



MEMORANDUM

TO: Mayor and City Council

FROM: Natalie Lewis, Deputy City Manager

DATE: November 6, 2023

RE: Good Neighbor Policy related to 6733 E. Main Street Property

Purpose

This memorandum is to formally document the City's 'Good Neighbor Policy,' that would become a stipulated condition of a Council Use Permit (CUP) to allow a hotel at 6733 E. Main Street to be purchased by the City and to provide a longer-term social service use for temporary housing. These policies would be required upon CUP approval by the Mesa City Council, currently scheduled for a public hearing and Council action on November 6, 2023.

Community Need

Homelessness continues to grow in the region and in Mesa. Using Point in Time counts, in the last five years, the number of unsheltered homeless identified in Mesa has at least doubled. Here are some statistics from the Maricopa Association of Governments to provide other insights:

During 2022, a total of 28,603 individuals received homeless services in the region and are working with one of the Homeless Management Information System agencies to resolve their homelessness.

In June 2023 alone, 8,405 people received services, including:

- 1,021 elderly 62+, a 3% increase from prior quarter.
- 636 families (representing 2,441 people), a 3% increase from prior quarter.
- 463 young adults, aged 18-24 years old. This is a 15% increase from prior quarter this year.
- And, there are 578 Vets experiencing homelessness in June, which is a 16% increase from the prior quarter.

According to the Maricopa Association of Governments, today in the region, for every 10 people who are permanently housed, another 19 are becoming homeless. As concerning this trend is today, it would have been far worse had cities and counties have not had access to millions of dollars in federal funding during and after the pandemic. Those resources are scheduled to be permanently discontinued at the end of calendar year 2026.

This work is not new to cities and towns, however, and based on growing needs locally and regionally, and with non-profits being overloaded with staffing challenges and inconsistencies, cities and the County have had to step forward to take on more direct services to supplement this work.

In addition, the issue of homelessness has become a greater challenge for police officers, park rangers and even in city libraries where people seek refuge. Cities provide services to the public in all its forms and do not discriminate. With these conditions and growing challenges to balance use of public resources by all populations in a safe way, professional staff believes that cities, towns, counties and the state will continue to have a heightened role in addressing homelessness for the unforeseeable future, both in ways that are responsive like the OTS program, via more proactive, prevention services, adding attainable housing supplies, and ongoing enforcement when needed.

Neighbors near these proposed resource facilities have expressed legitimate fears about the use and safety of their families, added crime or drug use, or impacts to property values. With the Good Neighbor Policy, and the City's ongoing participation in the OTS program, the City believes that this service can safely coexist with adjacent neighborhoods, in fact, staff and Mesa Police believe the surrounding area will benefit from crime removal from the existing hotel, adding a well-run program that has direct and consistent oversight, and added police patrols and onsite police presence at the and around the campus. These are just a few of the Good Neighbor Policy examples that will be a stipulated requirement of the City, if the hotel purchase is finalized and the CUP approved by Council.

Off the Streets—Outcomes and Value

One of the significant outcomes coming out of the pandemic is the opportunity to invest available federal funding into longer-term property assets to continue programs that have shown significant success and results. Since mid-2020, the OTS program has served almost 1800 individuals, with annual success rates ranging from 72%-75%, meaning participants have 'graduated' on to their next positive step in housing as they work to permanently escape homelessness and back to contributing members of society. On average, this program costs approximately \$8k per participant per year. According to Maricopa Association of Governments, every individual experiencing homelessness costs the community anywhere between \$30k-\$50k per year. The bottom line is that when people transition out of homelessness, they reduce or remove costs to the community and instead become productive and contributing members of society, and its economy.

Based on cost of the existing program, and the difference in program cost of owning the facility or leasing rooms, the City of Mesa estimates it could save between \$500k to \$750k per year. This savings includes maintenance costs and insurance. In 10 years, this would be \$5m-\$7.5m savings. This doesn't include possible cost avoidance (\$30k-\$50k per year per person) if people were to remain on the streets during this time. With these savings, the City could find new ways to help participants graduate more quickly and successfully. Some of these programmatic improvements are outlined in the Good Neighbor Policy as options to explore further.

