



COUNCIL MINUTES

March 30, 2017

The City Council of the City of Mesa met in a Study Session in the Mesa Contemporary Arts Classroom, 1 East Main Street, on March 30, 2017 at 7:32 a.m.

COUNCIL PRESENT

John Giles
David Luna
Mark Freeman
Christopher Glover
Kevin Thompson
Jeremy Whittaker
Ryan Winkle

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

Mayor Giles excused Councilmember Whittaker from the beginning of the meeting; he arrived at 7:34 a.m.

1. Review items on the agenda for the April 3, 2017 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.

Chief Financial Officer Mike Kennington displayed a PowerPoint presentation (**See Attachment 1**) and discussed items 4-a (**Ordering the sale of \$47,180,000 principal amount of City of Mesa General Obligation Bonds, Series 2017**) and 4-b (**Ordering the sale of \$123,875,000 principal amount of City of Mesa Utility Systems Revenue Bonds, Series 2017**) on the Regular Council Meeting agenda.

2. Discuss and provide direction on the City's Strategic Priorities and Goals, and on the related performance measures/supporting data.

City Manager Christopher Brady reported that the following three strategic priorities were discussed in detail at a previous meeting: 'Community Safety,' 'Workforce Development and Entrepreneurship,' and 'Sustainable Economy.' He stated that based on staff notes from the meeting (**See Attachment 2**), Council feedback was needed for 'Stronger Neighborhoods, Placemaking and Diversity,' and 'Well-Managed and Innovative Government.' He suggested that

choosing only four or five Key Performance Indicators (KPIs) for each would help maintain the value of each priority.

Mayor Giles agreed that minimizing the KPIs would allow the Council to see trends from a higher perspective, while staff analyzes the more specific statistics.

Mr. Brady reminded the Council that they can review the usefulness of the KPIs every few months to determine if adjustments are necessary.

Mayor Giles referred to the strategic priority titled 'Stronger neighborhoods, Placemaking and Diversity' (See Page 3 of Attachment 2) and said that he was uncertain how to measure diversity.

Councilmember Luna suggested the idea of seeking community engagement for more diverse participation, adding to the efforts of the Building Stronger Neighborhoods Program.

Mr. Brady indicated that staff is working on new ideas this year for the Building Stronger Neighborhoods Program, such as implementing more diverse 'pop-up' style events. He advised that the success could be measured by attendance and social media engagement.

In response to a question from Councilmember Winkle, Mr. Brady agreed that it would be helpful to measure private versus public investment, such as improvements to neighborhoods or streetscapes.

Councilmember Freeman indicated that many non-profit organizations reach out to neighborhoods and asked if that engagement can be tracked to determine its effectiveness in the community.

Mayor Giles commented that he likes the idea of measuring the number of engagement committees, social media updates, and neighborhood organizations or homeowner's associations (HOAs).

Mr. Brady explained that the City utilizes registered neighborhoods, not only HOAs, for the community report. He stated that neighborhoods are encouraged to register with the City so that staff can provide them with leadership training to be sustainable.

Councilmember Whittaker informed the Council that he sits on his neighborhood HOA board and has experienced no interaction with the City.

In response to a question from Mayor Giles, Mr. Brady agreed that it would be wise to adopt a goal to increase the number of registered neighborhoods in Mesa. He stated that staff could provide a map to show the location and number of current registered neighborhoods in the City.

Discussion ensued related to the Nextdoor group and various Facebook groups that are created inside of neighborhoods.

Councilmember Freeman shared the fact that he invites the neighborhood Facebook groups in his district to join his district Facebook page as a way to stay well informed.

Mr. Brady stated that the City is developing a new position of Chief Digital Officer who will be responsible for the social engagement and marketing outreach in the community.

Mayor Giles suggested that the category of Communication be added to the 'Stronger Neighborhoods, Placemaking, and Diversity' priority. He highlighted the following measurement ideas for each:

- Stronger Neighborhoods - number of registered neighborhoods
- Placemaking - number of restaurants, parks, and facilities where people congregate
- Communications – number of engagements, social media likes and comments
- Diversity – measurement unknown

Mr. Brady suggested asking the Human Relations Advisory Board (HRAB) to assist by bringing information from the community back to the Council.

Mayor Giles reported that he planned to attend HRAB's April meeting and would ask them to assist the Council in measuring ideas for diversity in the City.

It was the consensus of the Council that measurement options for diversity would be decided after the Council hears from the HRAB.

Councilmember Freeman inquired about tracking homelessness and which priority would be most appropriate, 'Stronger Neighborhoods' or 'Community Safety.' He mentioned that heroin use is bad in many communities and wondered if it could be tracked in Mesa. He stated that community non-profit organizations have navigators that can help track the homeless population.

Mayor Giles suggested that homelessness could easily fit under 'Workforce Development' and said that the measurement could include how many people are employed, housed, etc.

