commercial (LC)
- General Commercial (GC)
- Planned Employment Park (PEP)
- Light Industrial (LI)

Secondary Districts:

- Multiple Residence 4 (RM-4)

80% of the area must be established with primary zoning districts & uses before secondary is allowed



ALTERNATIVE 1 (Staff Recommended)

- Add RM-4 and RM-5 to the list of secondary zoning districts in the Educational Campus (only) Sub-type
 - Could provide nearby housing for students, teachers and other workforce housing needs on/near campus; could be a compatible use and demonstrated community need in some areas.
- Provide an exception to timing for when secondary zoning districts would apply to both Education and Medical campuses
 - Requires an established educational or medical anchor facility
- Maintain the percentage of primary zoning districts and primary land uses required for both sub-types.

ALTERNATIVE 2 (Not Staff Recommended)

- Planning and Zoning Recommendation-Vote 4-3: Adoption of staff's recommendation (Alternative 1) and adding RM-5 as a secondary zoning district in the Medical Campus Sub-type
- Staff Experience and Considerations:
 - This high of dense, multifamily housing not compatible with medical campuses and its workforce housing needs; and
- Condensed timeline to consider citywide implications.

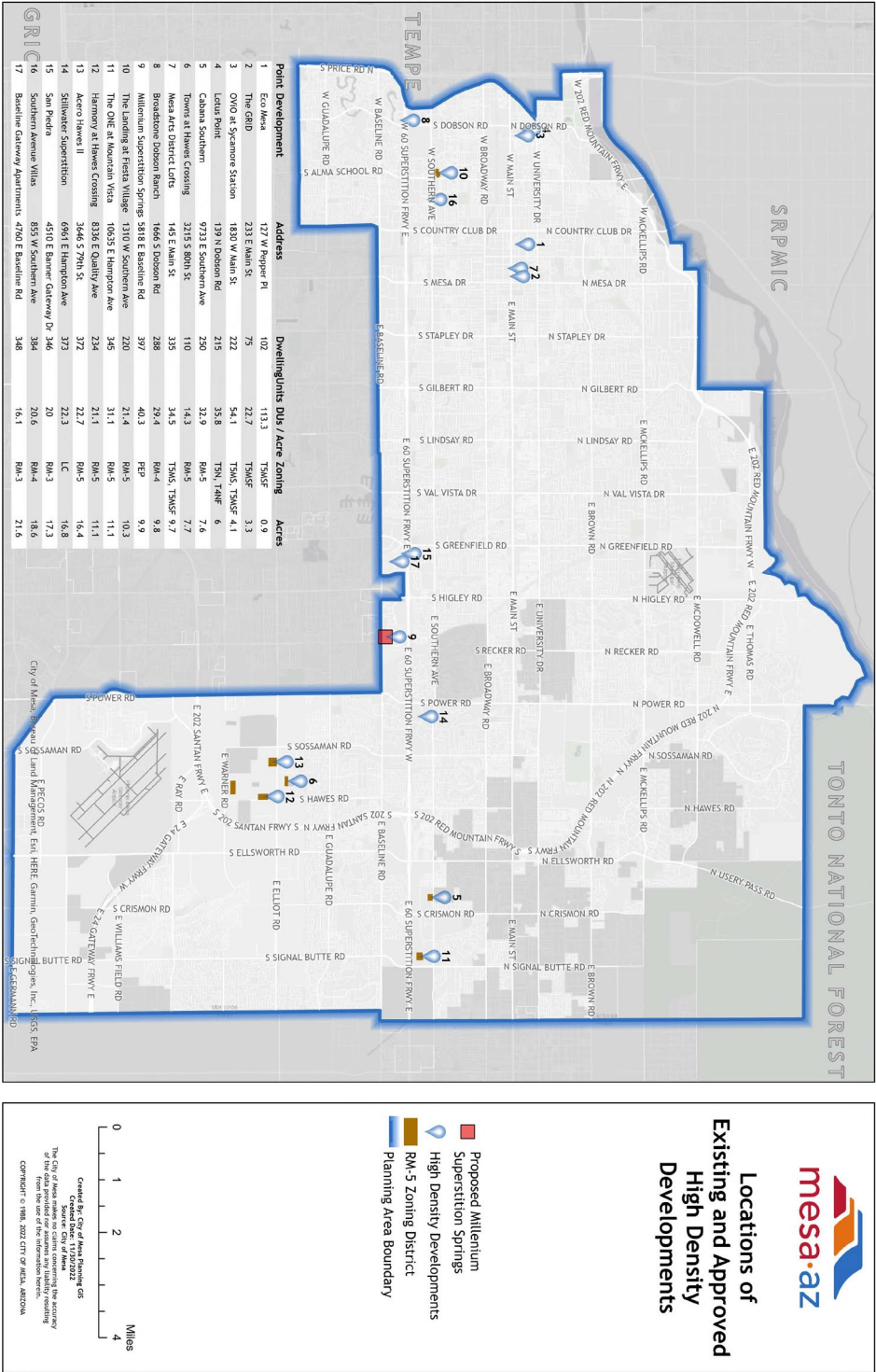
PENDING PLANNING CASE

ZON22-01129 (MILLENNIUM SUPERSTITION SPRINGS)

- Proposed Minor General Plan Amendment (Council consideration on 12/8)
 - Character Area designation change from Medical Campus to Educational Campus Sub-type
 - Modifying the designation to allow for RM-5 Multiple Residence
 - Minimum density - 20 du/acre Maximum density – 43 du/acre
- Contingent on City Council approving the staff initiated General Plan Text Amendment
 - If P&Z Recommendation adopted by Council on 12/1, the applicant's Minor General Plan Amendment would no longer be needed
- Staff does not support:
 - Proposed character area only includes the 10-acre site
 - Does not meet the intent of creating an educational campus
 - Proposed density not compatible with surrounding area at this location

PROJECTS WITH SIMILAR DENSITIES

- Eco Mesa Pepper and Macdonald) - 87.2 du/acre
- OPUS Mesa Arts District Lofts (Main and Sirrine) - 34.5 du/acre
- The Grid (Main and Hibbert) – 85.5 du/acre
- Lotus Point @ Sycamore Station (Main and Dobson) – 40.3 du/acre
- Ovio @ Sycamore Station (Main and Dobson) – 47.2 du/acre



PENDING PLANNING CASE

ZON22-00431 (MILLENNIUM SUPERSTITION SPRINGS)

- Proposed Rezoning
 - Current – PEP-PAD-CUP
 - Proposed – RM-5-PAD
- Contingent on City Council approving Applicant's Minor General Plan Amendment
- Requires an Ordinance
 - City Council - Introduction – December 1, 2022
 - City Council - Public Hearing – December 8, 2022
- Staff does not support
 - Land Use Compatibility – Overall Density
 - Parking Deficiencies – 21% requested reduction of 173 parking spaces
 - Building Height Increase – 50 feet allowed in RM-5 to 60 feet
 - Site Design – Lack of connectivity to AT Still and surrounding area

Questions?



research.n



MARK Amendment to the Annexation and Development Agreement

Nana Appiah, Development Services Director
Andrea Moore, Parks and, Recreation and
Community Facilities Director