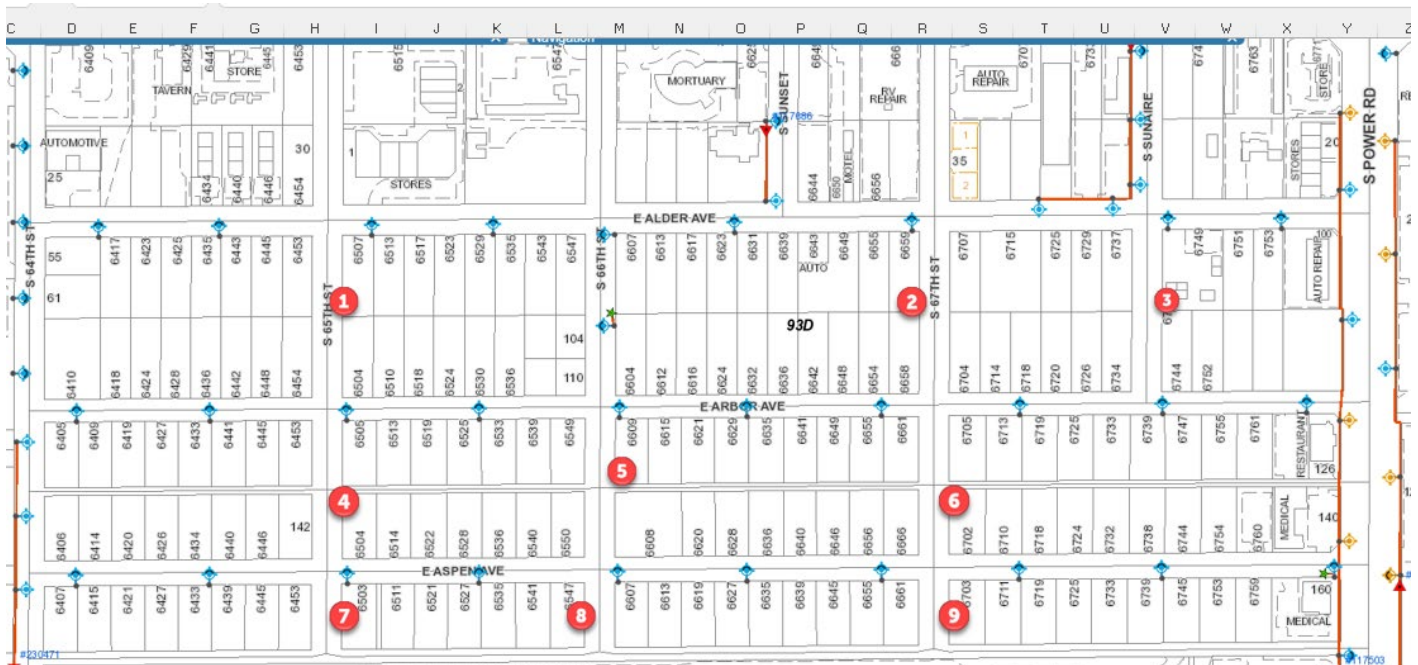
***Stipulations: Being A Good Neighbor**

The area of focus for this good neighbor policy implementation is the residential neighborhood immediately to the south of the property, generally from Power Road to 64th Street, and Main Street to Aspen Avenue. The City will also work with area businesses, as requested. Here are the proposed Good Neighbor Policies that would become a stipulation within a CUP/rezoning and subsequent property purchase of the existing hotel at 6733 E. Main Street.

Good Neighbor Policies – Strong Neighborhood

- **Streetlighting:** The City would immediately begin the process of installing at least 9 new streetlights in the area and in concert with resident participation. The process is estimated to take 60-90 days. See map attached on page 4. It shows locations of existing streetlights (in blue) and nine proposed locations (in red), as approved by residents.
- **Street Overlay Sealing:** Also in 60-90 days, the City would provide a street overlay seal, to add to quality and cleanliness of the neighborhood.
- **Alley Lighting:** City would commit to exploring this possibility with residents. However, alley lights could be limited based on the need to protect existing infrastructure. Based on considerations outside of the City's control, the City can only guarantee exploration of these solutions with the residents to determine what is logistically and financially feasible.
- **Clean campus; upgraded exterior appearance:** The City will upgrade the walls and gates for a secure campus, will plant desert trees for added shade and aesthetics for the neighborhood. The City will continue to maintain a clean and well-kept campus.
- **Other possible strong neighborhood solutions:** If neighbors are interested, the City would work with them to launch neighborhood watches and coordinated cleanups. The City will conduct meetings to keep residents updated on the project and good neighbor policy tactics and outcomes.

