

COUNCIL MINUTES

September 17, 2020

The City Council of the City of Mesa met in a Study Session Meeting via a virtual format streamed into the lower level meeting room of the Council Chambers, on September 17, 2020 at 7:33 a.m.

COUNCIL PRESENT

John Giles*
Mark Freeman*
Jennifer Duff*
Francisco Heredia*
David Luna*
Kevin Thompson*
Jeremy Whittaker*

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

(*Council participated in the meeting through the use of video conference equipment.)

Mayor Giles conducted a roll call.

1. Review and discuss items on the agenda for the September 21, 2020 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 agenda: 3-a

2-a. Hear a presentation, discuss, and provide direction on Mesa CARES and federal funding programs and priorities related to COVID-19, including: Operation Off-the-Streets, the Eviction and Foreclosure Prevention program, the allocation of Community Development Block Grant COVID-19 (CDBG-CV) funding, and the second allocation of Emergency Solutions Grant COVID-19 (ESG-CV) funding.

Deputy City Manager Natalie Lewis introduced Assistant Police Chief Ed Wessing and Police Officer and Homeless Coordinator Aaron Raine who displayed a PowerPoint presentation (**See Attachment 1**).

Ms. Lewis provided an overview of the investment of Mesa CARES dollars to date. (See Page 3 of Attachment 1)

Ms. Lewis outlined the three primary goals of the program, the first of which is Immediate Shelter and Safety. She commented this goal is for the safety of the participants as well as the community

to stop the spread of COVID. She stated this goal is key to the program and was a previous gap in the services provided. She continued by saying the second and third goals are Services and Stabilization, and Housing Sustainability. She added these goals are to ensure at the end of the program, people are not released back to the streets but will transition upward and forward. (See Page 4 of Attachment 1)

Ms. Lewis identified three components of the program: Field Work, Human Service, and Judicial. She commented that since May, the Mesa Police Department (PD) has made over 2,600 contacts and cleared six camps. She added a few hotels are being utilized as emergency shelters, and have served 295 people since May, all of whom have received a health screening. She explained there have been 68 negative exits, which are people who did not follow the rules of the program. She reported on the judicial component of the program, and the number of people that have been referred, booked, or graduated from the program. She concluded by saying this is an important component of the program since the judicial system serves as the consequence for bad behavior. (See Pages 5 through 7 of Attachment 1)

Police Officer Aaron Raine commented on the Off the Streets program stating as officers find someone in need, they try to get them to a safe and clean environment to prevent contracting or spreading COVID within the community. He added officers currently contact Community Bridges to provide services; however, prior to this program, officers spent a significant amount of time trying to figure out where to take people for services. (See Page 9 of Attachment 1)

Assistant Police Chief Ed Wessing explained officers were finding significant, out of the way, large-scale camping environments that posed a significant safety concern, not only to those residing there, but to the public as well. He stated the Police Department (PD) simply does not have the ability to manage these situations and by bringing in Transportation, Park Rangers, and Environmental and Sustainability, significant areas were cleared. (See Page 10 of Attachment 1)

Assistant Chief Wessing reported on the property fronting railroad tracks and commented that these areas are a significant health and safety concern with the Fire Department. He added by bringing in other agencies, staff was able to clear entire sections of railroad property that had homeless issues. (See Page 11 of Attachment 1)

Assistant Chief Wessing displayed photos of a homeless area and subsequent cleanup on an Arizona State Route 101 underpass and commented these areas present health and safety concerns. He stated this area could not have been cleared successfully without collaboration with other City departments. He added without the resources to clean up these areas, other homeless would move in within 24 hours. (See Page 12 of Attachment 1)

Assistant Chief Wessing commented staff cleared six significant encampments, one of which was in a water aqueduct. He added during this cleanup, a total of 34 tons of debris was removed. (See Page 13 of Attachment 1)

Ms. Lewis highlighted the next steps of the program which will continue through the end of 2020 using CARES dollars. She added staff will then look at costs to continue the program for the 2021 calendar year.

Ms. Lewis commented on a pre-shelter program that would stabilize individuals, provide housing with the East Valley Men's Shelter, and assist with job search. She explained staff is looking at other types of housing that assists people with social services, connects them to vouchers, and looks for permanent supportive housing. She concluded by saying the intent is to create a phased

or graduated approach to housing to help them stay successful once they have been through the program.

In response to a question from Vice Mayor Freeman regarding the number of park rangers and keeping parks safe for families, Officer Raine explained PD is working to make changes on protocols, possibly having graveyard officers making more contacts in parks and making sure no one is there first thing in the morning.

City Manager Christopher Brady responded by saying there are seven park rangers in the City and one added success is having a camera installed at Pioneer Park to monitor what is happening. He stated staff is working with PD and the Parks Department to procure an additional four cameras to be dispersed throughout City parks.

Assistant Chief Wessing commented on hot spot parks where the community is actively involved, and part of the program to deal with those issues are foot patrols. He reported when officers are not dealing with calls for service, they are patrolling city parks, to be more visible when parks are open, but also when parks are closed which is when encampments pop up. He concluded by saying this will continue to be a focus and part of community engagement efforts across the City.

In response to a question from Vice Mayor Freeman regarding signage for the hotspot areas, Ms. Lewis stated staff is discussing this topic and will research how that has worked in neighboring cities. She said staff will determine what locations have a large amount of panhandling and may partner with the Arizona Department of Transportation on a solution.

In response to a question from Councilmember Thompson related to the Court reopening, Mr. Brady explained the decision to close the courts came from the Superior Court. He stated it is anticipated that the Courts will start to reopen this week. He commented Judge Tatz continues his role in the Community Court and there is a significant backlog the Court has started working on.

Officer Raine explained there is currently a pilot program which is conducting offsite Community Court at shelter locations to mitigate the backlog.

Councilmember Duff stated homeless rates are growing and expected to continue to grow as the eviction moratorium nears. She advised the City is using Mesa CARES funding to house people and the next step is to get them into transitional housing. She added one challenge is finding landlords that are willing to accept Section 8 housing vouchers, so while we have funding, we do not have enough properties.

Councilmember Thompson commented \$4.7 million is a lot to spend on homelessness and that we are not going to be able to fund a way out of homelessness. He asked at what point does taking on homelessness become unsustainable on the budget. He added the City needs to look at it with a holistic view from a regional standpoint.

Mayor Giles explained being homeless is not a crime but unfortunately there is crime related to homelessness. He requested information on whether the City has a zero-tolerance policy on urban camping.

Assistant Chief Wessing confirmed the City has a zero-tolerance policy on urban camping and that the Police Department continues to enforce urban camping across the City and works with property owners to enforce the policy on private property.

Mr. Brady responded by saying the City has allocated significant resources for enforcement overtime in parks which will continue through the rest of the year.

In response to a question from Mayor Giles regarding the number of park rangers, Mr. Brady responded there are seven rangers; however, this program relies on PD since it has the authority to enforce the City Code.