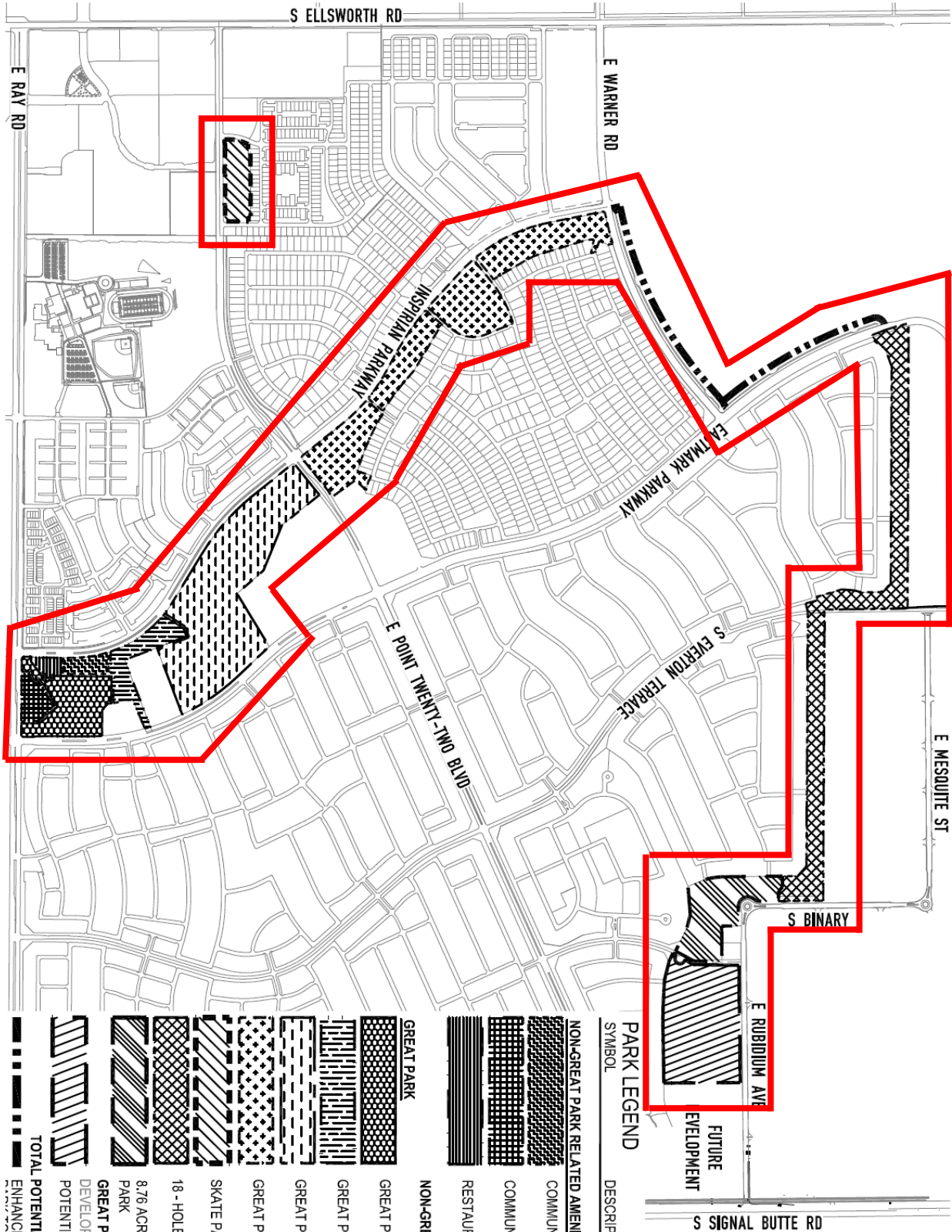
City Council Study Session
Date: December 1, 2022



Community Plan Requirement for Great Park

- 106-acres required for the Great Park
 - 90 acres required to be developed by Developer
 - 16 acres to be developed by City
 - No set date for construction
 - City to purchase the land
- Developer to coordinate with City for final detailed plan/development of the Great Park and associated amenities

al Master Plan: Great Park



PARK LEGEND		SYMBOL	DESCRIPTION	SQ.FT.	ACRES
NON-GREAT PARK RELATED AMENITIES					
			COMMUNITY FARM	77,972 S.F.	1.79 AC
			COMMUNITY CENTER	74,488 S.F.	1.71 AC
			RESTAURANT	40,875 S.F.	.94 AC
NON-GREAT PARK TOTAL				193,335 S.F.	4.44 AC
GREAT PARK					
			GREAT PARK PHASE 1	337,590 S.F.	7.75 AC
			GREAT PARK PHASE 2	187,744 S.F.	4.31 AC
			GREAT PARK PHASE 3	1,207,483 S.F.	27.72 AC
			GREAT PARK PHASE 4	1,063,300 S.F.	24.40 AC
			SKATE PARK	145,491 S.F.	3.88 AC
			18 - HOLE DISC GOLF*	863,359 S.F.	21.65 AC
			8.76 ACRE ADDITIONAL PARK	381,586 S.F.	8.76 AC
GREAT PARK TOTAL				4,289,353 S.F.	98.47 AC
DEVELOPER OBLIGATION				3,920,400 S.F.	90.00 AC
POTENTIAL FUTURE COM				696,960 S.F.	16.00 AC
TOTAL POTENTIAL GREAT PARK				4,986,313 S.F.	114.47 AC
ENHANCED PEDESTRIAN CONNECTION FROM GREAT					

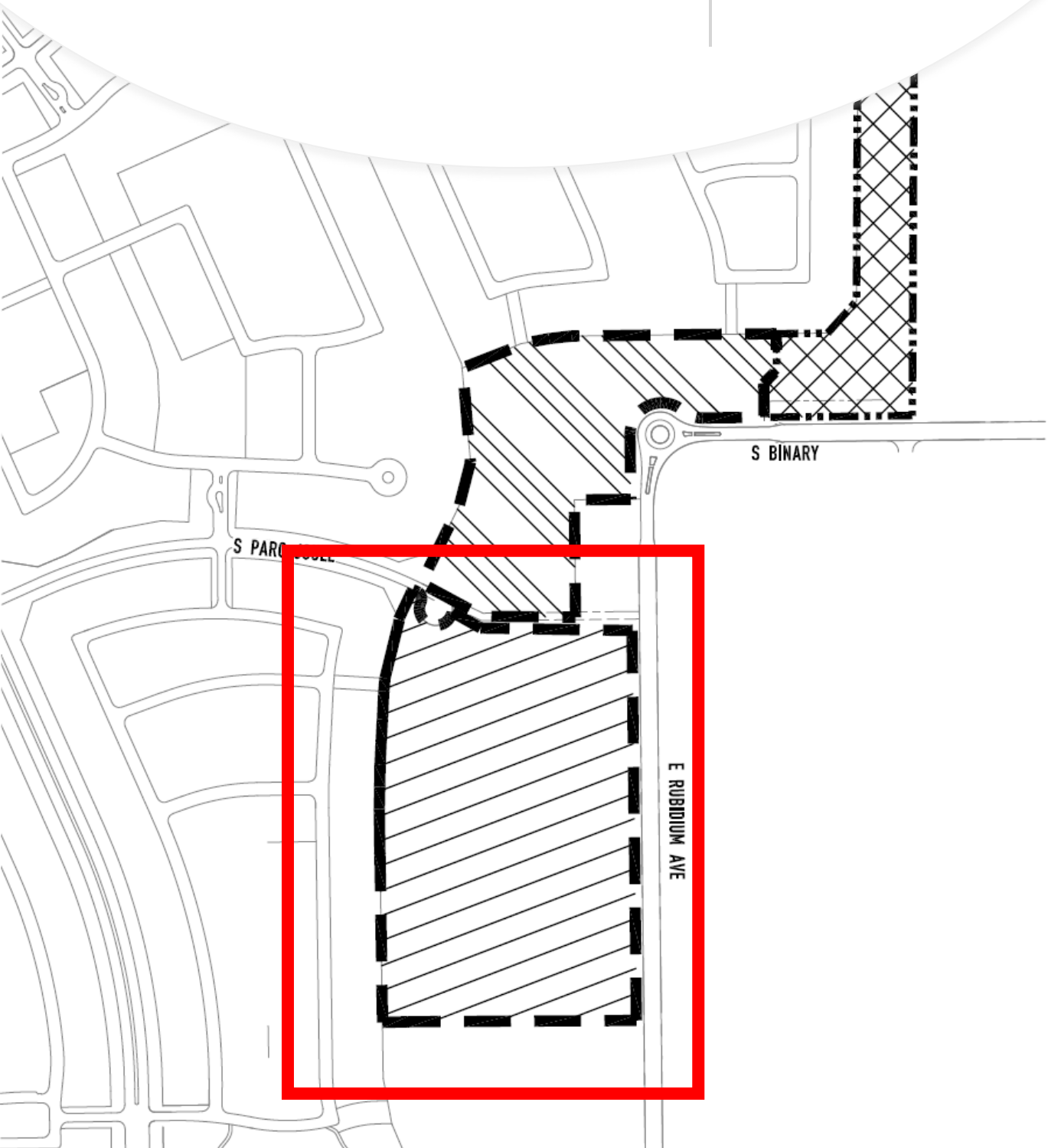
th Amendment:

- Great Park Amenities (included in Great Park required acreage)
 - 3.40-acre skate park (constructed)
 - 21.52-acre disc golf park (constructed)
 - Open to the public
 - Owned and maintained by the Developer and Community Alliance



