



COUNCIL MINUTES

June 15, 2023

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 June 15, 2023, at 7:31 a.m.

COUNCIL PRESENT

John Giles
Francisco Heredia
Jennifer Duff
Mark Freeman
Alicia Goforth
Scott Somers
Julie Spilsbury

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady*
Scott Butler
Holly Moseley
Jim Smith

(*Participated in the meeting through the use of video conference equipment.)

Mayor Giles conducted a roll call.

1. Review and discuss items on the agenda for the June 19, 2023, Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: 5-a, **(Southeast Water Reclamation Plant (SEWRP) Improvements – Pre-Construction Services and Construction Manager at Risk (CMAR) (District 6)**, Mayor Giles.

Items removed from the consent agenda: 9-b

Assistant City Manager Scott Butler displayed a PowerPoint presentation related to Item 6-e, **(Approving and authorizing the City Manager, pursuant to Section 205(D) of the Mesa City Charter and Ordinance No. 5704, to enter into a Memorandum of Understanding for fiscal years 2023 through 2026 with the United Mesa Fire Fighters Association relating to wages and other forms of direct monetary compensation, hours, non-health related benefits and working conditions not covered under state or federal laws or City Personnel Rules)**, on the Regular Council meeting agenda. **(See Attachment 1)**

Mr. Butler reviewed the Memorandum of Understanding (MOU) agreement regarding compensation and highlighted the goals of being competitive in the market and having a high-performing organization. He advised, in addition to the market adjustments that will be effective

July 1, 2023, the agreement guarantees eligible employees a 5% step increase for the next three years. (See Page 2 of Attachment 1)

Mr. Butler acknowledged an error on Slide 2 that incorrectly mentioned police officers and sergeants instead of Mesa firefighters, engineers, and captains.

In response to a question from Councilmember Goforth, Mr. Butler replied that the market adjustment rate is a one-time increase for the first year of the agreement. He added in the second year of the agreement, another market study will be conducted and, if any adjustments are recommended, that would take effect in the third year of the agreement.

Mr. Butler reported that the market analysis has allowed Mesa to be competitive in the market; as other cities make adjustments, Mesa will adjust accordingly. He explained the out-of-rank compensation is based on the market and comparison of other cities. (See Page 3 of Attachment 1)

Mr. Butler summarized the additional provisions for the deferred compensation plan, and pilot programs to incentivize firefighters. He noted issues discussed previously, such as paid parental leave and other enhancements, will be handled outside the MOU and in the City's Personnel Rules. (See Pages 4 and 5 of Attachment 1)

Mr. Butler indicated that the City of Mesa (COM) strives to provide a supportive work environment for its employees and that market adjustments have enabled the City to address any inequities. He pointed out that the 5% step increase will provide assurances for police and fire employees over the next few years.

In response to a question from Councilmember Somers, Mr. Butler explained that the market adjustments allow the City to remain competitive for employees whose salaries have reached their limit; while the 5% step increase provides security for younger members of the Police and Fire Departments. He remarked the City has made adjustments over the past few years to remain competitive, and is committed to a market-based approach to determine when adjustments are needed.

Brian O'Neill, Executive Director of Phoenix-Mesa Gateway Airport, introduced Development Services Director Nana Appiah, Planning Director Mary Kopaskie-Brown, Economic Development Deputy Director Lori Collins, and displayed a PowerPoint presentation related to Item 9-a, **(ZON22-01008 "Gateway East" (District 6) Within the 5300 to 6200 blocks of South Ellsworth Road (west side). Located south of Ray Road and west of Ellsworth Road (273± acres). Rezone from Light Industrial with a Planned Area Development Overlay (LI-PAD) to Light Industrial with a new Planned Area Development Overlay (LI-PAD) and Council Use Permit to allow for a commercial and industrial development.)**, on the Regular Council meeting agenda. (See Attachment 2)

Mr. O'Neill provided a history of the Gateway East proposed development project located on the east side of the Phoenix-Mesa Gateway Airport. He explained the Boyer Company was selected to partner with the airport to develop a first-class Airport Business Park for high-quality companies to bring jobs and economic prosperity to the East Valley. He mentioned the Boyer Company has a 40-year master development and a 40-year master lease with the Airport Authority, allowing them to earn their way over the next 40 years into developing the full 273 acres of land. He discussed the approval process for prospective tenants and the benefits of the long-term lease agreements. (See Page 2 of Attachment 2)

In response to a question posed by Councilmember Somers, Ms. Kopaskie-Brown presented a summary of the planned area development and highlighted what the Design Review Committee looks at for design guidelines to ensure Mesa is receiving high-quality designs on every project. (See Page 4 of Attachment 2)

Ms. Collins stated that her office collaborated with the Airport Authority and feels that the Premier Business Park being developed aligns with the Airport Master Plan to increase Mesa's continued efforts to attract quality employers to the area.

Dr. Appiah highlighted the main points in the Development Agreement (DA) and the prohibited and restricted uses to ensure a high-quality development. He reported that a maximum of eight drive-thrus will be permitted, with specific locations and a development sequence to prevent drive-thrus from dominating the property. (See Page 6 of Attachment 2)

In response to multiple questions from Councilmember Somers, Mr. O'Neill expressed he is hopeful that the Gateway East project will land high-quality, upscale hotels, followed by additional sit-down restaurants, which is the COM's vision for the project. He added the Boyer Company is aware of Mesa's expectations for the development project and shares its vision.

In response to a question from Councilmember Goforth, Mr. O'Neill replied that the Board of Directors has some control over the approval of tenants and has the authority to deny a tenant that does not meet the expectations set by the COM and the Board of Directors.

In response to a question posed by Vice Mayor Heredia, Mr. O'Neill described the infrastructure plans for the 273± acres for development.

Discussion ensued relative to traffic conditions around State Route (SR) 24 and Ellsworth Road and the improvements being made.

Councilmember Duff suggested the inclusion of interior roads for adequate bicycle, scooters, and walking paths to reduce traffic congestion.

Mayor Giles thanked staff for the presentation.

In response to a question from Councilmember Somers regarding Item 6-a, **(Levying the amount to be collected by a secondary property tax and the rate upon each one hundred dollars (\$100) of assessed valuation of property subject to taxation within the City of Mesa for the fiscal year ending June 30, 2024 (Citywide))**, on the Regular Council meeting agenda, Treasurer Ryan Wimmer replied that the voters approved the secondary property tax levy and rate for the next fiscal year to pay off the debt on the General Obligation (GO) bonds. He stated the rate has been reduced by 6% from 0.91 cents to 0.85 cents and all taxpayers in Mesa will benefit with a reduction in the City's tax. He commented that the COM is modest in using approximately 20% of its GO debt limit.

Councilmember Somers shared that Mesa has a lower debt compared to many smaller cities, a sign that Council is careful with expenditures and prioritizes the needs of the community. He pointed out that the COM is lowering its rate to pay debt and is not reserving any extra funds for other purposes.

In response to a question from Councilmember Duff regarding Item 5-c, **(Use of a Cooperative Contract for a One-Year Term Contract with Two Years of Renewal Options for Irrigation Control Parts, Supplies, and Repairs for the Parks, Recreation and Community Facilities Department (Citywide))**, on the Regular Council meeting agenda, Parks, Recreation and Community Facilities Director Andrea Moore responded that the City is striving to reduce water usage in public areas. She described efforts being made with smart controllers and timing of irrigation systems.

Councilmember Somers commented on Item 12-a, **(SUB22-00722 “Map of Dedication of Pursuit Park” (District 6) Within the 3200 to 3400 blocks of South Signal Butte Road (west side). Located north of Elliot Road on the west side of Signal Butte Road. (65.8 ± acres). Signal Butte Industrial, LLC, developers; Shane R. Barnett, Barnett Land Surveying, LLC, surveyor)**, on the Regular Council meeting agenda that Pursuit Park is an industrial park adjacent to residential neighborhoods and the nighttime permits issued for construction is creating a concern for neighbors who are experiencing light and noise disturbances. He requested consideration for residents and the noise disturbances caused by 24-hour construction work.

Councilmember Somers mentioned complaints received from constituents regarding the difficulty in using the City’s DIMES system. He expressed concern and requested improvements for a more user-friendly system for constituents.

In response to multiple questions from Councilmember Duff regarding Item 11-a **(Modifying and updating terms for the Electric Residential - Economy eligibility criteria.)**, on the Regular Council meeting agenda, Energy and Sustainability Director Scott Bouchie explained that the minimum income limit associated with eligibility for the electric program is being increased and submitted to Social Security to avoid the need to return to Council for approvals to raise the minimum or maximum income amounts in the future. He added previously eligible residents reapplied for the program and were no longer eligible due to an increase in their Social Security benefits.

