

# COUNCIL MINUTES

June 10, 2004

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on June 10, 2004 at 7:40 a.m.

## COUNCIL PRESENT

Mayor Keno Hawker  
Rex Griswold  
Kyle Jones  
Tom Rawles  
Janie Thom  
Claudia Walters  
Mike Whalen

## COUNCIL ABSENT

None

## OFFICERS PRESENT

Mike Hutchinson  
Debbie Spinner  
Barbara Jones

(Items on the agenda were discussed out of order, but for purposes of clarity will remain as listed on the agenda.)

Mayor Hawker excused Councilmember Rawles from the remainder of the meeting at 9:22 a.m. at the conclusion of Council action on agenda item 2c.

Vice Mayor Walters excused Mayor Hawker from the remainder of the meeting at 9:32 a.m. prior to Council consideration of agenda items 3 and 5 through 9.

1. Hear, discuss and consider a presentation by representatives of the Greater Phoenix Economic Council (GPEC).

City Manager Mike Hutchinson noted that GPEC representatives are invited to update the Council each year on their accomplishments and plans for the future. He noted that the City's contract with GPEC would be included for consideration on the June 21<sup>st</sup> Regular Council agenda. Mr. Hutchinson introduced Paul Ringer, Senior Vice President of GPEC.

Mr. Ringer stated that GPEC's mission is to attract quality jobs to the region and to encourage the improvements required in order to attract the following targeted industries:

- Advanced business services.
- Aerospace.
- Bio-industry.
- Life services.
- High tech and software.

Mr. Ringer advised that 13 Valley communities, Maricopa County and 130 private investors share the cost of the \$3.9 million program. He provided an overview of GPEC's activities, some of which include: marketing, business development, and improving the Region's competitive position. Mr. Ringer added that the cost for the City of Mesa to participate with GPEC is now 39 cents per capita compared to a cost of 50 cents per capita 15 years ago. He referred to the publication, "Investing in GPEC – City of Mesa Benefits" (a copy is available for review in the City Clerk's Office), which outlines Mesa's return on investment as a result of participating in GPEC.

In response to comments by Councilmember Griswold, Mr. Ringer advised that the City of Mesa's Economic Development staff played a critical role in GPEC's efforts during the past year, and he added that GPEC's success is the result of a team effort.

Mayor Hawker stated the opinion that as a result of the freeway construction and the potential of the Falcon Field and Williams Gateway employment areas, Mesa is poised to experience greater benefits from GPEC membership. He expressed support for continuing the relationship with GPEC.

Discussion ensued relative to the fact that GPEC's efforts resulted in six companies locating in Mesa since 1999; that GPEC is able to attract businesses that might not otherwise consider Mesa; that the State of Arizona is not well-positioned to offer the types of incentives that are necessary in the current market; that GPEC's role is to provide current market information to the cities and site information to the business sector; that all businesses interested in relocating to the Valley seek incentives; and that GPEC could serve as a leader in addressing the issue of incentives.

Mayor Hawker thanked Mr. Ringer for the update.

2. Discuss and consider the following budget issues:

- a. Funding for TeleCommUnity Alliance membership.

Mayor Hawker noted that the TeleCommUnity Alliance membership fee has been reduced from \$20,000 to \$2,000 per year.

Assistant to the City Manager Jim Huling explained that the \$2,000 fee is based on the 2000 census figures, and he added that the \$20,000 fee reflected a "governing" membership due to the fact that former Vice Mayor Dennis Kavanaugh was instrumental in organizing the Alliance and served as Vice Chairman of the organization. He added that former Vice Mayor Kavanaugh also represented the City on the National League of Cities' (NLC) Telecommunications Committee, which is actively involved in formulating national legislation, policy and strategy. Mr. Huling noted that because former Vice Mayor Kavanaugh no longer serves on the Council, staff recommends that the City's membership be changed to the "participating" form at the lower cost.

