



COUNCIL MINUTES

April 30, 2020

The City Council of the City of Mesa met in a Study Session via a virtual format streamed into the lower level meeting room of the Council Chambers, on April 30, 2020 at 7:36 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
Agnes Goodwine
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 May 4, 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 consent agenda: None

In response to a question posed by Councilmember Thompson regarding Item 5-a, **(Approving and authorizing the City Manager to enter into an Intergovernmental Agreement with the Arizona Department of Transportation for the construction and maintenance of the State Route 24 eastbound bridge over Ellsworth Road as well as the City of Mesa enhancements and roadway elements necessary for the connection to State Route 24. (District 6))**, on the Regular Council meeting agenda, Transportation Department Director RJ Zeder stated there are two pieces to the agreement; an appropriation of \$6.5 million that was added to the State budget for the City of Mesa, which the City has to pay back to the Arizona Department of Transportation (ADOT), and \$5 million coming from Maricopa Association of Governments (MAG) that was originally dedicated to Mesa arterial streets which has been transferred over for bridge construction. He remarked the City's net out-of-pocket will be just over \$2.2 million and the rest of the funds are coming from either the State of Arizona or MAG.

In response to a question posed by Councilmember Duff regarding Item 8-a, **(Take action on the tentative adoption of the following proposed FY2020/2021 budget)**, on the Regular Council meeting agenda, City Manager Christopher Brady stated the proposed budget does take into account the ordinance that was passed restricting the transfer to the General Fund. He explained Agenda Item 2-d will go over the forecast for the budget.

2-a. Hear a presentation, discuss, and provide direction on proposed funding allocations of \$1,130,033 in Emergency Solutions Grant-Corona Virus (ESG-CV) funds to provide services to prevent and respond to the spread of infectious diseases for homelessness, and to prevent homelessness in Mesa due to COVID-19 impacts. The proposals are recommended based on local community assessment information as well as the HUD-issued guidance policy.

Housing and Community Development Director Michelle Albanese displayed a PowerPoint presentation, reminding Council that last week the funding recommendations for the City's annual allocation of federal Community Development Block Grant (CDBG), HOME, and Emergency Solutions Grant (ESG) were approved. She advised today she will be providing an overview of additional ESG-CV funds, which will be received through the Coronavirus Act. **(See Attachment 1)**

Ms. Albanese explained the purpose of the ESG-CV funding is to prevent, prepare for, and respond to the coronavirus disease for persons or families who are homeless or receiving homeless assistance. She emphasized stimulus dollars must be allocated to programs and services to ensure the most vulnerable populations have immediate access to housing facilities for hand washing, medical treatment, and safe places to quarantine. (See Page 2 of Attachment 1)

Ms. Albanese advised that the list of eligible uses for ESG-CV funding include providing emergency rent and utility payments, hotel vouchers, emergency shelter, street outreach, transportation for medical care, and supplies. She stated the ESG-CV funds will assist providers with costs beyond the budgeted dollars to address the impact to the community from the virus. (See Page 3 of Attachment 1)

Ms. Albanese continued by saying that Mesa CARES was created to assist in surveying residents and non-profit organizations to determine the most critical needs. She identified housing, food, and rental assistance as the highest need, which is consistent with the Housing and Urban Development (HUD) highest need categories. (See Page 4 of Attachment 1)

Ms. Albanese reported the City of Mesa is anticipated to receive approximately \$2.6 million in ESG-CV funds. She described the first allocation from HUD will be \$1,133,000 and is expected to be awarded within 30 days of the CARES Act enactment, and the remainder within 90 days. She mentioned the criteria for funding must be specific to COVID-19 related activities, focusing on the at-risk population and homeless prevention for Mesa-based residents. (See Page 5 of Attachment 1)

Ms. Albanese listed the three specific categories for funding as homeless prevention, rapid rehousing and emergency shelter, and gave examples of each category. She added the City received 10 applications with a total request of approximately \$2.3 million. (See Page 6 of Attachment 1)

In response to a question posed by Councilmember Thompson regarding whether there are any wraparound services included under the rapid rehousing category, Ms. Albanese advised there

are several wraparound services available, like substance abuse counseling, job preparation, medical assistance, among others, to provide a more holistic approach.