2-a. Hear a presentation, discuss, and receive an update on Mesa’s American Rescue Plan Act (ARPA) funding.

Finance Director Irma Ashworth displayed a PowerPoint presentation. **(See Attachment 3)**

Ms. Ashworth provided an update on the American Rescue Plan Act (ARPA) funds and the areas in which the City chose to allocate the funds. She presented a chart illustrating the projects the ARPA funds will support, as well as a contingency fund of 4%, in case projects exceed their budget. (See Pages 2 and 3 of Attachment 3)

Ms. Ashworth highlighted major projects and expenditures that the ARPA funds will cover. She noted ARPA is funding a lot of the technology and software maintenance for the Police Department’s Real Time Crime Center. She discussed the timeline for the use of ARPA funds. (See Pages 4 through 6 of Attachment 3)

In response to a question from Councilmember Spilsbury, Ms. Ashworth explained that a contingency fund is set aside by the City for projects that come in higher than expected or under budget, and the funds can be allocated for other projects. She stated as of May 31, 2023, 63% of the funds have been obligated, and she does not anticipate the City being unable to utilize all the funds.

Mr. Butler clarified that the ARPA funds are protected and will be effectively utilized.

In response to a question from Councilmember Freeman, Ms. Ashworth discussed the focus of the ARPA funds which have a broad area of eligibility. She stated the premium pay for essential workers is no longer available after the end of the pandemic.

City Manager Christopher Brady stated the City had to scale back on all of the projects listed due to cost overruns in an attempt to stay within budget. He commented that staff are holding onto contingencies to allocate the projects that will require additional funding and is not sure there is sufficient capacity to add more projects.

In response to a question from Councilmember Freeman, Ms. Ashworth replied that some of the ARPA funds were used for food insecurities and allocated to the United Food Bank (UFB) since UFB provides meals to low-income families.

Mayor Giles thanked staff for the presentation.

2-b. Hear a presentation, discuss, and receive an update on Mesa's Public Safety Mental Health Response.

Mayor Giles stated that this item would be continued to a future date.

2-c. Hear a presentation and discuss an update on the proposed transitional housing project at the East Valley Men's Center.

Deputy City Manager Natalie Lewis introduced Michael Hughes, Chief Executive Officer for A New Leaf, and displayed a PowerPoint presentation. **(See Attachment 4)**

Ms. Lewis described the transitional housing program and the proposed concepts. She mentioned the City wants to ensure that the ARPA dollars are used to create sustainable and legacy programming in Mesa. (See Pages 2 and 3 of Attachment 4)

Ms. Lewis explained the service model is based on ongoing community feedback, as well as feedback from the Mayor and City Council. She reviewed the requirements for individuals to remain housed in a transitional facility, and the on-campus services that will be provided. (See Page 4 of Attachment 4)

Ms. Lewis presented a site plan depicting the existing campus and services on the south side of the property and the proposal concept area which includes apartments, a ramada, and a new community resource center located on County property. She illustrated a proposed model of the ramada, community resource center, and apartment units. (See Pages 5 and 6 of Attachment 4)

Ms. Lewis summarized the next steps and responsibilities for the City of Mesa (COM) and A New Leaf for the proposed transitional housing concept. (See Page 7 of Attachment 4)

In response to a question from Mayor Giles, Ms. Ashworth responded that ARPA funds can be used for construction as long as federal regulations, state, and local statues are followed. She noted the City has a contract with A New Leaf and A New Leaf would be responsible for contracting with a subcontractor and will be audited for receiving federal funds. She added the City is still obligated to monitor A New Leaf to ensure federal rules are followed.

Ms. Lewis clarified the City provides federal funding to A New Leaf every year and does not have any concerns.

In response to multiple questions from Councilmember Spilsbury, Mr. Hughes described transitional housing.

Ms. Lewis stated that men are the largest population of homeless and a Men's Center is needed. She advised that a request for proposals will be issued sometime in the summer for another transitional housing project that is open to broader audiences.

In response to a question from Vice Mayor Heredia, Mr. Hughes affirmed that the transitional housing expands the capacity at shelters as individuals move out of shelters into transitional housing.

In response to a question posed by Councilmember Goforth, Mr. Hughes replied that the East Valley Men's Center serves the majority of Mesa and receives funding from some of the surrounding cities and the County for ongoing operations.

Ms. Lewis stated the City does not have any other funding currently for the transitional housing project. She mentioned the City's focus is on ensuring the majority of the investments and services benefit Mesa.

In response to multiple questions from Councilmember Goforth, Mr. Hughes stated A New Leaf has strong fundraising for the agency and would not require a significant amount of dollars to provide ongoing services. He discussed the support services onsite that will provide the necessary resources for men residing at the facility. He noted anyone housed in the transitional housing facility is expected to work.

In response to multiple questions from Councilmember Freeman, Mr. Hughes replied that there are plans to improve the physical appearance of the East Valley Men's Center.

Mayor Giles thanked staff for the presentation.

2-d. Hear a presentation, discuss, and receive an update on the Downtown Restaurant Incubator.

Downtown Transformation Manager Jeff McVay introduced Kimber Lanning, Chief Executive Officer of Local First Arizona, and displayed a PowerPoint presentation. **(See Attachment 5)**

Ms. Lanning provided an overview of the proposed Incubator restaurant in partnership with the COM. She shared the goal is to increase local ownership and Local First Arizona provides technical assistance and a variety of programs to strengthen businesses. She stated the community kitchen will work in partnership to grow and strengthen high-quality restaurants for the COM. She discussed some of the programs and support Local First Arizona provides for small business development. (See Pages 2 and 3 of Attachment 5)

Mr. McVay provided an update on the project status and location of the Incubator restaurant. He presented images of the existing conditions of the building, as well as the interior concept design for the Incubator restaurant. He noted the indoor dining has approximately 120 seats in the building. (See Pages 4 through 7 of Attachment 5)

Mr. McVay presented images of the exterior concept design and anticipates construction will begin by the end of June. He commented the building has a placeholder name of Zenos Food Hall, and the name is still under discussion. (See Pages 8 and 9 of Attachment 5)

Ms. Lanning added that from a dining perspective, a variety of food options will be available. She commented the objective is to have two familiar concepts, while the other three will rotate new concepts on their menus as foods are introduced. She emphasized the food options will attract a variety of people throughout the day.

Mr. McVay reviewed the proposed budget and requested an additional \$3 million of ARPA funds necessary to build the project. He explained the additional ARPA funds will allow the City to work with the design build contractor for final design. He stated if the City is not able to build out the entire space, other phasing options will be discussed. He shared the next steps and advised that the negotiations with Local First Arizona have been completed on the lease for the space. He expects the design to take at least six to nine months before moving forward with construction. (See Pages 10 and 11 of Attachment 5)

In response to a question posed by Councilmember Spilsbury, Ms. Lanning mentioned that she has developed strong relationships with the real estate community to proactively identify locations in Mesa for future restaurants. She pointed out participants in the program are only allowed to remain for two years and the goal for the City is to create successful businesses and increase their rates of success beyond the first year.

In response to a question from Councilmember Spilsbury, Mr. McVay replied that as part of the lease agreement, participants in the program are required to be Mesa residents or Mesa based businesses. He pointed out that when participants graduate from the program, their business is not required to be located in Mesa; however, the City is working closely with Local First Arizona to grow Mesa's own base of quality food and restaurant businesses.

In response to a question from Councilmember Spilsbury, Ms. Lanning clarified the difference between the current restaurant Incubator, which is a commercial kitchen space, versus the restaurant Incubator, which is public facing.

In response to a question from Councilmember Goforth, Ms. Lanning stated that well-known concepts pay more than startups with some offset, so that startups do not have to pay a full market rate. She noted the funding that is returned will go into a special fund for the ongoing maintenance.

Mr. McVay added that from a lease or business perspective, the City will deliver a turnkey facility and all operations and maintenance costs will be the responsibility of Local First Arizona. He elaborated an annual lease will be paid to the City, and the annual lease would then be held in a separate account that is segregated to only cover typical landlord responsibilities. He indicated the goal is for the City to not have any costs after the building is delivered.

In response to a question from Councilmember Duff, Mr. McVay replied that the project is expected to begin construction in the first quarter of 2024, with an estimated opening in early 2025.