Discussion ensued relative to the fact that membership through the Maricopa Association of Governments (MAG) might be a more appropriate and cost-effective approach; that the Alliance plans to review their membership fee structure; that staff will obtain a list of members and a breakdown of the number of participating and governing memberships; that former Vice Mayor

Kavanaugh could provide information on the organization's accomplishments; and that an important area addressed by the organization is the impact on local governments as a result of the transition from analog to digital communication systems.

Council Assistant Saul Larsen reported that the NLC participates with the TeleCommUnity Alliance in bi-weekly meetings, and that the Alliance focuses on specific issues.

Mayor Hawker advised that the Alliance is active relative to the 800 Megahertz radio communications, and he noted that the issue is critically important to the City of Mesa. He expressed the opinion that this issue alone justifies the \$2,000 membership fee.

It was moved by Vice Mayor Walters, seconded by Councilmember Whalen, that the City of Mesa continue membership in the TeleCommUnity Alliance at the participating membership fee level of \$2,000 for the current budget year.

Councilmember Jones stated that while attending a recent NLC meeting, he observed a meeting of the Communications Committee, which included substantial input by TeleCommUnity Alliance representatives. He expressed support for continuing the City's membership in the Alliance.

Councilmember Griswold expressed opposition to the motion because of budget constraints, and he stated the opinion that the efforts of the NLC were sufficient to address the issue.

Mayor Hawker called for the vote.

Upon tabulation of votes, it showed:

AYES - Hawker-Jones-Walters-Whalen  
NAYS - Griswold-Rawles-Thom

Mayor Hawker declared the motion carried by majority vote.

Mayor Hawker thanked staff for the presentation.

b. Funding for enhancement of the School Resource Officer Program.

Vice Mayor Walters declared a potential conflict of interest and stated that she would refrain from discussion/participation in this agenda item.

Mr. Hutchinson stated that the City of Mesa and Mesa Public Schools have a history of cooperation in many areas. He advised that the School Resource Officer (SRO) Program began several years ago as a grant-funded program. Mr. Hutchinson added that the program is both effective and expensive. He stated that police officers work four 10-hour shifts, which is a schedule adopted by the City in order to remain competitive with other Valley agencies. He further stated that staff's recommendation is that the program be manned nine hours a day, five days a week and that officers be provided the option to receive overtime pay or compensatory time.

Police Chief Dennis Donna stated that the Council Report includes a history of the program and a projection of the SRO Program costs for the next five years. He added that a police presence in the high schools and junior high schools has enhanced security and created positive relationships with the administrators, students and parents, which also enabled the police to solve a number of criminal cases.

Mr. Hutchinson explained that the cost projection anticipates that the availability of grants would decrease over time.

Mayor Hawker noted that when grant funding is utilized to establish programs, the City is responsible for continued funding when the grants are terminated. He expressed concern regarding the City's long-term funding obligation for the SRO Program.

Councilmember Griswold stated that there is a noticeable difference in the activities that occur at schools when a School Resource Officer is present. He suggested that an officer be assigned to work one day a week at five different schools in order to provide coverage. He noted that this practice would also familiarize the person with each school and in the event of an opening, a trained officer would be available to fill the position.

Discussion ensued relative to the fact that the trust and strong relationship that the SRO develops with the students and school administrators is extremely important; and that SRO's are provided to Gilbert schools located in the City of Mesa.

In response to a question from Councilmember Thom, Assistant Police Chief Les Portee explained that SRO's based at Junior High Schools are able to address the issues of drugs and gang involvement during the student's formative years. He advised that the preventative aspect of the SRO Program has resulted in decreased drug and gang activity at west Mesa schools.

Responding to a question from Councilmember Thom, Chief Donna explained that in the early years of the SRO Program, officers were reluctant to leave a position that entailed a four ten-hour day schedule. He noted that officers who have been in the program for a number of years strongly support the program and believe that their efforts make a difference. Chief Donna added that other officers might prefer to take a different career path.

