



City Council Report

Date: June 2, 2025
To: City Council
Through: Candace Cannistraro, Deputy City Manager
From: Lindsey Balinkie, Deputy Director, Community Services
Subject: Proposed Community Grants Utilizing Opioid Settlement Funds
(Citywide)

Purpose and Recommendation

Approve Resolution ____ providing the City Manager authority to disburse opioid settlement funds to non-profit organizations consistent with the One Arizona Opioid Settlement Memorandum and to execute agreements necessary for such disbursements.

Background

Based on council direction, the City of Mesa issued a Notice of Funding Availability (NOFA) in February 2025 to provide direct monetary grants to nonprofit organizations delivering services aimed at reducing opioid use. Funded services may fall within the One Arizona Agreement eligible areas of opioid use prevention and education, treatment for opioid use disorder, harm reduction, and recovery support. The City of Mesa has allocated \$1.0 million of the funding it has received to a community grant program.

This funding will be awarded to agencies with programs to address the opioid crisis in Mesa. Priority will be given to programs that serve youth.

Execution of agency agreements and the beginning of grant activities is anticipated to begin in the summer of 2025.

Discussion

The opioid settlement funds originate from litigation against pharmaceutical manufacturers, distributors, and pharmacy chains held accountable for their role in fueling the opioid crisis. As a result of nationwide settlements, more than \$50 billion is being distributed across the country. Of that total, \$1.12 billion is allocated to Arizona under the One Arizona Agreement. Within Maricopa County, the Maricopa County Department of Public Health (MCDPH) administers these funds. The City of Mesa is receiving 6.06% of the county's total allocation. To date, Mesa has received \$4.5 million and is projected to receive between \$17 and \$22 million over the 18-year lifespan of the settlement.

To guide the distribution of funds, MCDPH utilizes a regional allocation model based on three equally weighted factors: the volume of opioids shipped to the region, the number of opioid-related deaths, and the estimated number of individuals with opioid use disorder (OUD).

The companies currently distributing settlement funds to Arizona include:

- Distributor Group
- Walgreens
- Teva
- CVS
- Janssen
- Allergan
- Walmart
- Mallinckrodt
- Endo
- Purdue

According to the 2023 Opioid and Substance Use Needs Assessment conducted by the Maricopa County Department of Public Health (MCDPH), fatal overdoses among county residents increased by 35% from 2019 to 2021. In 2021, Maricopa County reported a record high of 1,963 fatal overdoses, with 59% occurring among individuals under the age of 45. Survey respondents identified prevention strategies as priorities for fund utilization, 85% supported early intervention efforts and 75% emphasized implementing evidence-based programs in K–12 schools. Research further supports these strategies, showing that youth who received Life Skills Training in junior high were significantly less likely to engage in illicit substance use even 13 years later.

Locally, data from [Mesa Fire and Medical Department \(MFMD\)](#) shows that since 2018, there have been 308 recorded opioid overdose incidents involving youth aged 0 to 19. After the age of 19, the data shows a 57% increase in overdose incidents among 20-24 year olds, a 68% increase among 25-29 and a 73% increase among 30-34 year olds. These trends highlight the urgent need for early intervention to educate youth and prevent the escalation of opioid misuse into adulthood.

In November 2024, the Mesa City Council provided directions to initiate a community grant program, explore a youth focused education campaign, support public safety and outreach activities. These initiatives are designed to allocate \$3.1 million of the \$4.5 million received to date, marking the first phase of Mesa’s opioid settlement fund utilization.

The City Council has emphasized a strategic focus on prevention and education efforts that directly target youth, aiming to reduce future harm and build a healthier, more resilient community.

Alternatives

Without the Opioid Settlement Community Grant, nonprofit organizations would not receive direct funding to provide services focused on reducing opioid impacts. While some services might still exist, they would be limited in scope and lack a focus on youth.

Fiscal Impact

There will be no fiscal impact on the City’s General Fund.

Coordinated With

The City of Mesa's Community Services Department, in collaboration with Maricopa County Public Health, Mesa Public Schools, and public safety partners—including the Mesa Police Department and the Mesa Fire and Medical Department—is actively developing a comprehensive strategy that aligns with City Council's guidance and prioritizes the needs of our community.