Councilmember Freeman suggested keeping some of the historic significance of the buildings.

Ms. Lanning emphasized that Local First Arizona is committed to adaptive reuse and historic preservation.

Mayor Giles thanked staff for the presentation.

2-e. Hear a presentation, discuss, and receive an update on the Small Business Lab @ The Studios.

Assistant Economic Development Director Jaye O'Donnell introduced Downtown Transformation Manager Jeff McVay, and displayed a PowerPoint presentation. **(See Attachment 6)**

Ms. O'Donnell discussed the services and programs provided for small businesses under Mesa Business Builders. She explained the successful Small Business Assistance Program and the funding to support the program. She noted that the program has served 118 clients in fiscal year (FY) 22/23 and in FY 21/22 served 77 clients, primarily online. She mentioned once the Studios' lower level and second floor is built out, a physical location to host trainings, workshops, one-on-one and in-person consulting will be available. (See Pages 2 through 4 of Attachment 6)

Ms. O'Donnell discussed the vision and mission for the Mesa Business Builder @ The Studios. She reviewed the access to resources, support, and tools that will be offered to many businesses. She presented floor plans of both levels and described many of the amenities and the layout. (See Pages 5 through 10 of Attachment 6)

Ms. O'Donnell shared that the COM is requesting partners to help program the space which is purposely designed to be flexible for various functions and needs. She described the design use, which can accommodate a variety of events and trainings and is available for use to the COM departments. (See Pages 11 through 12 of Attachment 6)

Ms. O'Donnell reviewed the timeline of events for completion of construction. (See Page 13 of Attachment 6)

In response to a question from Councilmember Duff, Ms. O'Donnell replied that staff is working on the operations plan and the flexible schedule will be developed over time to accommodate small businesses and entrepreneurs. She shared the design layout will have private offices available for confidential conversations and small meeting spaces.

In response to a question from Councilmember Goforth, Ms. O'Donnell replied that the operations will be housed out of the Office of Economic Development with an ongoing budget for staffing and operations of the facility. She described the many facility programs and services that are available to assist businesses with different types of support. She pointed out that the Small Business Assistance Program will focus only on Mesa businesses and will require a Mesa business license, and also provide resources online to several different companies all over the state and country. She remarked the bulk of the business will be from Mesa residents or Mesa businesses.

Mayor Giles thanked staff for the presentation.

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

3-a. Education and Workforce Development Roundtable meeting held on March 1, 2023.

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

Upon tabulation of votes, it showed:

AYES – Giles–Heredia–Duff–Freeman–Goforth–Somers –Spilsbury
NAYS – None
ABSENT– None

Carried unanimously.

4. Current events summary including meetings and conferences attended.

Mayor Giles and Councilmembers highlighted the events, meetings and conferences recently attended.

5. Scheduling of meetings.

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

Monday, June 19, 2023, 5:15 p.m. – Study Session

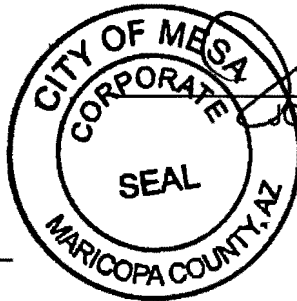
Monday, June 19, 2023, 5:45 p.m. – Regular meeting

6. Adjournment.

Without objection, the Study Session adjourned at 10:18 a.m.

ATTEST:

Holly Moseley
HOLLY MOSELEY, CITY CLERK



John Giles
JOHN GILES, MAYOR

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 June 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Holly Moseley
HOLLY MOSELEY, CITY CLERK

lr
(Attachments – 6)

Memorandum of Understanding

United Mesa Firefighters Association
Term July 2023-June 2026

Compensation

- Market analysis was conducted against peer agencies
- Agreed upon market adjustments (effective July 2023):
 - Rank of Firefighter: 3%
 - Rank of Engineer: 3%
 - Rank of Captain: 6%
- Officers and Sergeants will be eligible for up to a 5% merit “step” increase for all three fiscal years

Compensation

- Additional market analysis will be conducted in Spring of 2025 and implemented in July 2025
- Out of Rank Compensation – employees that work six or more consecutive hours in a higher job classification will receive a 5% higher pay rate for the hours worked

Additional Provisions

- Deferred Compensation – COM will increase the employer contribution from \$100 to \$120 for each biweekly pay period. The employee's required contribution will increase from \$10 to \$20/per paycheck.
- Pilot Programs to Increase Attendance and Wellness:
 - Perfect Attendance Vacation Hour Increase
 - Holiday Premium Pay
 - Medical Evaluation Incentive

Additional Provisions

- Perfect Attendance Incentive – COM will provide an incentive for achieving perfect attendance (no utilization of sick or dock time) in a six-month period from January 1-June 30 and July 1-December 31. A \$500 incentive is available for each six-month period.
- Additional issues will be addressed through the City's Personnel Rules.

Questions?



City Council

Item 9a and 9b - Gateway East Rezoning & Development Agreement

ZON22-01008 & DA22-00056

June 19, 2023

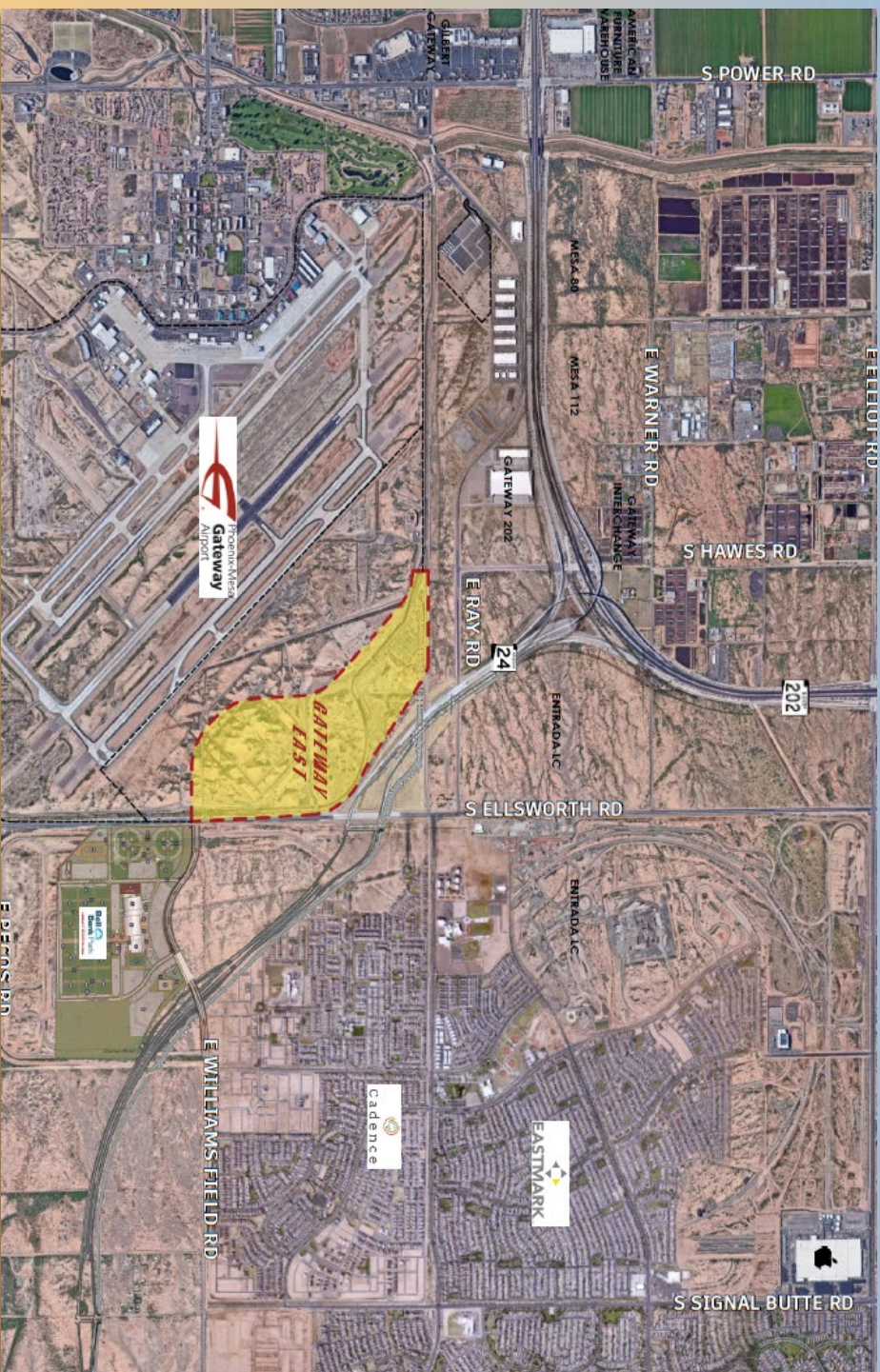
Nana Appiah, Development Services Director

