

COUNCIL MINUTES

October 2, 2025

The City Council of the City of Mesa met in the Study Session room at City Hall, 20 East Main Street, on October 2, 2025, at 7:30 a.m.

COUNCIL PRESENT

Scott Somers
Rich Adams
Jennifer Duff
Alicia Goforth
Francisco Heredia
Julie Spilsbury

COUNCIL ABSENT

Mark Freeman

OFFICERS PRESENT

Scott Butler
Holly Moseley
Jim Smith

Vice Mayor Somers conducted a roll call.

Vice Mayor Somers excused Mayor Freeman from the entire meeting.

1. Review and discuss items on the agenda for the October 6, 2025, 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: None

In response to a question from Vice Mayor Somers regarding agenda Item 3-e, **(Daruma Ramen and Bowl - A restaurant that serves lunch, and dinner is requesting a new Series 12 Restaurant License Jung N. Kim, Sole Proprietor, Jung N Kim, 2650 East University Drive, Suite 107 - Jung N. Kim, Agent. There is no existing license at this location. (District 1))**, on the Regular Council Meeting agenda, Assistant Director of Business Services LeeAnne Cardenas confirmed that the proposed liquor license is recommended for denial at this time. She stated that the applicant is expected to withdraw the application but had not done so yet.

Ms. Cardenas clarified that the recent increase in items listed as incomplete or recommended for denial is due to a procedural change by the Arizona Department of Liquor Licenses and Control (DLLC). She pointed out that previously the City could request up to a six-month extension to allow applicants time to submit required information; however, the DLLC now limits that period to 60 days and strictly enforces the deadline.

Responding to a question from Councilmember Spilsbury regarding agenda Item 4-c, **(Dollar Limit Increase to the Term Contract for Stagehand Temporary Worker Services for the Arts**

and Culture Department (Citywide)), on the Regular Council Meeting agenda, Assistant Director of Arts and Culture Illya Riske introduced General Manager of Mesa Arts Center (MAC) Robby Elliott and discussed the proposed contract increase.

Mr. Elliott explained that labor arrangements differ by event, with some shows providing their own crew and others relying on City staff for additional support. He noted that touring shows generally travel with about 10 staff members, and the MAC supplements their labor as needed for an additional fee.

City Manager Scott Butler clarified that this request authorizes the City to spend the necessary funds up front and those costs are later recovered through the financial arrangements with the tour or show.

In response to a question from Councilmember Spilsbury regarding agenda Item 5-b, **(Approving and authorizing the City Manager to enter into a Grant Pass-Thru Agreement with the City of Phoenix for a grant award of \$800,000 from the Federal Transit Administration (FTA) through the Consolidated Appropriations Act of 2023. The funding (\$800,000 in FTA grant funds and a required \$200,000 City match) will allow the City to construct and install 40-50 transit micro-shelters. (Citywide))**, on the Regular Council Meeting agenda, Transit Services Director Jodi Sorrell provided an update on the micro shelter program. She reported that the first complete micro shelter was installed as part of a previous construction project and is located at Center and First Street. She explained that funding for additional shelters was included in the Fiscal Year 2023 budget, with supplemental federal funds later secured through the congressional delegation. She stated after completing the necessary Federal Transit Administration (FTA) process, staff requested approval of a pass-through agreement with the City of Phoenix to move the project forward.

Ms. Sorrell indicated that the micro shelters were designed to be modular, allowing for expansion as ridership grows, and to fit in areas where limited right-of-way prevents installation of full-size bus shelters. She pointed out that the project adds to a prior shade study that identified locations with inadequate shade coverage. She added where shelters are not feasible, the City is supplementing shade through trees or nearby building structures. She confirmed that approximately 40 to 50 micro shelters are planned with the goal of ensuring that about 80% of bus stops citywide have some form of shade coverage.

Responding to a question from Councilmember Spilsbury regarding agenda Item 6-a, **(Amending Sections 10-4-4 and 10-4-5 of the Mesa City Code to reduce the speed limit from 40 mph to 35 mph on Extension Road between Baseline Road and Southern Avenue, as recommended by the Transportation Advisory Board. (Districts 3 and 4))**, on the Regular Council Meeting agenda, Interim Transportation Director Erik Guderian provided an update on the ongoing work along Extension Road, noting that crews have been completing concrete repairs and upgrades to ramps and curbs, with paving scheduled to begin the following week. He confirmed that the maintenance project includes a full mill and overlay from Baseline Road to University Drive and once paving is complete, crews will restripe the roadway and install delineators as part of the previously approved bike lane project.

- 2-a. Hear a presentation, discuss, and provide direction on the sale of three city-owned residential parcels in the Washington-Escobedo Heritage Neighborhood (APNs 137-25-062, 137-25-077, and 137-25-218A) and a proposed revitalization program in partnership with Habitat for Humanity.