Councilmember Thompson stated that drugs are definitely an issue in Mesa and the cause of many property crimes in the area. He reported that the Mesa Police Department maintains a map of drug arrests between 2006-2016 that may be viewed in their office.

Mr. Brady confirmed that the drug-related calls can be tracked, but asked how the issue can be resolved.

Councilmember Thompson explained that opioid addiction is a local problem and said that he is part of a task force that works with the federal government to find available programs to solve the issue. He added that the programs do not always reach the local level and indicated that an East Valley task force is being established to assist with those efforts.

Mr. Brady suggested having a discussion at a later Council meeting related specifically to the legislative efforts to resolve opioid addiction. He stated that police reports could be provided and a specialist on the subject could be invited to a Council meeting to provide information.

Councilmember Whittaker requested that the issue of opioid-use be discussed at a future Council meeting.

Mayor Giles indicated that he would like to first determine a metric to measure homelessness in Mesa and then decide which priority it should fall under.

Deputy City Manager Natalie Lewis explained that staff works locally and regionally on the homeless issue and said that the best interventions are the use of navigators. She stated that some navigators were formerly homeless themselves and can relate better than government

officials. She recommended utilizing the navigators to establish how many homeless people are being reached and how many are being housed. She reported that the City has the following committees to assist in this effort:

- Housing Our Heroes – has a regional focus on homeless veterans
- Mesa United Way – has offered to work with all local non-profit organizations to reduce homelessness

In response to a question from Councilmember Whittaker, Ms. Lewis replied that the City wants to provide shelter to the homeless and correct the issue that is causing homelessness. She explained that the City has a good relationship with the Chamber of Commerce who works proactively to provide many services that help prevent homelessness, such as job preparation.

Mayor Giles expressed the opinion that the root cause of poverty and homelessness is lack of education. He advised that the best solution may be providing a better educated work force, pre-kindergarten and higher-education programs, etc.

Councilmember Whittaker suggested measuring KPIs that are more focused on programs that prevent homelessness. He indicated that providing additional shelters may be attracting a larger homeless population, rather than reducing the population in Mesa.

Mr. Brady agreed that staff should meet with the organizations that provide housing and discuss the other services offered that may assist in reducing the homeless population.

Mayor Giles invited staff to return with a presentation to measure drug-related issues. He added that the Mesa United Way organization should also attend a Council meeting to discuss the partnership with the City and what measurements can be used to reduce homelessness.

Councilmember Thompson requested adding the issue of human sex-trafficking and felt that it fits in with the issues of drugs and homelessness.

Mayor Giles suggested that human sex-trafficking would best fit under 'Community Safety.'

Councilmember Whittaker suggested that the Council set the vision and direct staff to return with KPIs. He believed that committees would not need to be involved unless the Council has questions.

Mayor Giles highlighted the categories that Council would like staff to work on in determining measurements and KPIs as follows:

- Diversity
- Homelessness
- Opioid Use
- Community Engagement
- Placemaking

Councilmember Winkle suggested that Placemaking goes with private versus public investment and how the different areas are developing.

Mr. Brady advised that staff could gather information on how public investment infrastructure leverages private investment and provide specific examples of how that has been successful in the past, and how it can be utilized in the future.

In response to a comment from Councilmember Freeman, Mr. Brady explained that land zoned for commercial use is under tremendous pressure to be rezoned as residential. He emphasized the importance of commercial zoning, which provides job opportunities in the community. He requested that Council highlight specific areas of concern to discuss with the Economic Development Committee.

Mayor Giles requested adding one strategic planning priority item to each Study Session for discussion.

Councilmember Whittaker commented that a City-based smart application would be ideal for a well-managed government, and said it could be used to measure the following metrics:

- The number of users who install the app
- The number of features available through the app (i.e., utility bill payments, alerts and notifications, etc.)
- Where the hot-spots are, based on the user's Global Positioning System (GPS) location
- Crowd Sourcing

Councilmember Whittaker added that under 'Community Engagement', a smart app could be utilized for community outreach to push current issues out to the app and request citizen feedback.

Mayor Giles noted that the subject of communications should be added under the priority of 'Well-Managed and Innovative Government.'

Mayor Giles thanked staff for their assistance.

3. Adjournment.

Without objection, the Study Session adjourned at 8:45 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 March, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

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(Attachments – 2)

2017 Bond Sale Overview

March 30, 2017



Bond Issuance Overview

- Mesa voters have authorized the use of bonds to finance capital infrastructure
- The city's Capital Improvement Program (CIP) is funded primarily with bonds
- The need to sell (issue) additional bonds is evaluated on an annual basis
- Amounts issued are sufficient to reimburse year-to-date spending and fund the projected need for the remainder of the calendar year
- Structure of new bonds is incorporated into existing debt to maintain consistent debt service and smooth rates