In response to a question from Councilmember Luna asking which agencies have applied for the ESG-CV funding, Ms. Albanese answered A New Leaf, Central Arizona Shelter Services (CASS), Child Crisis Arizona, Chicanos Por La Causa, Chrysalis, Community Bridges, House of Refuge, Mesa United Way and Save the Family. She advised the non-profits that staff will be recommending for funding are A New Leaf, Mesa United Way, Community Bridges and Save the Family.

In response to a question from Councilmember Duff regarding the difference between the request and the amount recommended for funding, Ms. Albanese stated homeless prevention is a prioritization right now, which is why additional funding has been recommended for prevention. She reported the organizations who have been recommended for funding have strong community ties and staff will reach out to see if those organizations have the capacity to absorb the additional funding. She mentioned the funding would go to Save the Family because they are the only agency that has applied; however, a second round of funding will be opened for more applications.

Mr. Brady advised that Save the Family was the only agency that applied for the homeless prevention category, which is an area identified with the greatest need. He remarked that outside the HUD dollars, Mesa has received CARES dollars which are eligible for homeless sheltering during the pandemic. He mentioned the City has approached A New Leaf and Save the Family, which are the largest non-profits that work with Mesa, to explore the possibility of acquiring hotels to increase the capacity to shelter the homeless during the pandemic.

Councilmember Duff expressed her appreciation that the City is putting a lot of emphasis on homeless prevention because of the likelihood that homeless numbers will rise due to the pandemic.

Mayor Giles reviewed his understanding of the difference between the homeless prevention funding and the amount requested, stating he is anxious to acquire and put to use some of the unused hotel properties, but is not anxious for the City to own and operate the facilities. He continued by saying he agrees with funding third-party agencies to operate the program. He stated he would like to have discussions on whether the City should retain title to the properties to maintain control.

Mr. Brady declared that homeless prevention is a high priority for Mesa; however, the ESG-CV funding has a specific direction, and the dollars used for housing homeless in hotels would be coming from a different pot of funds with more flexibility. He explained with guidance from Treasury, staff will determine whether the best scenario is to have the City, or a non-profit own the asset.

Ms. Albanese gave an overview that the proposed ESG-CV funding and commented it will provide an emergency subsidy to approximately 16 households for overdue rent, late fees, current and late utilities, as well as stabilizing existing housing for individuals and families. She indicated the housing prevention programs are to help individuals who may have lost their jobs or are not making the same salary as they were pre-pandemic to prevent them from becoming homeless.

In response to a question from Vice Mayor Freeman regarding whether the funds will be available again next year, Ms. Albanese stated that Mesa receives an allocation of ESG funding every year and approximately \$327,000 in ESG funding has been allocated for Fiscal Year (FY) 20/21.

Mr. Brady commented the ESG-CV funding are supplemental dollars in response to the pandemic and are not a part of the normal cycle. He continued by saying the way decisions are made on awarding the additional funding has changed tremendously by giving flexibility to move quickly to get the assistance out to the community.

Ms. Albanese outlined the different sources and amounts the City is utilizing to address homelessness and homelessness prevention, adding the total City support is approximately \$6 million. (See Page 8 of Attachment 1)

Ms. Albanese highlighted the community impact for homeless prevention which estimates that 4,800 individuals or families will be assisted; 200 individuals or families will be assisted under rapid rehousing for six to nine months; 1,143 individuals, 152 families, and 359 teens will be assisted with emergency shelter; 4,900 individuals will be assisted with outreach and crisis; and 169,250 meals or other services will be provided. (See Page 9 of Attachment 1)

In response to a question posed by Mayor Giles regarding whether the \$6 million includes everything that Mesa is doing, Mr. Brady anticipated the City will be spending three or four times more than the \$6 million already outlined on feeding Mesa programs, the Mesa CARES homeless sheltering program, and other programs. He mentioned staff have already approached Save the Family and A New Leaf to partner with Mesa and provide wraparound services. He stated as funding becomes available and new programs emerge, updates will be provided to Council.

