



COUNCIL MINUTES

May 4, 2017

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 May 4, 2017 at 7:33 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

1. Review items on the agenda for the May 8, 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.

2-a. Hear a presentation, discuss and provide direction on the General Plan as it relates to the Superstition Freeway East Economic Activity Area.

Planning Director John Wesley displayed a Power Point presentation (**See Attachment 1**) related to the General Plan as it relates to the Superstition Freeway East Economic Activity Area.

Mr. Wesley stated that the 2012-13 General Plan was updated and approved by Council and voters in 2014, which is the current guiding document for the growth and development of the City. He highlighted the three main principles of the general plan as follows:

- Creating and maintaining neighborhoods
- Growing and maintaining jobs
- Providing public spaces and cultural amenities

Mr. Wesley displayed the character areas map (See Page 11 of Attachment 1) which is the key element in the general plan. He pointed out that previously the City had a land use map that showed the land usage, specific to properties. He explained that the department took a general

approach and implemented character areas that are combinations of land use and building forms that enables the department to create different characters in an area. He noted that the colored areas represent the following:

- Yellow – Neighborhoods
- Green – Parks and open space
- Blue – Specialty areas (ex: schools and airports)
- Red – Commercial area
- Purple – Employment areas

Mr. Wesley presented the economic activity areas map specific to the Superstition Freeway East corridor and stated that the freeway provides opportunity for employment growth and development into the future. He added that the economic area map for the US 60 corridor, has medical uses and other employment activities available. He focused on the character area map showing the opportunity to provide employment activities in the specified areas and pointed out the area on the east end, which is state land that is impacted by a floodway and powerlines, and also noted that a majority of the area is not developable. (See Pages 3 through 5 of Attachment 1)

Mr. Wesley highlighted the character area map and pointed out the employment area which is surrounded by neighborhoods, mixed use activity area, and the specialty area where Mountain Vista Medical Center is located. (See Page 6 of Attachment 1)

Mr. Wesley pointed out the existing zoning map of the area stating that a majority of the zoning area was annexed in one zoning case back in 1986 and was given comparable zoning in 1987 as a large lot single-family residential (RS-43). He added that since that time the area has developed with commercial industrial type activities and highlighted the properties for the zoning case to be heard by Council on May 8, 2017. He displayed the approved site plan from 2010 that included retail pads along Crismon, mixed-use, multi-story hotels, office buildings, and parking garages. (See Pages 7 and 8 of Attachment 1)

Mr. Wesley presented maps of the proposed development which is for a Planned Employment Park (PEP) along the southside of Southern and noted that the office use that is proposed is conceptual and that staff will return to Council with a full site plan. He added that south of the proposal site, multi-residential zoning is being proposed. He stated that the uses are in relationship to the surrounding area and located within the designated employment area. (See Pages 9 and 10 of Attachment 1)

Mr. Wesley stated that the zoning proposal is suitable for the area and that the Planning and Zoning Committee has recommended approval, however, the department would like Council to consider the larger impact on the employment area in the context of the General Plan character map and the limited amount of area designated for employment.

In response to a question posed by Councilmember Whittaker, Mr. Wesley replied that as the department works with different industrial groups to move into the employment areas, businesses are often sensitive to moving into employment areas with residential close by. He explained that by approving the residential in this location, results in a small area for employment uses. He continued by saying that the employment area will not have much visibility and will have a negative impact on expanding employment. He added that the impact of residential, makes it appear more like a residential area and less of an employment area, however, Hampton can still function as a dividing line between the north and south side.

In response to a question from Mayor Giles, Mr. Wesley responded that the retail area is focused at Southern and Crismon as well as further down Crismon Road and that the General Plan had designated the area as an employment area as opposed to retail uses. He pointed out that the area has taken some time to develop, however, the department is seeing more activity. He added that the parcel located by the freeway has minimal grade separation, an additional setback, and is visible from the freeway, and he believes the impact is minimal for development.

Discussion ensued relative to potential zoning cases coming to Council, as well as potential uses in this area.

In response to questions posed by Councilmember Thompson, Reese Anderson, representing Bela Flor Communities, stated that his client owns the west side of the 40-acre parcel. He pointed out that Susan Demmitt, who represents the owner of the eastside parcel is unable to attend this meeting, however, sent an email that he read to Council. He explained that the owner has owned the property for 30 years and had no serious offers for development for employment uses despite the considerable frontage along the US 60.

In response to a question from Councilmember Thompson, Mr. Anderson replied that it would be difficult to have a retail developer or any type of employment use, since the owners on the eastside have never received an offer for retail. He stated that as the zoning case moves forward, they will share any legitimate offers received.

City Manager Christopher Brady explained that the City must look at this long-term, since there are minimal parcels along the freeway with visibility and the goal is to maximize the opportunities as the area is dominated by residential. He added that the City recognizes that property owners may need assistance from the City to market their property and noted that the City is willing to assist.

Discussion ensued relative to the zoning case for the May 8, 2017 Council meeting specific to the approval by the Planning and Zoning Committee and the recommendation of denial by staff.

Mayor Giles encouraged Mr. Anderson to work with staff as the property is important for employment.

Mayor Giles thanked Mr. Wesley for the presentation.

2-b. Hear a presentation, discuss and provide direction on a summary wrap-up of the FY 2017/18 budget.

Budget Director Candace Cannistraro displayed a Power Point presentation (**See Attachment 2**) related to the summary wrap-up of the FY 2017/18 budget.

Ms. Cannistraro highlighted the budget overview and commented that not all departments presented to Council and clarified that the Council report dated April 3, 2017 for the proposed budget included all City department budget numbers. (See Page 2 of Attachment 2)

Ms. Cannistraro reported that staff reviewed the feedback from Council and noted that two changes to the final budget will include the following studies in the transit area (See Page 3 of Attachment 2):

- Addition of Streetcar Extension Feasibility Study servicing the Riverview area: \$300,000 over two years
- Addition of Fiesta District Downtown Chandler Alternatives Analysis: \$900,000 over three years

Ms. Cannistraro stated that staff will continue to work on the Public Safety areas and reviewed the staffing models and development of multi-year staffing plans. She added that staff will continue to review revenue opportunities for Fire and Medical for possible reimbursement of fire services and will provide updates to Council over the next year. (See Page 4 of Attachment 2)

Ms. Cannistraro displayed additional areas that will be brought back to a future Council meeting (See Page 5 of Attachment 2) as follows:

- Convention Center
- Transportation
- Library

In response to a question posed by Mayor Giles, City Manager Christopher Brady responded that staff will put together a timeline and present to Council, including community outreach for potential bonds.