Additional discussion ensued relative to the fact that the five nine-hour day schedule was proposed by the SRO's; that the compensatory time accumulated by the SRO's enable them to be off during school holidays and vacation periods, which substantially reduces the true cost to the City; and that the SRO's are assigned to other areas during the summer recess.

David Eagleburger, representing the Mesa Public Schools, stated the opinion that the school environment is much safer because of the presence of School Resource Officers.

Further discussion ensued relative to the fact that SRO's also serve the surrounding neighborhoods, that student parking in the neighborhoods is a continual problem; that nine hours a day enables the SRO to be on site prior to the arrival of students and to remain on site until the students leave in the afternoon; and that the proposed schedule saves \$400,000 over the four ten-hour day schedule.

It was moved by Councilmember Whalen, seconded by Councilmember Griswold, that staff's recommendation for the enhanced School Resource Officer Program be approved.

Upon tabulation of votes, it showed:

AYES - Hawker-Griswold-Jones-Rawles-Thom-Whalen  
NAYS - None  
ABSTAIN - Walters

Mayor Hawker declared the motion carried unanimously by those voting.

Mayor Hawker thanked staff and Mr. Eagleburger for the presentation.

- c. Funding to initiate implementation of the recommendations of the Fiesta Super Regional Retail District Revitalization Strategy.

Mr. Hutchinson reviewed the history of the Fiesta Mall, and he noted the negative impact on Fiesta Mall's business when the Chandler Fashion Mall and Arizona Mills opened. He stated that a goal of the City's economic development effort is to assign individuals to specific areas of the community in order to gain expertise and understanding of the neighborhood and the existing needs. Mr. Hutchinson explained that the structure would be similar to that of Neighborhood Services, which has proven to be very successful. He reported that his proposed budget includes funding to add a position that would implement the recommendations outlined in the final report of the recently completed study entitled, "Revitalization Strategy for the Fiesta Mall Area Super Regional Retail District." Mr. Hutchinson advised that several Councilmembers requested that the proposal for the position be discussed as a separate agenda item.

Vice Mayor Walters stated that many non-essential items have been eliminated from the budget that would be "nice to have." She expressed the opinion that the proposed position is essential because the Fiesta Mall area contributes a large amount of sales tax revenue to the City, and she added that efforts to partner with and maintain existing business areas are as equally important as the efforts to attract new businesses.

It was moved by Vice Mayor Walters, seconded by Councilmember Whalen, that the Council approve staff's recommendation to continue the funding to add one full time employee to the Economic Development staff in order to address the Fiesta Mall area.

Councilmember Whalen concurred with the comments of Vice Mayor Walters. He expressed the opinion that funding this position represents a small amount of money relative to the potential for future investment in the area.

Councilmember Thom stated the opinion that the private sector has the ability to solve their own problems, and she advised that she would not support hiring City staff to implement revitalization activities that can be addressed by individual businesses.

Councilmember Griswold noted the importance of the area to the City of Mesa. He expressed support for the Fiesta Mall project, but he advised that he would not support adding a full-time position. Councilmember Griswold suggested that a member of the Town Center staff be assigned to the Fiesta Mall project.

In response to a question from Councilmember Rawles, Mr. Hutchinson confirmed that the study results were shared with many of the stakeholders.

Councilmember Rawles stated the opinion that many of the actions proposed in the report can be accomplished by the area businesses and do not require City involvement. He expressed support for Councilmember Griswold's recommendations, and he also stated that he would support allocating \$25,000, \$5,000 for printing the report and \$20,000 to address public infrastructure improvements.

Mayor Hawker advised that he participated in several meetings with the Fiesta Mall area business community as the report was being prepared. He stated that the owners were focused on the survival of their businesses, and he expressed the opinion that the owners do not have the resources that are required to coordinate a two-mile revitalization project. He further stated the opinion that the businesses are welcoming City involvement and coordination.