Mayor Giles emphasized Mesa's obligation to the community is to be transparent on the allocation of the funding.

Ms. Albanese advised that Housing and Urban Development (HUD) has relaxed some of the regulatory requirements on the maximum amount of dollars that can be used for public services so the City will be able to invest more money into homeless and meal services.

It was moved by Councilmember Luna, seconded by Councilmember Thompson, that Council approve staff recommendations.

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Luna-Thompson-Whittaker
NAYS – None

Carried unanimously.

2-b. Hear a presentation, discuss, and provide direction on funding recommendations for the fiscal year 2020/2021 Human Services Program.

Ms. Albanese displayed a PowerPoint presentation and explained one of the eligible activities under the Coronavirus Relief Fund (CRF) is to support food security programs. **(See Attachment 2)**

Ms. Albanese identified the human service agencies the City is recommending for funding. She listed the United Food Bank, Aster Aging, Inc., and Arizona Brainfood are programs that fall under the food service agencies. (See Pages 2 and 3 of Attachment 2)

Ms. Albanese presented the total dollars allocated for funding to each agency under Human Services and CRF. (See Page 4 of Attachment 2)

Mr. Brady stated the identified programs are eligible to receive funding from Mesa CARES, and in the upcoming weeks the actual amounts going to support these programs will be much greater. He added the Mesa CARES funding must be spent by December 31, 2020 and will not be available next year, which is the reason for splitting the allocations coming from the General Fund and the CRF.

Vice Mayor Freeman commented he likes the platform presented because each agency meets the needs of different age groups. He mentioned his conversation with United Food Bank's executive director and how the need for food is exploding in the community.

Councilmember Thompson advised he would like to see a portion of the funding go to the House of Refuge because they help families transition into self-sufficiency and they do a tremendous job in the community.

Mayor Giles explained his understanding that House of Refuge was on the initial list for funding and that the City was looking for ways to use the additional money that could be transferred over from the CARES Act.

Mr. Brady indicated previous guidance from Council was to identify agencies specifically related to food security because that program is clear under the federal guidelines for Mesa CARES funding as an eligible program to reduce the amount coming from the General Fund. He advised Council that two full-time Parks & Recreation employees have been repositioned to work at House of Refuge and \$200,000 was given to Midwest Food Bank who provides meals to House of Refuge to distribute to their clients.

In response to a question from Councilmember Thompson regarding whether the City will be reimbursed for staffing at the House of Refuge with CARES Act funding, Mr. Brady reported that it is anticipated the City will be reimbursed for those dollars.

Mayor Giles clarified the Human Services funding that Council previously acted on is still in place and the additional funding from the CARES Act allowed further funding to be allocated for the food programs presented.

Mr. Brady emphasized there was no action on the Human Services fund as a program; however, action was taken on the CDBG, ESG and HOME funds. He agreed the idea is not to change any of the programming that has already gone through the process except for the ones that were identified as eligible for Mesa CARES funding. He stated the changes are to use the CARES dollars to cover the cost through December and then the General Fund will pick up the expenses from January to June 2021.

Councilmember Whittaker thanked staff for the quick response in allocating available dollars given the current economic state.

Mayor Giles agreed with the direction of staff in moving programs over to the CARES Act to assist non-profits.

It was moved by Councilmember Luna, seconded by Vice Mayor Freeman, that Council approve the updated funding recommendations.

Upon tabulation of votes, it showed:

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

NAYS – None

Carried unanimously.

2-c. Hear a presentation, discuss, and provide direction on an update on the Mesa CARES program, focusing on the Mesa CARES Small Business Assistance and Reemergence Program.