Senior Economic Development Project Manager Jeff Robbins introduced Community Engagement Administrator Cynthia Ezcurra and Todd Rogers, Habitat for Humanity Central Arizona Chief Executive Officer, and displayed a PowerPoint presentation. **(See Attachment 1)**

Mr. Robbins explained that when the redevelopment program began a year ago, one of the first steps was to review all City-owned properties to identify redevelopment opportunities and three of those properties were located within the Washington-Escobedo neighborhood.

Mr. Robbins provided a brief background on the Washington-Escobedo neighborhood and confirmed that the subject property is located along University Drive between Center Street and Mesa Drive. He noted that the Washington-Escobedo neighborhood is Mesa's first designated heritage neighborhood, recognized for its unique history, and that an infill district overlay approved in 2019 helps preserve the neighborhood's character and ensure compatible new development. (See Pages 2 and 3 of Attachment 1)

Mr. Robbins presented a map of the three City-owned parcels proposed for development, located on the west side of North Sirrine, the southeast corner of East Fifth Place and North Sirrine, and the northeast corner of North Lewis and East Fifth Street. He noted that the parcels are small and narrow, which likely prevented their development during the original 54-parcel revitalization effort; however, modern construction methods allow for quality housing on sites of this size. He added that the vacant lots have become a source of illegal dumping and neighborhood nuisances, and community members have expressed support for redeveloping the properties to address these issues. (See Page 4 of Attachment 1)

Mr. Rogers reported that Central Arizona Habitat for Humanity has a 40-year history in the Valley, building over 1,200 homes and assisting nearly 5,800 families. He added that in Mesa, the organization has built 44 homes, including 14 in the Washington-Escobedo neighborhood, and partnered with the City in 2018 to support 18 families through the "Love Your Neighborhood" campaign. (See Page 6 of Attachment 1)

Mr. Rogers outlined the project proposal, which includes constructing three to six owner-occupied, single-family homes on the identified parcels. He explained that Habitat will collaborate with the City and neighborhood to determine the best design, setbacks, and site layout to maximize use of the lots. He confirmed that the homes will be built as high-quality infill housing under Habitat's new "lasting affordability" model. He added that the homes will feature durable, low-maintenance materials, meet Energy Star and LEED green building standards, and serve families earning between 30% and 80% of the area median income. (See Page 7 of Attachment 1)

Mr. Rogers introduced Deborah Bradley, Chief Operating Officer of Habitat for Humanity, who presented an overview of the organization's resale-restricted homeownership model designed to maintain lasting housing affordability. She explained that Habitat builds homes using volunteers and sells them to qualified buyers at below-market prices, ensuring monthly payments remain affordable. She confirmed that when homeowners choose to sell, the property is repurchased by Habitat at a restricted price, renovated, and resold to another qualified buyer, keeping it affordable and owner-occupied. She said the program operates through a 99-year renewable ground lease, allowing homeowners to build limited equity at a 1.5% simple interest rate annually, and combined with a 0% interest mortgage, this model supports sustainable homeownership while preserving long-term affordability. (See Pages 8 and 9 of Attachment 1)

Ms. Bradley explained that Habitat for Humanity's shift to the resale-restricted homeownership model follows the example of other affiliates nationwide, including those in New York City,

Portland, and San Francisco. She noted that Habitat Central Arizona has spent more than two years researching data and collaborating with other affiliates to design a mortgage structure tailored to local demographics and needs. She pointed out that this model not only supports lasting affordability but also protects the long-term value of donor investments by ensuring that homes remain affordable for future families. She emphasized that the approach extends the impact of each donated home beyond a single family, fostering generational access to affordable homeownership while still allowing homeowners to build equity through Habitat's 0% interest mortgage and 1.5% annual appreciation. (See Page 10 of Attachment 1)

Responding to a question from Councilmember Spilsbury, Ms. Bradley stated that Habitat homebuyers are required to complete 400 hours of "sweat equity," which may include helping to build their own home, assisting with the construction of other Habitat homes, or volunteering in Habitat ReStores and community projects. She added that applicants must also qualify for a mortgage and demonstrate a need for affordable housing, such as living in overcrowded or substandard conditions or paying more than 30% of their income toward rent.

Ms. Bradley introduced Maribel Salto who provided an overview of Habitat for Humanity's home repair program, which operates under the organization's Neighborhood Revitalization initiative. She explained that the program serves existing homeowners by providing affordable repairs focused primarily on health and safety needs. She confirmed that the targeted area has been identified as a low- to moderate-income census tract, meaning residents automatically qualify for assistance. She explained the process for repairs and the contributions made by the homeowners. She reported that this program is designed to improve both the safety and appearance of neighborhoods while supporting long-term community stability.

