



# COUNCIL MINUTES

March 15, 2001

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 15, 2001 at 7:30 a.m.

## COUNCIL PRESENT

Mayor Keno Hawker  
Jim Davidson  
Bill Jaffa  
Dennis Kavanaugh  
Claudia Walters

## COUNCIL ABSENT

Pat Pomeroy  
Mike Whalen

## OFFICERS PRESENT

Mike Hutchinson  
Barbara Jones

Mayor Hawker excused Councilmembers Pomeroy and Whalen from the meeting.

### 1. Review items on the agenda for the March 19, 2001 Regular Council Meeting.

All of the items on the agenda were reviewed among Council and staff with no formal action taken. There was specific discussion relative to the following items:

Mayor Hawker declared potential conflicts of interest on agenda items 7o (Broadway Road Drainage Improvements), 7q (McDowell Road Improvements from Lehi Road to Greenfield Road) and 8b (Introduction of an Ordinance relating to storm water retention within the Downtown Redevelopment area) and said he would refrain from discussion/participation in these items.

Vice Mayor Davidson declared a potential conflict of interest on agenda item 7c (Contract for Electrical distribution transformers as requested by the Utilities Department) and said he would refrain from discussion/participation in this item.

Councilmember Jaffa declared potential conflicts of interest on agenda items 8e (Z00-65 North of the northwest corner of Sossaman Road and Germann Road)) and 11a (Z00-22, The 8000-9100 blocks of East McKellips (both sides) between Hermosa Vista Drive and McLellan Roads) and said he would refrain from discussion/participation in these items.

Mayor Hawker stated that agenda item 8d will be removed from the consent agenda.

2. Hear a presentation and consider the proposed FY 2001/2002 Community Development Block Grant Program (CDBG), Emergency Shelter Grant Program (ESG), and Home Investment Partnerships Program (HOME).

Community Development Manager Wayne Balmer and Community Development Administrator Kit Savagian addressed the Council regarding this agenda item. Mr. Balmer reported that staff evaluated the numerous proposals submitted for funding under the Community Development Block Grant Program (CDBG), the Emergency Shelter Grant Program (ESG) and the Home Investment Partnerships Program (HOME) and made recommendations regarding which proposals to fund. He noted that staff's recommendations are included in the materials provided to the Councilmembers.

Ms. Savagian reported that the Public Hearing regarding the proposals submitted will occur during the Regular Council Meeting on Monday, March 19, 2001, and that at the succeeding Council meeting, funding approval of staff's recommended projects will be determined by the Council.

Ms. Savagian discussed the materials provided to the Councilmembers regarding the programs which included: staff's funding recommendations for FY 2001/2002, the application schedule, policy guidelines, information regarding the criteria staff considers with each application and a map used to illustrate what areas of the city the recommended expenditures would be used in. Ms. Savagian noted that this year's over-all funding allocation increased 5.1%. She reported that this year's funding allocation for CDBG is \$3,590,000, and that requests for CDBG funding exceed \$7.7 million, making the task of determining staff's funding recommendations very difficult.

Ms. Savagian discussed various projects recommended by staff for CDBG funding. She said that staff is recommending \$730,000 be allocated for non-profit agency projects, including: Arizona Bridge to Independent Living, Labor's Community Service Agency, Marc Center, Mesa CAN and NEDCO. Ms. Savagian noted that only one City street lighting project is recommended for funding this year. Ms. Savagian commented on the Webster Gym project and said that although only partial funding was allocated last year, staff recommends full funding of the project this year. Ms. Savagian also noted continued recommended funding for the Fire Prevention Office and also commented on a new Housing Services project that is recommended, Lead Based Paint Inspection and Abatement.

Ms. Savagian reported that due to significant concerns and comments from City residents regarding the deterioration of older neighborhoods, staff recommends increased funding for housing rehabilitation. Ms. Savagian also reported increased recommended funding of the Landlord/tenant counseling program, and noted that the program was very successful last year.

Ms. Savagian said that the City was allocated \$942,000 under the HOME program and received in excess of \$2 million in applications. Ms. Savagian detailed the various HOME projects staff recommends for funding, including: ARM of Save the Family and Housing for Mesa (both for their operations as a Community Housing Development Organization), ARM of Save the Family (to acquire property for their affordable rental program), Community Services of Arizona (to help acquire Covina Court Apartments to provide affordable senior rental housing), Housing for Mesa (to acquire/rehab 10 houses for resale to families) and the Land Acquisition Program (to buy City owned lots for construction of single family homes by Habitat for Humanity and/or Housing for Mesa). Ms. Savagian noted that excess HOME funds from prior years are being allocated toward ARM of Save the Family.