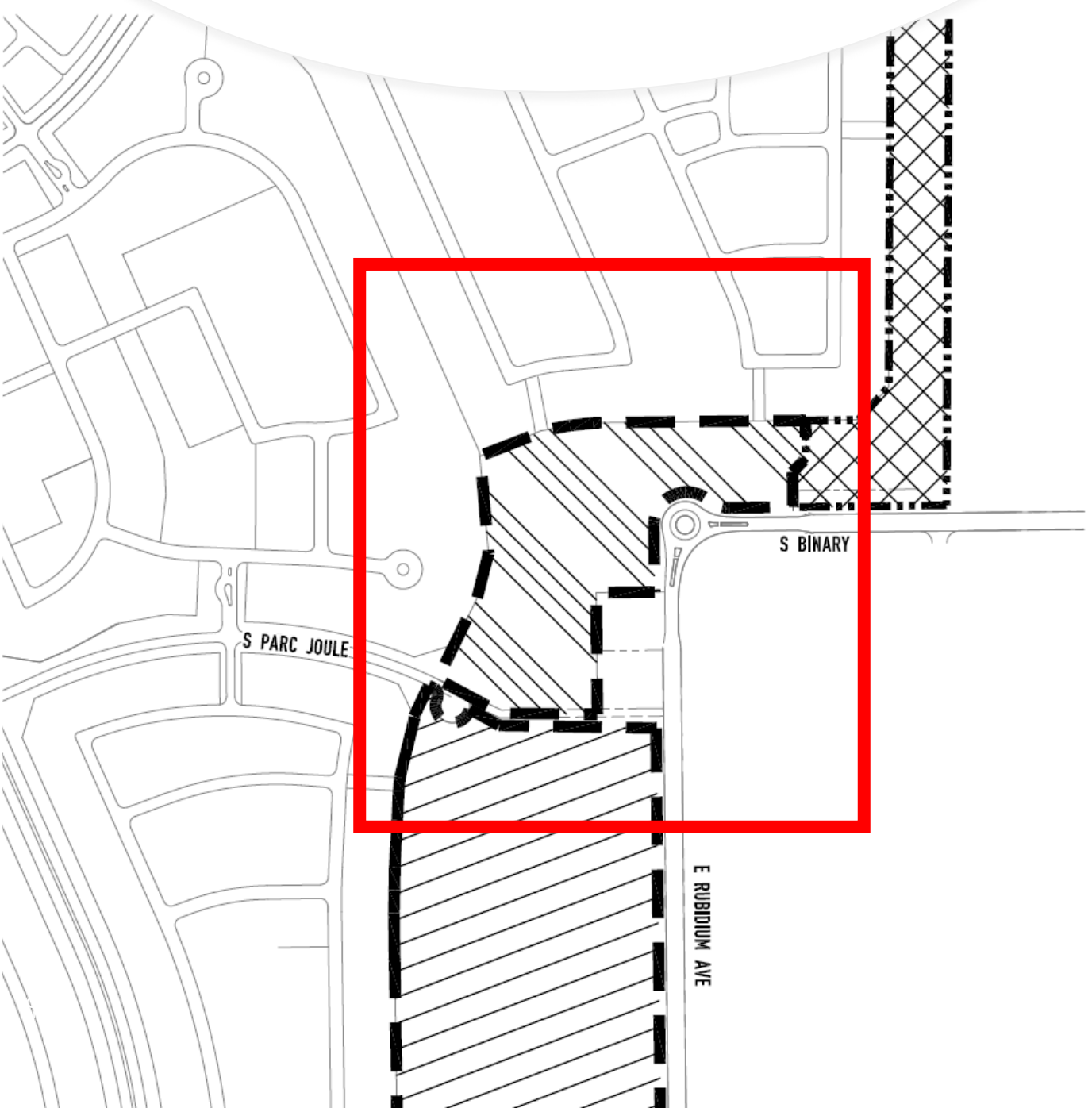
th Amendment (cont.):

- City Recreational Facility Site
 - 16-acre City Park
 - Designed and constructed by Developer
 - At completion - conveyed to the City (no cost)
 - Developer must complete construction within three years of approval of the Fifth Amendment
 - Owned and maintained by City



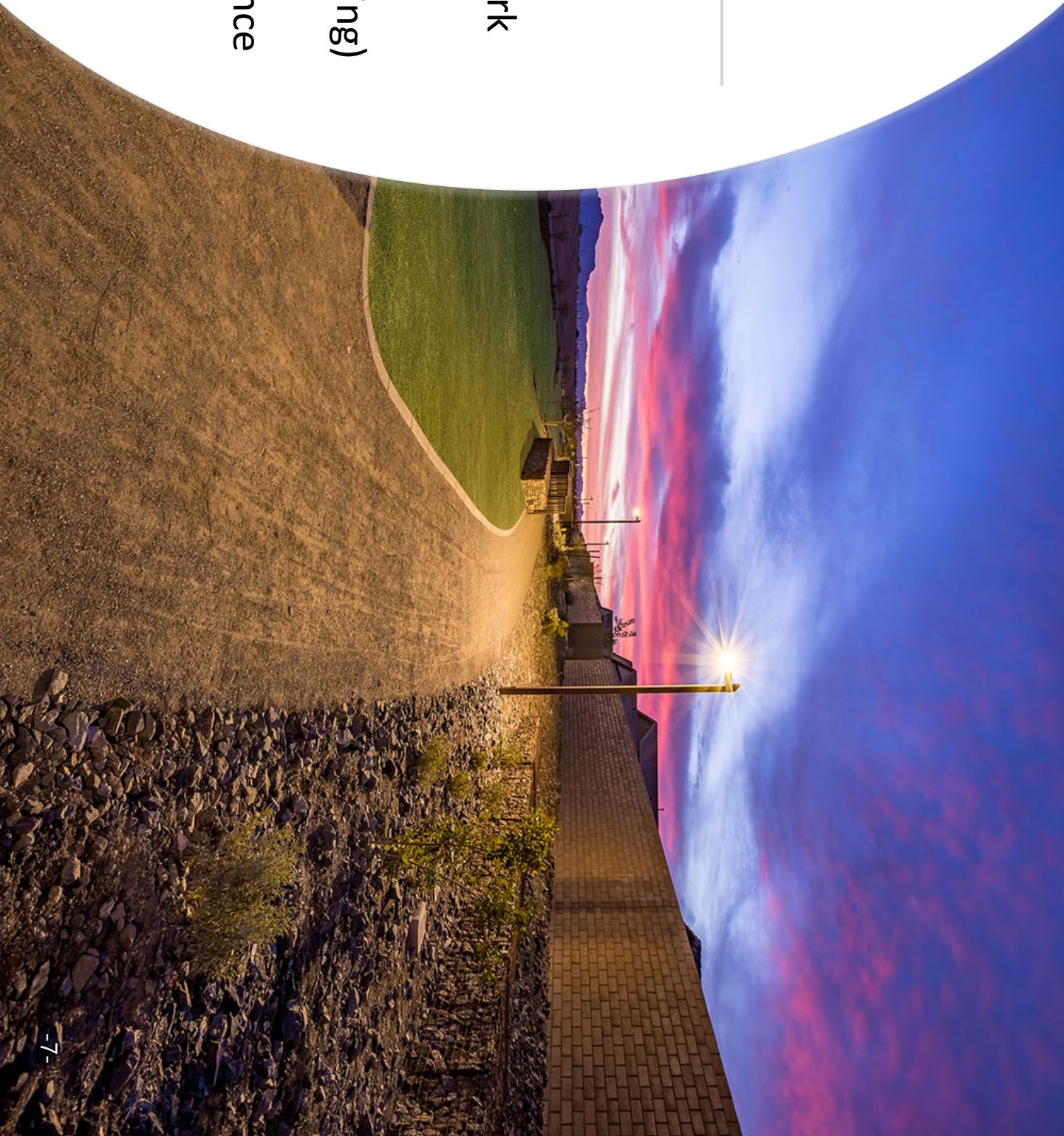
th Amendment (cont.):

- New Amenity – City Park
 - 8.76-acre City Park
 - Links Recreational Facility Site to the disc golf course
 - Acreage will count towards the Great Park
 - Designed and constructed by Developer
 - At completion - conveyed to the City (no cost)
 - Owned and maintained by the City