Mayor Giles commented with five to seven park rangers, that leaves two on active duty at any given time, and with a City the size of Mesa and with the number of parks, it would make it difficult for a presence to be felt, especially at a big park. He stated moving forward there should be more park ranger staff available.

Mayor Giles further commented that Mesa should do more to discourage people from using parks as a campground, and added some neighboring cities have a prohibition on providing services in a park, such as food service or human services.

Officer Raine provided information on the Healthy Giving Council which is a regional approach to unhealthy giving and teaches people a different approach.

Mayor Giles expressed the opinion that he would like to see an ordinance similar to the one Phoenix has that regulates giving. He also remarked on attending court at Paz de Cristo with former City Magistrate Matt Tafoya and added the City needs to find innovative ways of keeping the Court open and to go where services are provided.

Mayor Giles thanked staff for the presentation.

Community Services Director Ruth Giese introduced Community Services Deputy Director Mary Brandon and Housing and Community Development Director Michelle Albanese who displayed a PowerPoint presentation regarding the Eviction Prevention Program **(See Attachment 2)**.

Ms. Brandon provided an overview of the Eviction and Foreclosure Prevention programs. She mentioned Save the Family and the City of Mesa Housing Department are administering the programs for rental and mortgage assistance. She reviewed the qualifications needed to be eligible for the Eviction Prevention program. (See Page 2 of Attachment 2)

Ms. Brandon reported the current funding for the Save the Family and City of Mesa Housing Eviction Foreclosure Prevention programs is \$1,400,000. She stated there are 44 applications that have been approved for assistance. She provided comments from individuals and families who have received assistance during COVID-19. (See Page 3 of Attachment 2)

Ms. Brandon reviewed the Eviction Prevention program elements and how the City can make the program more successful while complying with Department of Housing and Urban Development (HUD) regulations. She reported 200 of the 300 applications received for the program are pending approval. She mentioned the Housing Department and Library Services staff are helping applicants gather required documentation to show proof of eligibility for the program. She stated the City is concerned about the amount of evictions and/or foreclosures that will happen when the moratorium expires at the end of the year, and when unemployment benefits decrease. She shared staff has worked on advertising the program in ways such as increasing marketing efforts, press releases, sending emails to community partners, and social media and has provided the advertising in both English and Spanish. She noted if residents do not have access to the internet,

they can call the Mesa Cares hotline and a representative will assist with the application and documentation process. (See Page 4 of Attachment 2)

Ms. Brandon stated the Housing Department created a referral card that can be provided to Mesa businesses and community partners to give out to those in need of assistance. She mentioned the referral card is provided in both English and Spanish. She shared the cards are being included in the resource bags at Mesa's COVID testing sites and in the food boxes. (See Page 5 of Attachment 2)

In response to a question from Councilmember Duff regarding transitional housing, Ms. Brandon announced the Mesa Housing Authority will be administering Tenant-Based Rental Assistance (TBRA) vouchers. She stated the City has been awarded \$900,000 for a two-year rental assistance program. She provided an example of the funding which will assist 25 to 30 families or individuals over a two-year period with rent and utilities.

Ms. Albanese stated a total of \$1,400,000 has been allocated to the Eviction, Foreclosure and Rapid Rehousing programs. She added the City has been awarded additional Emergency Solutions Grant (ESG) and Community Development Block Grant (CDBG) COVID funding to further assist Mesa residents who have been impacted by COVID. (See Page 6 of Attachment 2)

Ms. Albanese provided a brief overview of the funding resources. She stated the City has received an additional \$1,600,000 in CDBG COVID funding. She mentioned with the additional resources, the City has over \$10,000,000 to fund programs and services to address COVID related activities. She presented staff is requesting to allocate \$1,600,000 of additional funding to the existing Eviction Prevention and Rapid Rehousing programs. She noted the funding added to the \$1,400,000 already awarded will provide a total of \$3,000,000 for the programs, which will further assist Mesa residents who are behind on rent, at risk of eviction, or in need of immediate housing. She explained after allocating funding to existing programs, staff recommended soliciting for competitive proposals from agencies for the remaining \$6,900,000, which must be expended by September 30, 2022. (See Page 7 of Attachment 2)

Ms. Albanese inquired about any additional criteria that should be considered specific to COVID related programs and services from Council, since the main priorities are currently eviction prevention, rapid rehousing, and emergency shelter. (See Page 8 of Attachment 2)

In response to a question from Mayor Giles, Mr. Brady explained the dollars from the County are being allocated to A New Leaf and stated City staff will be working with A New Leaf on the funding allocation.

Ms. Lewis commented the main priority of the funding is to allocate \$3,000,000 dollars between the two programs previously presented plus an additional \$6,250,000 that will go to MesaCAN, totaling \$9,250,000 for eviction prevention. She stated the \$6,250,000 is part of the County's Care Dollars, which will have to be spent first. She indicated staff needs Council direction on allocating \$1,500,000 to Operation Off the Streets which will help continue the program through the 2021 calendar year.

Ms. Albanese provided examples of programs and services Council has funded in the past such as navigation services, eviction prevention, rapid rehousing, and emergency shelter services. She explained the CDBG dollars are more flexible if program funding is directly related to the response or prevention of COVID. She reported CDBG dollars could be used for purchasing a hotel, or a facility to house homeless individuals and families, or food boxes.

In response to a question from Mr. Brady, Ms. Albanese reported funding must be spent by September 30, 2022.

Mr. Brady stated some of the CARES dollars received must be spent by the end of December 2020, before spending the remainder of the allocated dollars from the County. He reported the City would like to continue funding the Operation Off the Streets program through the end of 2021 and hoped the Council would support locating additional resources to provide temporary shelters, emergency shelters and hotels. He noted based on resident feedback, food security, housing, and utility assistance is the largest demand, and that he would like to continue providing assistance throughout next year.

Mayor Giles expressed appreciation to the Maricopa County Board of Supervisors for supporting the City and allocating funding to help eviction prevention. He looked forward to seeing a strategic plan on how the City will utilize the dollars through the end of the year and into 2022.

Vice Mayor Freeman commented he would like to see some funding used for the Mesa Police Department and Mesa Fire and Medical Department to utilize for individuals and families that are in search of housing options. He suggested adding transportation to the list of departments that can offer mentorships or employment.

In response to a question from Mr. Brady, Ms. Lewis explained public safety would not be an eligible expense under the Federal HUD guidelines. She commented utilizing transportation to help individuals find mentorships and employment was great feedback and that it would be eligible for funding.

Councilmember Heredia commented he would like to see the rental assistance, utility assistance, and food boxes continue to be a priority for the City of Mesa.

In response to a question from Councilmember Heredia, Ms. Lewis shared the County would like the City to look at poverty levels and use the allocated dollars to help those within the low to moderate income bracket that have been impacted by COVID.

Councilmember Duff commented she appreciated the City programs regarding eviction prevention and homelessness. She expressed concern regarding the shortage of housing with the voucher program, and that the City of Mesa has the highest homeless rates and labor shortages.