Discussion ensued relative to the fact that additional areas in the City may require redevelopment efforts in the future; that a "redevelopment overlay" can expand a redevelopment area and provide property tax abatement and Federal assistance to property owners; and that Arizona is one of the few states that does not facilitate a Business Improvement District (BID).

Mayor Hawker called for the vote.

Upon tabulation of votes, it showed:

AYES - Hawker-Jones-Walters-Whalen  
NAYS - Griswold-Rawles-Thom

Mayor Hawker declared the motion carried by majority vote.

d. Other issues.

In response to a question from Councilmember Whalen regarding the Taft Elementary School Open Gym Program, Mr. Hutchinson advised that staff was seeking program funding from the Hohokam Foundation.

Discussion ensued relative to the fact that the Hohokam Foundation has not yet responded to the City's request for funding; that the Hohokam organization would be unable to fund other youth programs if they fund the Taft Elementary Open Gym Program; and that staff would investigate further and provide a report to the Council.

Responding to a request from Councilmember Griswold that the Council review the funding and structure of the City's Redevelopment Department, Mr. Hutchinson recommended that a discussion of that issue be delayed until the Ad Hoc Redevelopment Committee presents their final report to the Council.

Mayor Hawker requested that Councilmember Thom meet with Finance Department staff to identify the source of the financial data on which she based her proposed budget cuts. He noted that several of her proposals would result in contract violations for which the City would incur substantial penalties.

3. Discuss and consider the sale of 615 and 627 East University to Word of Grace Ministries and use the funds to acquire another property for PREHAB of Arizona to replace the University sites.

Councilmember Whalen declared a potential conflict of interest and said he would refrain from discussion/participation in this agenda item.

Community Revitalization Director Kit Kelly reported that Word of Grace Ministries approached the City with a proposal to purchase the properties at 615 and 627 East University. She stated that the City utilized Community Development Block Grant (CDBG) funds to acquire the properties that are presently leased to PREHAB of Arizona. Ms. Kelly further advised that staff recommends that the properties be sold at fair market value to Word of Grace Ministries and that the funds be returned to the CDBG program. She added that the City would then utilize the funds to relocate PREHAB to another property.

Councilmember Thom expressed the opinion that a sale of City property should be open to any interested party.

Deputy City Attorney Joe Padilla advised that the City Charter allows the Council to direct the sale or disposition of real property in any manner except as a gift. He noted that a number of methods could be utilized to sell the property, but he explained that the important factor is that the City receives valuable consideration for the property.

It was moved by Councilmember Griswold, seconded by Councilmember Thom, that the Council approve staff's recommendation to sell the properties at 615 and 627 East University to Word of Grace Ministries and to utilize the proceeds to acquire another property for lease to PREHAB of Arizona.

Upon tabulation of votes, it showed:

AYES -	Griswold-Jones-Thom-Walters
NAYS -	None
ABSENT -	Hawker-Rawles
ABSTAIN -	Whalen

Vice Mayor Walters declared the motion carried unanimously by those present and voting.

4. Discuss and consider appointment to City Council committees and a variety of Citywide and regional boards.

Mayor Hawker recommended appointments to City Council committees and a variety of Citywide and regional boards (see Attachment 1).

Councilmember Whalen expressed disappointment regarding the fact that he was not reappointed to the Mesa Convention and Visitors Bureau (CVB) Board.

Discussion ensued relative to the fact that the appointment to the CVB Board would be considered at a later date.

It was moved by Councilmember Griswold, seconded by Vice Mayor Walters, that the Council concur with the Mayor's recommendations, except for the appointment to the Mesa Convention and Visitors Bureau Board, and that the appointments be confirmed.

Upon tabulation of votes, it showed:

AYES - Griswold-Hawker-Jones-Thom-Walters-Whalen  
NAYS - None  
ABSENT - Rawles

Mayor Hawker declared the motion carried unanimously by those present.

Mayor Hawker yielded the gavel to Vice Mayor Walters for consideration of agenda items 3 and 5 through 9.