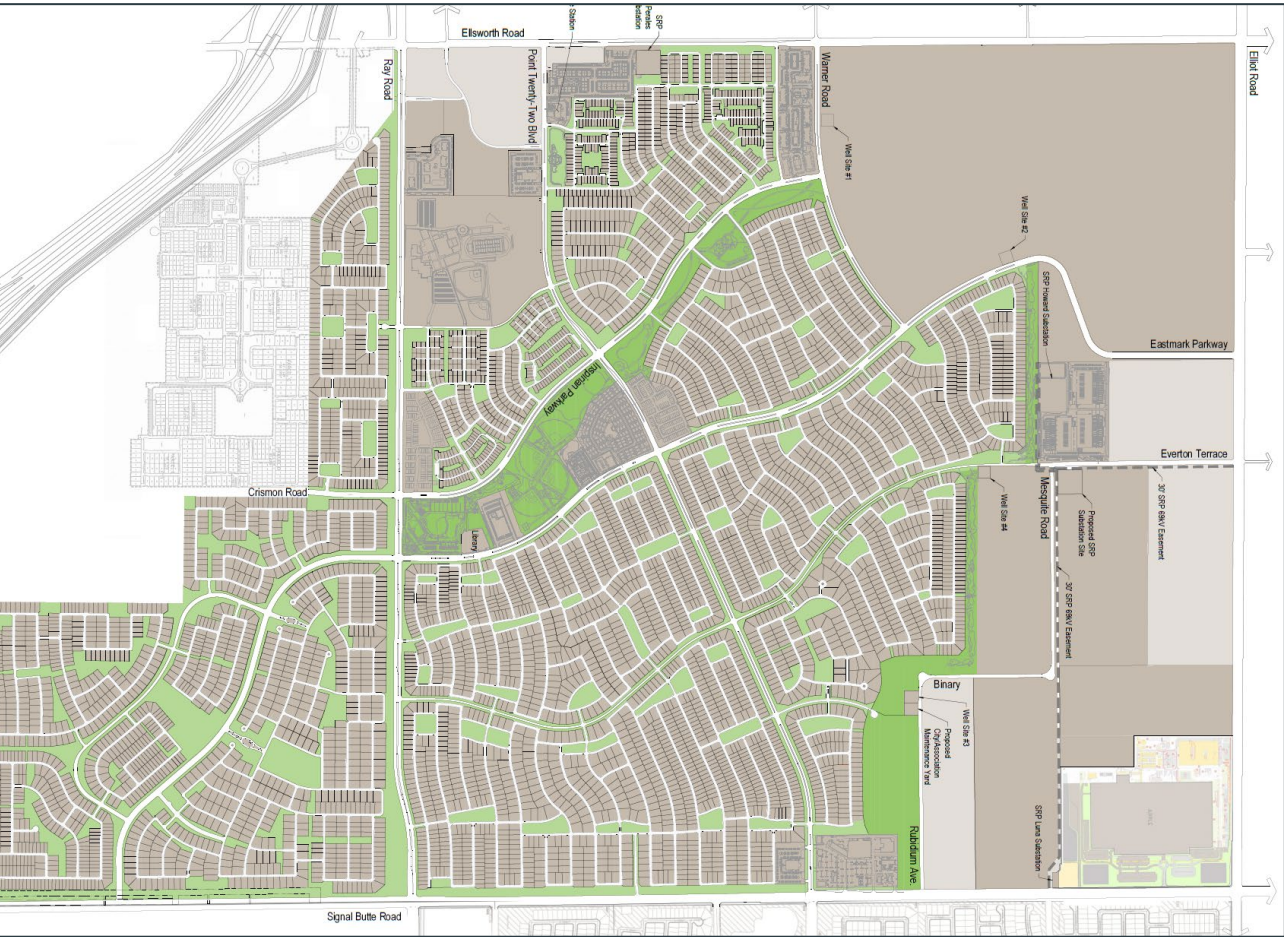


h Amendment (cont.):

- New Amenity - Enhanced Pedestrian Connection to the Great Park
 - Links disc golf park and Great Park Phase 4
 - Includes amenities (ex. workout stations and enhanced landscaping)
 - Owned and maintained by Developer and Community Alliance



Overall Parks and Open Space Map:



Citizen Participation

- May 24, 2022
 - In-person meeting at Eastmark High School
 - Discussed requirements for the Great Park
 - Issues with likely diminished amenities
 - Responsibility for maintenance of the Great Park
- August 16, 2022
 - Follow-up email with summary of the May 24, 2022, meeting
 - Additional FAQ

Recommendation:

Approve the 5th Amendment to the Pre-Annexation
Development Agreement for the Eastmark Community

Questions?

research.n

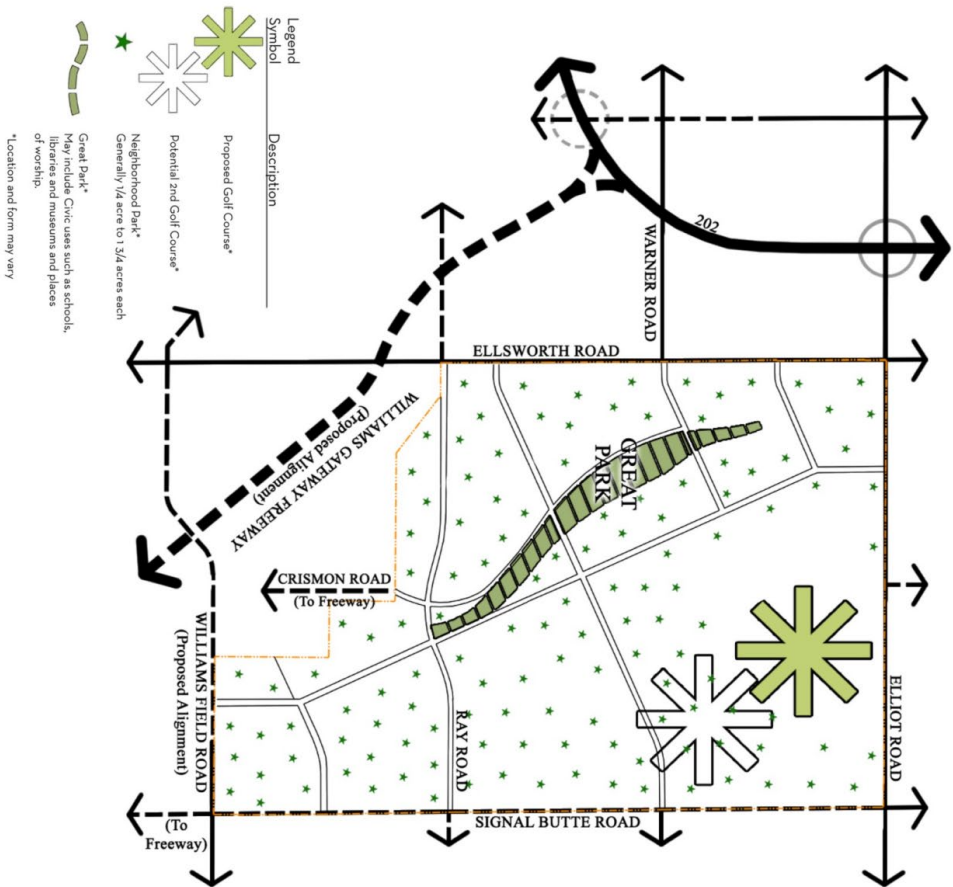


Conceptual Open Space, Parks and Plazas:

11.6 Conceptual Open Space, Parks and Plazas

Exhibit 11.0 - Open Space Plan generally depicts the locations and makeup of the interconnected and hierarchy of the open space system planned for the community.

Exhibit 11.0 - Open Space Plan



Overview of Fiscal Year 2022 Annual Comprehensive Financial Report

Irma Ashworth
Finance Director



mesa·az

Sandy Cronstrom Principal
CLA (CliftonLarsonAllen LLP)



CITY OF MESA, AZ
ANNUAL COMPREHENSIVE
FINANCIAL REPORT



Bell Bank Park

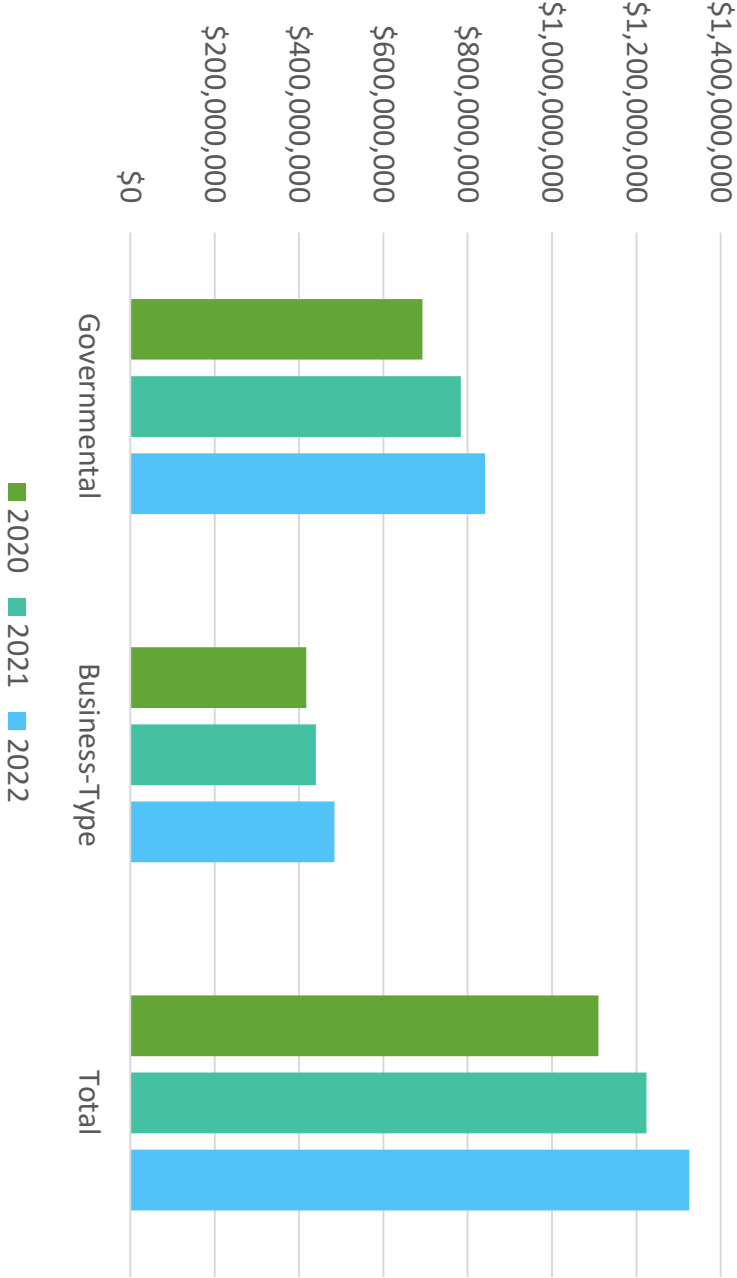
FOR THE FISCAL YEAR ENDED | JUNE 30, 2022