Mr. Robbins pointed out that the Council has the authority to sell the subject land, which is free of restrictions or encumbrances. He said the proposed project aligns with the City's infill development overlay, as well as the community's Quality of Life Plan for the Washington-Escobedo neighborhood, supporting the creation of new housing and the improvement of existing housing. He provided an overview of the proposal, which calls for a direct, negotiated sale of three parcels to Habitat for Humanity at \$40,000 per parcel, with these funds reinvested into the city's Neighborhood Revitalization Program. He confirmed that the project is funded through three components: the negotiated sale price of \$120,000, \$400,000 in City HOME funding, and Habitat's own investment. He mentioned that Habitat's total contribution to the project, including its investment in the neighborhood, is estimated at \$920,000, and no additional funding from the City would be requested beyond the \$400,000 allocation. He added the arrangement is expected to be cash-neutral while generating benefits such as construction sales tax revenue and new residents in the area. (See Pages 13 and 14 of Attachment 1)

In response to a question from Councilmember Adams, Mr. Rogers clarified that the \$1.2 million estimate represents the cost to construct three homes. He noted that if Habitat can build six homes on the site, the organization would independently secure additional funding, which would be advantageous to avoid the need to purchase additional land. He explained that the estimated cost per home is approximately \$380,000 to \$400,000, and includes land acquisition, infrastructure, and construction expenses. He added that Habitat intends to work with the City of Mesa on potential zoning adjustments or a rezoning to increase density and help lower overall costs.

Responding to a question from Councilmember Spilsbury, Mr. Rogers explained that the configuration of the duplex to be constructed would depend on which of the three lots were being developed. He displayed a map of the area to illustrate the site layout, noting that alleys run

between Lots 1 and 3 and behind Lot 2, which could offer potential access options, and he emphasized that the feasibility of using the alleys would depend on the outcome of the City's entitlement process. (See Page 4 of Attachment 1)

In response to a question from Councilmember Duff, Planning Director Mary Kopaskie-Brown verified that the Washington-Escobedo neighborhood is located within the ID-2 district, which has its own customized zoning standards. She added that under this zoning, a second-story structure would require a Special Use Permit (SUP); however, if a project meets all setback and design requirements, such as front and rear yard setbacks, the project could move directly to the permitting stage without additional approvals. She further explained that if Habitat pursues two-story, ownership-based homes, additional considerations would be needed for how the lots are platted and configured. She pointed out that, because the specific building designs have not yet been determined, defining the exact entitlement path or timeline remains difficult at this stage.

Ms. Ezcurra recalled that the Community Engagement Division was asked to support the Habitat for Humanity initiative by leading the outreach and applying best practices drawn from its extensive experience working with neighbors. She explained that the division has a long-standing relationship with the Washington-Escobedo neighborhood and therefore took a strategic approach to community engagement. She described the various efforts made to engage with the community and gather resident feedback and gauge support for the project, which was well received, and residents were appreciative of the opportunity to participate and share their input. (See Pages 16 through 20 of Attachment 1)

Discussion ensued regarding the feedback received during the community engagement.

Mr. Robbins explained that if the direction of Council is to move forward, the next step would be to draft a Development Agreement outlining the terms of the partnership with Habitat for Humanity, along with a Purchase and Sale Agreement for the property. He anticipated that both documents would be brought back to Council for review and approval in early 2026, and once the agreements are approved, Habitat would begin the necessary entitlement work, such as zoning and permitting reviews, followed by site preparation. He noted that construction is expected to begin as early as late 2026 and continue into 2027. (See Page 22 of Attachment 1)

Additional discussion ensued regarding the selection of Habitat for Humanity and the use of the City-owned property for the proposed project.

Mr. Robbins highlighted a unique opportunity for City involvement in the project, explaining that Habitat for Humanity often supports its development through corporate team-building events in which volunteers participate in construction activities such as framing. He noted that, in recognition of the strong partnership with the City, Habitat has offered City employees the chance to take part in these on-site volunteer builds which would allow staff from various departments to work together in the construction of the homes, further strengthening the City's collaboration with Habitat and its shared commitment to community service.

Vice Mayor Somers thanked staff for the presentation.

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

3-a. Transportation Advisory Board Meeting held on July 15, 2025.

3-b. Education and Workforce Development Roundtable held on June 4, 2025.

3-c. Human Relations Advisory Board meeting held on August 27, 2025.

3-d. Audit, Finance and Enterprise Committee meeting held on August 28, 2025.

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

Upon tabulation of votes, it showed:

AYES – Somers–Adams–Duff–Goforth–Heredia–Spilsbury

NAYS – None

ABSENT – Freeman

Vice Mayor Somers declared the motion carried unanimously by those present.

4. Current events summary including meetings and conferences attended.

Vice Mayor Somers and Councilmembers highlighted the events, meetings, and conferences recently attended.