Ms. Savagian reported that the Emergency Shelter Grant Program was fully funded in the sum of \$122,000. Ms. Savagian stated that the Housing and Human Services Advisory Board reviewed all of the requests for funding under all three programs and indicated support for staff's priorities. She added that staff will meet with the board again on March 27, 2001 to apprise the board of staff's final recommendations and seek approval regarding projects to be funded.

Councilmember Kavanaugh commended Mr. Balmer, Ms. Savagian and staff members involved in the program on their efforts to recommend projects for funding and stated the opinion that Mesa has benefited greatly from all three programs for many years. Councilmember Kavanaugh noted that although District 4 is not currently represented by a District Councilmember, it will receive the majority of the funds recommended this fiscal year, dispelling the idea that unrepresented districts will be ignored while the City is in transition with respect to District Councilmembers.

In response to a question from Councilmember Kavanaugh regarding the designation of alternate projects for funding, Ms. Savagian reported that some projects that are approved for funding do not move forward as planned resulting in residual allocated funds, which is why alternate projects are designated to avoid a reprogramming/approval process. She noted that staff also routinely reserves funding for an alternate project and added that during the last fiscal year, all three designated alternate projects were funded.

In response to a question from Councilmember Kavanaugh regarding staff's disapproval of the Rosarita application from MEGACORP under the CDBG program, Mr. Balmer explained that because of the significant paperwork required under the program and the length of time involved in the process, staff determined that the Rosarita project is not a good candidate for the CDBG program. Mr. Balmer noted that staff will endeavor to find an alternative program to assist the Rosarita project.

Discussion ensued regarding the history of the Rosarita plant; the fact that it was originally developed in the 1960's as one of the City's earliest economic development projects and the fact that the City collaborated with the Chamber of Commerce to develop vacant farm land into an industrial park where Rosarita located.

Vice Mayor Davidson voiced appreciation to staff and to the Housing and Human Services Advisory Board for their efforts with respect to selecting projects to recommend for funding.

In response to a question from Councilmember Davidson regarding staff's recommendation of only one street light project under the CDBG program, Ms. Savagian said that historically, funding is recommended and allocated for 2-3 street light projects. Mr. Balmer reported that street light projects are expensive and the demand for street lighting improvements in older areas of the City is growing. Mr. Balmer explained that due to the fact that housing rehabilitation is restricted to Federal funding while street lighting projects are not, staff is recommending increased funding of housing rehabilitation under the CDBG program. Mr. Balmer noted that the City can choose to relamp neighborhoods through its Capital Improvement Program and/or with general funds and that staff does recommend additional relamping with general funds.

Discussion ensued regarding which street lighting project to fund of the three projects submitted under the CDBG program.

Councilmember Walters commented on the Webster Gym Neighborhood Recreation Center project and voiced appreciation for the collaborative efforts between the City and the Mesa School District. She

added that it is her understanding that the Mesa School District plans to do additional significant renovations in conjunction with this project. Councilmember Walters voiced the opinion that the Webster School improvements represent a significant contribution to the West Mesa area.

Further discussion ensued regarding the planned Webster School improvements and the contribution of property from Rising Sun LLC (Tri City Mall owner).

Councilmember Walters stated the opinion that the Fire Prevention program is an important project for the City and voiced appreciation to the Fire Department for their efforts.

Councilmember Jaffa voiced appreciation to staff for their work regarding selection of projects to recommend for funding.

In response to questions from Councilmember Jaffa regarding funding allocated to Mesa CAN and the East Valley Transitional Training and Living Center under the CDBG Program, Ms. Savagian explained that the funds recommended for Mesa CAN in the sum of \$500,000 are for relocation of the agency's operations. She added that Mesa CAN's lease will expire in October and the funds will provide the agency a permanent facility for their operations. Mr. Balmer said that staff will provide the Council with an update regarding the East Valley Transitional Training and Living Center in conjunction with the Public Hearing in this matter on March 19, 2001.

In response to a question from Councilmember Jaffa regarding the administration of the Regular Housing Rehabilitation project (Homeowner rehab – 40 emergency, 40 regular rehabilitation project) under the CDBG Program, Mr. Balmer explained that the Housing Services Division of the Neighborhood Services Department administers the project. He added that two Neighborhood Specialists evaluate the applications and inspect properties to determine eligibility under the program and that work performed is done by local contractors through a bid process.

In response to concerns voiced by Councilmember Jaffa regarding the cost of administering the three programs, Mr. Balmer explained that the City bills the Federal Government for its services and is reimbursed out of funds allocated under the programs for administration.

Councilmember Jaffa requested that staff provide the Council with a breakdown of what is paid for administration expenses out of funds allocated under the three programs.

Councilmember Jaffa commented on the Housing For Mesa Homebuyer Program (\$250,000 recommended to acquire/rehab 10 houses for resale to families) and stated the opinion that the City would benefit from upgraded construction requirements including the use of tile roofs and ground-mounted air conditioning units.