Mr. Brady reported the Small Business Reemergence Program is in the process of being built and the challenge is to come up with a plan quickly and pull programs together that are not typically in the City's wheelhouse. He mentioned the timing is critical as far as bringing the economy back in Mesa, as well as what the Governor is working on for the State, to bring another phase into the Mesa CARES Program that focuses on small businesses. He continued by saying there is an urgency to get applications out and disperse the funding quickly.

Mr. Brady introduced Assistant Economic Development Director Jaye O'Donnell who displayed a PowerPoint presentation to update Council on the City of Mesa's response to COVID-19 and introduce the Mesa CARES Small Business Reemergence Program. **(See Attachment 3)**

Ms. O'Donnell stated approximately six weeks ago companies began to be affected when the executive order was issued, and that is when the Economic Development staff pivoted their focus on business outreach by launching a needs assessment, interviewing businesses, and encouraged businesses to complete the Business Impact Survey. She reported a one-stop business website portal has been developed to provide valuable information for individuals recently unemployed and for prospective employees. (See Page 2 of Attachment 3)

Ms. O'Donnell explained while waiting for official guidelines, staff has been busy planning, preparing, and developing a relief program for Mesa businesses. She confirmed that the CARES Act funds may only be used to cover costs that are necessary expenditures incurred due to the public health emergency between March 1 and December 30, 2020. (See Page 3 of Attachment 3)

Ms. O'Donnell commented the Business Impact Survey closes today and to date there have been 450 responses. She shared the results from the survey thus far, adding the greatest need is rental and utility relief. She explained the biggest stress is the unknown of when businesses will be allowed to reopen. She stated staff has processed the data received so far and are working hard to create a meaningful program that will provide financial and technical assistance, and marketing support. (See Pages 4 through 6 of Attachment 3)

Ms. O'Donnell advised that small businesses are the backbone of Mesa's economy, estimating there are approximately 12,000 in Mesa with the majority having less than 50 employees. (See Page 8 of Attachment 3)

Ms. O'Donnell pointed out the businesses hardest hit by the pandemic are retail, restaurants, and hospitality related. She discussed the restaurant payroll in the state has gone from \$14 million per day to \$3 million, and the hotel business has been decimated. (See Page 9 of Attachment 3)

Ms. O'Donnell declared the goal of the Mesa CARES Program is to help as many Mesa-based businesses as possible by providing meaningful assistance. She emphasized the program will

prioritize assistance for businesses who did not receive any CARES Act funding and businesses who were mandated to close or forced to significantly modify their operations due to the executive order. She remarked funds will be distributed directly to businesses quickly, efficiently, and within the guidelines of the CARES Act. (See Page 10 of Attachment 3)

Ms. O'Donnell stated the recommendations are to make the Small Business Reemergence Program a grant program focusing on businesses with a physical address in Mesa, have been in business for at least 12 months, and did not receive CARES Act funding. She noted the awards will be based upon demand and the amount of available funding. (See Page 11 of Attachment 3)

Ms. O'Donnell described the Small Business Reemergence Program as a relief and recovery program to cover or reimburse expenses during the pandemic. She reported the intent is to help businesses with planning as they reopen and make changes per the social distancing guidelines. She stated the grant will cover monthly utility or rent payments up to 90 days beginning on March 1, 2020. (See Page 12 of Attachment 3)

Ms. O'Donnell reviewed the online application process, stating verification documents will need to be uploaded with the application. She commented the Mesa CARES Call Center will be available to answer questions and help with the process in both English and Spanish. She detailed that the goal is to make the awards and deploy the grants no later than July 1, 2020. (See Page 13 of Attachment 3)

In response to a question from Councilmember Luna regarding minority-owned businesses, Ms. O'Donnell advised that applicants were not asked in the survey whether they were minority owned, but that staff has heard businesses owned by minorities have been affected and the program is geared towards those businesses. She affirmed the structure of the program was to assist businesses who have not received any funding. She continued by expressing the importance of getting the program online quickly; however, staff will need some time to market to eligible businesses.