5. Scheduling of meetings.

City Manager Scott Butler stated that the schedule of meetings is as follows:

Monday, October 6, 2025, 4:15 p.m. – Study Session

Monday, October 6, 2025, 5:45 p.m. – Regular Council

6. Adjournment.

Without objection, the Study Session adjourned at 8:39 a.m.

SCOTT SOMERS, VICE MAYOR

ATTEST:

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 2nd day of October 2025. I further certify that the meeting was duly called and held and that a quorum was present.

HOLLY MOSELEY, CITY CLERK



Washington Escobedo Community Reinvestment Project

Mesa City Council Study Session | October 2nd, 2025

Jeffrey Robbins
Redevelopment Program Administrator

Cynthia Ezcurra
Community Engagement Administrator

Todd Rogers
CEO Habitat for Humanity Central Arizona



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PROJECT LOCATION: WASHINGTON ESCOBEDO

Center Street



Mesa Drive

University Drive



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NEIGHBORHOOD HISTORY

- Major revitalization effort in Washington Escobedo occurred between 1985 and 1995
- Mesa's first designated Heritage Neighborhood (2016)
- Unique Infill District zoning approved by Mesa City Council in 2019 to protect neighborhood character and encourage compatible reinvestment



Historic Alhston House



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EXISTING CONDITIONS

- Three city-owned parcels remain from the 1980/90's revitalization effort
- About .10 (one-tenth) acres each
- Vacant lots attract nuisances
- Neighbors support reinvestment





Habitat
for Humanity®
Central Arizona



every one

deserves a decent
place to live.

Todd Rogers, CEO

Habitat for Humanity Central Arizona



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INTRODUCTION TO HABITAT



Habitat
for Humanity®
Central Arizona



Since 1985

1243

homes
built /
renovated

2658

affordable
repairs

1851

emergency
home
repairs

5741

families
served

Let's Give Arizona a Hand Up!





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PROJECT PROPOSAL



Habitat
for Humanity®
Central Arizona

- Habitat proposes 3–6 single family/duplex housing units
 - SFR or duplex based on site limitations
- Design focuses on contextual, high-quality infill
- Homes will follow green building standards
- Prioritizes families seeking attainable housing



Habitat project located in Tempe



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LASTING AFFORDABILITY

- Homes sold at below-market prices to income-qualified buyers
- Includes resale restrictions to maintain affordability
- 99-year ground lease ensures lasting benefit to community
- Buyers build equity over time
- Home always remains affordable, and owner occupied