In response to a question from Councilmember Duff, Ms. Lewis stated Operation Off the Streets has taught the City many lessons and has helped City staff understand how to not only build a good system, but a system that is cross-departmental, involved in the private sector and non-profits. She mentioned the City is beginning to create the bridge between homelessness and housing.

In response to multiple questions from Councilmember Duff, Ms. Brandon explained if a resident is three months behind on their rent, the City will cover the past due and current month's rent. She stated residents are currently referred to MesaCAN for assistance with utilities but added there is ongoing conversations about combining applications for both rent and utilities.

Councilmember Duff encouraged staff to share the postcards with the faith-based community who also assist Mesa residents.

Councilmember Duff suggested purchasing a hotel property to create a campus that provides wrap around services to help address and assist homelessness.

Councilmember Heredia suggested using part of the funding to ensure the City is properly staffed to assist Mesa residents with the application processes.

Mayor Giles thanked staff for the presentation.

2-b. Hear a presentation, discuss, and provide direction on the Fiscal Year 2021/2022 funding allocation competitive review process and City Council program priorities for the Human Services program and the HUD Community Development Block Grant, Emergency Solutions Grant, and HOME federally funded programs.

Housing and Community Development Director Michelle Albanese displayed a PowerPoint presentation regarding the Housing and Community Development FY 2021/2022 Annual Funding Priorities (**See Attachment 3**). She stated annually the City begins the funding process to solicit proposals for Federal CDBG, HOME Investment Partnership, ESG, and local Human Services funding.

Ms. Albanese reviewed the priorities identified in the public process and the development of the 2020 through 2025 HUD consolidated plan. She stated the priorities identify how the City will utilize federal funding over five years. She reported the City submits a plan annually to HUD that determines programs and services to be funded for a particular year. She added this provides an opportunity for the City to evaluate current community needs, set specific priorities for funding, and identify the types of activities and programs to determine how to allocate funding. She anticipated funding for the next FY cycle will be approximately \$6,500,000. (See Page 2 of Attachment 3)

Ms. Albanese reviewed the funding priorities for FY 19/20. She mentioned the funding priorities for FY 20/21 are similar, but the main focus is to limit the types of activities funded to be consistent with the priorities and to ensure core programs were continually being funded. (See Page 3 of Attachment 3)

Ms. Albanese presented the four main strategic priorities which were identified through evaluation of data and research, survey results and public input for the 2020-2025 consolidated plan. (See Page 4 of Attachment 3)

Ms. Albanese provided examples of the types of programs and services that can be funded under each priority. (See Page 5 of Attachment 3)

In response to a question from Mayor Giles, Ms. Albanese pointed out the education and job training activities would fall under the Human Service activities which are considered Public Service activities.

Mr. Thompson commented there were a lot of individuals who were furloughed or laid off that are having troubles finding work because of the pandemic. He stated those who lost their jobs could benefit from a workforce development program so they can be retrained or earn new skill sets to obtain new jobs.

Councilmember Luna agreed to leveraging some of the funding to support workforce development for those who have been furloughed or laid off. He suggested working with Mesa Counts on

College Director Amy Trethaway and Mesa Community College (MCC) since the infrastructure is already in place for workforce development. He stated some of the COVID dollars could go to covering the tuition costs associated with workforce development. He added the City could look further into funding the Promise Program for the individuals who were laid off and are wanting a college education to help with future employment.

In response to a question from Vice Mayor Freeman, Ms. Albanese responded by stating she could not think of any additional activities, other than what was previously listed and mentioned by Council.

Mr. Brady explained the City will be searching for non-profit partners to allocate the Federal dollars and take on important priorities of the Council that can provide the capacity and administration to deliver on the Federal programs. He stated the challenge the City faces is spending the funding in such a short period of time.

In response to a question from Vice Mayor Freeman regarding transportation funding, Ms. Albanese noted that transportation services do fall under the Human Services type activities and can be considered in several funding categories.

In response to a question from Councilmember Duff, Ms. Albanese shared childcare assistance is an eligible public service activity under Human Services.

Ms. Albanese requested Council consensus on the four categories of programs and services to be funded.

Mayor Giles indicated it is the consensus of the Council that staff move forward with the recommendations.

Mayor Giles thanked staff for the presentation.

2-c. Hear a presentation and discuss the Utility Enterprise Fund forecast and recommended rate adjustments.

Office of Management and Budget Assistant Director Brian Ritschel introduced Budget Coordinator Chris Olvey who displayed a PowerPoint presentation on the Utility Enterprise Fund forecast and rate recommendations **(See Attachment 4)**.

Mr. Ritschel explained the operations of the Utility Enterprise fund. (See Page 2 of Attachment 4)

Mr. Ritschel highlighted the five financial principals used when creating the utility rate forecast. (See Page 3 of Attachment 4)

Mr. Ritschel reviewed the Utility Enterprise Fund Forecast which was created for planning purposes only, with no rate adjustments. He explained this forecast projects smooth adjustment rates and affordable services for customers, but creates an impact on the utilities. (See Page 4 of Attachment 4)

Mr. Ritschel presented an overview of the Utility Enterprise Fund Forecast with balanced net sources and uses, stating four of the five financial principles are met under this plan. He stated the rate adjustments create an impact on customers due to the higher rates. (See Page 5 of Attachment 4)

Mr. Ritschel outlined the Utility Enterprise Fund Forecast with draw down rate adjustments, which is a planning only document, to verify whether the Budget Department is able to decrease the rate adjustments with a 0% increase on residential utilities. (See Page 6 of Attachment 4)

Mr. Ritschel presented the finalized recommended rate adjustments as well as the expenses from each utility department. He mentioned the goal of the utility rate adjustments are to work towards balancing the Net Sources and Uses, while also maintaining 20% in the end reserve balance. He stated having the smoothed rate adjustments throughout the forecast helps the equity between residential and nonresidential rate classes, while maintaining the affordability for customers. (See Page 7 of Attachment 4)

Mr. Ritschel commented the next steps would be to review and move forward with a Notice of Intent, which is on the Council agenda for September 21, 2020. He stated the Notice of Intent is to notify the public of the Public Hearing for utility rate changes in December with an effective date of January 1, 2021. (See Page 8 of Attachment 1)

In response to multiple questions from Mayor Giles, Mr. Ritschel explained the Notice of Intent provides the recommended adjustments and sets the highest rate standard. He stated Council could return and lower the rates which would not affect the Notice of Intent. He continued by stating if Council wanted to raise the rates higher, the Notice of Intent would have to be redone and the 60-day introduction of the ordinance would start over. He mentioned bond rating agencies like to see a high fund balance and a 20% ending reserve balance.

In response to a question from Mayor Giles, Mr. Brady explained bond agencies look at the City's trends along with how the reserve balance is maintained near the 20% balance.

