

COUNCIL MINUTES

March 2, 2000

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, 2, 2000 at 7:30 a.m.

COUNCIL PRESENT

Mayor Wayne Brown
Jim Davidson
John Giles
Keno Hawker
Bill Jaffa
Dennis Kavanaugh
Pat Pomeroy

COUNCIL ABSENT

None

STAFF PRESENT

Mike Hutchinson
Don Ayers
Joan Baier
Cindy Barris
Neal Beets
Denise Bleyle
Jamie Brennan
Linda Crocker
Bob DeLeon
Jerry Dillahey
Jack Friedline
Geri Gerber
John Gendron
Joe Holmwood
Barbara Jones
Karen Kille
Wayne Korinek
Rich Lorig
Tom Mattingly
Frank Mizner
Keith Nath
Ruth Anne Norris

STAFF PRESENT (CONT.)

Ellen Pence
Bill Petrie
Andrea Rasizer
Tom Remes
Regan Robbins
Gordon Shaffstall
Jenny Sheppard
Doug Tessendorf
Lois Underdah
Kim West
Mindy White
Mike Woodward
Others

OTHERS PRESENT

Betty Beard
Alex Finter
Barrett Marson
Mike Whalen
Others

Mayor Brown excused Councilmember Jaffa from the beginning of the meeting. Councilmember Jaffa joined the meeting at 7:38 a.m.

1. Review items on the agenda for the March, 6, 2000 Regular Council Meeting.

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

5. Consider the following contracts:

- *f. One new and two replacement tractor backhoes with front end loaders as requested by the Utility Construction Division and the Transportation Division.

City Manager Mike Hutchinson advised that this item has been deleted from the agenda.

- i. Mesa Town Center Streetscape Improvements – Phase II. City of Mesa Project No. 97-102.1

Councilmember Hawker indicated that he had a potential conflict of interest in connection with the matter currently under discussion which he wanted reflected in the minutes of the meeting and because of such conflict, he would refrain from discussing in any manner and/or participating in any way in connection with this agenda item.

In response to a question from Mayor Brown relative to the process that would be followed if it was determined that a majority of the Council must declare conflicts of interest relative to this issue, Mr. Hutchinson advised that staff will pursue this matter and provide the Council with direction prior to the Regular Council Meeting.

8. Consider the following cases from the Planning and Zoning Board and possible adoption of the corresponding ordinances:

- a. Z99-94

Planning Director Frank Mizner advised that this item was not placed on the consent agenda based on the fact that both staff and the Planning and Zoning Board have recommended denial (split vote) based on previous Council direction regarding mini-storage facilities.

- b. Z99-96

Councilmember Pomeroy commented on the fact that the proposed project appears to be heavily landscaped.

In response to a question from Councilmember Hawker, Mr. Mizner advised that the stipulations pertaining to this case include a requirement that all future development at the site will be subject to site plan review.

- c. Z99-104

Mr. Mizner reported that the applicant has requested that this case be tabled.

Mayor Brown instructed staff to place this item on the consent agenda for a continuance.

- *g. Z00-5

In response to a question from Councilmember Pomeroy relative to the type of facility proposed for this site, Mr. Mizner said that it is his understanding that if the proposal is approved a crisis treatment center would be opened at this location. Mr. Mizner referred to a letter received from Joanie Flatt, who is supportive of the project, but has requested that staff closely review the proposed use and determine that adequate security measures will be implemented.

Mr. Mizner reported that he has discussed this matter with Police Chief Jan Strauss who did not pose any objections to the proposed facility at that location.

Councilmember Jaffa requested that this item be removed from the consent agenda.

2. Hear a report on the Mesa Town Center Improvement District's future programming and assessment rate adjustment proposal.

Mesa Town Center Corporation (MTCC) President Vince DiBella, Vice President Paul McKee and Executive Director Tom Verploegen addressed the Council relative to this agenda item.

Mr. DiBella discussed MTCC's recommendations and commented that since the December 1998 downtown improvement district evaluation process, on-going efforts have been expended to condense all of the input that was received from the property owners. Mr. DiBella reported that requests were received relative to additional promotions and marketing, the development of a separate property owner newsletter and a re-evaluation of programming and assessment rates according to private and City ownership.

Mr. DiBella commented on the fact that although various assessment proposals were considered by MTCC staff and a representative selection of property owners, the Board determined that a recommendation to increase the total assessment amount of each parcel district-wide by 25% is both appropriate and justifiable. Mr. DiBella added that it is also being recommended that a multi-floor assessment rate of 10% per floor above the first floor be added based on the fact that tenants and/or users on all floors receive the benefits of improvement district services. Mr. DiBella also recommended that a consumer price index factor be added to the assessment calculations in order to remain level with the impact of inflation.

Mr. DiBella informed the Council that the proposed increases would result in a \$342 increase in his assessment per year and said that he believes the increase represents a good business decision and will be of significant benefit in the long run. Mr. DiBella emphasized that MTCC has been operating with the same budget amount since the corporation's inception in 1986 and stressed the importance of enhancing community pride and providing increased services such as expanded business retention and recruitment, increased promotions and marketing/management services as outlined in the proposed budget submitted to the Council. Mr. DiBella also stated the opinion that additional discussion should occur relative to increasing the amount of City ownership in the Town Center, which affects the Town Center budget, either through a service agreement incorporating the \$180,000 which the City already contributes towards the public space management program and jointly agree upon the status of future City acquisitions.