General Obligation Bonds

2017 Sale: \$47,180,000

Purpose	Authorization Year(s)	Available Authorization	Proposed Sale Series 2017	Remaining Authorization
Parks	2012	\$ 26,535,000	\$ 10,035,000	\$ 16,500,000
Public Safety	2013	\$ 15,070,000	\$ 15,070,000	\$ 0
Streets	2013	\$ 56,920,000	\$ 22,075,000	\$ 34,845,000
G.O. Bond Total		\$ 98,525,000	\$ 47,180,000	\$ 51,345,000

Project Examples:

- Pioneer Park
- Public Safety Training Facility Burn Room
- Mesa Drive – Phase II

Utility Systems Revenue Bonds

2017 Sale: \$123,875,000

Purpose	Authorization Year(s)	Available Authorization	Proposed Sale Series 2017	Remaining Authorization
Electric	2014	\$ 26,200,000	\$ 2,010,000	\$ 24,190,000
Natural Gas	2010, 2014	\$ 67,495,000	\$ 6,520,000	\$ 60,975,000
Wastewater	2010, 2014	\$ 202,382,788	\$ 40,120,000	\$ 162,262,788
Water	2014	\$ 231,845,402	\$ 75,225,000	\$ 156,620,402
Utility Bond Total		\$ 527,923,190	\$ 123,875,000	\$ 404,048,190

Project Examples:

- Signal Butte Water Treatment Plant
- Greenfield Water Reclamation Plant Expansion
- Natural Gas Line Replacements/Installation
- Electric Substation Improvements

2017 Bond Sale Schedule

April 3 – Council Orders Sale of Bonds

May 3 – City Receives Bids for Bonds

May 4 – Council Considers Bids Received

May 24 – Bond Issues Close



Mesa City Council Strategic Priorities Staff Notes

Preliminary Draft (based on 2/23/17 study session)

COMMUNITY SAFETY

Discussion Notes:

- Needs to be broader than public safety
- Crime reduction element
- Include transportation and transit
 - Safe streets
- Health component

Description:

- Building communities that are safe, healthy, and welcoming.
- Taking care of Mesa's well-being, health, and protecting residents.
- Building environments and providing services that keep Mesa safe and healthy.
- Build safe places and infrastructure and protect the safety, health and wellbeing of Mesa's families, businesses and visitors.

Suggested Key Performance Indicators:

- Part 1 crime per 1k population
- Pavement Condition Index
- Calls for service
- Call volume of medical/ems calls vs. fire calls
- Response times by priority
- Response times by Police or Fire district/station
- Crime location
- Police closed cases vs. calls for service
- Cost of sworn personnel

WORKFORCE DEVELOPMENT AND ENTREPRENEURSHIP

Discussion Notes:

- Include entrepreneurship/small business element as well as a focus on a skilled workforce for larger employers

- Create culture of entrepreneurship and promote small business ownership
 - Business incubators
 - Small business development
- Education to develop skills needed to have a successful career
 - Higher education
 - Technical/vocational education
 - Early education

Description:

- Encouraging continuous learning, the attainment of job related skills, and pursuit of business creation.
- Connect Mesa's youth to quality education opportunities to develop a skilled and talented workforce that drives local entrepreneurship, small business ownership, startups and high-quality job creation.

Suggested Key Performance Indicators:

- Higher education and vocational-based attainment rates for Mesa students
- Number of businesses located/started in Mesa
- Early education enrollment
- Number of students accessing Mesa Counts on College programs

SUSTAINABLE ECONOMY

Discussion Notes:

- Focus on economic development/job creation/business attraction.
- Does transportation and transit belong here or in community safety?
- Diversity of business sectors.

Description:

- Attract and retain a diverse mix of business sectors that bring high quality jobs to Mesa.

Suggested Key Performance Indicators:

- Diversity of business sectors in Mesa
- Diversity as an economic asset
- Number of high-quality jobs (wage 125% of county median average)
- Median income/per capita income

- Unemployment rate
- Jobs to population ratio

STRONGER NEIGHBORHOODS, PLACEMAKING, AND DIVERSITY

Discussion Notes:

- Placemaking and neighborhoods combined
- Arts and Culture, Libraries, Parks and Recreation included
- Diversity

Description:

- Cultivate connections between neighbors to build resilient, welcoming, unique neighborhoods and gathering places.

Suggested Key Performance Indicators:

- Downtown visitors
- Number of permits issued
- Code cases
- Housing vacancy rate

WELL-MANAGED AND INNOVATIVE GOVERNMENT

Discussion Notes:

- Internally focused
- Customer–service driven organization
- Fiscally responsible
- Use of technology to effectively deliver services – smart city
- Community engagement

Description:

- Deliver outstanding government services to Mesa’s residents and businesses through a diverse, customer–driven organization that is responsive to City Council/community needs and priorities, and is responsible, innovative and efficient.

- Creating an organization that engages the community, is responsive to their needs, leverages technology to operate more effectively, and is fiscally responsible.

Suggested Key Performance Indicators:

- Community engagement results
- Customer satisfaction
- Cost of doing business in Mesa
 - Permits and fees
 - Taxation
- Debt levels