In response to a question from Mayor Giles, Mr. Ritschel reported Budget Department staff worked with Utility Department staff, who put together statistics on growth patterns, permits, breaking ground, and consumption of utilities. He added staff reviewed the expenditure side which included commodity costs, debt service payments, and other operating type expenses. He shared the City has had significant growth in utility usage for commercial and residential users.

Mayor Giles indicated support for moving forward with the utility rate adjustments.

Councilmember Thompson expressed concern with residential users carrying the burden of wastewater instead of commercial users. He suggested putting more of the cost of wastewater on commercial users versus residential users because of the more conservative appliances in residential homes.

In response to a question from Councilmember Thompson, Mr. Brady mentioned the percentages of wastewater for residential and nonresidential are based on different rates. He commented the City is trying to create equity between the residential and nonresidential based on the demand on the overall system.

Councilmember Duff raised concerns about the City's recycling program.

In response to a question from Councilmember Duff, Mr. Brady commented there will be a presentation brought to Council in the near future about recycling alternatives. He explained the facility previously used for a majority of the City's recycling burned down roughly one year ago, and the other recycling partner cancelled their contract. He stated the City is working with Arizona

State University (ASU) and other groups to possibly establish a separation facility and/or work with partnering cities who already have an established recycling plant. He added another option would be waiting for the previously burned facility to be back up and running again, but there is no timeline as to when that would take place.

Environmental Management and Sustainability Department Director Scott Bouchie reported the challenges faced with the green and blue waste barrels was a combination of not having a facility for recyclable materials, and increases in materials as a result of COVID. He shared the City is collecting more material today than in the past, and in an attempt to reduce pressures on time and personnel, the blue and green barrels were combined. He reported the department brought back quality assessment (QA) inspectors to start checking for contamination in barrels.

In response to multiple questions from Councilmember Duff, Mr. Bouchie clarified there is currently a contract for the green barrel waste, but since COVID began the tipping fees for barrels and roll off dumpsters has increased. He pointed out the green barrel waste gets used as both compost material and alternative cover for the landfill. He mentioned the City is working with ASU on what it will cost to have a recycling program and to ensure the materials are being recycled properly.

Mayor Giles thanked staff for the presentation.

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

3-a. Audit, Finance and Enterprise Committee meeting held on August 27, 2020.

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

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Luna-Thompson-Whittaker

NAYS – None

Carried unanimously.

4. Current events summary including meetings and conferences attended.

Councilmember Duff – Downtown Mesa Association Board meeting

Councilmember Luna – Luncheon – Mesa Chamber of Commerce
i.d.e.a. Museum planning meeting
Falcon Field Tenant meeting

Councilmember Thompson – Eastmark Fire Station – Groundbreaking ceremony

5. Scheduling of meetings.

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

Saturday, September 19, 2020, 9:00 a.m. – COVID-19 testing and Flu Shots Event at Longfellow Elementary

Thursday, September 21, 2020, 5:15 p.m. – Study Session

Thursday, September 21, 2020, 5:45 p.m. – Regular Meeting

6. Adjournment.

Without objection, the Study Session adjourned at 10:15 a.m.

JOHN GILES, MAYOR

ATTEST:

DEE ANN MICKELSEN, 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 17th day of September 2020. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

jg (Attachments – 4)



Purpose of today's presentation:

- Program Updates
- Council Direction
- New federal funding sources

Operation Off-the-Streets Mesa City Council Meeting September 17, 2020



Assistant Police Chief Ed Wessing
Deputy City Manager Natalie Lewis
Homeless Resource Coordinator Aaron Raine



20/21 Homeless Service Resources Allocated

Examples:

- \$1.5m operation off the streets
- \$1.5m regional project set aside
- \$1.7+m --added shelters, rapid rehousing, support services

\$ 4,772,005



Mesa CARES

Off-the-Streets

Program Goals

Immediate Shelter & Safety

Services & Stabilization

Housing Sustainability



Off-the-Streets Results (to date)

Field Work

2661 Police Contacts
and Referrals

6 camps cleared, 2 had
environ/hazard disposals

No crime increase
at/near emerg. shelter



Mesa CARES

Off-the-Streets Results (to date)

Human Service

295 Served (to date)

All Health Screened

89 (to date)
Off the Streets!



Mesa CARES

Off-the-Streets Results (to date)

Judicial

537 people referred
to Comm. Court

387 Booked/jail/felony

6 Comm. Court
'Graduates'



Need all three components to
meet health and safety goals

Field Work

Human Service

Judicial

Immediate Shelter & Safety

2661 Police Contacts
and Referrals

185 Sheltered

537 people referred
to Comm. Court

Service & Stabilization

6 camps cleared, 2 had
environ/hazard disposals

All Health Screened

387 Booked/jail/felony

Housing Sustainability

No crime increase
at/near emerg. shelter

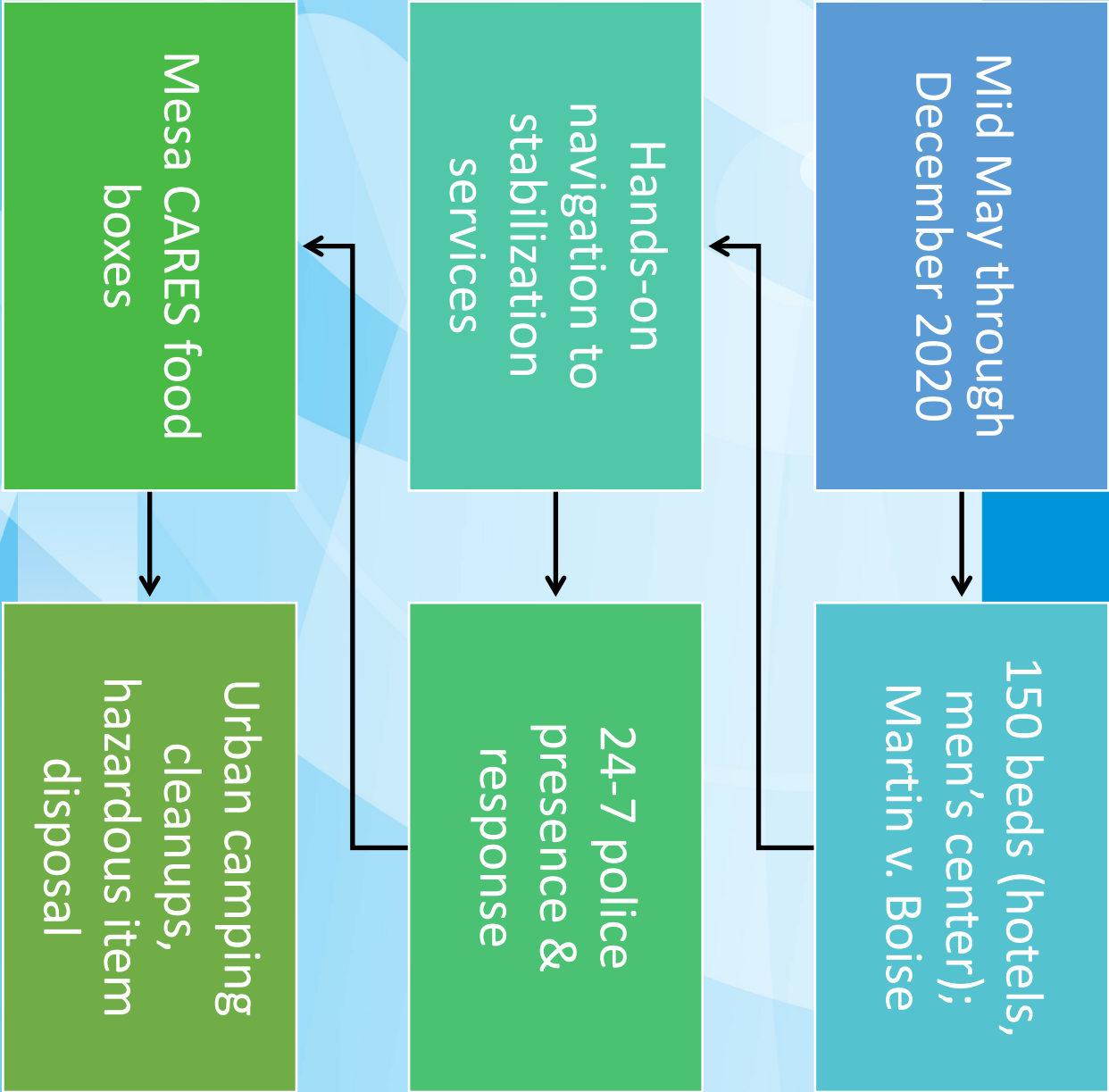
89 (to date)
Off the Streets!