Mayor Hawker thanked staff for their presentation.

3. Hear a presentation regarding Immigration Work Agreement issues.

Mayor Hawker voiced appreciation to Councilmember Walters for her efforts in setting up meetings to discuss issues regarding immigration with Congressional representatives and other officials while the Councilmembers were recently in Washington D.C. Mayor Hawker commented further on the Council's

efforts to communicate to Federal officials the problems Mesa is dealing with relative to day labor/immigration work issues.

Councilmember Walters voiced appreciation to the Day Labor Task Force for their efforts and said that the Council is endeavoring to move forward with their recommendations.

Community Development Manager Wayne Balmer provided a brief overview of this agenda item said that the presentation is an outgrowth of the Day Labor Task Force's recommendations. Mr. Balmer introduced Margie Emmermann, Governor Hull's Special Policy Advisor on Mexico and Angela Pritchard Bayless from the Arizona-Mexico Commission to discuss illegal immigration issues from a State level. Mr. Balmer said that Governor Hull has taken a leadership role and that Ms. Emmermann is very involved in the process. He added that Ms. Pritchard-Bayless authored the comprehensive report regarding these issues entitled "*Labor Shortages and Illegal Immigration: Arizona's Three-pronged Strategy*", which was provided to the Councilmembers.

Ms. Emmermann said that, as Governor Hull's policy advisor, she would provide an over-view of the Governor's thoughts relative to immigration issues. She added that Ms. Pritchard Bayless will discuss the report she authored and comment on important issues to be resolved. Ms. Emmermann congratulated the Council on tackling the issue of day labor through the Day Labor Task Force and said that she found the Task Force's report to contain important information with consideration given to many viewpoints.

Ms. Emmermann stated that Governor Hull recognizes the fact that the illegal immigration situation is immigration related and also worker related and that the situation must be addressed on a Federal level to enact change. Ms. Emmermann added that the Governor's approach to the situation is not to take a position, but to promote dialogue on a federal level to promote immigration policy change.

Ms. Emmermann discussed the Governor's three pronged approach to immigration issues, including: 1) Border Enforcement (securing Arizona's borders in a manner that prevents crisis level); 2) Economic Development (recognizing that illegal immigrants are coming into Arizona and addressing the phenomenon in a manner that benefits Arizona as much as possible); and 3) Foreign Labor Programs (addressing the issue of foreign labor without joining the issue of amnesty). Ms. Emmermann noted that many minority groups and religious organizations are opposed to separating the issues of foreign labor and amnesty.

Ms. Emmermann commented on Arizona Congressional representatives that are responsive to these issues including Senators McCain and Kyl and Representatives Kolbe, Flake and Pastor. Ms. Emmermann said that Governor Hull would like to see the issue of foreign labor addressed in a manner that is a balance of improved quality of life for foreign workers and profitability for business, without compromising the employability of U.S. citizens/residents.

Ms. Emmermann noted that Governor Hull is optimistic about the fact that President Bush (a former border Governor) and President Fox of Mexico understand current immigration issues and want to improve the situation. Ms. Emmermann added that both Presidents appear to recognize that compromise must occur to achieve progress. Ms. Emmermann noted that the phrase "Immigration Issues" is now being referred to as "Economic Migration Phenomenon".

Ms. Pritchard Bayless stated that the Arizona-Mexico Commission recognizes that in order to be successful, a new foreign worker program must be comprehensive without being too difficult for

employers to use. Ms. Pritchard Bayless said that the purpose of the Arizona-Mexico Commission's report is to identify critical issues that must be addressed in a responsible fashion to develop a good program that will work and reduce the problems associated with illegal immigration from Mexico. Ms. Pritchard Bayless discussed the 10 critical issues identified in the report, including:

- Amnesty;
- Undocumented worker Participation;
- Labor Shortage Definition/Declaration Process;
- Free Market Model and Renewable Visas;
- Work Authorization Documents;
- Withholding Wages;
- State and Federal Taxes and Social Security;
- U.S. Citizen/Legal Permanent Resident Priority;
- Family participation;
- Benefits (Wages, Healthcare, etc.).

Ms. Pritchard Bayless said that amnesty is considered the top critical issue and she described the different types of amnesty, blanket amnesty, advanced registry date amnesty and earned amnesty.

Discussion ensued regarding the high-skilled labor classification of foreign workers. Ms. Pritchard Bayless clarified that the issues addressed in the report relate to the unskilled class of worker and added that it is the unskilled class that comprises the current day labor work force.

Discussion ensued regarding recent efforts of Senator Phil Gramm regarding a guest labor program and his position that an effective program must include the undocumented workers presently in the United States; opposition to the idea of preferential treatment for workers who entered the country illegally when there are foreign workers who have waited years to legally work in the U.S.; the importance of proceeding with dialogue regarding undocumented status in a thoughtful manner to avoid media coverage that would result in a "rush to the border", exacerbating the current problem; the severe labor shortage crises in several states that is driving illegal immigration; the Free Market Model that would not require workers to be tied to employers or industries; and the issue of fraudulent work authorization documents.