Annual Comprehensive Financial Report

- Unmodified report issued
- No Material findings
- Follows Generally Accepted Accounting Principles (GAAP)
- Complies with Governmental Accounting Standards Board (GASB)

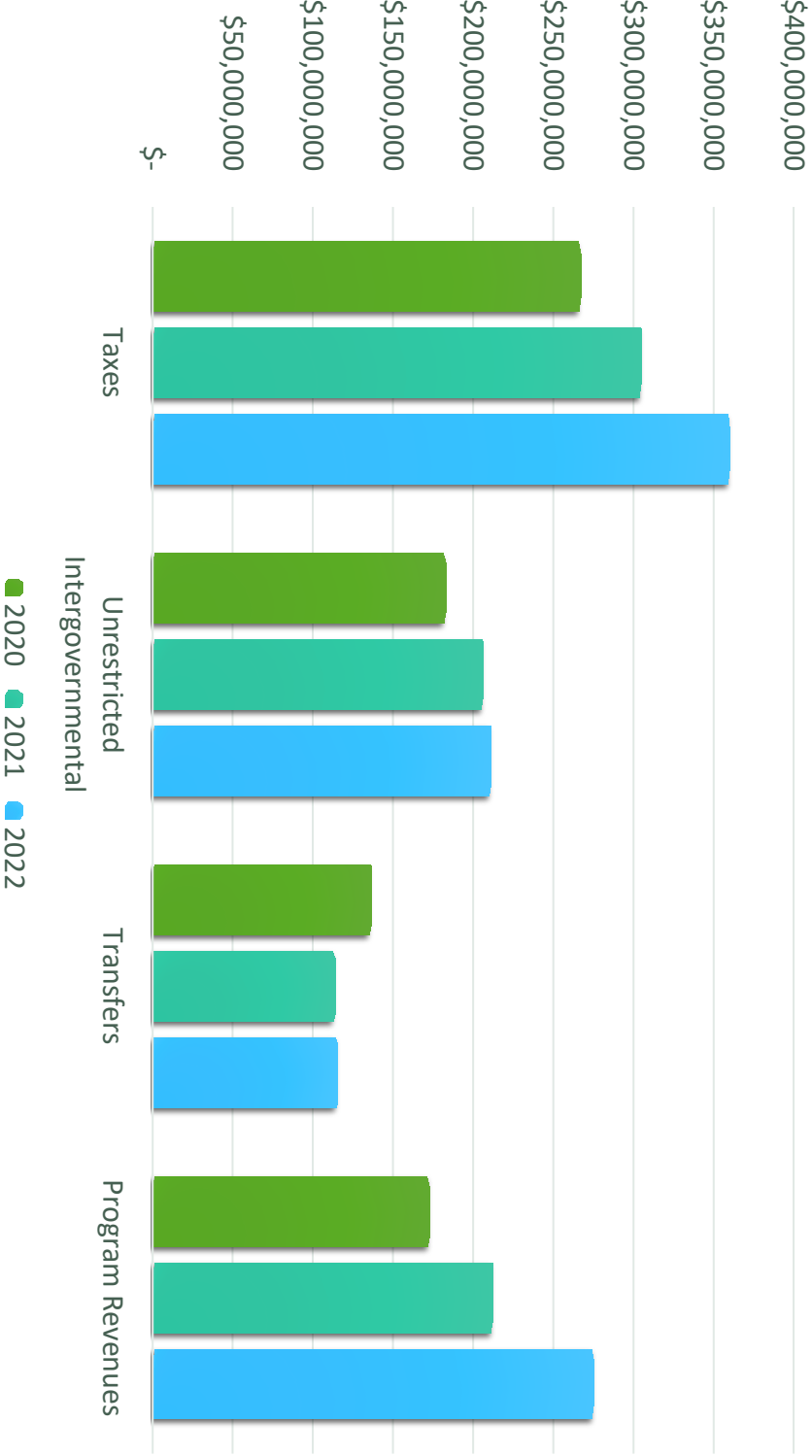
Financial Highlights

FY 2022 City Revenue’s increased by \$102 million

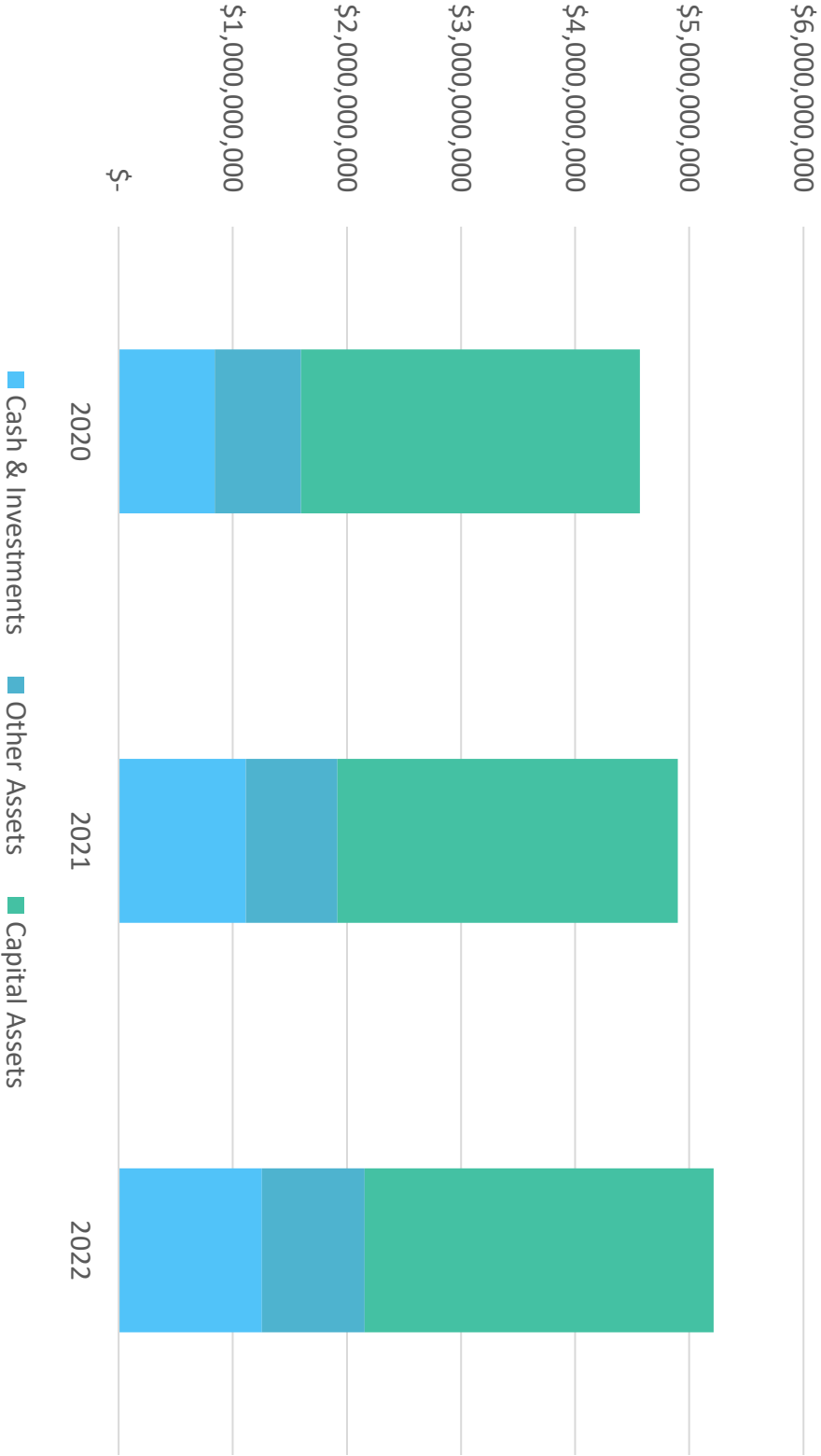


Governmental Activities – Revenues

Fiscal years 2020, 2021 and 2022



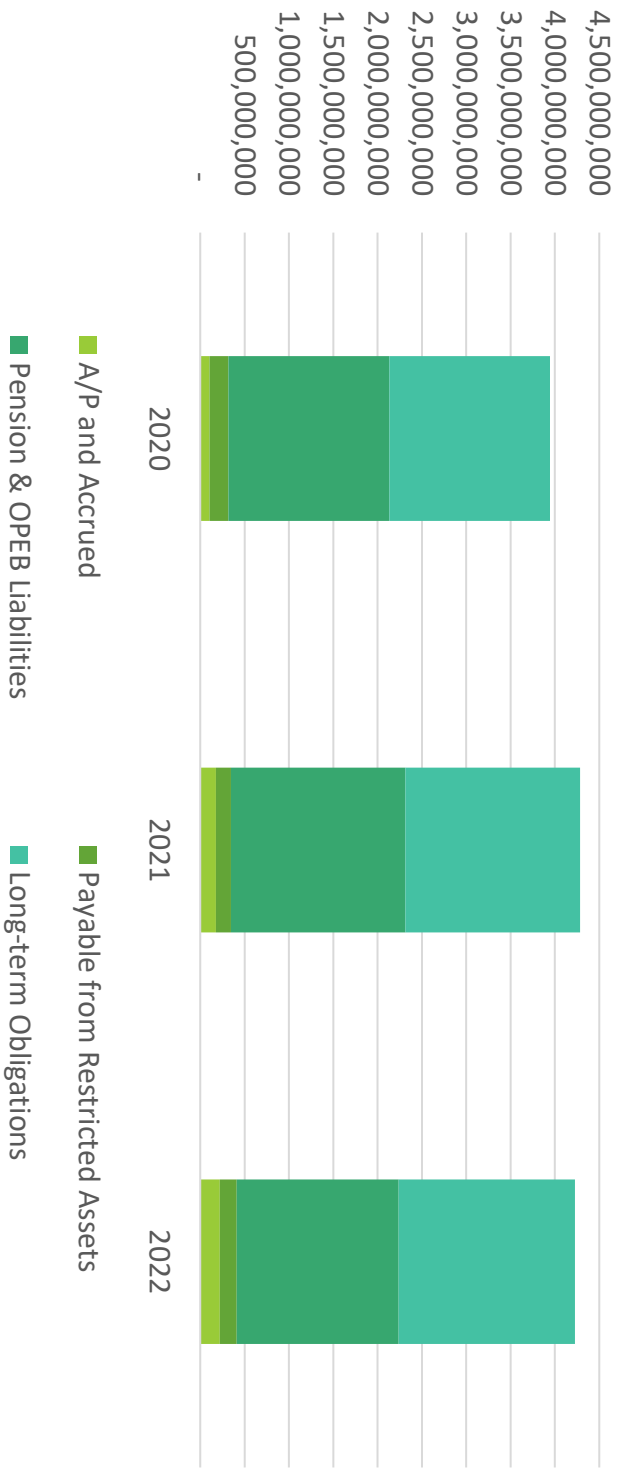
Total Assets Increased to \$5.2 Billion



Cash and Investments
as of June 30, 2022

Cash	\$ 62,356,000
Investment in Local Govt. Investment Pools	20,035,000
Cash with Trustee and Fiscal Agents	133,733,000
Cash with Custodian	18,397,000
Long-Term Investments	<u>1,021,410,000</u>
Total Pooled Cash and Investments	<u>\$ 1,255,931,000</u>

Total Liabilities \$4.2 Billion



Long-term obligations

Issue Type	June 30, 2021	June 30, 2022
General Obligation Bonds	\$ 334,405,000	\$ 318,950,000
Highway User Revenue Bonds	49,105,000	39,030,000