6 Comm. Court
'Graduates'



Off the Streets

What program includes
and how it works today.



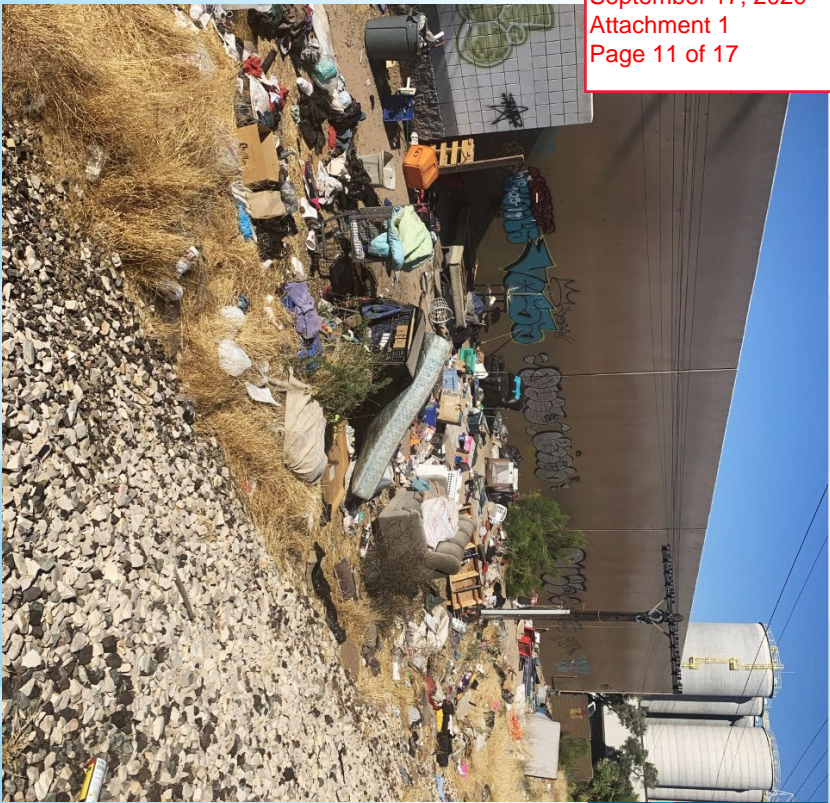


Mesa CARES

Off-the-Streets

Evergreen Park





Railroad Tracks



101/202 Underpass



Encampments

- Six camps completely cleared
- Two of the sites had hazardous item disposals
- Total 34 tons of debris removed





Thank you!
Transportation, Park Rangers,
Environmental



Off-the-Streets




Thank you!
Mesa PD



Mesa CARES

Off-the-Streets


Next Steps



Continuing Operation off the streets through 2020.



Considering costs/resource needs for CY 2021 program continuation.



Looking at new concept of graduated housing.

- Current 'gap' – housing for our success stories.
- Option(s) will be brought back to City Council.

Questions?



Mesa CARES

Assistant Police Chief Ed Wessing
Deputy City Manager Natalie Lewis
Homeless Resource Coordinator Aaron Raine

Eviction & Foreclosure Prevention Program Update



Ruth Giese, Community Services Director

Mary Brandon, Community Services Deputy Director

Michelle Albanese, Housing & Community Development Director



Mesa CARES

EVICTIION & FORECLOSURE PREVENTION PROGRAMS





Mesa CARES

EVICTIION & FORECLOSURE PREVENTION PROGRAMS





Mesa CARES

EVICTIION & FORECLOSURE PREVENTION PROGRAMS





EVICTIION & FORECLOSURE PREVENTION PROGRAMS

REFERRAL CARD



CITY OF MESA
Eviction and Foreclosure Prevention Program
Due to COVID-19

The City of Mesa is accepting applications for the Eviction and Foreclosure Prevention Program. The online application, eligibility requirements and questions can be found on our website at www.mesaaz.gov/evictionprevention.

City of Mesa Eviction Prevention hotline at 480-644-5440 or evictionprevention@mesaaz.gov,
or
AzRelay 7-1-1 for those who are deaf or hard of hearing.



CIUDAD DE MESA
Programa De Prevencion De Desalojos y Ejecuciones
Hipotecarias Debido a COVID-19

La Ciudad de Mesa esta aceptando solicitudes para el Programa de Prevencion de Desalojos y Ejecuciones Hipotecarias. La solicitud en linea, los requisitos de elegibilidad y las preguntas se pueden encontrar en nuestro sitio web en www.mesaaz.gov/evictionprevention.

La Linea Directa de Prevencion de Desalojos de la Ciudad de Mesa es 480-644-5440 o evictionprevention@mesaaz.gov, o
AzRelay 7-1-1 para personas sordas o con problemas de audicion.