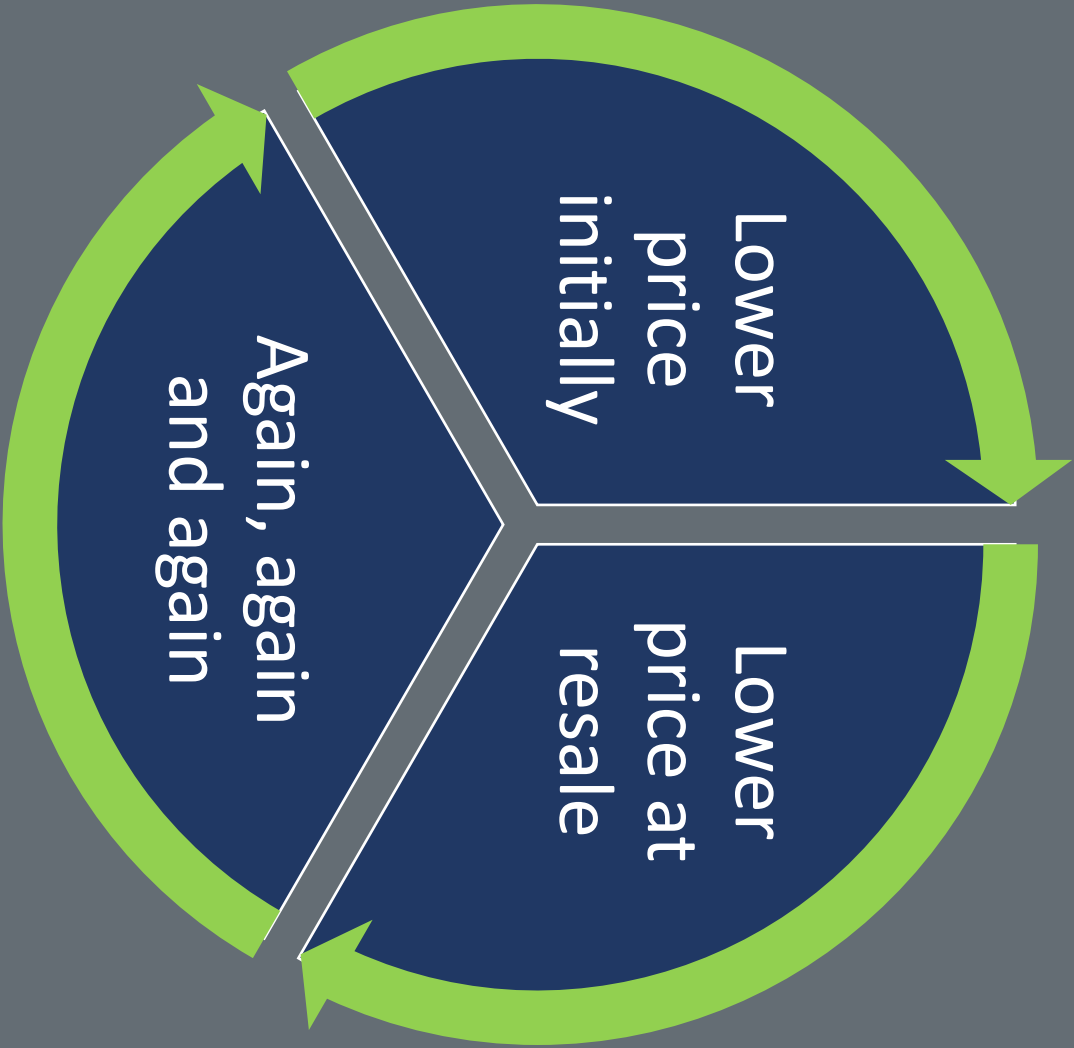


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LASTING AFFORDABILITY



Habitat
for Humanity®
Central Arizona





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LASTING AFFORDABILITY

- Protects public and donor investment long-term
- Creates a cycle of affordability across generations
- Prevents displacement by keeping homes affordable
- Equitable wealth-building through shared appreciation





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NEIGHBORHOOD REVITALIZATION



Habitat
for Humanity®
Central Arizona

- Essential repairs for owner-occupied homes within the Washington Escobedo Neighborhood
 - Roofs, HVAC, electrical and plumbing, paint, landscaping etc.
- Supports neighborhood pride and long-term ownership
- Program may expand beyond Washington Escobedo if participation is lower than projected





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Deal Structure

Jeff Robbins

Redevelopment Program Administrator



- There are no restrictions on the land
- Infill Development District overlay supports use and scale of proposed development
- History of Habitat partnering with the City and this community
- The neighborhood's Quality of Life Plan identifies creating new housing and improving existing housing as a key strategies



City Contribution and Reinvestment	Value
Negotiated sale of three parcels (\$40,000/ea)	\$120,000
City reinvests proceeds into Neighborhood Revitalization	(\$120,000)
Federal Contribution	
HOME funding	(\$400,000)
	(\$133,333 per minimum 3 dwelling units)
Habitat Contribution	
Purchase price of three parcels	(\$120,000)
Construction Costs for three to six dwelling units	(\$1,200,000)
HOME funding for Construction	\$400,000
Total Habitat Revenue/(Contribution)	(\$920,000)