Mr. Brady added the application process will be open for two weeks and the program will be promoted beginning the week before and throughout the application period. He emphasized staff will be working with the Hispanic Chamber of Commerce, the Mesa Chamber of Commerce, and others to get the word out.

In response to a question posed by Councilmember Luna, Ms. O'Donnell advised there are ongoing discussions surrounding options for taking the application other than online.

Councilmember Luna indicated he would promote the program next week in the Small Business Symposium via Facebook Live in Spanish to make sure all minority communities are aware of the programs available.

In response to a series of questions from Vice Mayor Freeman regarding the amount of funding being allocated to the program, Mr. Brady estimated from the \$90 million, approximately 20% has been set aside for the Small Business Reemergence Program, but will have a better idea after the application process to get a sense of the demand. He explained right now the City is identifying the needs and then will allocate the dollars based on need. He offered committing to the first round to see the number of applications received and the demand before adding a second round.

In response to a question from Councilmember Heredia regarding the types of businesses that are seeking assistance, Ms. O'Donnell stated there was a mix of industries, including restaurants,

construction, retailers, developers, as well as others, adding she feels there will be a strong demand from restaurants seeking assistance.

Councilmember Heredia encouraged proactive outreach efforts to minority small business owners to let them know about the program and assist them through the process.

Ms. O'Donnell advised through the process of branding the Asian District, a strong network of contacts and partnerships have been established, and staff will continue to reach out through other departments to leverage contacts.

Councilmember Thompson expressed the opinion that the focus needs to stay on helping all small businesses reemerge from the pandemic without racial preference to get Mesa's economy going again.

Councilmember Duff pointed out that according to the Center for Responsible Lending (CRL), a high percentage of minority-owned business have no chance of obtaining a Paycheck Protection Program (PPP) loan through a mainstream bank or credit union. She suggested adding a gender and ethnicity question on the application to better support microbusinesses that have fewer than 25 employees to provide a greater impact because the federal programs and grants are more difficult to obtain. She expressed concerns regarding the accountability of the business once they have received the money to prove they have followed the terms and conditions. She requested a quicker timeline in dispersing the funds and using a Community Development Financial Institution (CDFI) like Local Initiatives Support Corporation (LISC). She elaborated that the City will be remembered mostly for the help provided to the community during this time of crisis.

Mr. Brady explained that staff is trying to simplify the application and award process so the funds can be distributed quickly, adding his belief that the City is in a better position to allocate the funding and have the staff available to assist in getting these programs started. He mentioned the distinction of the businesses will be by size and expenses, and the intention is to reach down to even the smallest business.

Ms. O'Donnell advised the goal of the program is to be able to intake the client; and if the City is unable to assist financially, there will be technical assistance and other resources available through partnerships that the City has for a more streamlined approach.

In response to a question posed by Councilmember Duff regarding whether the City will be working with partners or will be handling the program internally, Mr. Brady indicated the City will be using the underutilized overhead to keep costs low and allows the accountability that is needed. He stated non-profits can be eligible partners if they meet the criteria of being impacted by COVID.

Ms. O'Donnell explained if the applications are open on May 11 for two weeks, with another week set aside for a review period, the anticipation would be the funds being dispersed in early June. She presented two categories of applicants being those businesses who did not apply for a Small Business Administration (SBA) loan and those businesses who applied and are still waiting. She stated when the application is accepted, a letter will be sent to reiterate the agreement and the pledge that the business will be reopening and will be using the money for rent or utilities.

In response to a question from Councilmember Duff, Ms. O'Donnell confirmed Economic Development is already providing counseling services to assist businesses in finding resources based on their needs. She advised as a second pillar, the City would like to contract with

consultants, academic institutions, and other vendors to provide a broad range of assistance to businesses.

In response to a question posed by Councilmember Duff regarding whether there is a program to help with utilities, Mr. Brady remarked the Small Business Reemergence Program is the program that will help businesses with rent or mortgage and utilities. He mentioned the City has made the decision not to cut off any utility accounts due to a delinquency and the accounts will not be accruing any late fees.