Proposal to add nine streetlights (blue existing lights; red proposed new lights)



Good Neighbor—Safe and Secure Program

- **Limiting the population served:** Based on crime and drug-related concerns, the City would limit service at this location only to these populations: seniors, families, and domestic violence victims. Other populations will be placed at alternative sites, including other regional facilities such as the East Valley Men’s Shelter or the I-Help program for single women.
- **Onsite Police:** A minimum of one Police officer will be present at the site 24-7.
- **Area Police patrols:** To support a safe and secure program, Police will continue to provide additional visibility and presence in the broader area and assist with urban camping enforcement.
- **Cameras:** City will install onsite security camera(s) that also feed into the City’s 24x7, real time crime center.
- **No sex offenders:** No identified sex offenders will be allowed on this campus or in the program.
- **No loitering:** Participants would not be allowed to loiter in adjacent areas; the City will take the approach of attempting to maintain a ‘no camping zone in public rights-of-ways’ within 1000 feet of the property. This work will be completed in cooperation with area businesses, industry and residents.
- **No service clustering:** Only basic, stabilizing health-related services and counselling will be available on the campus. All other services will be accessed off of this campus, thus, to ensure there is no clustering of services that might attract others to the area.

Good Neighbor—Programmatic Checks and Accountability

- **Onsite Management:** Constant onsite management and social service agency presence will be provided.
- **City of Mesa Oversight:** The City will provide management oversight and partner with social service agency to pursue continued improvement of the service and the work to remain a good neighbor.
- **Structured rules:** Curfew, room checks, and structured rules will be applied.
- **No walk-up services allowed:** This will be a referral-based program (no walk-ins); services ONLY for participants.
- **Data-driven approach:** City will continue improving its data collections to demonstrate outcomes and value.
- **Up to 90-day stays:** Participants will be allowed to remain on campus for no longer than 90 days before they graduate to their next shelter or housing location, unless a hardship is identified, and an extended stay is approved by the deputy director in the City that has the office of homeless solutions reporting to them.
- **What this property will NOT be:** While owned by the City, this property will not be a soup kitchen, nor will it become a mental health recovery center. It will remain a temporary shelter model that requires people to work on their pathway to housing.
- **No visitors:** Visitors will not be allowed on campus unless approved by social service staff and related to the person's housing plan.
- **Stipulation updates:** Any substantial changes to these required elements of this Good Neighbor Policy would be approved by City Council and in consultation with neighbors within the focus area.

Good Neighbor—Exploring Ongoing Program Improvements

- **Citizen feedback suggestions:** Based on community engagement feedback, the City may explore additional job training opportunities for participants. Ideas suggested by community members that could be considered include:
 - Having participants help on the upkeep of the campus and day-to-day housekeeping.
 - Help participants access to Mesa Counts on College for training for key local trade industries, such as auto repair; HVAC repairs; pool maintenance/repair; training to get a commercial drivers license to operate heavy equipment; possible partnerships with local businesses to help with training internships while in the program.
- **Savings program:** Consider having a program to collect one-third of participant's job take-home pay to set aside for their next housing costs.
- **Ongoing improvements:** The City is committed to continuing to adapt to community needs and to help participants be successful and the program investment of value to the taxpayers of Mesa.

For more information

More information about the City of Mesa's strategies for addressing homelessness or to review data and updates about the OTS program, please visit:

www.mesaaz.gov/handup

Or during normal business hours, call the Mesa Homeless Resource Line at (480) 644-HOPE (4673) or email the City at OffTheStreets@mesaaz.gov

The Homeless Resource Line provides assistance for people experiencing homelessness in Mesa and community members with questions, concerns or wishing to give back.

***Disclaimer Note:** All stipulations, at a minimum, will be followed by the City in good faith. While the tasks identified in this memorandum will be pursued, measured, and reported to the community and City Council, the City will not guarantee it will meet unrealistic expectations. Also, the City's success in being a good neighbor and helping to uplift the surrounding area will rely on neighborhood participation and partnerships. Lastly, these good neighbor policies are in direct relationship to a social service use at this location. If the CUP is not approved, then the neighborhood and surrounding area will receive services in the same sequencing/manner as they are provided citywide.