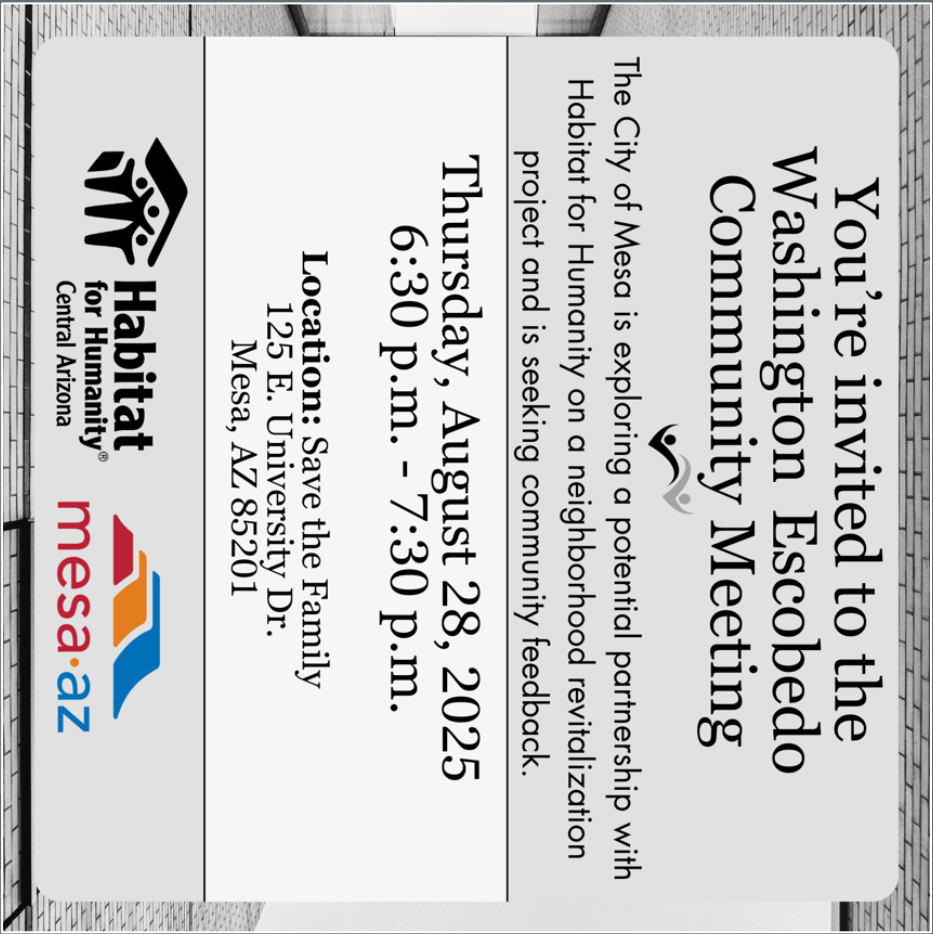
Community Engagement Results

Cynthia Ezcurra

Community Engagement Administrator



- Emailed residents an invitation to the August 28 meeting
- Designed bilingual flyers (English & Spanish)
- Distributed flyers door-to-door
- Sent text message reminders
- Coordinated Spanish translation services for accessibility
- Post-meeting survey to measure resident support and gather feedback



Door-to-door flyer



Great! I am glad that Habitat for Humanity is coming back to the neighborhood.

I strongly approve this project.

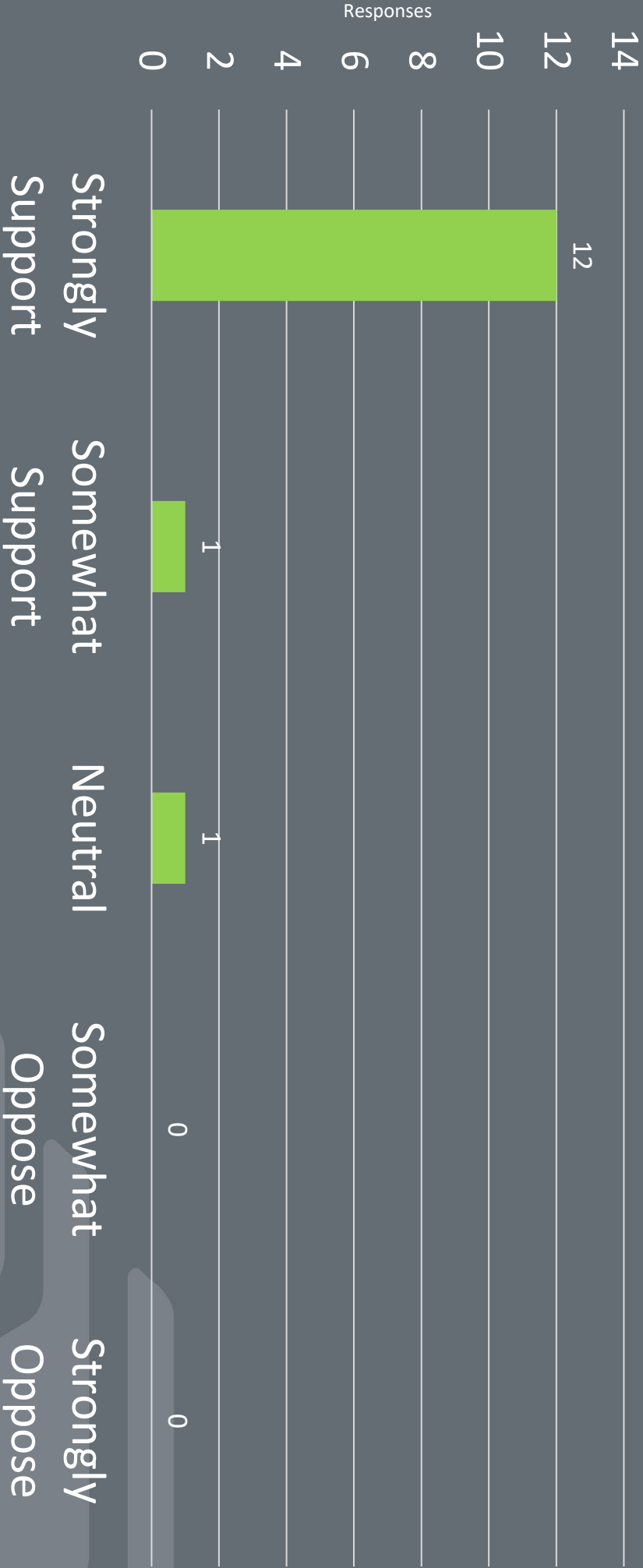
Awesomeness! Wonderful!