In response to a question from Councilmember Thompson regarding whether Economic Development is situated to help the small businesses or whether the City should bring in a third party to help navigate this program, Ms. O'Donnell indicated the City utilizes partnerships currently, but have pivoted key staff to focus primarily on small businesses. She pointed out the website www.selectmesa.com has a litany of services and resources available, the City publishes a resource guide that is free and downloadable, as well as a number of other services that are free of charge. She stated the City is relying heavily on its partners to provide subject matter expertise in accounting, information technology, human resources, website development due to the unprecedented number of calls and businesses who need assistance during the pandemic.

Mr. Brady explained discussions have taken place with Southwest Gas and Salt River Project to join with the City of Mesa in facilitating utility assistance. He added Economic Development has a good relationship with the business community and will continue to do outreach in Mesa while relying on its partners to help beyond rental, mortgage, and utility assistance to ensure the businesses come out of this stronger than before.

Councilmember Whittaker voiced his concern about discriminating against a small business owner based on their race or ethnicity, stating the requirements of the program should be based on the economics of the business. He questioned whether it is legal to put a question on the application asking for such information.

City Attorney Jim Smith expressed some federal legislation provides preference points to minority-owned or women-owned businesses; however, he is unaware of those types of factual basis findings or language within the CARES Act, and the City has not included that type of provision in the process to avoid any potential challenges.

In response to a question posed by Councilmember Whittaker regarding whether there will be a clawback provision in the agreement if the business receives PPP money at a later date, Mr. Brady commented that if there are multiple rounds of funding it will be difficult to manage enforcement if a business receives PPP money. He added language could be added suggesting the need to pay back Mesa if federal funding is received. He advised the goal is to stretch the dollars and provide relief to as many people as possible while focusing on the smaller organizations.

Councilmember Whittaker suggested adding language stating if PPP is received at a later date the money needs to be returned. He mentioned Notre Dame Federal Credit Union has a simple application process and is funding within five to seven days.

In response to a question from Councilmember Whittaker regarding a link to the survey for businesses, Ms. O'Donnell stated the link is on the front page of www.selectmesa.com under COVID assistance. She explained home-based businesses were not included because of their structure and the fact that overhead expenses are hard to differentiate.

Mr. Brady reported the next program staff will begin working on is the Household Relief Program and that home-based businesses would fit better under that program, adding the City has to be careful how utility assistance is provided from the Treasury standpoint.

Councilmember Whittaker recommended having a checkbox to distinguish between a physical location or a home-based business, at which point a formula can be used to determine whether the business qualifies for assistance.

In response to a question from Councilmember Whittaker regarding whether publicly traded companies will be excluded, Mr. Brady remarked the Small Business Reemergence Program is limited to rent, mortgage, and utility assistance to ensure the dollars are spent locally.

In response to a question posed by Councilmember Whittaker, Ms. O'Donnell replied the application has a question to specify the type of business, but there is no requirement in terms of revenue of the company, adding eligibility is tied more to the number of employees. She expanded by saying the application can be fine-tuned; however, the City should be careful about precluding Mesa-based companies who need the assistance.

Mr. Brady informed Councilmember Whittaker that the current application does not exclude publicly traded companies, but staff could explore that option. He stated the emphasis is to help local businesses stay open.

Ms. O'Donnell continued by saying some corporate businesses may be independently owned franchises, like hotels, that have let most of their staff go and have no revenue coming in.

Councilmember Whittaker voiced his opinion that the City should not be subsidizing wealthy people and any steps that can be put in place to ensure the funding is going to the intended recipients should be taken.

Vice Mayor Freeman indicated his support for the current process staff has been working on by repurposing employees to help manage the program and keeping it within the City for auditing purposes. He proposed adding a notice in the utility bill, on Facebook and other platforms to get the information out to the community.