Mary Kopaskie-Brown, Planning Director



Project Context

- Adjacent to the Phoenix-Mesa Gateway Airport





Request

- Rezone from LI-PAD to LI-PAD
- Design Guidelines
 - Building Form
 - Façade Treatments
 - Landscaping
 - Colors & Materials, etc.
- Council Use Permits
 - Hotels and Motels
 - Large Commercial Development
- Applies to entire 273± acre site





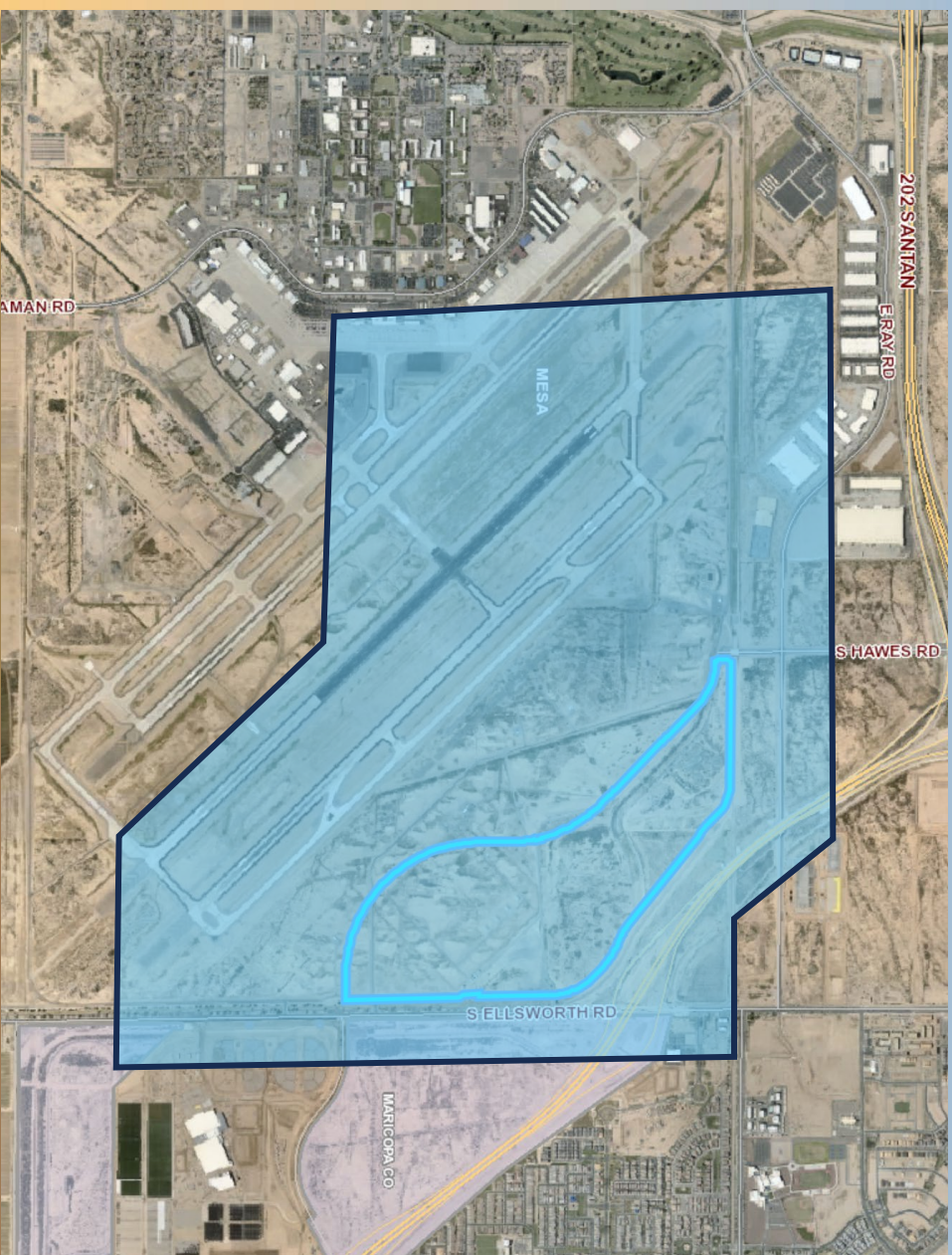
Planned Area Development - Summary

Development Standard	MZO Required	PAD Proposed
Maximum Building Height	40 feet	Zone A: 155 feet to 165 feet Zone B: 85 feet to 90 feet
Parking (Industrial)	1 space per 600 square feet (sf)	<250,000 sf: 1 space per 675 sf 250,000-500,000 sf: 1 space per 1,000 sf >500,000 sf: 1 space per 2,000 sf
Landscaping	15 feet perimeter	0 feet perimeter
Truck Docks	Shall not face streets and must be screened	Must be screened from Gateway Boulevard & Ellsworth Road



Citizen Participation

- Notified property owners within 1,000 feet, HOAs and registered neighborhoods
- 1 neighborhood meeting
- No Comments received





Development Agreement – Deal Points

- Prohibited Uses Identified including Cross-Docks Facilities
- Restricted Uses
 - No. of Drive-Throughs and Location
 - Indoor Warehousing and Storage, Contractor's Yards, Day Care Centers
 - No. of Hotels and Motels
 - Automobile/Vehicle Washing
- Phasing of Off-Site Improvements - owner intends to stage development in (3) Phases



Recommendation

Rezoning

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 5-0)

Development Agreement

Staff Recommendation : Approval



Questions?

Update: American Rescue Plan Act

June 15, 2023

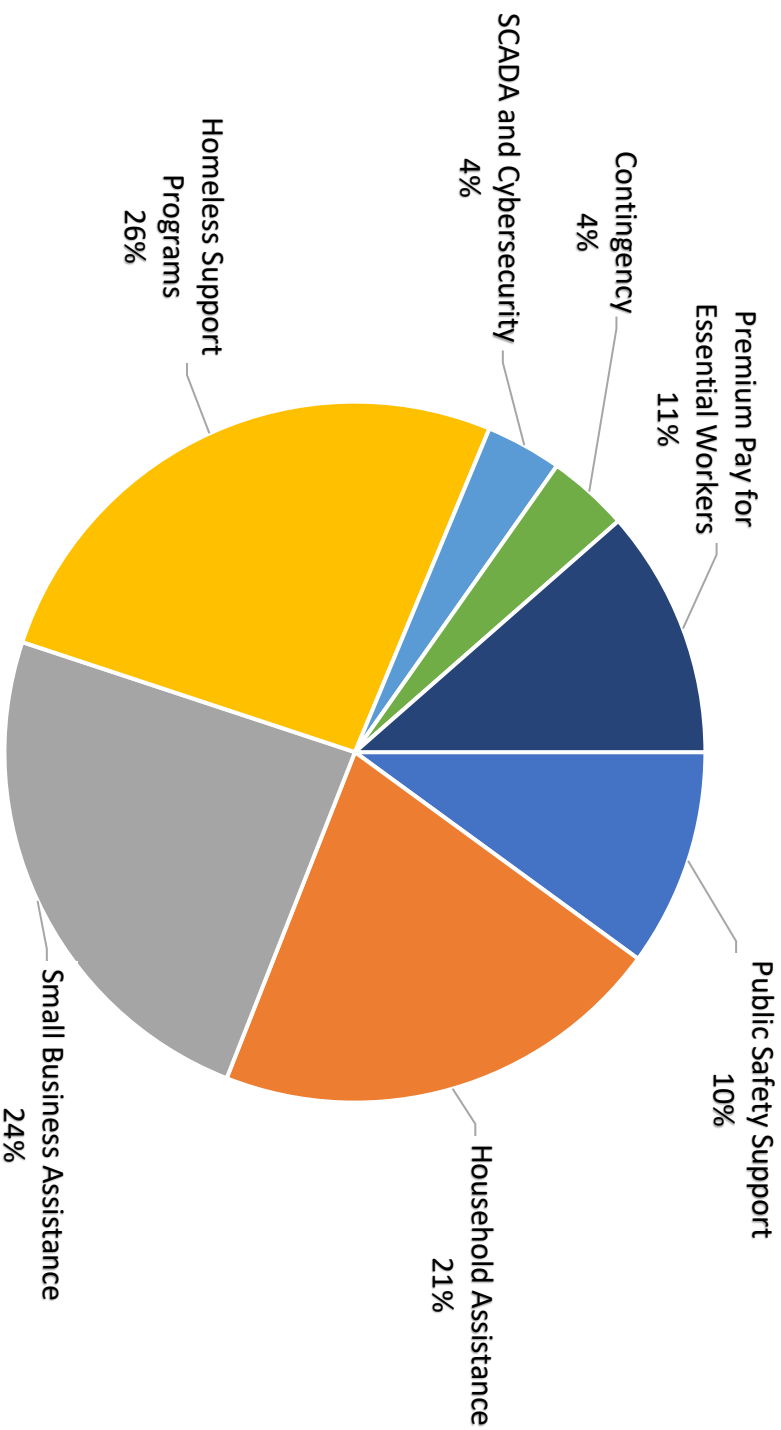




Funds allocated to the following eligible uses:

- ✓ Responding to public health emergency or its negative economic impacts
- ✓ Providing premium pay for essential workers

Current ARPA Project Plan



Update on Projects (as of May 31st)



Project	Budget	Actual Expenses
Public Safety Support		
PD Real Time Crime Center	\$ 3,300,000	\$1,606,000
Public Safety Mental Health Response	5,430,000	1,015,000
Purchase Ambulances	1,668,000	1,667,000
PD Body Scanner	189,000	0
Homeowner and Small Business Assistance		
Energy Commodity Cost	20,000,000	18,037,000
Wi-Fi and Mobile Broadband	6,000,000	4,178,000
UFB Food Distribution	5,000,000	2,500,000
Downtown Façade Improvements	4,400,000	10,000
Restaurant & Food Business Incubator Program	6,500,000	1,646,000
Mesa's Small Business Learning Lab	4,250,000	2,000
Mesa Small Business Technical Asst Program	300,000	103,000

Update on Projects (as of May 31st)



Project	Budget	Actual Expenses
Convention Center Floor Replacement	\$ 145,000	\$ 134,000
Arts & Cultural - Educational Assistance Program	245,000	43,000
Parks Youth Recreation Scholarships	447,000	83,000
Mesa Workforce - Jobs Access Center	250,000	16,000
Homeless Support Programs		
Off the Streets Program	5,400,000	1,357,000
Transitional Housing	10,750,000	386,000
Long-term Housing Solution (Hotel)	10,715,000	0
Housing Solutions Program	760,000	301,000
SCADA and Cybersecurity	3,705,000	2,538,000
Premium Pay for Essential Workers	12,095,000	12,095,000
Contingency	3,966,000	0
Total	<u>\$ 105,515,000</u>	<u>\$47,717,000</u>

Use of Funds

- ▶ Eligible expenditures need to be obligated by December 31, 2024
- ▶ Performance (use/payment) through December 31, 2026



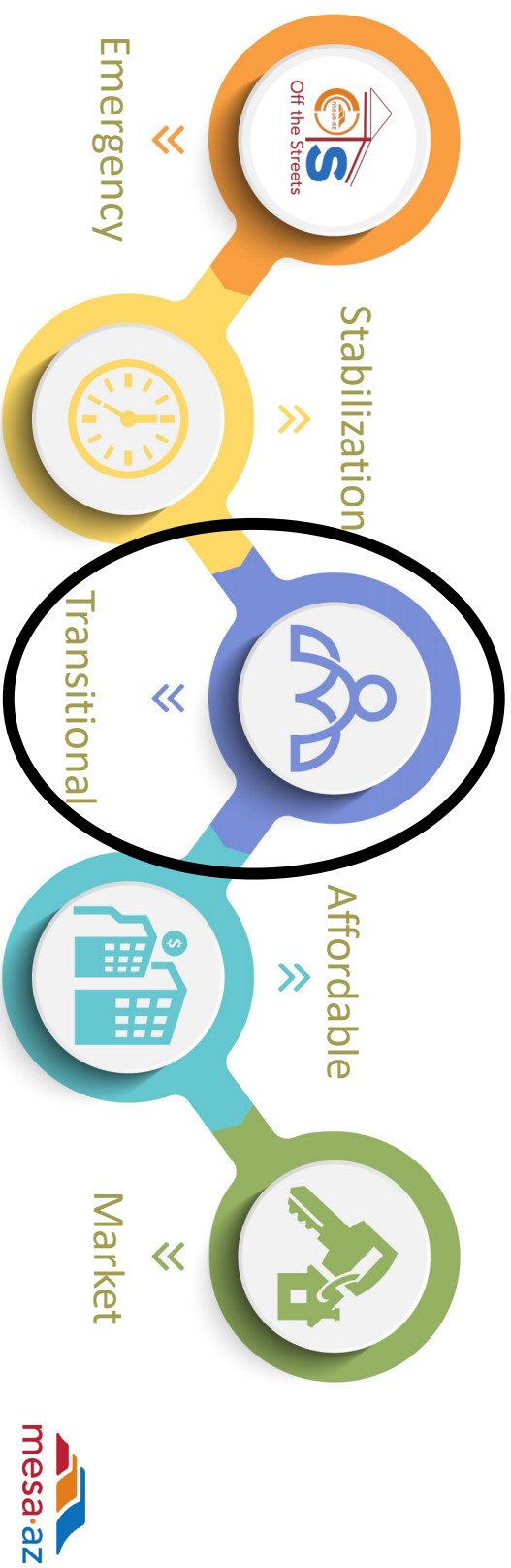
Transitional Housing

East Valley Men's Center "Bridge to Success"

CITY COUNCIL STUDY SESSION – JUNE 15, 2023

NATALIE LEWIS, DEPUTY CITY MANAGER

Supportive housing programs that are temporary but designed to be an intermediate step between emergency and stabilization shelter(s) and permanent housing.



What is transitional housing?

Proposal Concept

30 studio/units; 300 sq ft each

Outdoor ramada and open space

Approximately 2+ year design/construction timeline (working to reduce)

Life expectancy-- 100 years

Estimated capital cost-- \$8M

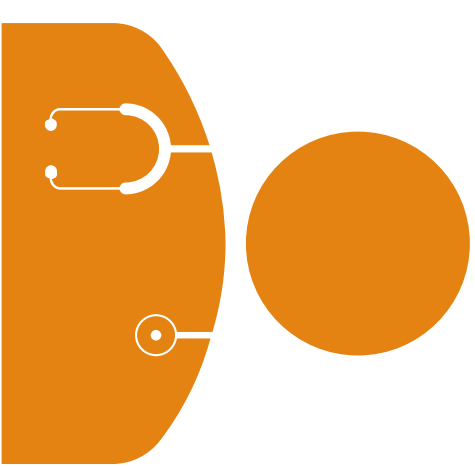
Community Resource Center for onsite clients only

New On-Campus Service Model

All clients now required to remain onsite UNLESS they are going to work or taken to other offsite services.

