



# COUNCIL MINUTES

April 5, 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 April 5, 2004 at 5:00 p.m.

COUNCIL PRESENT	COUNCIL ABSENT	OFFICERS PRESENT
Mayor Keno Hawker Rex Griswold Kyle Jones Dennis Kavanaugh Janie Thom Claudia Walters Mike Whalen	None	Mike Hutchinson Debbie Spinner Barbara Jones

1. Review items on the agenda for the April 5, 2004 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: 8b (Whalen), 8d (Walters, Whalen), 10 (Griswold)

Items removed from the consent agenda: None

Items added to the consent agenda: None

Items removed from the agenda: 7b

2. Discuss and consider the City's participation in the purchase of property with CDBG funds for subsequent lease to the Mesa Senior Center, Inc.

Councilmember Whalen declared a potential conflict of interest and refrained from discussion/participation in this agenda item.

Community Revitalization Director Kit Kelly stated that a revised Project Cost Analysis (see Attachment 1) was provided to the Council that lists a history of Mesa Senior Center's funding requests and allocations. She added that since the original funding request in 2001, design and construction costs have increased substantially; and that a major concern relative to this project was disruption of the Serrine Adult Day Care Center during the expansion process. Ms. Kelly advised that the building at 45 West University, located immediately north of the existing facility,

was recently offered for sale; that Mesa Senior Center staff requests that the Council consider allocating funds to acquire the building for office space as an alternative to expansion of the existing space; and that acquisition of the building would provide the required office space without disrupting services to the Serrine Adult Day Care facility.

Ms. Kelly stated that the City's offer to purchase the property has been accepted, but the acquisition would not be finalized without formal Council approval. She advised that staff was seeking Council direction relative to the possible acquisition of the property at 45 West University.

In response to a comment from Mayor Hawker, City Attorney Debbie Spinner confirmed that formal Council approval is required in order for the property acquisition to proceed. She explained that no formal action is required at this meeting, but staff is seeking direction from the Council relative to preparing the documents for Council approval of the acquisition at a future date.

Ms. Kelly responded to a series of questions from Vice Mayor Kavanaugh by stating that the City and Mesa Senior Services would enter into the same type of lease agreement as the one that presently exists for the property at 247 North Macdonald; that Mesa Senior Services would then execute a sublease of the property to the Serrine Adult Day Care Center, subject to approval by the City; and that staff was unaware of any discussion relative to executing independent leases between the two nonprofit organizations and the City.

Discussion ensued relative to the fact that a business group has expressed an interest in purchasing the property; that the Mesa Senior Center is also a business; that the costs to remodel the building and install restrooms that meet the requirements of the Americans with Disabilities Act (ADA) are undetermined; that the City has not committed any funds for remodeling; that Federal guidelines obligate the City to pay relocation expenses for existing tenants; and that contingency funds would be utilized to pay the relocation expenses estimated at \$50,000.

In response to a series of questions from Councilmember Griswold, Ms. Kelly advised that a breakdown of the expansion funds relative to day care, physical therapy and office space requirements was not available; that funds allocated for the expansion project in 2003/04 totaled \$265,000 for construction; and that an additional \$215,000 was available from the contingency fund.

Councilmember Thom expressed opposition to the proposal and stated that many of the Senior Center clients are not Mesa residents; that the Community Development Block Grant (CDBG) funds could be directed to other community projects; and that the Mesa Senior Center should seek grant money or contributions from charitable organizations to fund the purchase of the property.

Mayor Hawker requested that staff provide detailed information to the Council relative to the costs of remodeling, installation of ADA compliant restrooms, and relocation of the existing tenants. He stated that the item would be placed on a future Study Session agenda.

3. Hear an update on the Mesa City Council 2003-2004 Priority Work Plan.

There was no action or discussion on this item.

4. Hear an update on the Land Development Work Plan.

There was no action or discussion on this item.

5. Appointments to boards and committees.

Mayor Hawker recommended the following appointments to Boards and Committees:

HUMAN RELATIONS ADVISORY BOARD

Victor Burrola – Expiration of Term: June 30, 2006

PERSONNEL APPEALS BOARD

Donna Kohlhasse – Expiration of Term: June 30, 2006

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

Carried unanimously.

6. Acknowledge receipt of minutes of boards and committees.

- a. Ad Hoc Committee to Study Police Oversight meetings held January 28 and February 11, 2004.
- b. General Development Committee meeting held March 25, 2004.
- c. Judicial Advisory Board meeting held March 3, 2004.

It was moved by Councilmember Jones, seconded by Councilmember Walters, that receipt of the above-listed minutes be acknowledged.

Carried unanimously.

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

There were no reports on meetings and/or conferences attended.

8. Scheduling of meetings and general information.

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

Thursday, April 8, 2004, 7:30 a.m. – Study Session

Tuesday, April 13, 2004, 6:30 p.m. – Joint Meeting with Apache Junction Council

Wednesday, April 14, 2004, 6:30 p.m. – Mesa 2025: Financing the Future

Thursday, April 15, 2004, 7:30 a.m. – Study Session

Monday, April 19, 2004, 3:00 p.m. – Finance Committee

Monday, April 19, 2004, TBA – Study Session

Monday, April 19, 2004, 5:45 p.m. – Regular Council Meeting

Thursday, April 22, 2004, 7:30 a.m. – Study Session

Thursday, April 22, 2004, 9:30 a.m. – Utility Committee

Mr. Hutchinson reported that the date of the Study Session and Regular Council Meeting originally scheduled for June 28, 2004 has been changed to June 21, 2004.

9. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

10. Adjournment.

Without objection, the Study Session adjourned at 5:37 p.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 5<sup>th</sup> day of April 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 1

REVISED

Attachment 1

**Mesa Senior Center  
Project Cost Analysis**

**Application/funding history:**

<b>FY</b>	<b>Request</b>	<b>Allocation</b>	
2001/02	\$500,000	\$0	Renovation and 1600 sq ft addition
2002/03	\$501,100	\$75,000	Design services only
2003/04	\$480,000	\$265,000	Construction
		<u>215,000</u>	(Contingency reserve)
		\$480,000	
2004/05	\$495,000	\$0	Construction
\$ 75,000	Design	Funded 02/03	
\$265,000	Construction	Funded 03/04	
<u>\$495,000</u>	Construction	Request 04/05	
<b>\$835,000</b>	<b>Total project cost</b>		

**Acquisition:**

45 W. University 4420 sq ft

Asking price: \$485,758

Offer accepted: \$480,000

Subject to City Council approval

**Relocation issues:**

Three tenants on month to month leases may be eligible for relocation benefits:

TLW Construction

Patriot Group

Cornerstone Commercial Management

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