

COUNCIL MINUTES

March 16, 2006

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 March 16, 2006 at 7:46 a.m.

COUNCIL PRESENT

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

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Debbie Spinner
Barbara Jones

1. Review items on the agenda for the March 20, 2006 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflicts of interest declared: 9g (Griswold)

Items added to the consent agenda: None

Items removed from the consent agenda: None

2. Hear a presentation and discuss the proposed funding recommendations for FY 2006/07 CDBG/HOME/ADDI/ESG programs.

Community Revitalization Director Kit Kelly and Community Revitalization Specialist Lisa Hembree addressed the Council relative to this agenda item. Ms. Kelly referred the Council to a notebook entitled "Fiscal Year 2006/2007 Application for Funding." She explained that the notebook contains detailed background information regarding, among other things, the amount of funding the City of Mesa has received from various Federal programs; policy guidelines for the use of said funds; the funding applications received by staff; and staff's funding recommendations for the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program (HOME), the American Dream Down Payment Initiative (ADDI), and the Emergency Shelter Grant (ESG).

Ms. Kelly further displayed a PowerPoint presentation and highlighted the entitlement allocations for the four Federal programs for FY 2005/06 and FY 2006/07. She advised that per Council direction, staff created a CDBG "report card" in an effort to assess expenditures to date, report submittals, accomplishments toward goals, whether a project is on schedule, and the

accuracy of pay requests. Ms. Kelly also provided an overview of the eligible activities for CDBG funding and the application process.

Discussion ensued relative to the fact that a 30-day comment period with regard to the various funding recommendations began March 15, 2006 and would conclude April 14, 2006; that the March 20, 2006 Regular Council meeting would be the date of the public hearing on the proposed funding recommendations for FY 2006/07; that on April 17, 2006, the Council is scheduled to discuss and take action on staff's recommendations; and that the proposed CDBG, HOME, ADDI and ESG programs have been reviewed with the applicants, citizens, other City departments, and the Housing and Human Services Advisory Board.

In response to a question from Vice Mayor Walters, Ms. Kelly clarified that the Department of Housing and Urban Development (HUD) has already granted Mesa's FY 2006/07 funding allocations, but said that anticipated funding reductions would occur in FY 2007/08. Ms. Hembree added that legislation is currently pending in the United States Senate to restore CDBG funding to the 2004 level.

Further discussion ensued relative to the allocation of CDBG funds to pay for administrative costs associated with the CDBG and HOME programs, including the cost for "project delivery"; and the fact that the City of Mesa administers approximately 40 contracts for various Federal projects.

Mayor Hawker expressed appreciation to staff for the presentation.

3. Hear a presentation from the Neighborhood Services Department concerning the service impacts of potential budget reductions.

Neighborhood Services Manager Lisha Garcia introduced members of her staff who were prepared to address the Council relative to this agenda item. She displayed a PowerPoint presentation in the Council Chambers and provided a brief overview of the mission of the Neighborhood Services Department; the FY 2006/07 adjusted budget (including the number of Full-Time Employees (FTEs) and operating funds (General Fund and Federal/State funds); the proposed elimination of a Marketing and Communications Specialist II position in Neighborhood Services Administration and its resulting impact on the Department. (The PowerPoint presentation is available for review in the City Clerk's Office.)

Neighborhood Outreach Director Ray Villa provided a short synopsis of the duties and responsibilities of the Neighborhood Outreach Division, including building partnerships and processes within its customer base to empower, enrich and energize Mesa's diverse neighborhoods. He stated that if additional funding is not approved by the voters in the May 16, 2006 General Election, it is anticipated that five out of ten budgeted positions would be eliminated and also a reduction in related costs from the Neighborhood Outreach Division would occur for a total reduction of \$489,743. Mr. Villa also discussed potential impacts to the community as a result of the budget reductions such as reduced customer service for 300,000 residents in 333 registered neighborhoods, an increase in the ratio of registered neighborhoods per Neighborhood Outreach Coordinator, and staff's diminished ability to empower residents to build capacity and achieve self-sufficiency.

Acting Code Compliance Director Angela Duncan reported that the Code Compliance Division enforces and educates residents with regard to City codes/ordinances that regulate community maintenance standards. She referred to the PowerPoint presentation and reviewed the Division's proposed reductions in the FY 2006/07 adjusted budget, which include the elimination of 3.5 FTEs (2.5 Code Compliance Officers and 1 Administrative Support Assistant), and also the transfer of one Code Compliance Officer from the General Fund to CDBG funding, for a total proposed reduction of \$286,867.

Discussion ensued relative to the impact of the Code Compliance Division budget reductions including, but not limited to, a decrease in the number of violations addressed and resolved in the community, delayed response times, and less time spent proactively enforcing zoning and sign violations; and the fact that there are currently three Code Compliance Supervisors who, in addition to supervising four Code Compliance Officers each, also perform various Code Compliance Officer functions due to current vacancies in those positions.

Vice Mayor Walters suggested that staff examine the ratio of Code Compliance Supervisors to Code Compliance Officers.

Mayor Hawker requested that staff conduct a cost analysis of monies spent by the Police Department as compared to the Neighborhood Services Division to determine the long-term success of specific City programs (for example, the Opportunity Zone) and also to assess the most cost effective manner by which to utilize City funds to reduce crime in Mesa neighborhoods.