Mr. DiBella reported that the average impact on property owners in the Town Center will be an increase of approximately \$15 per month and briefly discussed the public input process that will occur over the next few months. Mr. DiBella requested that the Council approve MTCC's recommendations.

Mr. McKee addressed the Council and stated that in addition to serving as Vice President of MTCC, he is also the owner of Scott Blueprint Company and pays an annual assessment of approximately \$2,000. Mr. McKee expressed the opinion that the assessment is worthwhile and provides extensive benefits and emphasized MTCC's excellent reputation and history.

At this time Mayor Brown and Councilmembers Hawker, Jaffa and Pomeroy indicated that they had potential conflicts of interest in connection with the case currently under discussion which they wanted reflected in the minutes of the meeting and because of such conflicts they would refrain from discussing and/or participating in any manner in connection with this agenda item.

Councilmember Kavanaugh stated the opinion that the recommendations of the MTCC Board of Directors and the property owners should be considered and emphasized that the proposal represents the first increase MTCC has had in the corporation's 15 years of operation. Councilmember Kavanaugh commented on the extensive effort that has been expended by the corporation and added the opinion that the requested increase is fair and appropriate and will greatly benefit the business owners in the Town Center area.

In response to a request for input from Mayor Brown, Assistant City Attorney Joe Padilla stated the opinion that based on the fact that a majority of the Council has declared conflicts of interest relative to this agenda item, according to State law regulating assessment districts, and requiring Council action on assessments, the members of the Council may now proceed with discussing and/or participating in connection with this agenda item.

City Manager Mike Hutchinson briefly outlined the assessment process and stated that a final public hearing will occur at the first Regular Council Meeting in June. Mr. Hutchinson added that if approved by the Council, the assessments would go into effect after July 1st.

In response to a question from Councilmember Pomeroy, Mr. DiBella provided justification for the proposed 25% increase and noted that a portion of the increase will be used to maintain current services. Mr. DiBella discussed plans to hire a computer/information staff member which will allow Executive Director Tom Verploegen to enhance his marketing plans and to work closely with citizens.

Additional discussion ensued relative to the fact that single family residential units would not be assessed, the fact that in buildings containing retail on the main floor and apartments above, only the retail portion of the building would be assessed, the services provided by MTCC including maintenance and marketing, MTCC's intention to develop an "inventory profile" kit, and the fact that as the number of City projects increase along with the assessment rates, at some future point in time it may be more practical for the City to assume the role of service provider rather than paying the assessment amount.

Councilmember Davidson spoke in support of MTCC and commented that it appears a majority of the proposed increase would be used to offset increased marketing and personnel costs.

Councilmember Jaffa commended MTCC on their performance in the Town Center area. Councilmember Jaffa also expressed concerns relative to revenue losses that have been sustained by the business owners in the downtown area as a result of the extensive construction that has occurred. Councilmember Jaffa stated that this may be an appropriate time for the City of Mesa to step forward and provide additional services in an effort to compensate the owners for their losses.

Mayor Brown advised that he does not support the proposal and indicated his preference that the City and the downtown merchants each handle their own specific needs. Mayor Brown added that the assessment requires additional discussion and consideration.

Mayor Brown thanked Mr. DiBella, Mr. McKee and Mr. Verploegen for their presentation.

3. Consider appointment to the Local Public Safety Police and Fire Pension Board to fill a vacancy created by Mr. Luster's retirement.

It was moved by Councilmember Kavanaugh, seconded by Vice Mayor Giles, that newly appointed City Manager Mike Hutchinson replace former City Manager Charles Luster as a member of the Local Public Safety Police and Fire Pension Board.

Carried unanimously.

4. Acknowledge receipt of minutes of various boards and committees.

- a. Crime Prevention Advisory Board meeting held February 16, 2000.
- b. Economic Development Advisory Board meetings held January 25, and January 31, 2000.

It was moved by Councilmember Pomeroy, seconded by Councilmember Kavanaugh, that receipt of the minutes of the above-listed boards and committees be acknowledged.

Carried unanimously.

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

Mayor Brown advised that there were no reports on meetings and/or conferences attended.

6. Scheduling of meetings and general information.

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

Monday, March 6, 2000, 5:45 p.m. – Regular Council Meeting

In response to a suggestion from Mr. Hutchinson, Mayor Brown stated that the Thursday, March 9, 2000 Study Session will be cancelled.

Monday, March 20, 2000, 3:30 p.m. – General Development Committee Meeting

Monday, March 20, 2000, 5:45 p.m. – Regular Council Meeting

7. Prescheduled public opinion appearances. (Maximum of three speakers for three minutes per speaker).

Mayor Brown advised that there were no prescheduled public opinion appearances.

8. Items from citizens present. (Maximum of three speakers for three minutes per speaker).

Mayor Brown advised that there were no items from citizens present.

9. Adjournment.

Without objection, the Study Session adjourned at 8:32 a.m.

WAYNE BROWN, 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 2nd day of March, 2000. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____ 2000

BARBARA JONES, CITY CLERK