In response to a question posed by Councilmember Duff, Ms. O'Donnell explained the process will be to look at the most recent utility bill after March 1 to calculate the three-month allotment. She stated at this time the process will be to send the business a check and under the terms and conditions they must pledge to use the dollars for the intended assistance.

Councilmember Duff expressed her desire to have the funding go to small businesses with employees under 50 because the larger businesses have more opportunities, and the possibility of using Community Development Block Grant (CDBG) funds to assist minority businesses.

In response to a question posed by Mayor Giles regarding whether there is a cap on the size of the business, Ms. O'Donnell advised at this time there is not a cap, and that staff designed a draft decision matrix that may include the size of the company by the number of employees, which has not been finalized. She added it is difficult to come up with those parameters until staff knows the demand for the program.

Mr. Brady proposed sending the application out to every business with the caveat if the business has already received PPP or is a publicly traded company that will disqualify them from receiving funding.

Mayor Giles stated the decision matrix implies there is still subjectivity within the loan application that will be reviewed by City staff to determine whether the information provided by the applicant qualifies them for funding.

Mr. Brady agreed with Mayor Giles and stated after determining the demand, staff will be creating tiers of benefits for each group. He advised staff will bring the breakdown to Council to show the justification for awards.

Mayor Giles confirmed the best option is to determine the demand and then make decisions on the awards. He indicated support for working with third parties in terms of outreach; however, is leery of using a third party to administer the program. He agreed with the advice given by Councilmembers on ways to improve safeguards in the program to avoid double funding from the City of Mesa and the Federal Government. He suggested capping the award and writing the check directly to the creditors rather than to the business owner. He reported that 70% of the businesses that were surveyed indicated that COVID has significantly impacted their business or are at risk of going out of business. He added there is an urgency in not delaying assistance.

Mr. Brady commented that staff will attempt to push the funding out faster than July 1.

It was moved by Councilmember Luna, seconded by Councilmember Thompson, directing staff to move forward with the Small Business Reemergence Program.

Upon tabulation of votes, it showed:

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

NAYS – None

Carried unanimously.

Mayor Giles thanked staff for the presentation and acknowledged staff's efforts in getting the program up and running quickly.

2-d. Hear a presentation, discuss, and provide direction on the 2020/21 fiscal year budget summary, adoption process, and financial forecast.

Councilmember Thompson requested that Agenda Item 2-d be continued until Monday's Study Session.

Mr. Brady concurred with Councilmember Thompson's request, adding that the 2020/21 fiscal year budget has been rolled over from the current year's budget with some added items to create a placeholder to allow the opportunity to come back to Council every three to four months as more information about the COVID impact becomes available and to meet the State Statute requirements. He mentioned City departments have already been asked to make plans for adjustments to their budgets.

Mayor Giles affirmed without objection, Agenda Item 2-d will be continued to the May 4, 2020 Study Session.

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

3-a. Audit, Finance and Enterprise Committee meeting held on March 5, 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.

Mayor Giles – Digital Summit on Downtown Mesa – Facebook Live
Celebrated 100th birthday of Pearl Harbor Veteran

Councilmember Luna – Hispanic Elected Local Officials Meetings
Civil Air Patrol Blood Drive at Falcon Field
Business Alliance Webinar

Councilmember Duff – Mesa United Way – Waist Up Dress Up Zoom Party
Digital Summit on Downtown Mesa – Facebook Live

3. Scheduling of meetings.

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

Monday, May 4, 2020, 5:00 p.m. – Study Session

Monday, May 4, 2020, 5:45 p.m. – Regular Meeting

Mr. Brady announced the Mesa CARES initiative to collect canned food items begins Saturday, May 2, 8:00 a.m. to 12:00 p.m., at the Red Mountain Multigenerational Center, and will continue at locations throughout the City. He stated the slogan is “You CAN make a difference,” and encouraged everyone to donate to the cause.

4. Adjournment.

Without objection, the Study Session adjourned at 10:09 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 30th day of April 2020. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

la
(Attachments – 3)