5. Appointments to boards and committees.

Vice Mayor Walters advised that Mayor Hawker recommended the following appointments to Boards and Committees:

HOUSING & HUMAN SERVICES ADVISORY BOARD

Robert Hisserich      Expiration of Term:    June 30, 2007

HUMAN RELATIONS ADVISORY BOARD

Prince Arthur          Expiration of Term:    June 30, 2007

INDUSTRIAL DEVELOPMENT AUTHORITY BOARD

Neal Yukolis            Expiration of Term:    May 15, 2010

It was moved by Councilmember Griswold, seconded by Councilmember Thom, that the Council concur with the Mayor's recommendations and the appointments be confirmed.

Upon tabulation of votes, it showed:

AYES - Griswold-Jones-Thom-Walters-Whalen  
NAYS - None  
ABSENT - Hawker-Rawles

Vice Mayor Walters declared the motion carried unanimously by those present.

6. Hear reports on meetings and/or conferences attended.

Vice Mayor Walters:            Valley Hotel and Resort Annual Luncheon

7. Scheduling of meetings and general information.

City Manager Mike Hutchinson stated that the meeting schedule is as follows:

Thursday, June 17, 2004, 7:30 a.m. – Study Session

Monday, June 21, 2004, TBA – Study Session

Monday, June 21, 2004, 5:45 p.m. – Regular Council Meeting

Thursday, June 24, 2004, 7:30 a.m. – Study Session

8. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

9. Items from citizens present.

Linda Flick, 5531 East Evergreen, referred to the Economic Development Strategy adopted by the Council in June 2002, which includes an intention to “expand Mesa’s retail business and strengthen its position in the East Valley, reinvent super regional malls and adjacent power centers to sustain a significant regional retail presence.” She expressed support for the Fiesta Mall project and implementation of the study recommendations.

10. Adjournment.

Without objection, the Study Session adjourned at 9:47 a.m.

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KENO HAWKER, MAYOR

ATTEST:

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BARBARA JONES, 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 10<sup>th</sup> day of June 2004. I further certify that the meeting was duly called and held and that a quorum was present.

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BARBARA JONES, CITY CLERK

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Attachment

**Mesa City Council  
Committees and Assignments  
June 2004-June 2006**

Council Committees

<b>Finance Committee</b>	Councilmembers Rawles (Chairperson), Walters and Thom
<b>Fire Committee</b>	Councilmembers Whalen (Chairperson), Thom and Griswold
<b>General Development Committee</b>	Councilmembers Griswold (Chairperson), Whalen and Jones
<b>Police Committee</b>	Councilmembers Jones (Chairperson), Walters and Rawles
<b>Transportation Committee</b>	Councilmembers Walters (Chairperson), Whalen and Jones
<b>Utility Committee</b>	Councilmembers Thom (Chairperson), Griswold and Rawles

Special Committees and Boards

City Benefits Advisory Committee	Councilmembers <b>Walters</b> and <b>Jones</b>
Self-Insurance Board of Trustees	Councilmember <b>Thom</b>
Mesa Chamber of Commerce Board	Councilmember <b>Rawles</b>
Mesa Convention and Visitors Bureau Board	Councilmember <b>Walters</b>
Mesa Town Center Corporation Board	Councilmember <b>Jones</b>
Gang Prevention Steering Committee	Councilmember <b>Griswold</b>
Mesa United Way Board	Councilmember <del>Thom</del> or <b>Jones</b>
Arizona Museum for Youth Friends Board	Councilmember <b>Whalen</b>
Neighborhood Economic Development Corp.	Councilmember <b>Rawles</b>
Southwest Museum Foundation	Councilmember <b>Griswold</b>

Maricopa Association of Governments (MAG) Committees

Human Services Coordinating Committee	Councilmember <b>Jones</b>
Regional Committee on Homelessness	Councilmember <b>Whalen</b>
Elderly Mobility Task Force	Councilmember <b>Walters</b>