Utility Revenue Bonds	1,275,640,000	1,227,750,000
Utility Revenue Obligations	14,015,000	84,795,000
Excise Tax Obligations	<u>35,365,000</u>	<u>34,180,000</u>
Total	<u>\$ 1,708,530,000</u>	<u>\$ 1,704,705,000</u>

Pension and OPEB Unfunded Liability

Plan	June 30, 2021	June 30, 2022
ASRS Pension	\$ 280,473,000	\$ 208,353,000
PSPRS - Fire Pension	246,841,000	213,314,000
PSPRS - Police Pension	487,497,000	419,147,000
PSPRS - Police OPEB	11,128,000	9,577,000
City OPEB Plan	942,635,000	978,037,000

Questions ?

Irma Ashworth

Finance Director

Irma.Ashworth@mesaaz.gov

(480) 644-2605





mesa·az



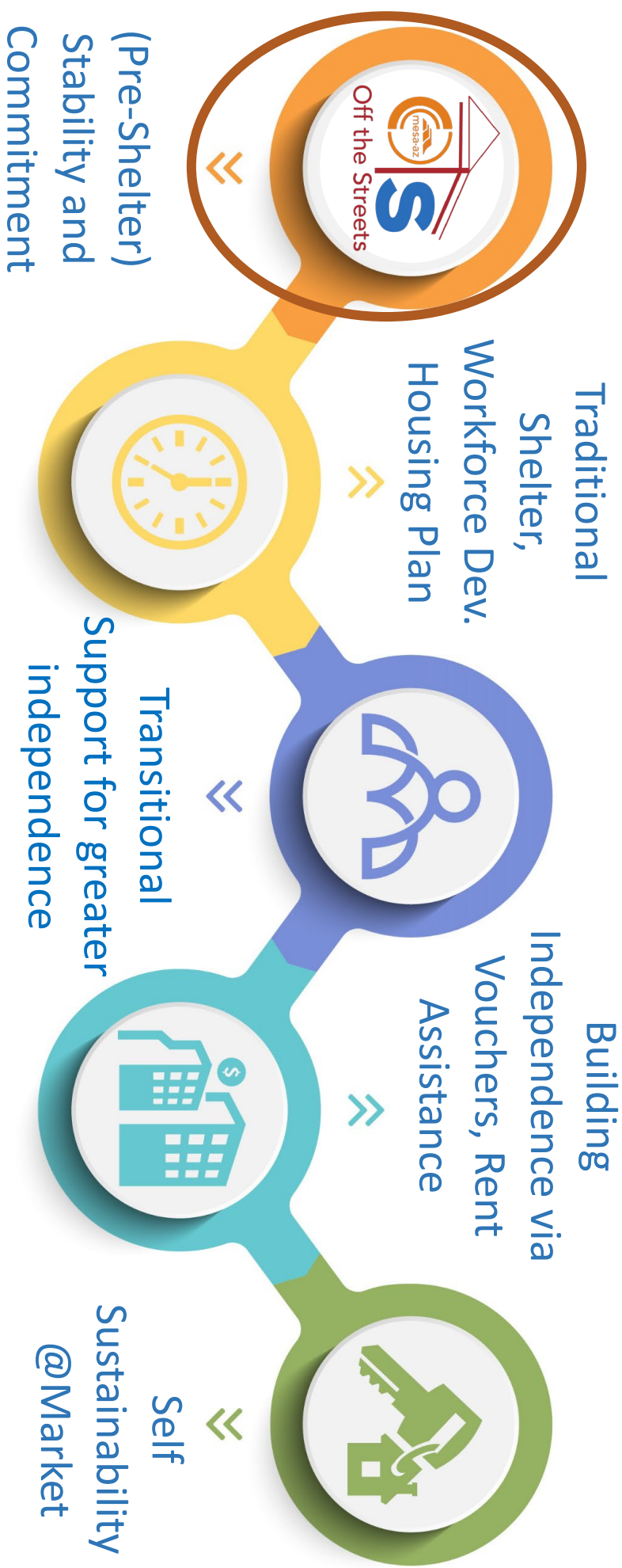
Evaluating a long-term solution for Off the Streets Program

City Council Study Session

December 1, 2022

- Lindsey Balinkie, Community Services
- Lisa Davis, Real Estate Services

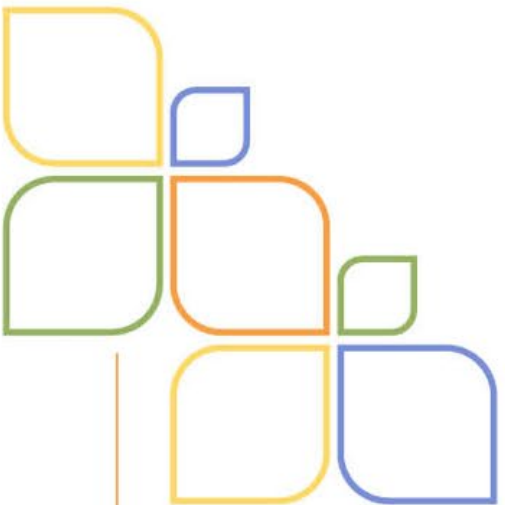
Mesa's Strategy: Housing Path to Recovery (and long-term stability)

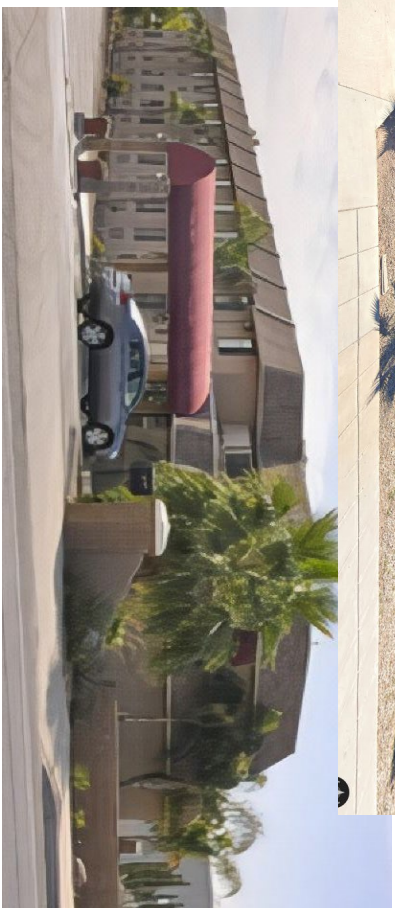




Evaluation for long-term use and program placement.