Community Meeting August 28th , 2025

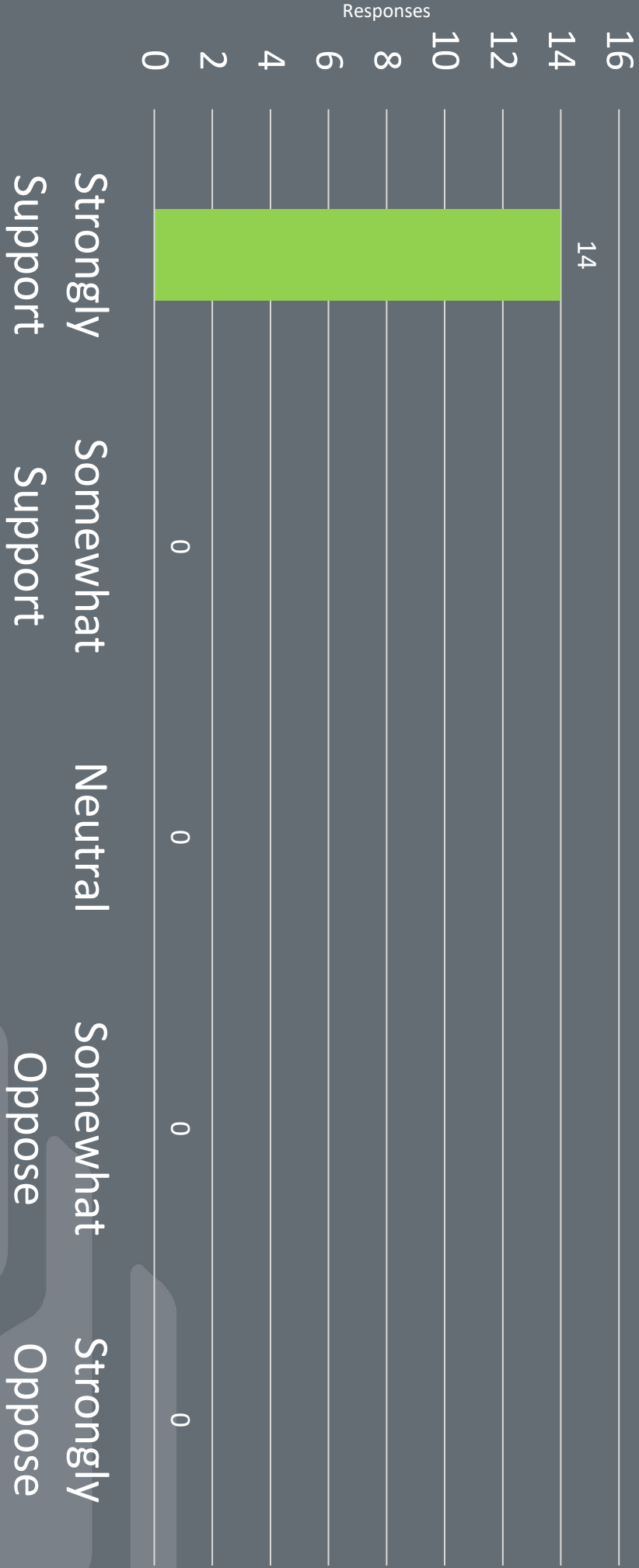


Which best describes your support for Habitat's Proposal to develop three vacant parcels for owner occupied homes?