Mesa CARES

EVICTIION & FORECLOSURE PREVENTION PROGRAMS





Mesa CARES

SEEK COUNCIL APPROVAL

- | | |
|-----------------------------|---------------------|
| To be allocated: | \$ 4,052,229 |
| • Operation off the Streets | \$ 1,500,000 |
| • Rapid Rehousing | \$ 300,000 |
| • Competitive proposals | \$ 2,252,229 |

- | | |
|-------------------------|--------------------|
| To be allocated: | \$6,046,017 |
| • Eviction Prevention | \$1,300,000 |
| • Competitive proposals | \$4,746,017 |

ESG-CV-2

CDBG-CV



Mesa CARES

NEXT STEPS

- Competitive proposal process for COVID funding with a priority focus on:
 - Eviction prevention
 - Rapid rehousing
 - Emergency shelter
- Future Study Session - Present COVID funding recommendations to City Council
- Consent agenda - Request approval of a substantial amendment approving COVID awards



Mesa CARES

QUESTIONS?

www.MesaAZ.gov/evictionprevention
(480) 644-5440

HOUSING & COMMUNITY DEVELOPMENT

FY 2021/2022 ANNUAL FUNDING PRIORITIES

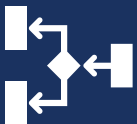


September 17, 2020
MICHELLE ALBANESE
HOUSING AND COMMUNITY DEVELOPMENT DIRECTOR

FY 21/22 ANNUAL FUNDING PROCESS



Carry out Consolidated Plan Priorities



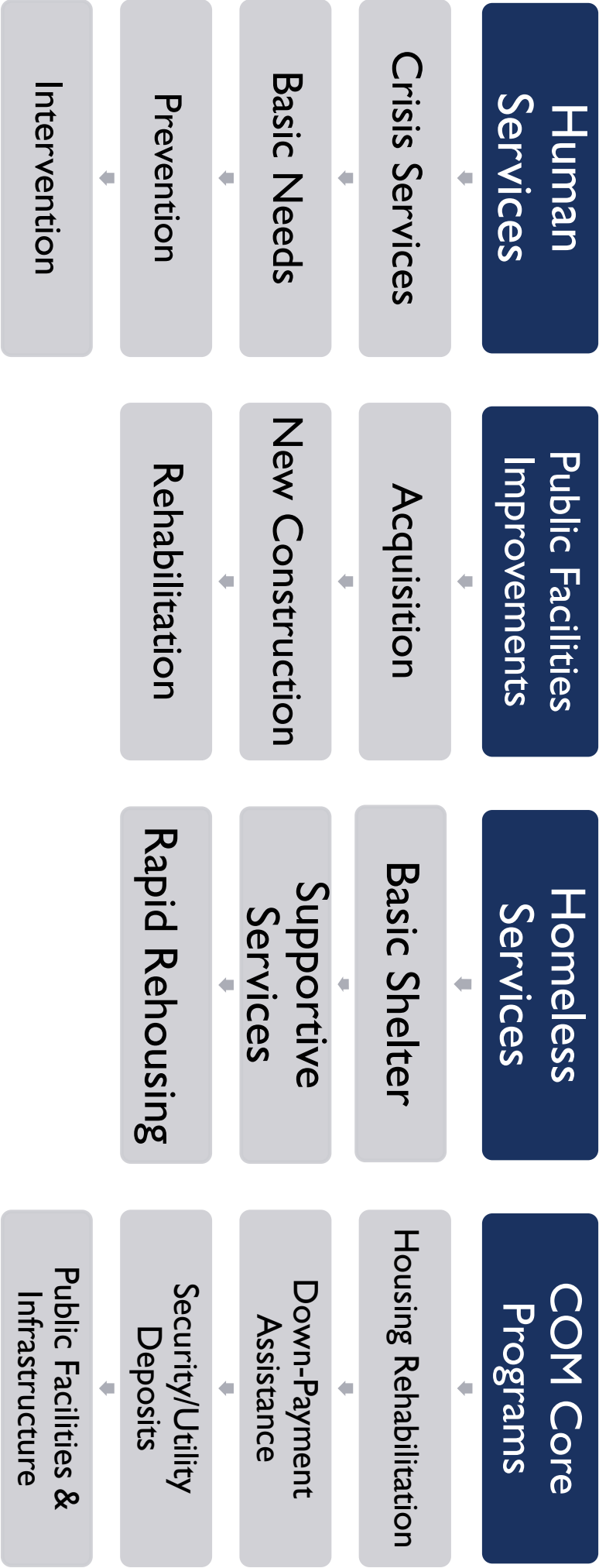
Seek proposals for services to address community needs



