



City Council

Date: April 6, 2026
To: City Council
Through: Scott J. Butler, City Manager
Brent Stoddard, Assistant City Manager
From: Jeffrey McVay, Manager of Urban Transformation
Niki Gallegos, Office of Urban Transformation
Subject: Mesa Town Center Improvement District No. 228
Setting Hearing Date to consider FY2026/2027 assessments
District 4

Purpose and Recommendation

The purpose of this report is to provide information for the City Council to set a hearing date to review and consider approval of the 2026-2027 (tax year) Mesa Town Center Improvement District No. 228 assessments. The proposed Fiscal Year (FY) 2026-2027 final assessments do not reflect any rate increase from the previous year.

Staff recommends that the City Council approve the Resolution setting May 18, 2026, as the hearing date for the considering the 2026-2027 Mesa Town Center Improvement District No. 228 assessments.

Background

Pursuant to the provisions of Arizona Revised Statutes 48-571 to 48-619, City Council passed Resolution No. 5617 on October 7, 1985 establishing the Mesa Town Center Improvement District No. 228 to provide enhanced municipal services for the Town Center (see Exhibit "A" Location Map). The Council is required by law to hold an annual public hearing on the assessments to provide the property owners an opportunity to review annual assessments and ensure that the assessment rates have been correctly applied and assessed to their property. The annual hearing is not to address the continuation of the District. On December 8, 2021, City Council approved continuation of the District for an additional five (5) years. The 2021 approval allowed the District to annually assess property owners through the FY 26/27.

Discussion

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The first step in the approval process for the proposed assessments is for the Council to set a hearing date. It is proposed that May 18, 2026, be set as the annual public hearing date for the proposed annual assessments.

On April 7, 2026, a Notice of Hearing on the annual Mesa Town Center Improvement District property assessments will be mailed to all Town Center property owners, as listed on the Maricopa County tax rolls that are currently being assessed. The notice will provide property owners with the FY26/27 property assessment and information on their rights to protest and the procedures they need to follow to do so (see Exhibit "B" for the Notice of Hearing). A Notice of Hearing will also be published in the Arizona Republic for five (5) consecutive days starting on Tuesday, May 12, 2026, through Saturday, May 16, 2026.

Alternatives

One alternative would be for the Council to choose not to assess the Mesa Town Center property owners as outlined under Resolution No. 5617. This would mean that the City would not levy any assessments this year and that the enhanced services being provided by the Downtown Mesa Association (DMA) would be terminated or funded by another funding source, rather than with assessments.

This alternative is not recommended as the DMA provides a valuable service to the downtown area.

Fiscal Impact

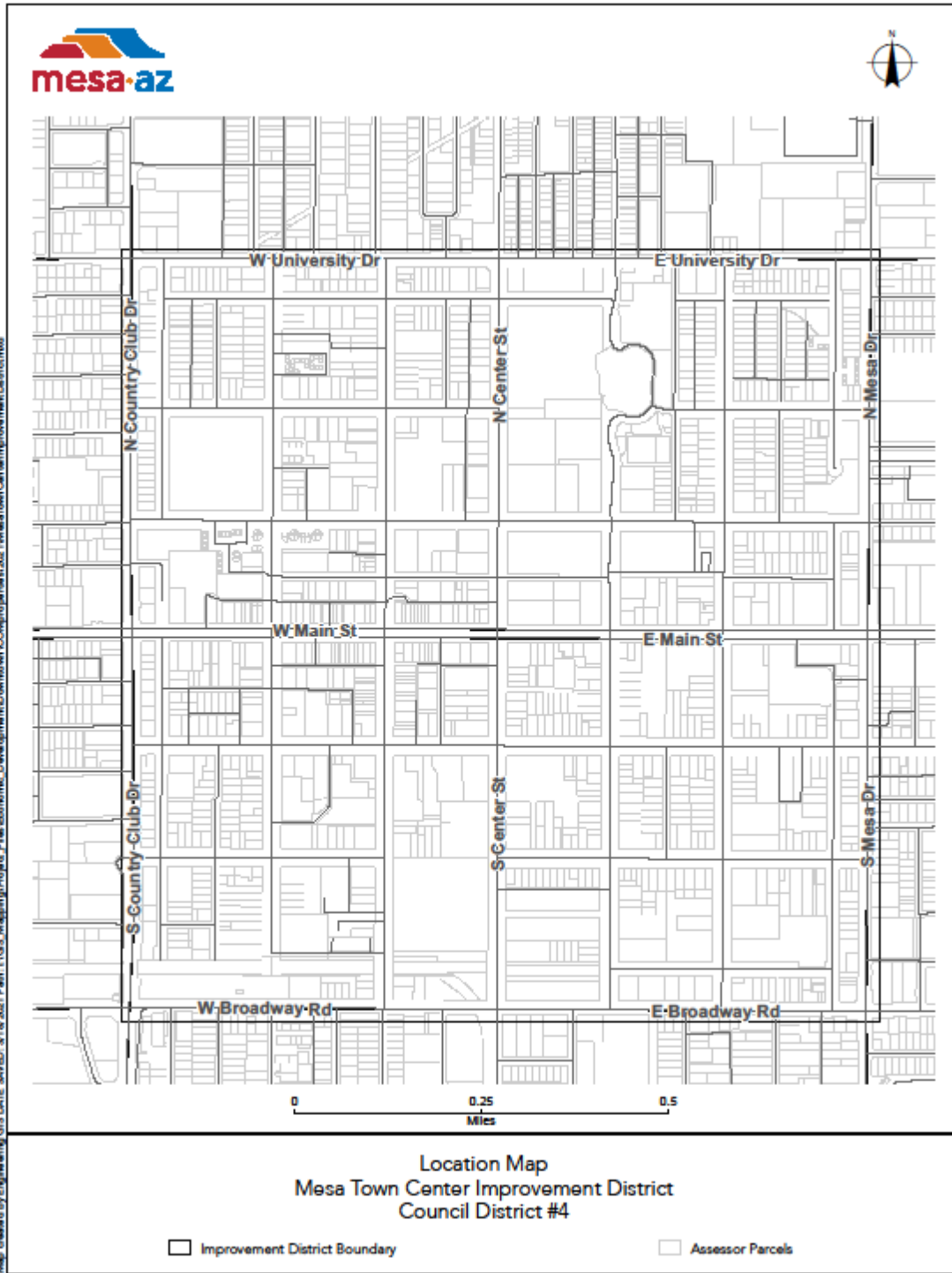
For FY 2026/2027, the Town Center Improvement District will assess approximately 513 parcels. These assessment funds will be provided to the City from Maricopa County, and the City functions as a pass-through of the funds to DMA. The City is also responsible for providing staff time to review and set procedures, record protest(s) received, and provide for the mailing of notices for the Downtown Mesa Association.