In response to a question from Councilmember Freeman, Assistant Manager John Pombier clarified that the fire inspection fees for the schools is a trade-in-kind agreement between the City and Mesa Public Schools.

Discussion ensued relative to the Convention Center modernization recommendations, bringing in more people and partnering with Visit Mesa, the Mesa Convention and Visitors Bureau, and the Phoenix Marriott Hotel.

Ms. Cannistraro clarified that no modifications have been made to the FY 2017/18 budget or to the forecasted budget.

In response to questions posed by Councilmember Winkle, Ms. Cannistraro stated that the two transit study plans would be incorporated into the FY 2017/18 final budget. She noted that the staffing models are department discussions that would be presented to Council for recommendations.

In response to a question from Councilmember Winkle, Mr. Brady clarified that the proposed FY 2017/18 budget presented by departments, included all recommended staffing increases or decreases. He added that the only two fiscal impacts are the two transit study plans, which will be addendums to the proposed budget. He added that by state law the City must adopt a budget appropriation. He pointed out there is some contingency funds, however, not enough to support a large increase in employees.

Discussion ensued relative to retirement of Police Officers, recruitment, and forecasting of retirees.

In response to a question posed by Councilmember Thompson, Ms. Cannistraro responded that the 21 civilianizing positions do not replace sworn officers, but are administrative type duties such as hiring officers. She noted that where the department is replacing a sworn with a civilianization

position, the sworn will be moved to another budgeted position and the number of officers on the street will not change.

Mr. Brady clarified that there will be 25 more officers available for shift duty, however, that will mean a decrease in the specialty areas.

Ms. Cannistraro confirmed that 30 officers are in training and 28 recruits in the academy today, for a total of 58 “over” hires that are not included in a budgeted position for the FY 2017/18 budget.

In response to a question posed by Councilmember Whittaker, Ms. Cannistraro replied that the Memorandum of Understanding (MOU) for the Police Union is not finalized, however, any budget contingencies would be used for unanticipated expenses.

Discussion ensued relative to Public Safety MOU's, union negotiations, and clarification on what is required to be discussed in executive session.

In response to a question from Councilmember Freeman, Deputy City Manager Scott Butler stated that the numbers presented for the two pilot studies is Mesa's portion. He added that each study is at a different level, noting that the Fiesta study is further along since Phase 1 has been concluded, and the streetcar extension study is in the preliminary phase.

Mayor Giles highlighted the Government & Public Affairs Committee (GPAC) Meeting in Washington that he recently attended and highlighted the areas pertaining to transportation funding.

Discussion ensued relative to preparing for potential regional, federal, and state funding related to the City's infrastructure, arterial roads, and broadband.

Ms. Cannistraro reviewed the Digital Community Engagement (See Page 6 of Attachment 2):

- Next Mesa Community Engagement Campaign
- Expanding Online Access to Services and Information
- Mesa's Digital Presence

Ms. Cannistraro highlighted the open data enhancement that created a portal that encourages citizen interaction and has been running for one year. She pointed out that over the last four months the website portal had over 5,000 unique sessions, 2,800 unique visitors, 8,400 data sets downloaded, a 16,000 data and visualizations reviewed. She added that the portal needs improvements and the department is currently in the process of looking for a new platform and will present to Council next month. (See Page 7 of Attachment 2)

Discussion ensued relative to the data portal and outreach to the community, upgrades, and the use of the portal.

Ms. Cannistraro stated that the goal of the website portal is to assist in processing open records requests by forwarding a link to the data on the website.

Mr. Brady pointed out that the website would be used externally, as well as internally by departments for easy access to data.

Ms. Cannistraro explained that State Statute requires an annual budget appropriation that includes all expenses made in that fiscal period. She further explained that large projects and contracts budgeted in FY 2016/17 that are not completed will have a carry-over to FY 2017/18. (See Page 9 of Attachment 2)

Ms. Cannistraro concluded by saying that adopting the budget sets the maximum expenditures the City can incur during the fiscal year, as well as the contingency, which allows capacity for unanticipated expenses or to allow for the spending of unanticipated revenues. She reviewed the budget adoption calendar for Council. (See Pages 10 and 11 of Attachment 2)

Mayor Giles thanked staff for the presentation.

2-c. Hear a presentation, discuss and provide direction on the Community Services Department budget.

Due to time constraints, this item will be placed on a future Study Session agenda.

3. Approval of minutes from an Executive Session held on April 6, 2017.

It was moved by Councilmember Glover, seconded by Vice Mayor Luna, that the minutes from an Executive Session held on April 6, 2017 be approved.

Carried unanimously.

4. Information pertaining to the current Job Order Contracting projects.

(This item was not discussed by the Council.)

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

Mayor Giles:	Government & Public Affairs Committee (GPAC) Meeting
Councilmember Freeman:	Mesa Police Department Citizen's Academy
Vice Mayor Luna:	Cold in Place Recycling Demonstration

6. Scheduling of meetings and general information.

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

Saturday, May 6, 2017, 7:30 a.m. – Luna Landing Pancake Breakfast

Monday, May 8, 2017, 5:45 p.m. – Regular Council Meeting

7. Convene Executive Session.

It was moved by Vice Mayor Luna, seconded by Councilmember Freeman, that the Study Session adjourn at 8:56 a.m. and the Council enter into an Executive Session.

Carried Unanimously.

- 7-a. Discussion or consultation for legal advice with the City Attorney. (A.R.S. §38-431.03A (3)) Discussion or consultation with the designated representatives of the City in order to consider the City's position and instruct the City's representative regarding negotiations with employee organizations regarding the salaries, salary schedules or compensation paid in the form of fringe benefits of employees of the City. (A.R.S. §38-431.03A(5)) Discussion or consultation with the City Attorney in order to consider the City's position and instruct the City Attorney regarding the City's position regarding contracts that are the subject of negotiations. (A.R.S. §38-431.03A(4))
 - 1. Meet and Confer policy and process, and Police and Fire memoranda of Understanding.