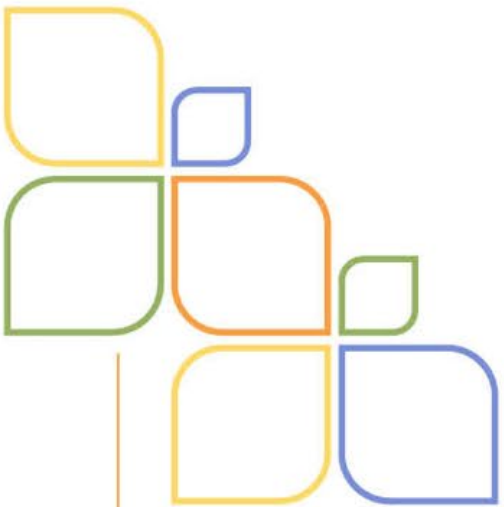
- Continues a promising program and partnership.
- East Mesa location - spreading services citywide.
- Need to enforce urban camping laws
- Mesa controls decision for program continuation, future relocation, focus on Mesa clients.
- Limited time to use federal funding.
- Leasing costs rising.

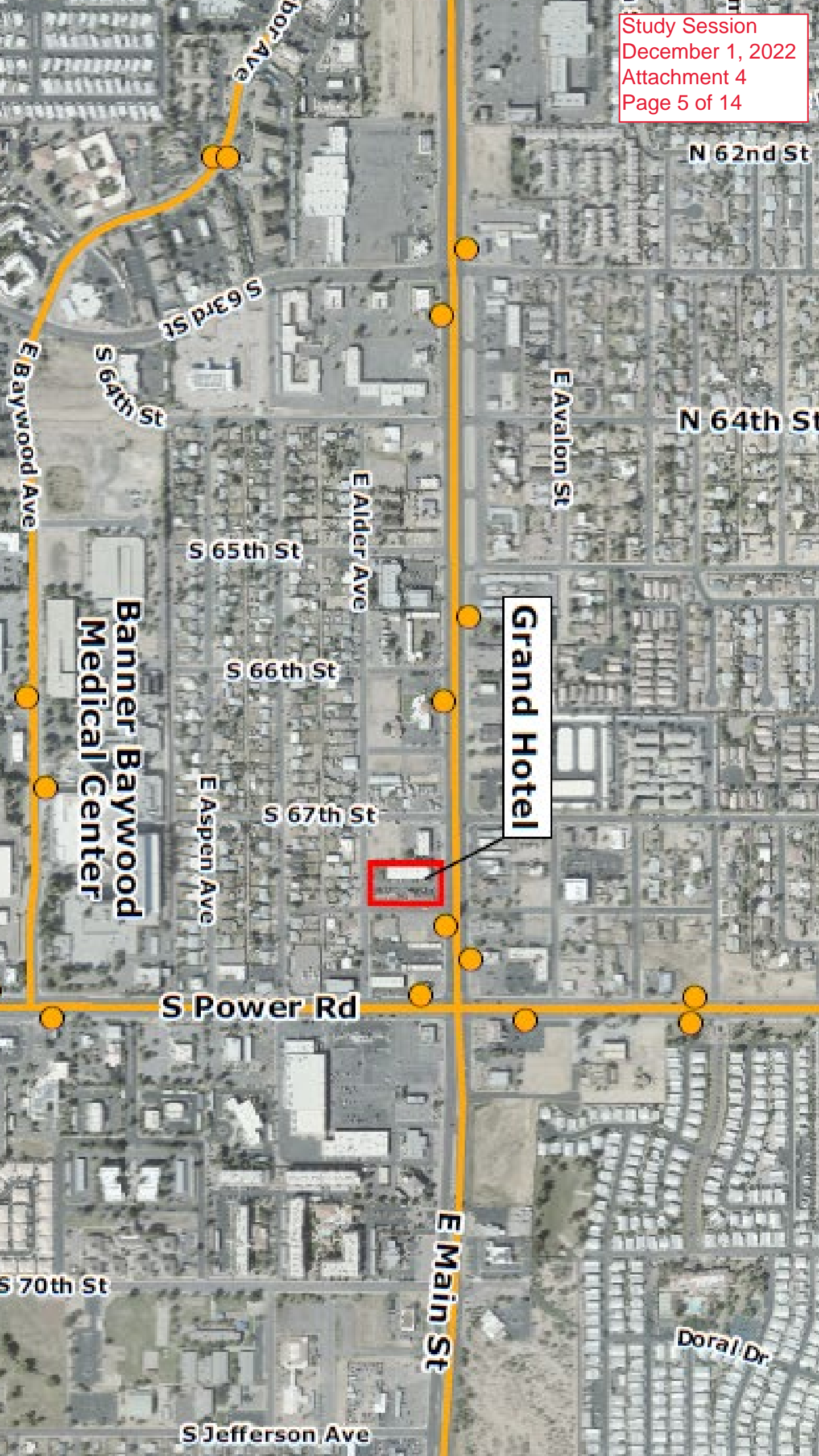




Property under evaluation

- The Grand Hotel-6733 E. Main St.
- Built: one-story 1973; two-story 1985
- 70 rooms, 1.34ac (one/two beds)
- Space for dusk-to-dawn beds
- Office space, laundry facilities
- Connects to transit, commercial jobs
- New A/C units, tankless water heaters, roof
- Single story could serve transitions into program or to graduation
- Would require ADA, other tenant improvements to maximize capacities





Grand Hotel

**Banner Baywood
Medical Center**



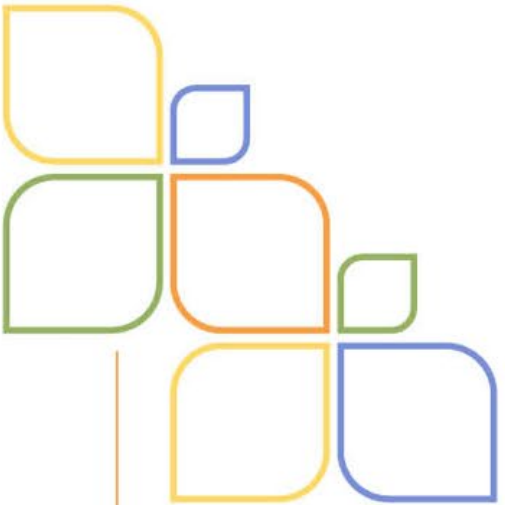
Next Steps

This month

Appraisals, title searches

If both parties agree to appraised amount:

- **Early 2023**
Community engagement
Property due diligence evaluations/escrow
- **Spring 2023**
Council Use Permit (to allow social service use)
Council consideration to finalize purchase
- **Summer/Fall 2023**
Tenant improvements, move in activities
Possible transitional room lease at Windemere



Questions?



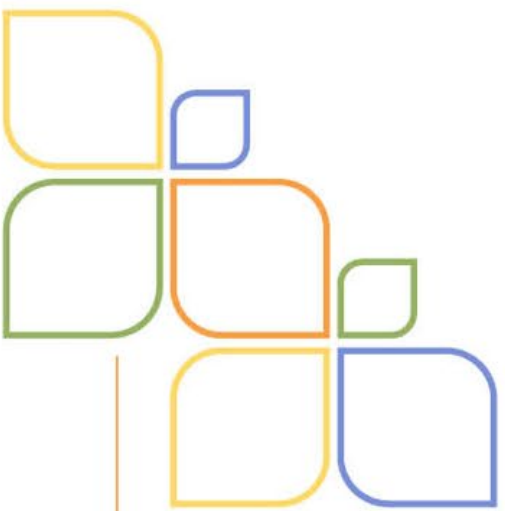
research.n





Being a Good Neighbor (examples)

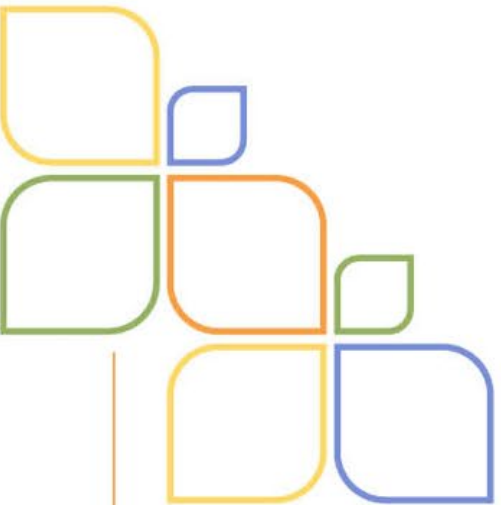
- Referral based, no walk-up or drop-in services
- Limited designated areas for outdoor use
- Delineate and secure campus
- Daily CBI checks of participant rooms
- Curfew for program participants afterhours
- Transport clients off campus for most services
- Police presence on-site day and night
- Trespass enforcement for surrounding businesses
- Ongoing community engagement with phoneline for nearby businesses and residents





About the Program

- Launched May 2020.
- 1,021 people served; approx. 75.9% positive exits
- Priority to Mesa's most vulnerable
- Referred by Mesa's first responders, nonprofits
- Lease (hotel space only): Approximately \$1.75m per year 85 rooms, 15 dusk-to-dawn beds, pet allowances, and operations space.
- Program structure and dedicated onsite security in alignment with Council's strategic priority of community safety.