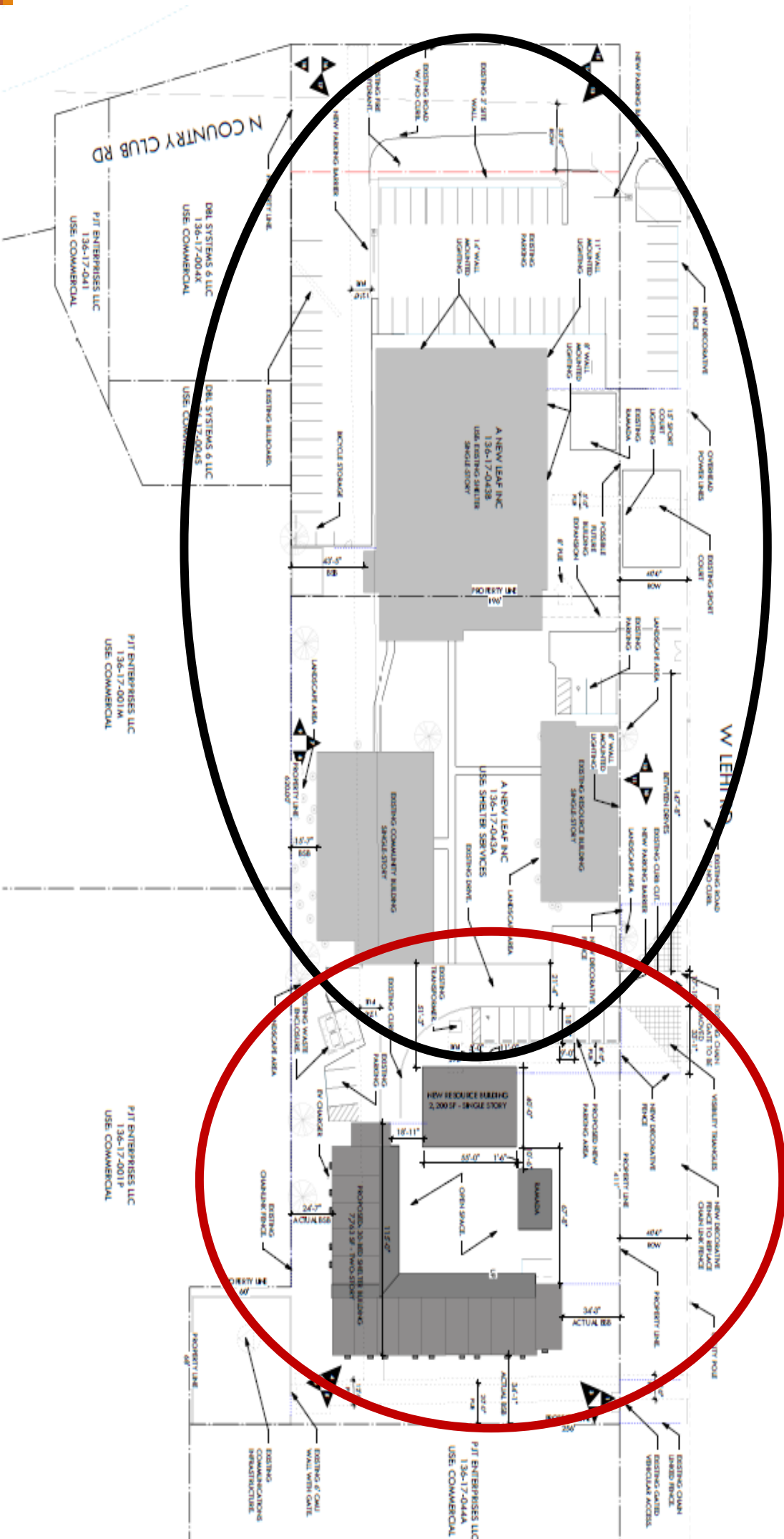
Other on-campus service examples:

- Basic outpatient healthcare services— reduce need for 911/MFMD response
- Case management meetings, planning
- Intake services
- Plan is to provide off-campus connections to Workforce Center @ Mesa and/or other existing, offsite services when needed.



EXISTING CAMPUS AND SERVICES

PROPOSAL CONCEPT





Next steps

City's responsibilities

- Funding agreement to Council (officially allocates funding)
- Ongoing technical assistance, oversight
- Payments (must be fully expended by end 2026)

A New Leaf's responsibilities

- Secure County entitlements
- Retain and manage design contractor
- Coordinate and manage a Request for Proposal for construction contractor
- Purchase/install FFE, organize move in
- Ongoing O&M (note: will compete for annual federal funding)



mesa·az

Questions?

CITY COUNCIL STUDY
SESSION – JUNE 15, 2023

NATALIE LEWIS, DEPUTY CITY
MANAGER

Restaurant & Food Business Incubator Project Update

City Council
Study Session

June 15, 2023

Jeff McVay
Manager of Downtown
Transformation

Kimber Lanning
Local First Arizona



COMMUNITY PARTNERSHIP: LOCAL FIRST ARIZONA

- What is a restaurant incubator
- Developing a local economy
- Local First Community kitchen at El Rancho: Fuerza Local
- Restaurant StartUp Bootcamp
- Arizona Green Business Program
- Scale Up



COMMUNITY PARTNERSHIP: LOCAL FIRST ARIZONA

- Restaurant Incubator: The Community Kitchen
- Food Hall
 - Diverse public dining opportunities
 - 5-7 restaurants: 2-3 anchor businesses, 3-4 rotating
 - Option for retail space
- Food business development



PROJECT STATUS UPDATE



1. MAIN - PROPERTY ACQUISITION



Building Details

6,434 SF 1st and 2nd Floors

5,993 SF Basement

±0.15 Acres

Purchase Price

\$1,600,000

Closed August 2022

CONCEPT DESIGN – INTERIOR RENDERINGS

➤ 1st floor

- Large shared kitchen
 - Five retail restaurant bays
 - Public modern food hall
 - Bar area incorporating historic bank safe
- ## ➤ 2nd floor and patio
- Open office space
 - Public outdoor seating
- ## ➤ Basement
- Classrooms
 - Production kitchen
 - Food production
 - Packaging/shipping
 - Photo studio
 - Storage



LOCAL FIRST
ARIZONA

CITY OF MESA RESTAURANT INCUBATOR
CONCEPTUAL DESIGN
INTERIOR OPTION 1A



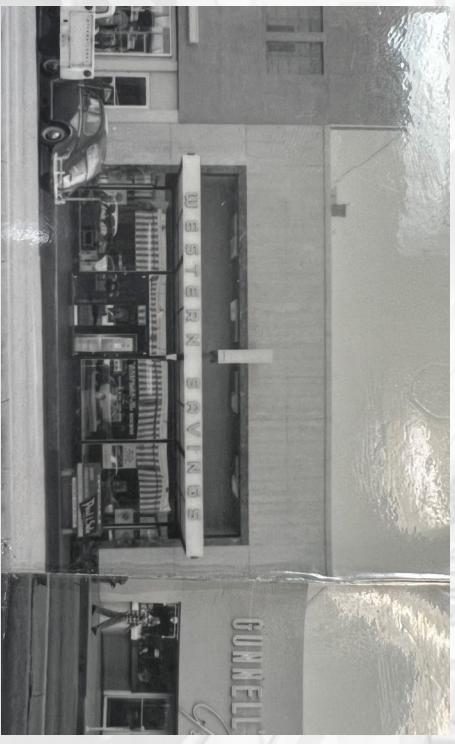
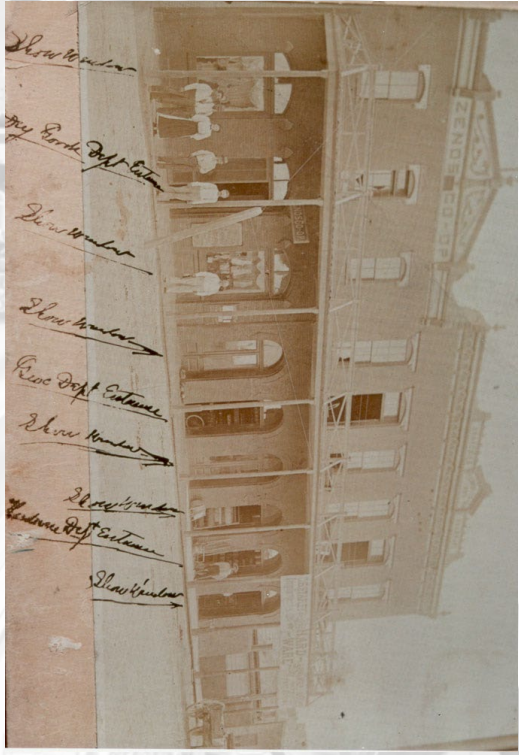
CONCEPT DESIGN – INTERIOR RENDERINGS



CITY OF MESA RESTAURANT INCUBATOR
CONCEPTUAL DESIGN
INTERIOR OPTION 1A



CONCEPT DESIGN - EXTERIOR HISTORY



CONCEPT DESIGN – EXTERIOR RENDERING



HISTORICAL EXTERIOR IMAGE

CITY OF MESA RESTAURANT INCUBATOR

CONCEPTUAL DESIGN
EXTERIOR OPTION 1



PROPOSED BUDGET

- Design and construction
 - \$6.5 M
- Current ARPA allocation
 - \$3.0 M
- Additional ARPA funding
 - \$3.5 M