8. Adjournment.

Without objection, the Study Session adjourned at 9:32 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 4th day of May, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

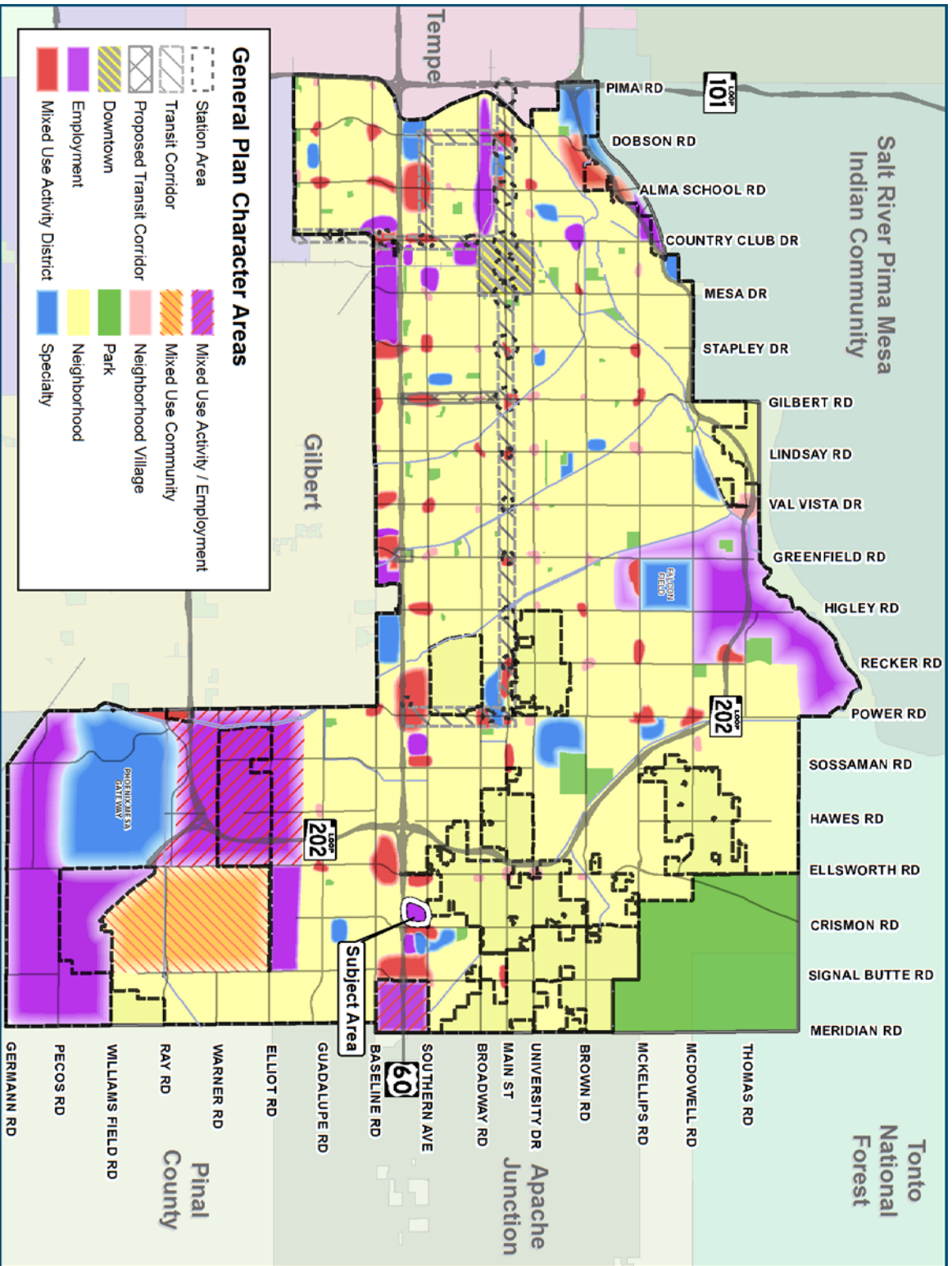
js
(Attachments – 2)