Who we are.

17% youth under 17



9% fleeing domestic violence
or struggling Veterans



13% over age 62



Avg (adult) age: 46
Avg stay: 82 days

More than 53% of
participants identify one or
more disabilities:

- 42% physical
- 37% mental health
- 27% addiction(s)

48% female





Who we are.



COMMUNITY BRIDGES INC



On or Off the Streets Participants:

- Immediate housing, stabilization, respect and dignity
- Focus on most vulnerable (women, elderly, families, disabled)
- Tailored plan for recovery and housing
- Staff with lived experience and passion for service
- Onsite: 24/7 program oversight, case management, peer support, transportation, life skills training, triage nursing and crisis response
- CBI/regional services off-site: dedicated team of medical and behavioral health professionals, addiction treatment, therapy, SNAP, employment/jobs training, healthcare





For Mesa:

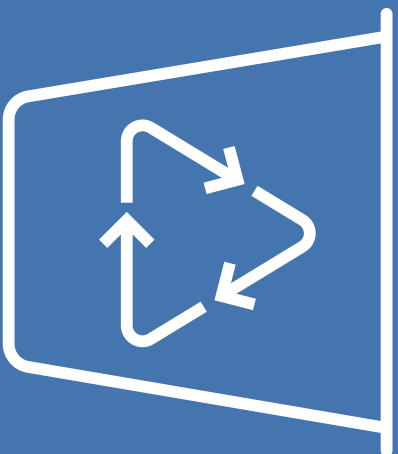
- CBI hotline dedicated to Mesa's first responder priority referrals
- Enables urban camping enforcement
- Manage all O & M; staff training and support
- Access to other CBI programs, and connections to others
- Partnership and collaboration with City on overall approach and strategy
- Monthly metrics and outcomes



RECYCLING UPDATE

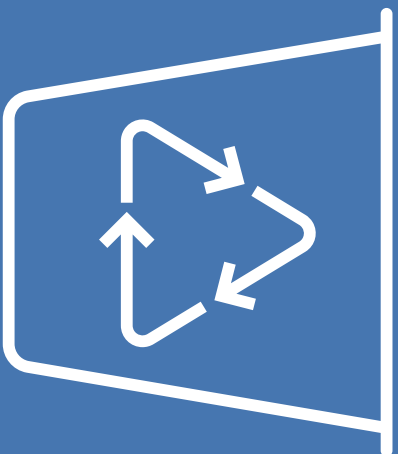
SHERI COLLINS

SOLID WASTE DIRECTOR



Current State of Recycling

- **United Fibers**
- **12,500 annual tons max**
- **Final extension of existing contract ends 12/31/22**



Future State of Recycling

- **Issued RFP for Recycling with Town of Gilbert in August 2022**
- **Received 4 Responses**
- **2 Vendors Selected**

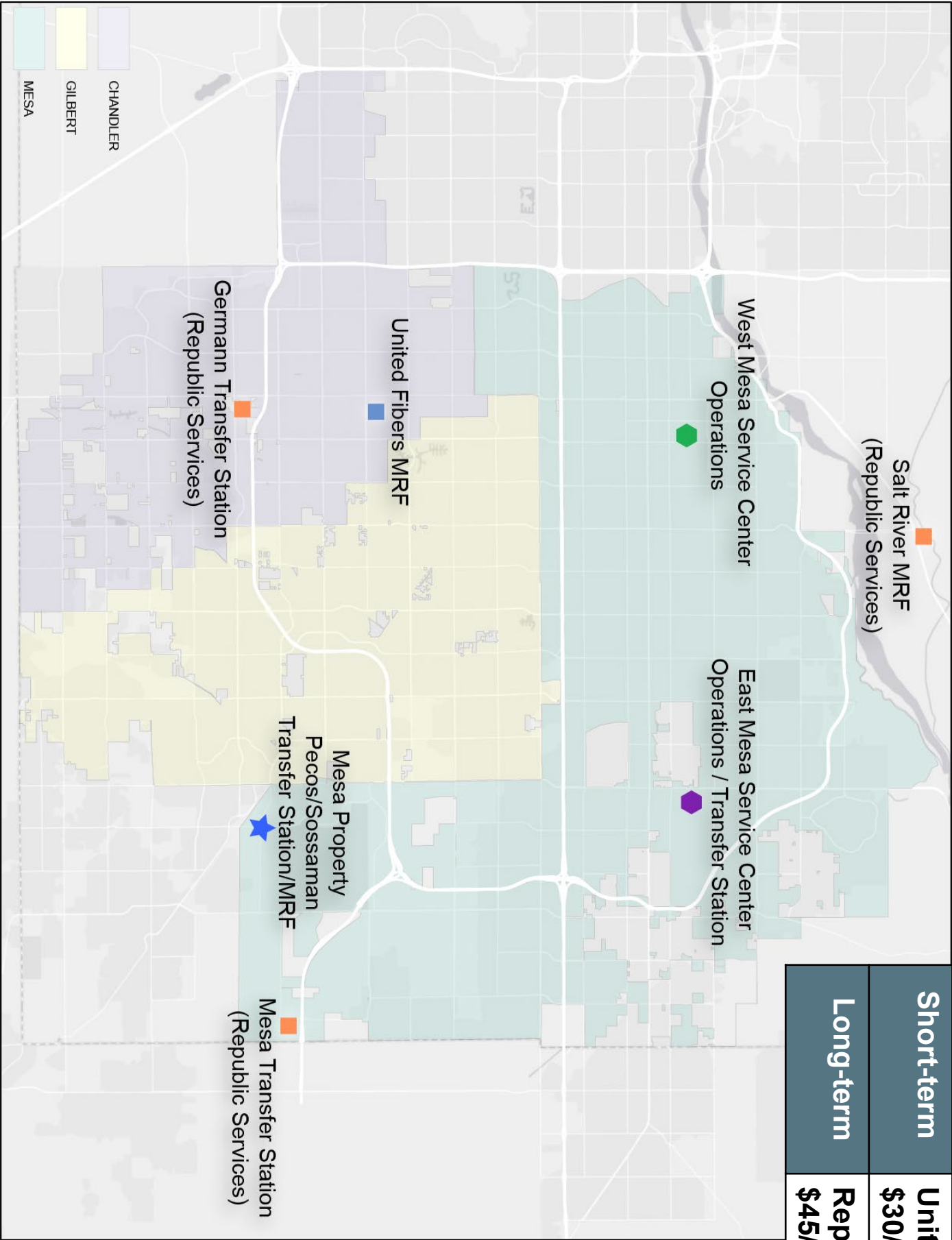
RESULTS

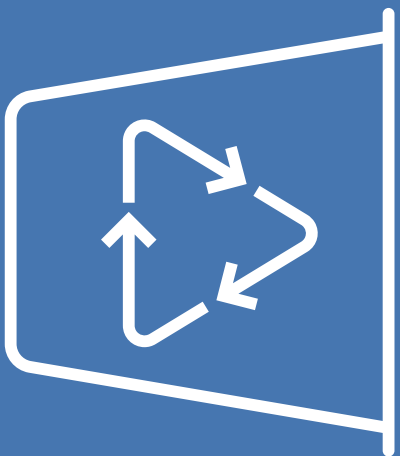
Short Term - United Fibers

- 4 Month Agreement with 1 Month Extensions
- 1,000 tons/month
- 30% Recycled Material Collected

Long Term - Republic Services

- Facility Completion Spring 2023
- 5 Year Initial Agreement with Renewal Options
- 70% Recycled Material Collected





Future State of Recycling

- IGA with Town of Gilbert
- Update to Council in early 2023
- Next Steps: 15% Design

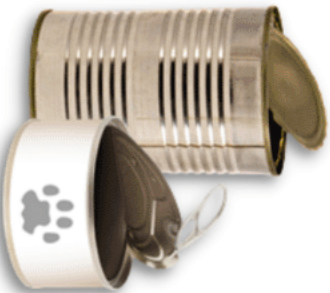
Mesa's Recycling Program

These items continue to be a YES!



Beverage Bottles, Jugs, and Cans

Empty, Clean, and Dry
Water bottles, milk jugs, soda cans & bottles, beer cans, wine bottles, juice bottles, etc.



Metal Food Cans

Empty, Clean, and Dry
canned pet food, vegetables, fruit, beans, tuna, tomato sauce, soup, etc.



Corrugated Cardboard

Dry, free of packaging, and broken down. Corrugated cardboard contains flat top and bottom layers with wavy middle layer.



Paper

Office paper, newspaper, mail, magazines.
Dry, non-shredded paper only.



QUESTIONS?

research.n