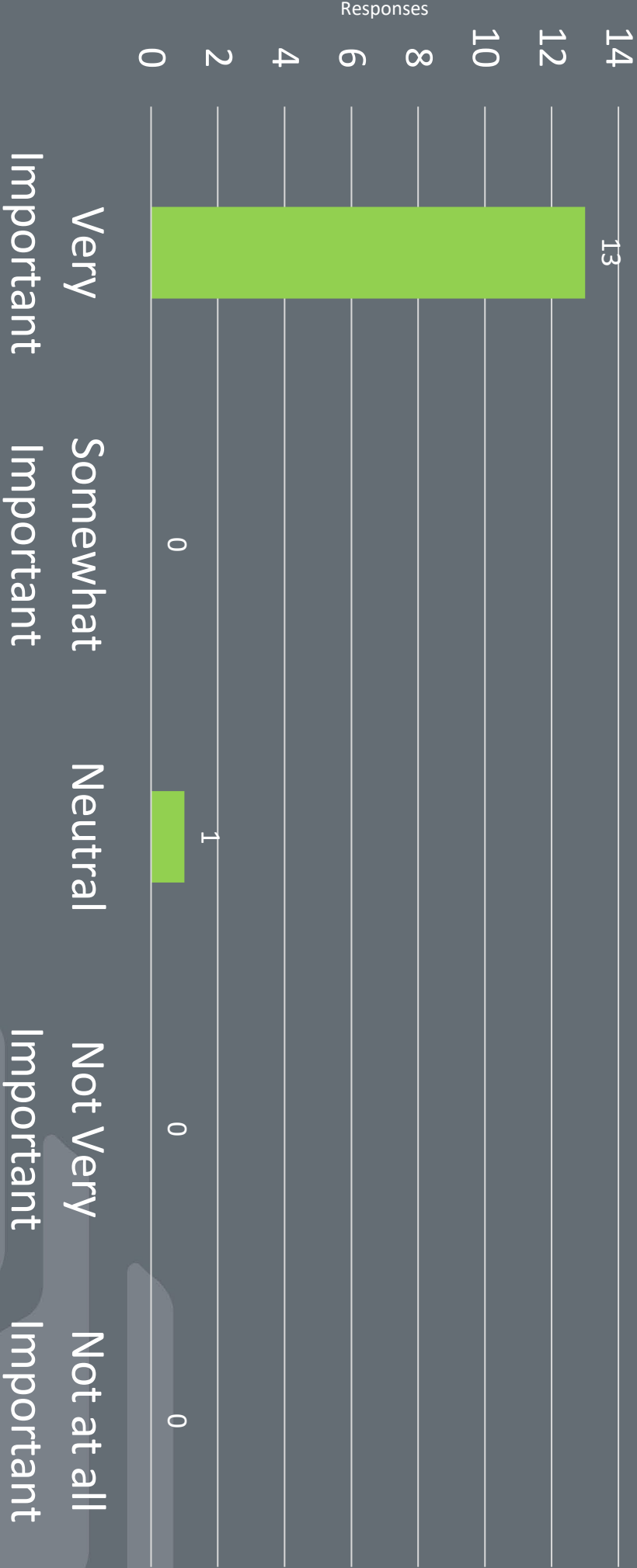


Which best describes your support for Habitat’s “Neighborhood Revitalization Program” which funds repairs for owner-occupied homes?





How would you describe the importance of any new homes remaining financially attainable for home buyers?





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Next Steps

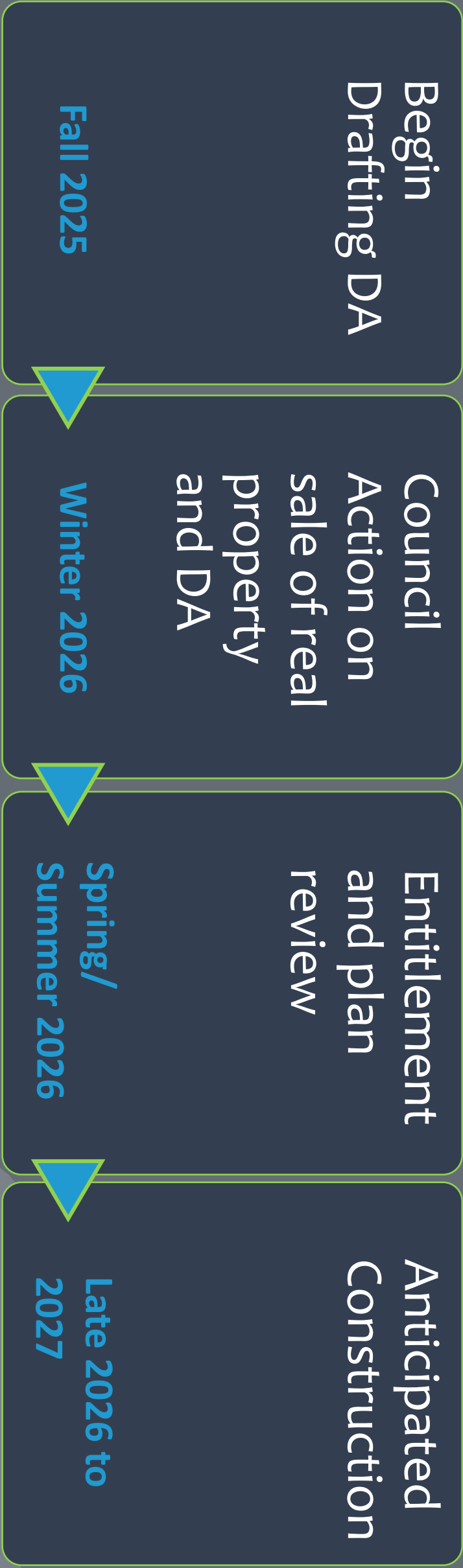
Jeff Robbins

Redevelopment Program Administrator



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TIMELINE





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FUTURE VOLUNTEER OPPORTUNITY

- Opportunity for Mesa employees to volunteer as teams to construct the homes
- New homeowners and revitalization recipients will be expected to provide “sweat equity”





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QUESTIONS AND DIRECTION



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COMMUNITY SERVICES



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URBAN TRANSFORMATION

Downtown + Redevelopment



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