THE GENERAL PLAN AND THE SUPERSTITION FREEWAY EAST ECONOMIC ACTIVITY AREA

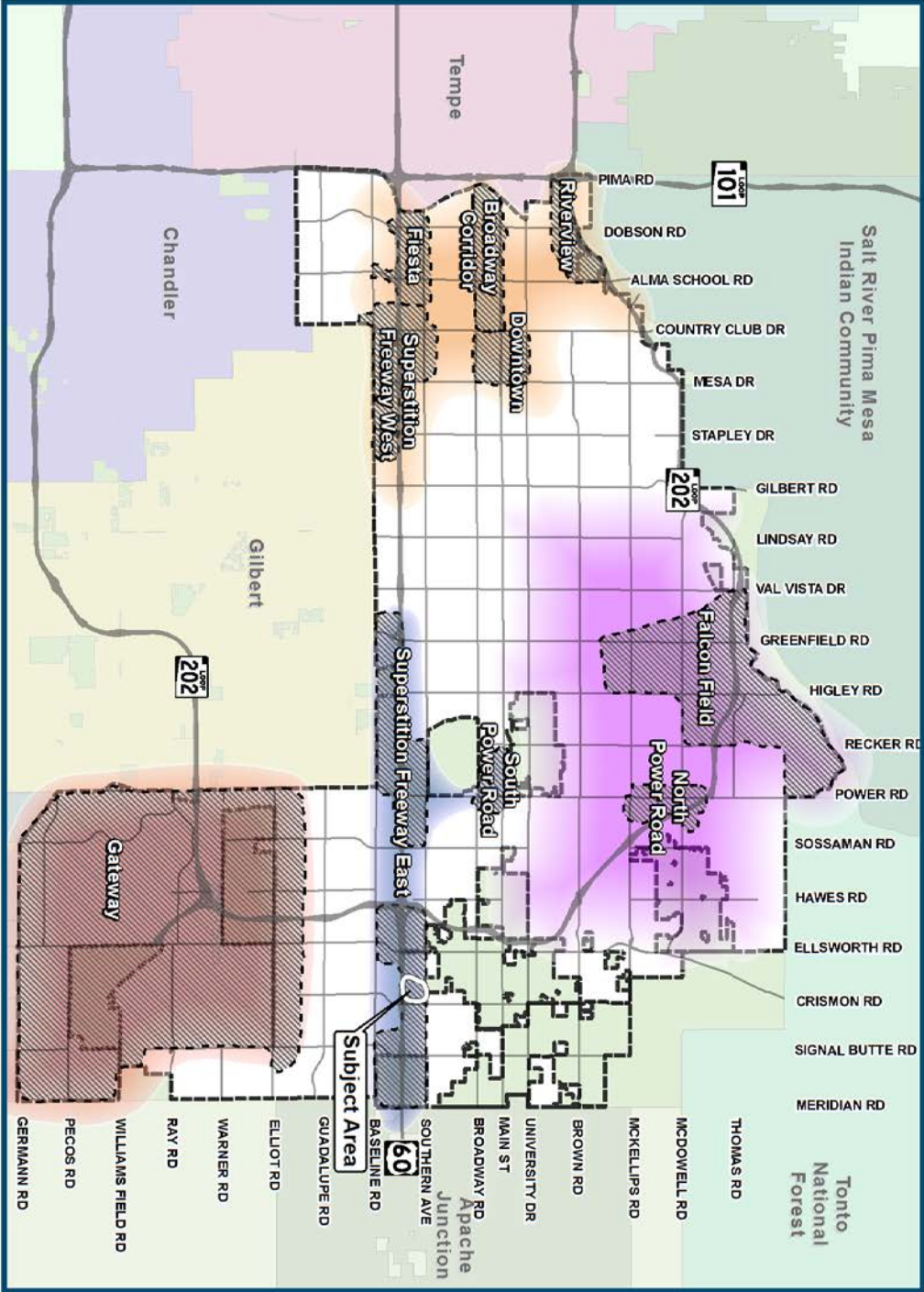
City Council Study Session

May 4, 2017

Mesa 2040 General Plan Character Area Map

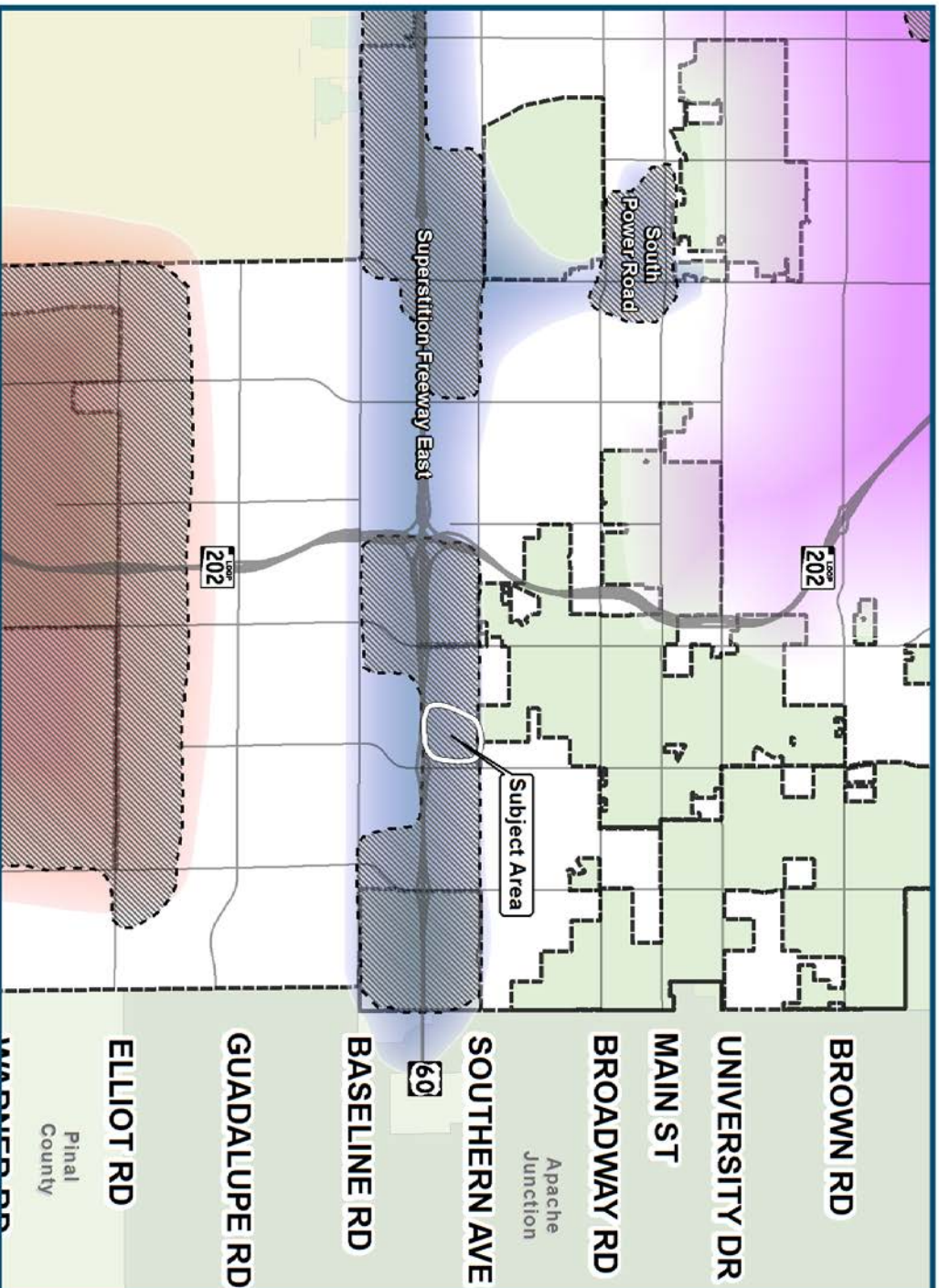