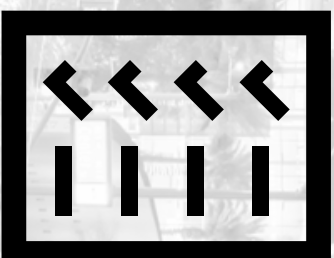
STEPS



Select Design-Build
Contractor/Complete
Final Design



Finalize agreement with
community partner Local
First Arizona



Return for Council
action on construction
GMP

DISCUSSION AND DIRECTION



Mesa Business Builder @ The Studios Council Update June 15, 2023



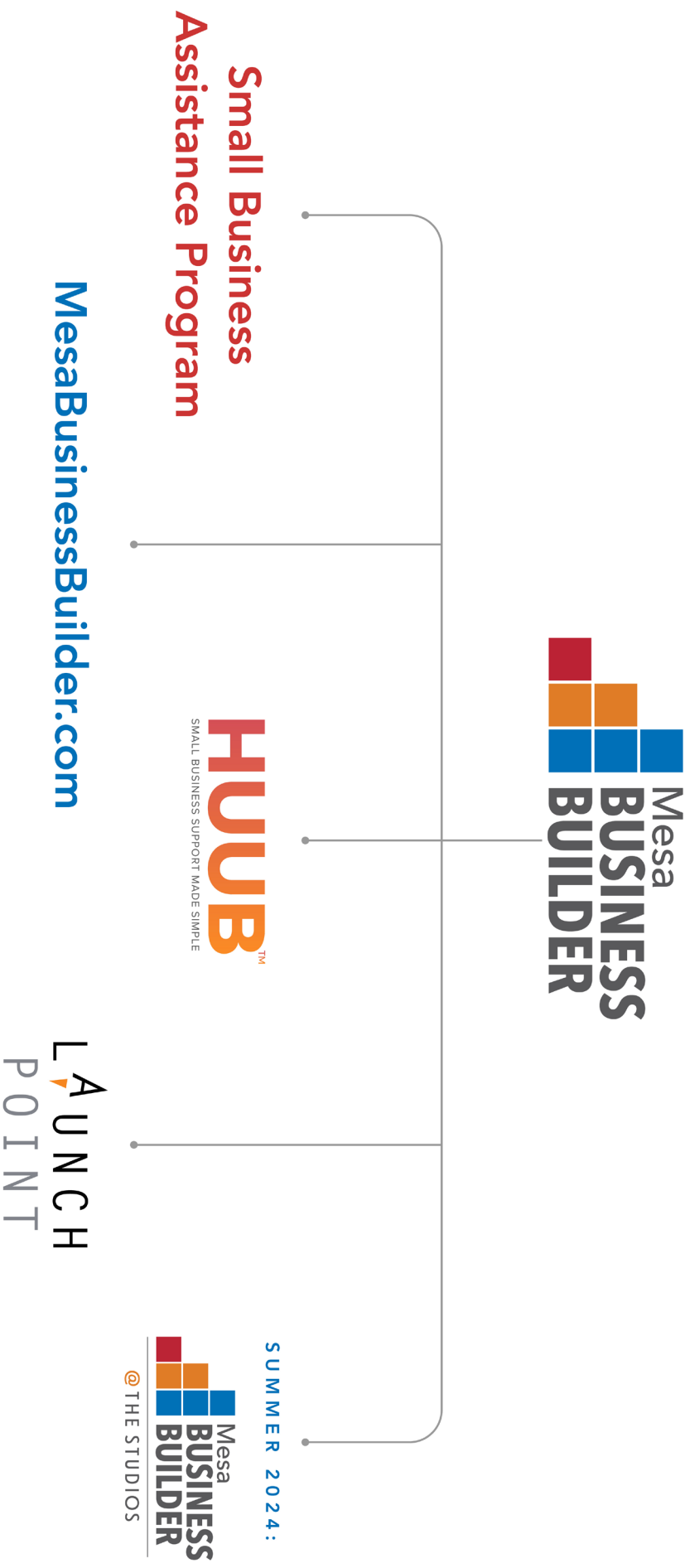
Agenda

- Review Mesa Business Builder
- Vision for The Studios
- The Studios programming
- Construction schedule
- Next steps
- Questions / Comments



City of Mesa Small Business Assistance

ONLINE SERVICES, RESOURCES, COOPERATIVE MARKETING, FINANCIAL ASSISTANCE,
WORKSPACE, WORKSHOPS, AND EVENTS



Mesa Business Builder

SMALL BUSINESS ASSISTANCE PROGRAM

- General Fund Annual Small Business Assistance is \$300,000
- Dedicating ARPA funds of \$300,000 during FY23 and FY24 will assist an additional 50-100+ businesses



New Brand



@ THE STUDIOS

Mesa Business Builder @The Studios

VISION

Mesa Business Builder (MBB) @The Studios is the heart of Mesa's small business and entrepreneurship community.

It is a model for local government support to foster the creation of strong, engaged, collaborative support systems for growing sustainable business ecosystems.



Mesa Business Builder @The Studios

MISSION

Mesa Business Builder @The Studios provides connectivity to resources and partners for small businesses and entrepreneurs to improve core business practices to grow and prosper.

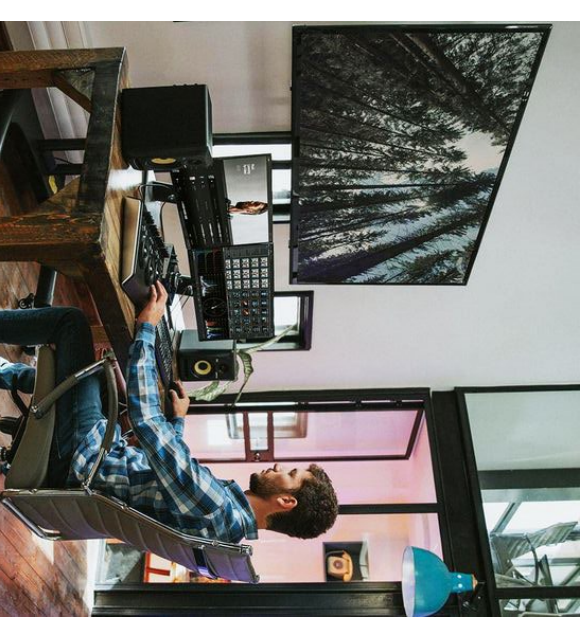
MBB @The Studios promotes the adoption of digital development tools, offers access to state-of-the-art equipment, spaces for networking, training, education, and skill building to increase the competency, competitiveness, resiliency, and future sustainability of Mesa's entrepreneurial ecosystem.