Ms. Pritchard Bayless reported that there has been recent discussions regarding programs to entice workers to return home after the job is over including withholding wages and mandatory savings programs. She added that President Fox has been visionary in his efforts to entice workers to return home.

Discussion ensued regarding the issue of Federal and State taxes and the position of many that workers receive more in entitlements than they contribute in taxes; the issue of not taking jobs away from U.S. residents; the issue of family participation and the fact that many family groups are opposed to any kind of program that would only allow the wage earner to reside in the U.S. during the period of the job; the social crisis that exists in many Mexican communities because most or all of the men have left to work in the U.S.; and the issue of benefits to the worker and treatment of the worker while in the U.S.

In response to a question from Mayor Hawker regarding administrative expenses associated with the documentation of workers, Ms. Emmermann advised that a task force (headed by Collin Powell and John Ashcroft on the U.S. side) was established by President Bush and President Fox during their recent meeting and that the task force will address those types of issues. Ms. Emmermann added that Governor

Hull has stressed the importance of communicating issues and recommendations to the newly formed task force.

Mayor Hawker voiced support for a program that would allow workers with illegal status to work towards legal status without preferential treatment over people outside of the country who have waited to legally work in the U.S.

Councilmember Walters commended Ms. Pritchard Bayless on the report and noted that the issues involved are very complex. Councilmember Walters voiced the opinion that a successful guest worker program must be simple for employers and noted that there is growing awareness of the existing problem of illegal workers.

(At 9:40 a.m. Mayor Hawker yielded the gavel to Vice Mayor Davidson and was excused from the remainder of the Council meeting.)

Vice Mayor Davidson also commended Ms. Pritchard Bayless on the report and said that the report provides direction and education that would have been helpful during the Day Labor Task Force meetings. Vice Mayor Davidson voiced support for efforts to encourage economic development in Mexico. Vice Mayor Davidson requested Ms. Emmermann to fully apprise Governor Hull regarding Mesa's efforts towards establishing a Day Labor Work Center and communicate Mesa's desire for her support and assistance in this regard.

Councilmember Jaffa voiced support for establishing a timeline between local, State and Federal officials for development of new policies and laws to address immigration work issues.

Ms. Emmermann said that Senator Graham and the newly formed task force established by President Bush and President Fox are the two areas that Arizona is looking to for establishment of a timeline and progress on a Federal level.

Councilmember Jaffa stated the opinion that the states impacted by illegal immigration must unify and agree on timelines and policies to promote, and aggressively pursue Federal immigration policy changes.

Ms. Pritchard Bayless said that the State Department has indicated that there will be some development regarding immigration issues within the next year.

Vice Mayor Davidson voiced appreciation to Councilmember Walters for her efforts regarding day labor and immigration issues. Vice Mayor Davidson noted that the City of Mesa has more day laborers on its streets than any other city in Maricopa County and the numbers are growing.

Mr. Balmer informed the Council that staff is on schedule to address the Council regarding the proposed Day Labor Center prior to June 1, 2001. Mr. Balmer commented on staff's recent trip to Guaymas, Mexico, one of Mesa's sister cities, and on their poor economy. Mr. Balmer reported that he was advised by a Guaymas official that 40% of the men in Guaymas are occupied in jobs in the U.S. and that even though the Maquila operations through the North American Free Trade Agreement (NAFTA) resulted in new job growth, the transfer payments going into Guaymas from workers in the U.S. contribute as much as all of the Maquila operations combined.

Vice Mayor Davidson thanked staff, Ms. Emmermann and Ms. Pritchard Bayless for the presentation.

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

Vice Mayor Davidson stated that he and other Councilmembers will report on the meetings/conferences attended in conjunction with their recent trip to Washington D.C. during a future meeting.

5. Scheduling of meetings and general information.

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

Monday, March 19, 2001, 3:00 p.m. – Utility Committee

Monday, March 19, 2001, TBA – Study Session

Monday, March 19, 2001, 5:45 p.m. – Regular Council Meeting

Thursday, March 22, 2001, 7:30 a.m. – Study Session

Thursday, March 29, 2001, 7:30 a.m. – Study Session

Thursday, March 29, 2001, 9:00 a.m. – Police Committee

Monday, April 2, 2001, TBA – Study Session

Monday, April 2, 2001, 5:45 p.m. – Regular Council Meeting

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 9:47 a.m.

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KENO HAWKER, MAYOR

ATTEST:

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BARBARA JONES, CITY CLERK

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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 15th day of March, 2001. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2001.

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BARBARA JONES, CITY CLERK

pjt