Mesa 2040 General Economic Activity Areas Map

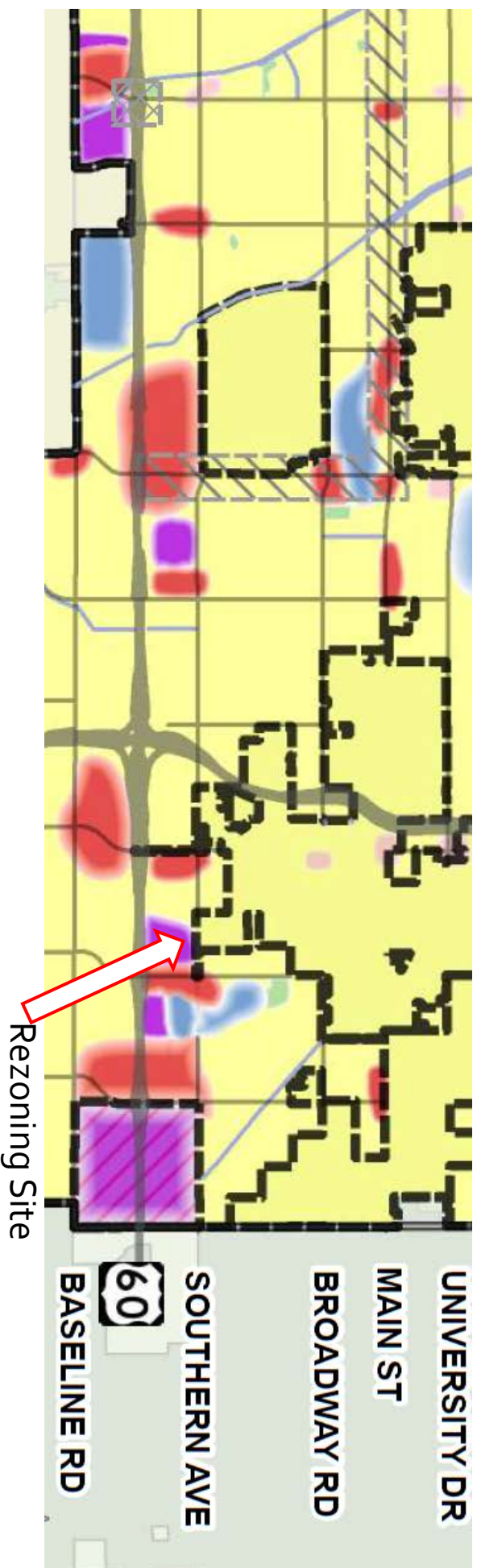


Economic Activity Area Map

US 60 Corridor - East Mesa



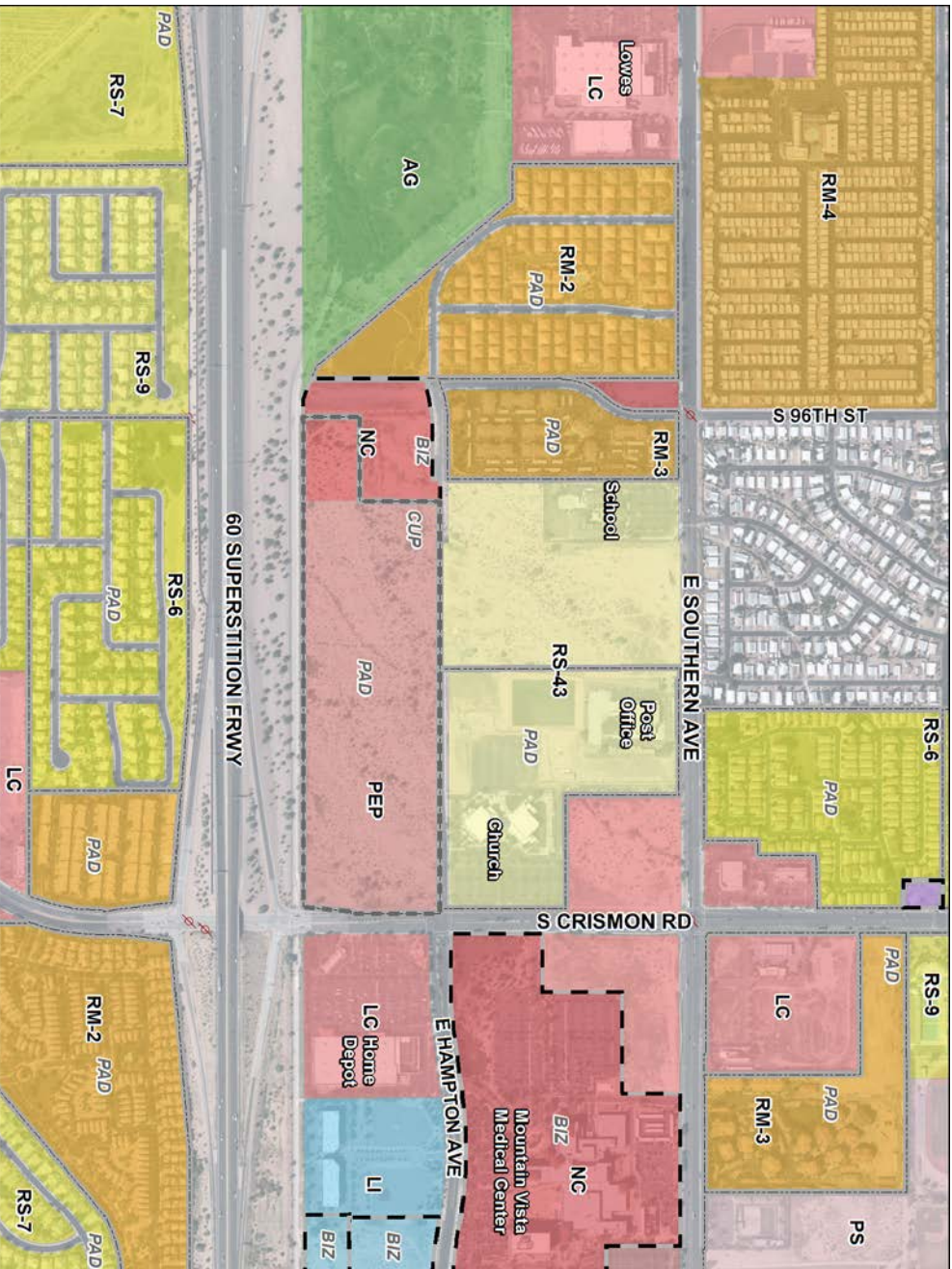
Character Area Map US 60 Corridor - East Mesa