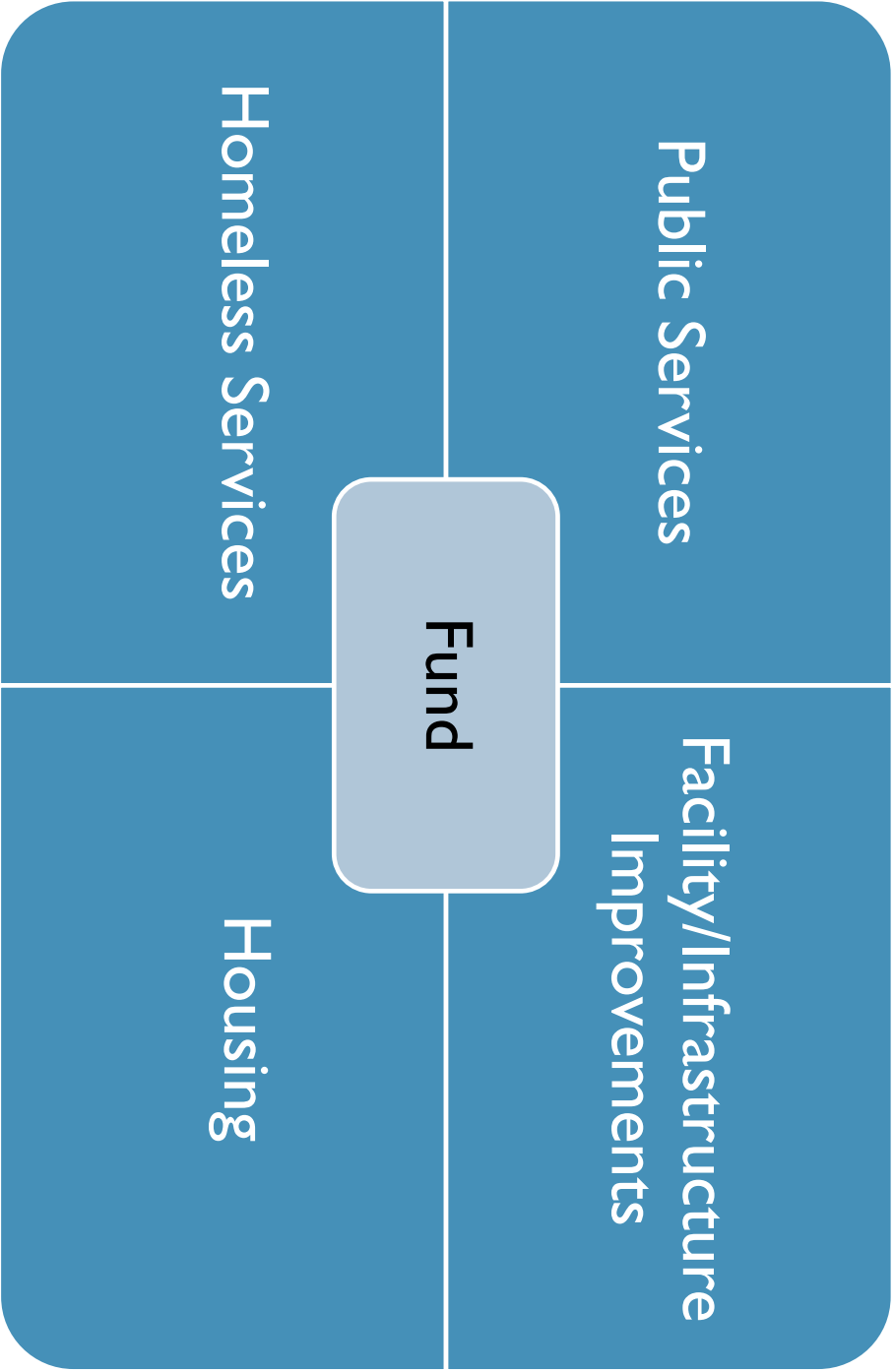
Evaluate and fund activities



FY 19/20 FUNDING PRIORITIES



STRATEGIC PRIORITIES



PROGRAMS AND SERVICES



- Human Service Activities**
- Public Facilities & Infrastructure**
- Homelessness Strategies**
- Access to Variety of Housing**



Social Services
Youth & Senior Services
Support Services



Facilities Improvements
Infrastructure Upgrades
Community Facilities



Eviction prevention
Rapid Rehousing
Street Outreach
Permanent/Supportive
Housing



Housing Rehabilitation
Housing Development
Rental Assistance Programs
Down Payment Assistance

PREVIOUS YEAR'S ACCOMPLISHMENTS



Dollars Expended

Persons Served



\$3.5m

27,535

PREVIOUS YEAR'S ACCOMPLISHMENTS



**Food Boxes
Distributed**



Meals Served



121,000

68,500

PREVIOUS YEAR'S ACCOMPLISHMENTS



**Homes
Rehabilitated**



**Utility/Rent
Deposits**



**32
Homes**

**129
Families**



HOUSING & COMMUNITY DEVELOPMENT FY 2021/2022 ANNUAL FUNDING PRIORITIES

QUESTIONS

September 17, 2020
MICHELLE ALBANESE
HOUSING AND COMMUNITY DEVELOPMENT DIRECTOR

City of Mesa

FY 2020/21

Utility Enterprise Fund forecast and Rates Recommendations

City Council Study Session

September 17, 2020

Presented by:

Brian A. Ritschel – Management & Budget Assistant Director

Chris Olvey – Management & Budget Forecast Coordinator

Utility Enterprise Operations

- Each utility is operated as a separate business center
- Reserve balance can be used to smooth rate adjustments year-to-year
- Reserve balance can be used to phase in new programs or changes in operations

Financial Principles

- **Balanced net sources and uses**
- **20% or higher reserve fund balance**
- **Rate adjustments that are predictable and smoothed throughout the forecast**
- **Equity between residential and non-residential rates**
- **Affordable utility services**

Utility Enterprise Fund Forecast: No Rate Adjustments

For Planning Purposes Only

☒

Balanced Net S&U

☒

20% Fund Balance

☒

Smoothed Adjustments

☒

Equity Res. & Non-Res.

☒

Affordable Services

As of 08/16/2020	FY 20/21 Projected	FY 21/22 Forecast	FY 22/23 Forecast	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast
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WATER	(\$170,094)	(\$4,984,116)	(\$7,460,577)	(\$6,779,287)	(\$13,052,033)	(\$15,116,050)
WASTEWATER	(\$13,491,202)	(\$12,754,447)	(\$13,146,817)	(\$15,845,832)	(\$16,714,813)	(\$17,843,866)
SOLID WASTE	\$3,725,506	\$963,766	\$1,394,272	(\$393,794)	\$875,847	\$1,013,800
ELECTRIC	\$1,386,515	\$152,000	(\$454,956)	(\$1,400,619)	(\$1,419,666)	(\$2,023,613)
NATURAL GAS	\$1,958,550	(\$1,057,181)	(\$2,253,111)	(\$3,333,798)	(\$3,238,758)	(\$3,729,172)
DISTRICT COOLING	(\$251,566)	(\$110,159)	(\$156,107)	(\$150,469)	(\$238,691)	(\$390,925)

TOTAL NET SOURCES AND USES	(\$6,842,292)	(\$17,790,137)	(\$22,077,297)	(\$27,903,799)	(\$33,788,113)	(\$38,089,827)
Beginning Reserve Balance	\$135,470,845	\$128,628,553	\$110,838,417	\$88,761,120	\$60,857,321	\$27,069,207

Ending Reserve Balance	\$128,628,553	\$110,838,417	\$88,761,120	\$60,857,321	\$27,069,207	(\$11,020,619)
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Ending Reserve Balance Percent*	31.6%	26.7%	20.9%	14.0%	6.1%	-2.4%
*As a % of Next Fiscal Year's Expenditures						
WATER Residential	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
WATER Non-Residential	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
WASTEWATER Residential	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
WASTEWATER Non-Residential	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SOLID WASTE Residential	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SOLID WASTE Commercial	4.00%	2.00%	2.00%	2.00%	2.00%	2.00%
SOLID WASTE Rolloff	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
ELECTRIC Residential - svc charge only	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ELECTRIC Non-Residential - svc charge only	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GAS Residential - svc charge only	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GAS Non-Residential - svc charge only	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Utility Enterprise Fund Forecast:

FY 25/26 Balanced Net Sources & Uses

For Planning Purposes Only

☒

Balanced Net S&U

☒

20% Fund Balance

☒

Smoothed Adjustments

☒

Equity Res. & Non-Res.

☒

Affordable Services

As of 08/17/2020	FY 20/21 Projected	FY 21/22 Forecast	FY 22/23 Forecast	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast
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WATER	\$596,627	(\$1,048,693)	(\$205,484)	\$3,935,297	\$1,237,726	\$2,764,980
WASTEWATER	(\$12,984,174)	(\$10,092,584)	(\$8,207,513)	(\$8,515,511)	(\$6,908,221)	(\$5,422,729)
SOLID WASTE	\$4,028,650	\$1,904,900	\$3,175,091	\$2,272,961	\$4,473,500	\$5,591,629
ELECTRIC	\$1,526,727	\$574,495	\$310,320	(\$288,041)	\$44,675	(\$203,048)
NATURAL GAS	\$2,310,474	\$4,995	(\$311,780)	(\$476,115)	\$536,357	\$979,911
DISTRICT COOLING	(\$251,566)	(\$110,159)	(\$156,107)	(\$150,469)	(\$238,691)	(\$390,925)

TOTAL NET SOURCES AND USES	(\$4,773,261)	(\$8,767,045)	(\$5,395,474)	(\$3,221,879)	(\$854,653)	\$3,319,819
Beginning Reserve Balance	\$135,470,845	\$130,697,584	\$121,930,539	\$116,535,065	\$113,313,186	\$112,458,533
Ending Reserve Balance	\$130,697,584	\$121,930,539	\$116,535,065	\$113,313,186	\$112,458,533	\$115,778,352