Councilmember Jones commented that although it is important to quantify the cost of neighborhood programs, it is equally important to recognize that certain community outreach efforts that have prevented, for instance, Mesa residents from being victimized or burglarized, cannot be measured in dollars and cents.

Community Revitalization Director Kit Kelly stated that the Office of Human Services provides Federal, State and local funds to agencies for programs and services for people in poverty, children and youth, seniors, families, homeless and special needs populations. She offered a short synopsis of the proposed budget reductions in her area which include the elimination of a Human Services Specialist, reduced Human Services General Fund support by 66% (\$344,057 remains) and possibly charging a \$20,000 rental fee for the use of the Mesa Senior Center, for a total proposed reduction of \$745,542. Ms. Kelly further spoke regarding various budget reduction impacts such as 7,000 individuals left without basic needs services, the elimination of 19 transitional housing units, 112 fewer youths having the opportunity to attend summer programs, and decreased funding for substance abuse-related services.

Additional discussion ensued among the Council and staff regarding the proposed budget reductions for the Neighborhood Services Department.

a. Items from group representatives.

Carol McCormack, 2719 N. Robin Lane, President of the Mesa United Way, voiced concerns regarding the fact that the Mesa United Way, although a growing organization, would be unable to "make up" the shortfall of dollars that the City may reduce from its budget for a variety of nonprofit funding applications.

Kara Dunn, 450 W. 4th Place, a Mesa resident, recounted her personal experiences in working with Save the Family and her ability to build a new life for herself and her children through the nonprofit's assistance and guidance.

Charles C. Peevy, 1344 E. San Remo Avenue, a Save the Family Foundation of Arizona boardmember, spoke regarding the agency's efforts to provide housing for Mesa residents and also intervene in situations concerning domestic violence, gang activity, teen pregnancy and drug abuse. He urged the Council to approve funding for the nonprofit agency so that it could continue to engage in such worthwhile and necessary programs.

Randy Gray, 924 N. Country Club Drive, President and CEO of the MARC Center, thanked the Council for placing on the March 20, 2006 Regular Council meeting consent agenda the agency's request for \$100,000 in FY 2005/06 CDBG contingency funds for the design of a new vocational training rehabilitation center. He stated that the MARC Center has also applied for an additional \$17,500 in human services funding from Mesa and commented that even though it is not a substantial sum of money, the Council's denial of the request would significantly impact the organization.

Barbara Gilpin, 427 S. Ridge, a Mesa resident, voiced appreciation to staff for the establishment of an Opportunity Zone in her neighborhood. She stated that because of the program, her neighborhood is now safe and secure, has a greater Police presence, and is no longer experiencing the criminal activity that was once prevalent in the area.

Mike Boyd, 635 E. Broadway, President of the Board of Directors of Mesa Community Action Network (CAN), expressed a series of concerns regarding the proposed reduction in funding to his agency of \$381,000. He commented that the reduction is not a "paper cut, but a guillotine" and added that such monies equate to 20% of the Mesa CAN's operating budget.

Sandy Scully, 2810 S. Emerson, a resident of Marlborough Mesa, acknowledged the efforts and hard work of the Neighborhood Services staff and urged the Council to keep the Department's budget intact.

Dr. Frank Scarpati, 1811 S. Alma School Road, #160, Chief Executive Officer of Community Bridges, commented that the funding his organization receives from the City of Mesa is utilized to leverage monies from Federal, State, County and private entities. He stated that although Community Bridges' funding is not dependent on the City, each funding source assists the nonprofit in continuing to provide its much-needed substance abuse treatment program to the community.

Tyler Vasquez, 2121 W. Main Street, a representative of the Mesa Boys and Girls Club, voiced concerns that Mesa youths, who consider the facility their "second home," would not have a place to meet if the Council did not approve the nonprofit's current funding request. He stated that the Boys and Girls Club has been a valuable resource in his life and added that he has participated in a wide variety of programs offered by the entity.

Arlene Johnson, 555 N. Federal Street, # 1010, Chandler, concurred with the comments of the previous speaker. She noted that speaking from personal experience with her own children, the Boys and Girls Club can make a positive difference in the lives of youths throughout the community.

Damon Olsen, 207 N. Mesa Drive, Executive Director of the Mesa Family YMCA, thanked the Council for their approval of CDBG funding requests in the past. He also highlighted various programs for which such funding has been allocated.

There being no further citizens wishing to speak, Mayor Hawker declared the public hearing closed.

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

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| Councilmember Griswold: | Toastmasters meeting. |
| Vice Mayor Walters: | National League of Cities' Community and Economic Development Steering Committee meeting. |
| Councilmember Jones: | National League of Cities' Immigration Task Force meeting. |
| Mayor Hawker: | National League of Cities' Finance, Administration and Intergovernmental Relations Committee meeting. |
| Councilmember Thom: | Crismon Creek Grand Opening. |

5. Scheduling of meetings and general information.

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

Monday, March 20, 2006, 3:30 p.m. – Study Session

Monday, March 20, 2006, 5:45 p.m. – Regular Council Meeting

Thursday, March 23, 2006, 7:30 a.m. – Study Session

Wednesday, March 29, 2006, 8:00 a.m. – Study Session

Thursday, March 30, 2006, 7:30 a.m. – Study Session

6. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

7. Items from citizens present.

There were no items from citizens present.

8. Adjournment.

Without objection, the Study Session adjourned at 9:55 a.m.

KENO HAWKER, MAYOR

ATTEST:

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 16th day of March 2006. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

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