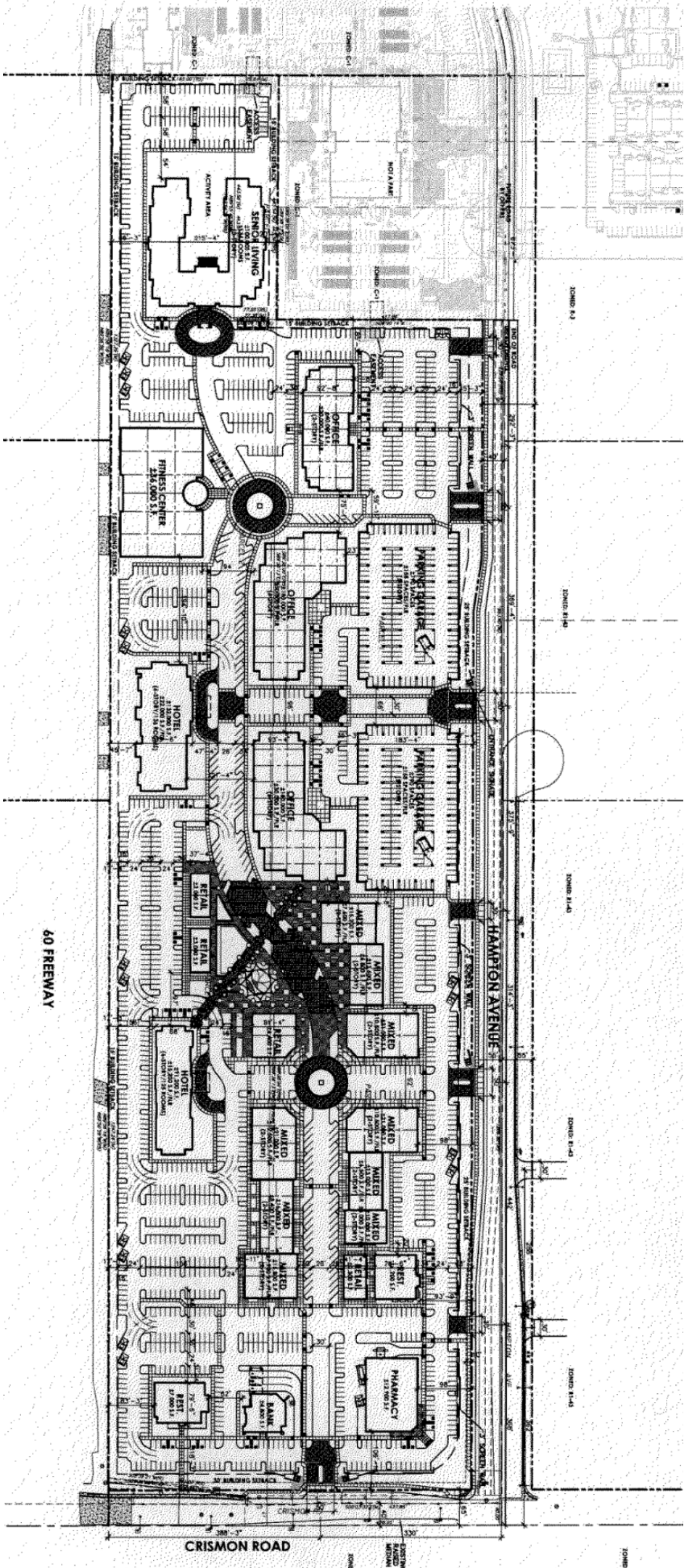
Character Area Map US 60 & Crismon



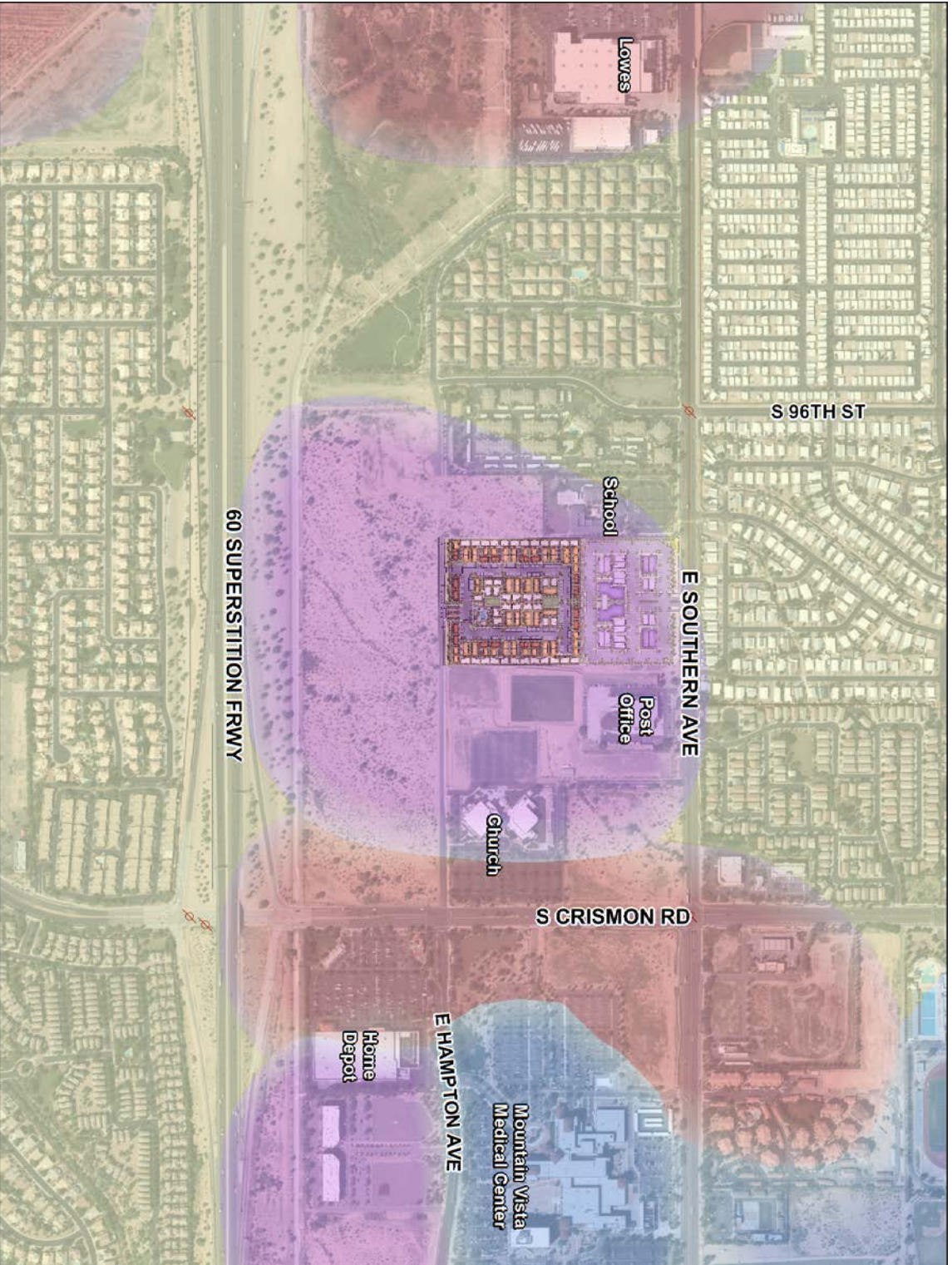
Existing ZONING



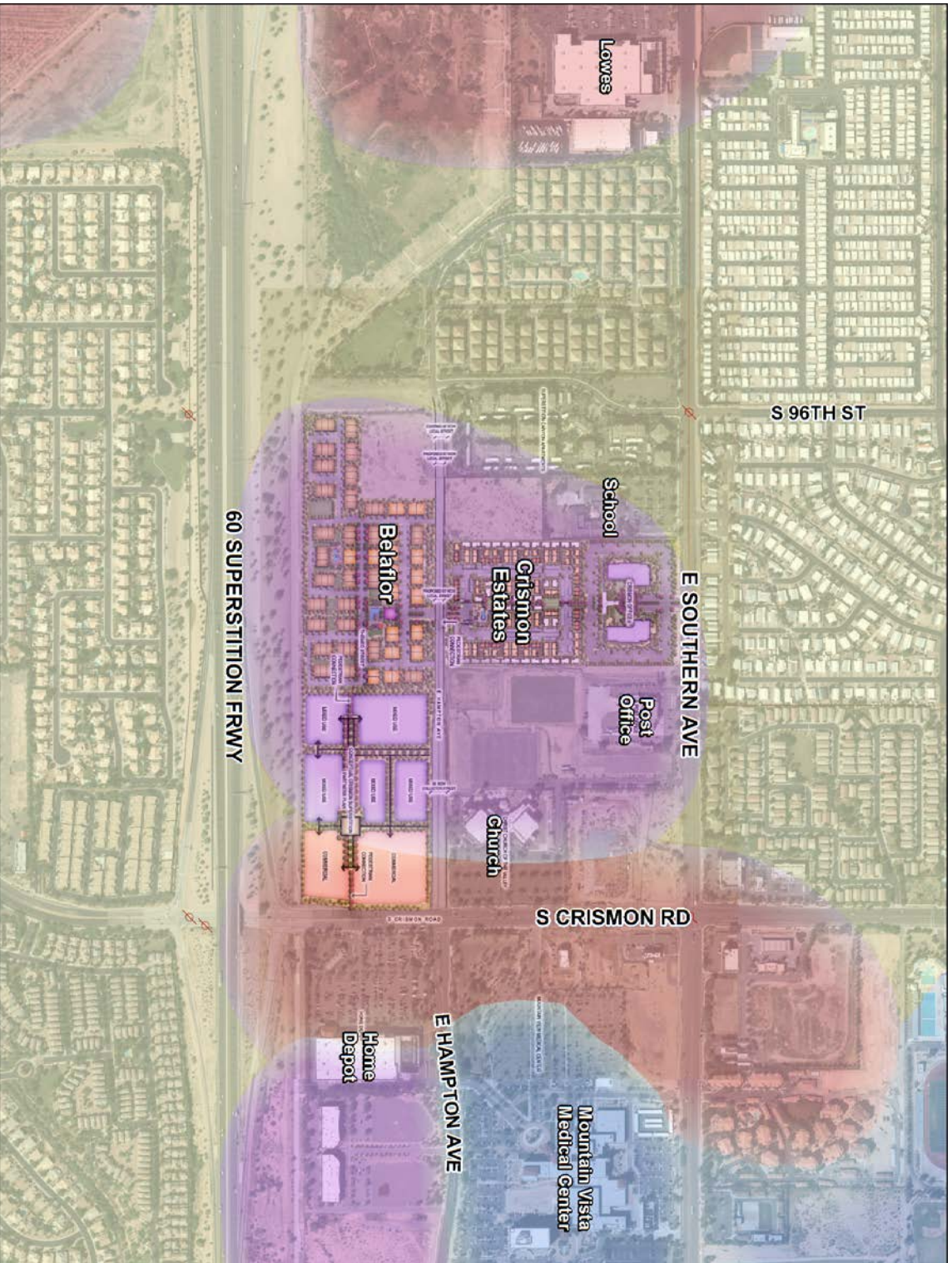
Approved Site Plan



Proposed Development



Possible Additional Developments



Budget Wrap-up for Fiscal Year 2017/18

Presented by the
Office of Management and Budget
May 4, 2017



Putting It All Together

Scheduled presentations regarding the proposed budget are coming to a close

Budget Overview

Department Operations

Utility Rates

Capital Improvement Program

Internal service and support departments also contributed to the reduction achieved in the City's general governmental funding gap. Information on each department can be found in the proposed budget summary distributed to the City Council on April 3rd

Revisions to the Proposed Budget

Addition of Streetcar Extension Feasibility Study servicing the Riverview
area

\$300K over two years

Addition of Fiesta District Downtown Chandler Alternatives Analysis

\$900K over three years

Public Safety Continuing Discussions

Staffing Models

- Police Department will review job duties and skill set requirements to determine when sworn personnel are required