Ending Reserve Balance Percent*	31.7%	28.7%	26.5%	25.1%	24.1%	24.1%
*As a % of Next Fiscal Year's Expenditures						
WATER Residential	2.50%	2.50%	2.50%	2.50%	2.50%	1.50%
WATER Non-Residential (usage only)	5.00%	5.00%	5.00%	5.00%	5.00%	3.00%
WASTEWATER Residential	4.00%	4.00%	4.00%	4.00%	4.00%	3.50%
WASTEWATER Non-Residential	4.00%	4.00%	4.00%	4.00%	4.00%	3.50%
SOLID WASTE Residential	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
SOLID WASTE Commercial	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%
SOLID WASTE Rolloff	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
ELECTRIC Residential - svc charge only	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
ELECTRIC Non-Residential - svc charge only	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
GAS Residential - svc charge only	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
GAS Non-Residential - svc charge only	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50

Utility Enterprise Fund Forecast: Draw Down Rate Adjustments

For Planning Purposes Only

☒ Balanced Net S&U

☒ 20% Fund Balance

☒ Smoothed Adjustments

☒ Equity Res. & Non-Res.

☒ Affordable Services

As of 09/02/2020	FY 20/21 Projected	FY 21/22 Forecast	FY 22/23 Forecast	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast
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WATER	\$110,345	(\$3,500,265)	(\$4,730,057)	(\$660,073)	\$3,064,956	\$9,745,324
WASTEWATER	(\$13,302,523)	(\$11,743,589)	(\$11,289,256)	(\$11,837,790)	(\$6,301,740)	(\$1,836,899)
SOLID WASTE	\$3,709,462	\$925,069	\$1,600,988	\$3,385,365	\$8,088,403	\$11,071,572
ELECTRIC	\$1,477,744	\$518,976	\$277,620	(\$249,856)	\$194,584	\$39,036
NATURAL GAS	\$2,182,874	(\$306,296)	(\$903,006)	(\$1,200,341)	(\$185,021)	\$288,757
DISTRICT COOLING	(\$251,566)	(\$110,159)	(\$156,107)	(\$150,469)	(\$238,691)	(\$390,925)

TOTAL NET SOURCES AND USES	(\$6,073,664)	(\$14,216,264)	(\$15,199,817)	(\$10,713,165)	\$4,622,492	\$18,916,864
Beginning Reserve Balance	\$135,470,845	\$129,397,181	\$115,180,917	\$99,981,100	\$89,267,935	\$93,890,427
Ending Reserve Balance	\$129,397,181	\$115,180,917	\$99,981,100	\$89,267,935	\$93,890,427	\$112,807,291

Ending Reserve Balance Percent*	31.6%	27.5%	23.0%	19.6%	19.8%	22.9%
*As a % of Next Fiscal Year's Expenditures						
WATER Residential	0.00%	0.00%	0.00%	9.00%	9.00%	0.00%
WATER Non-Residential (usage only)	4.00%	4.00%	4.00%	11.00%	11.00%	4.00%
WASTEWATER Residential	0.00%	0.00%	0.00%	11.00%	11.00%	0.00%
WASTEWATER Non-Residential	3.50%	3.50%	3.50%	11.00%	11.00%	3.00%
SOLID WASTE Residential	0.00%	0.00%	0.00%	8.00%	8.00%	0.00%
SOLID WASTE Commercial	3.50%	2.00%	2.00%	2.00%	2.00%	2.00%
SOLID WASTE Rolloff	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%
ELECTRIC Residential - svc charge	\$1.00	\$1.50	\$2.00	\$2.50	\$2.50	\$2.50
ELECTRIC Non-Residential - svc charge	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
GAS Residential - svc charge	\$0.25	\$0.50	\$0.75	\$1.00	\$1.00	\$1.00
GAS Non-Residential - svc charge	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00

Utility Enterprise Fund Forecast: FY 20/21 Recommended Rate Adjustments

As of 09/08/2020	FY 20/21 Projected	FY 21/22 Forecast	FY 22/23 Forecast	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast
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- ☒ Balanced Net S&U
- ☒ 20% Fund Balance
- ☒ Smoothed Adjustments
- ☒ Equity Res. & Non-Res.
- ☒ Affordable Services

WATER	\$430,158	(\$1,882,070)	(\$1,748,628)	\$1,644,732	(\$1,812,306)	(\$738,851)
WASTEWATER	(\$13,020,598)	(\$10,282,065)	(\$8,486,135)	(\$8,642,281)	(\$6,864,876)	(\$5,106,376)
SOLID WASTE	\$3,709,462	\$1,106,445	\$2,281,696	\$1,280,248	\$3,377,725	\$4,387,995
ELECTRIC	\$1,449,220	\$428,351	\$184,489	(\$344,983)	\$97,774	(\$58,289)
NATURAL GAS	\$2,182,874	(\$306,296)	(\$903,006)	(\$1,200,341)	(\$185,021)	\$288,757
DISTRICT COOLING	(\$251,566)	(\$110,159)	(\$156,107)	(\$150,469)	(\$238,691)	(\$390,925)
TOTAL NET SOURCES AND USES	(\$5,500,449)	(\$11,045,795)	(\$8,827,691)	(\$7,413,095)	(\$5,625,395)	(\$1,617,690)
Beginning Reserve Balance	\$135,470,845	\$129,970,396	\$118,924,601	\$110,096,910	\$102,683,815	\$97,058,420
Ending Reserve Balance	\$129,970,396	\$118,924,601	\$110,096,910	\$102,683,815	\$97,058,420	\$95,440,730

Ending Reserve Balance Percent*	31.6%	28.1%	25.2%	22.8%	20.9%	20.0%
*As a % of Next Fiscal Year's Expenditures						
WATER Residential	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
WATER Non-Residential (usage only)	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
WASTEWATER Residential	3.50%	3.50%	4.50%	4.50%	4.50%	4.50%
WASTEWATER Non-Residential	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
SOLID WASTE Residential	0.00%	2.00%	2.00%	2.00%	2.00%	2.00%
SOLID WASTE Commercial	3.50%	2.00%	2.00%	2.00%	2.00%	2.00%
SOLID WASTE Rolloff	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%
ELECTRIC Residential - svc charge	\$1.00	\$1.50	\$2.00	\$2.50	\$2.50	\$2.50
ELECTRIC Non-Residential - svc charge	\$0.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
GAS Residential - svc charge	\$0.25	\$0.50	\$0.75	\$1.00	\$1.00	\$1.00
GAS Non-Residential - svc charge	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00

Schedule for FY 2020/21 Utility Rates Adjustment Recommendation

- Sept 21** – City Council Action on Notice of Intent
- Nov 16** – Introduce Utility Rate Ordinances
- Dec 1** – City Council Action on Utility Rates
- Jan 1** – Effective date for Utility Rate changes



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