Because the City is a governmental agency, it is exempt from paying annual District assessments. However, the City does provide an annual voluntary assessment for enhanced services on City owned land and right-of-way in downtown Mesa, such as litter and graffiti removal, pigeon and weed control, and sidewalk power washing.

Concurrence

The Downtown Mesa Association concurs with this recommendation.

EXHIBIT A TO COUNCIL REPORT



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EXHIBIT B TO COUNCIL REPORT



NOTICE OF HEARING APPROVAL OF 2026-2027 SID 228 DISTRICT ASSESSMENTS

Dear Mesa Town Center Property Owners:

On October 7th, 1985, the Mesa Town Center Improvement District was established by the Mesa City Council to provide enhanced municipal services for the Mesa Town Center. The enhanced municipal services are above and beyond normal City services and have been provided by the Downtown Mesa Association, a non-profit organization that promotes, markets, provides clean and safe services, and overall management the mile square District on behalf of Town Center owners. On December 8th, 2021 the City Council voted to continue the District until 2026/2027.

You are hereby notified that the Mesa City Council will conduct a Public Hearing on May 18th, 2026 regarding the annual assessment for the District. The hearing will be held at the City Council Chambers located at 20 East Main Street, Mesa, at 5:45 p.m. This is not a public hearing for the continuation of the District.

If you wish to object to the approval of district assessments you must submit a written objection to the approval of district assessments to the Mesa City Clerk. Your objection must include the following information: Owner's Name, Property Address, County Assessor Parcel Number of each parcel that is objecting and the basis for your objection. **ALL OBJECTION LETTERS MUST BE SIGNED BY THE PROPERTY OWNER AND NOTARIZED, AND MUST BE RECEIVED BY THE CITY CLERK'S OFFICE NO LATER THAN 12:00PM, MAY 18th, 2026.** Objection letters should be mailed to: Mesa City Clerk, P.O. Box 1466, Mesa, AZ, 85211-1466.

In accordance with City of Mesa Resolution No. 5617, if a majority of the Property Owners (not tenants) entitled to protest the assessment object, then the District will not be assessed. Also, the City Council may decide to approve or disapprove the District assessment on the Council's own initiative.

If you are in need of any additional information regarding this notice, please contact Jimmy Cerracchio, Downtown Mesa Association, 100 N. Center Street, Mesa, AZ 85201, Phone: (480) 890-2613, email: jimmy@downtownmesa.com or Niki Gallegos, City of Mesa, P.O. Box 1466, Mesa, Arizona, 85211-1466, Phone: (480) 644-7136, email: niki.gallegos@mesaaz.gov.

Jeffrey McVay
Manager of Urban Transformation
Mailed: April 7, 2026