- Fire and Medical Department will review skill set requirements for Low-Acuity medical calls to determine service delivery options

Staffing Plans

Both departments will develop multi-year staffing plans to address service demands in Mesa's growing and evolving community

Other Continuing Discussions

Convention Center

Development of a five-year plan to modernize the facility

Transportation

Staff will bring multiple topics to the SAT Committee for policy development

- Preparation of proposed streetlight master plan
- Prioritization of requests for major landscape lighting similar to the EVIT project
- Policy for development and placement of Pedestrian Hybrid Beacons throughout the City

Library

Identification of library service opportunities in Southeast Mesa

Explore opportunities for early childhood education centers

Digital Community Engagement

NextMesa Community Engagement Campaign

Create an interactive, digital media campaign to engage Mesa residents, businesses and visitors to share their ideas of projects or initiatives for future implementation

More information on the campaign later this month

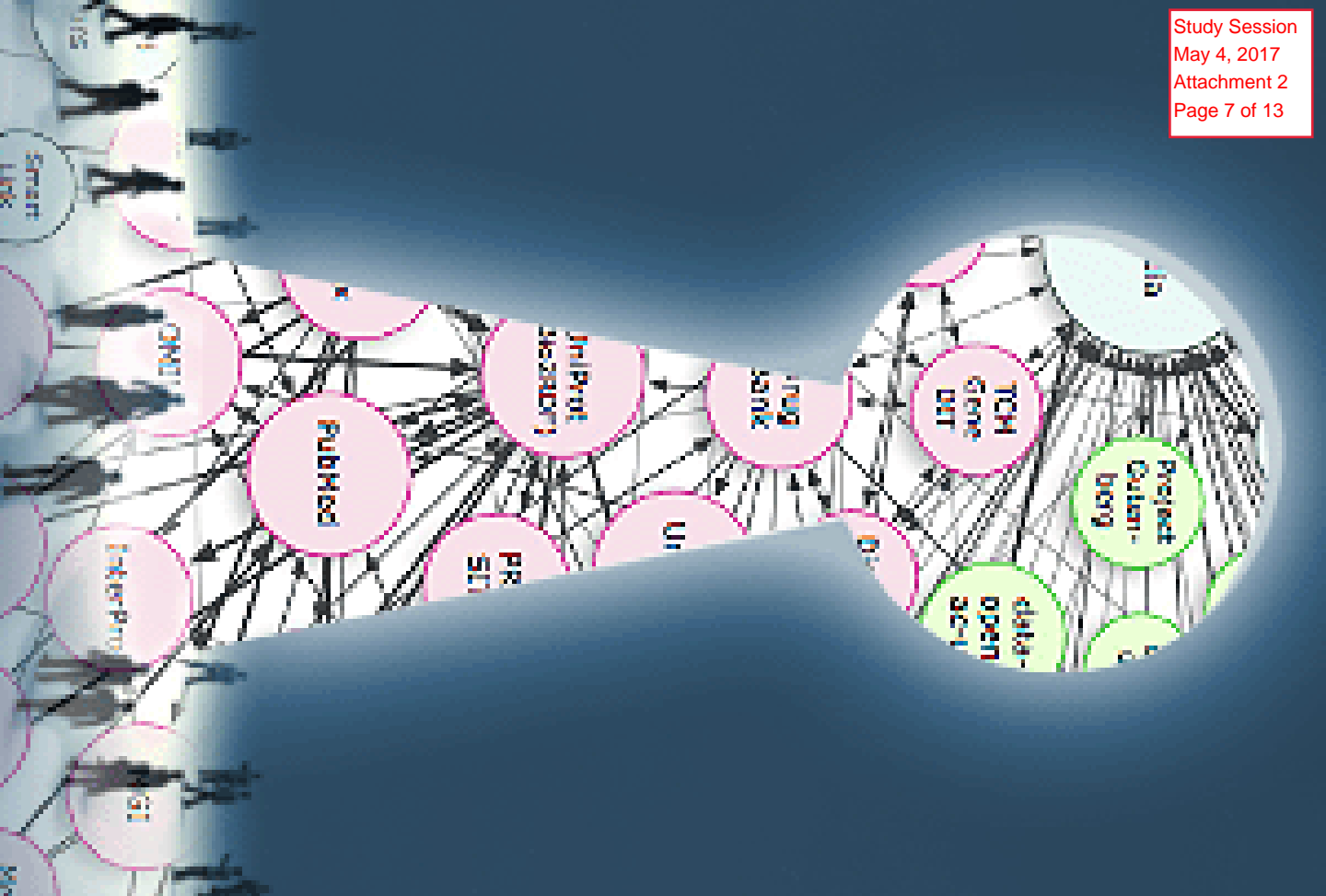
Expanding Online Access to Services and Information

Development of mobile application to facilitate digital engagement for customers

Enhancement of existing digital newsroom (mesanow.org) as a primary online news source for residents, businesses and visitors about community news and happenings

Mesa's Digital Presence

Implement strategies to enhance the City's brand and digital presence through web design, mobile applications and social media channels, and develop positive user experiences in efforts to grow audience base and engagement



Open Data Enhancement

Creation of a portal that encourages citizen interaction and provides easy access to and maintenance of City data

Selection process for a new tool is currently underway to enhance the City's open data portal

Further establishment of protocols and policies for the identification and use of City data, both internally and externally

Establishment of a Data Program Manager

Pending Budget Impacts

- Discussions regarding new Memorandums of Understanding (MOU) with both public safety associations are on-going
- Various identified lifecycle/infrastructure needs will be addressed as possible through budget savings

Finalizing the Budget

State statute requires that all expenses occurring in a fiscal year be included in the annual legal appropriation (budget)

Expenses related to large projects and contracts that will not be completed by year-end will be added to the FY 17/18 budget (carry-over)

Expenses and Revenues related to grants that are not fully expensed this year will also be added to the FY 17/18 budget (carry-over)

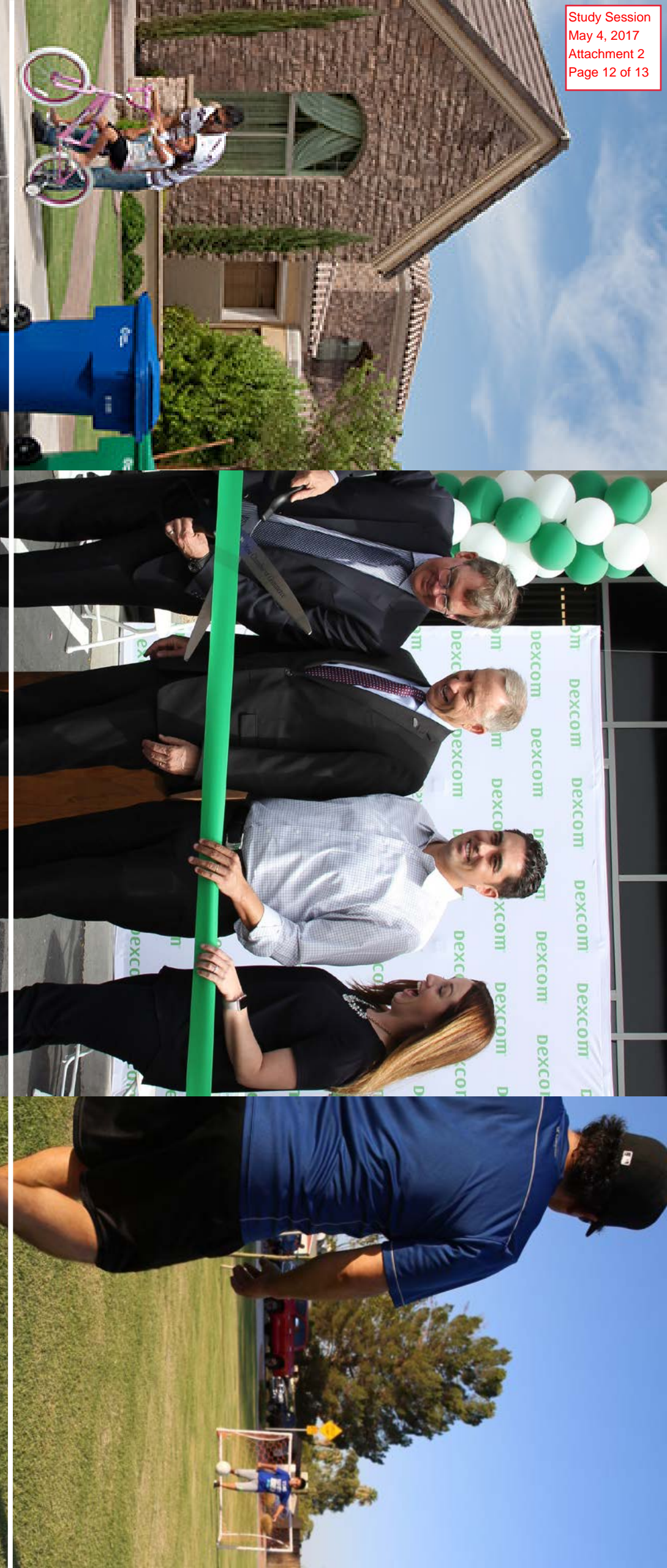
Adopting the Budget

The adopted budget sets the maximum expenditures the city can incur during the year

Contingency is included in the budget to allow capacity for unanticipated expenses or to allow for the spending of unanticipated revenues

Budget Adoption Calendar

May 8	Introduction of Utility Rate Ordinances
May 22	Adoption of Utility Rate Ordinances
	Public Hearing and Adoption of Five-Year Capital Improvement Program
	Tentative Adoption of Annual Budget
	Public Hearing on Annual Budget and Secondary Property Tax Levy
June 5	Final Adoption of Annual Budget
June 19	Adoption of Secondary Property Tax Levy



The FY 17/18 budget continues the City's effort to create and maintain a great place to live, work and play