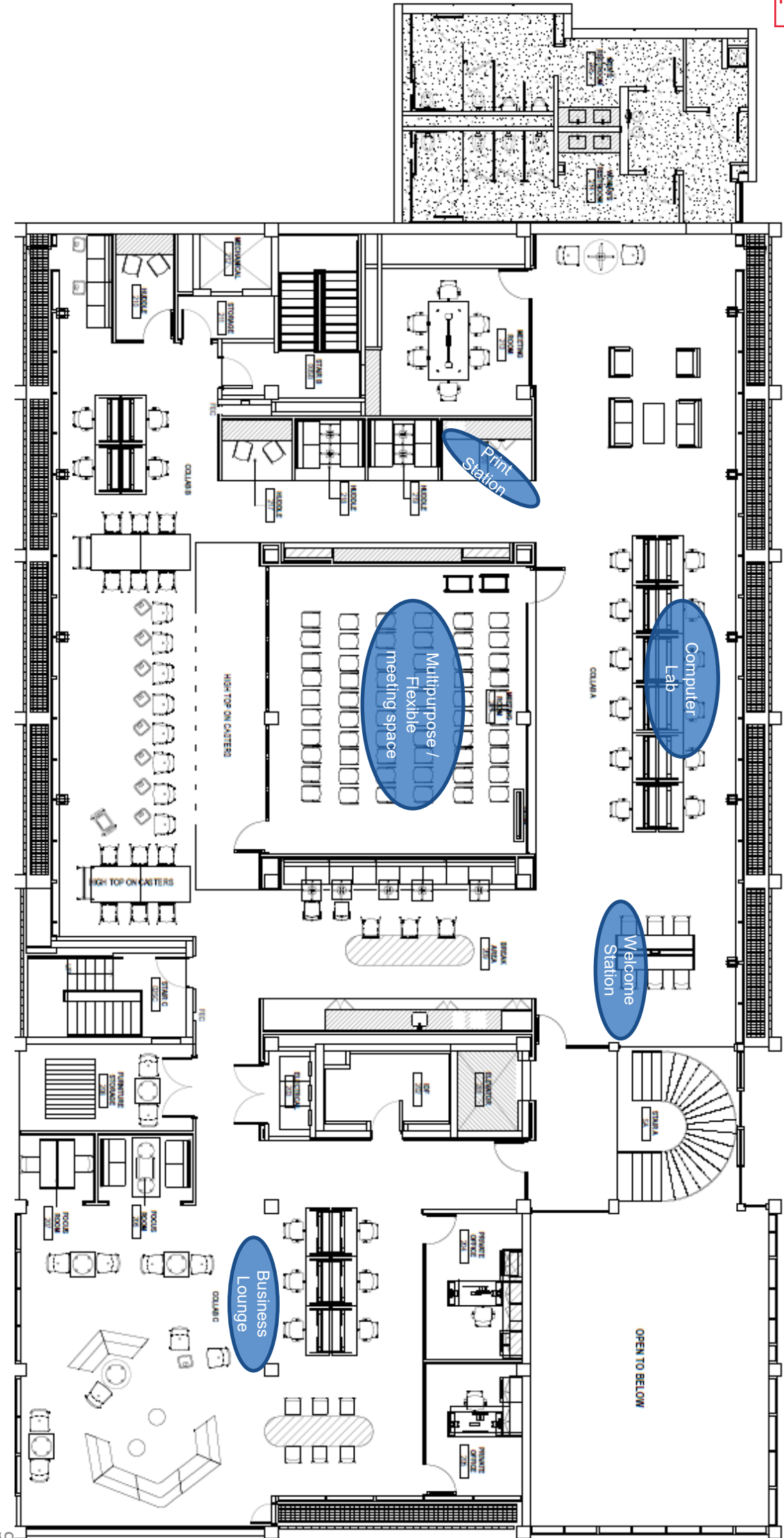
Mesa Business Builder @The Studios

TRAINING / TECHNOLOGY / TALENT

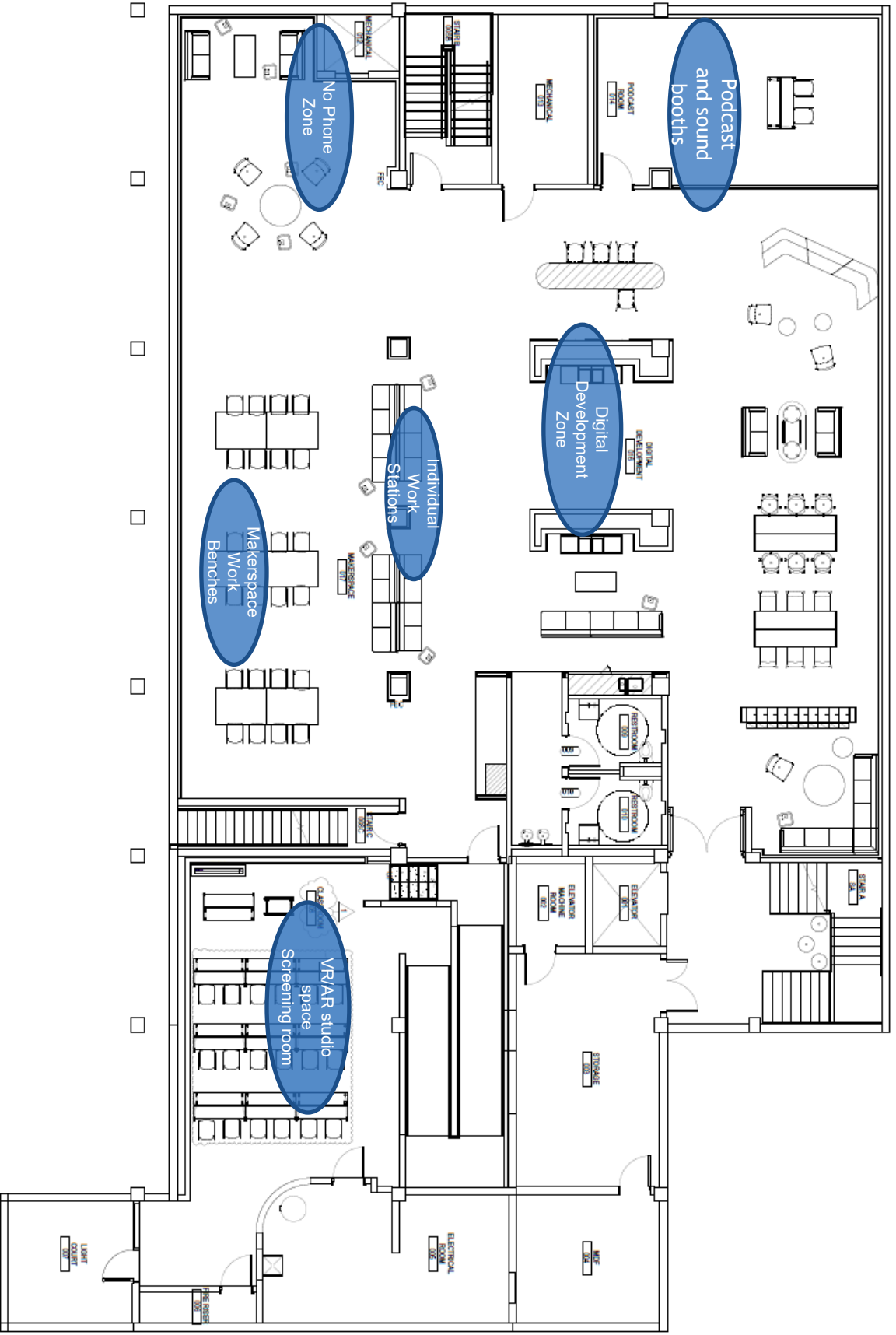
- Offers access to FREE resources, tools, technology, education, and training opportunities to modernize business practices for small businesses and entrepreneurs.
- Provides hands-on assistance with navigating business requirements.
- Complements and supports the Small Business Assistance Program in tandem with community partners and other service providers.
- Emphasizes diversity and inclusion with increased outreach to Mesa’s underserved communities to increase their awareness of the tools and resources available.



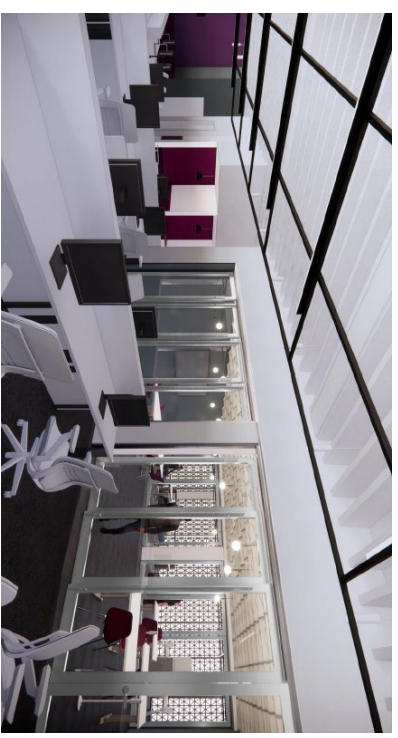
Door Plans - Second Floor



oor Plans – Lower Level



Design – Functional Work Areas

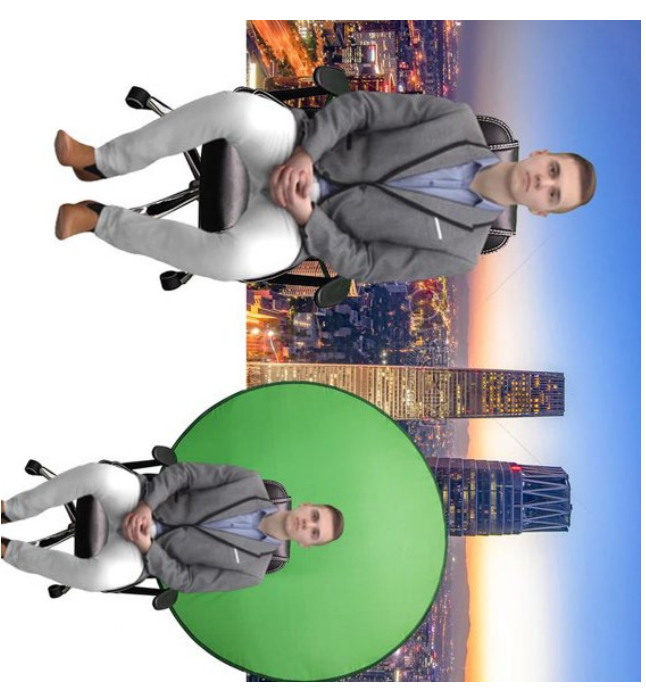


Design – Inviting Collaboration



Timeline

- Bids Received / Opened - June 15, 2023
- City Council - July 10, 2023
- Contract NTP - August 2023
- Procurement - August - November 2023
- Construction Starts - November 2023
- Construction Complete - July 2024
- Anticipated Cost - \$3.1M +/-





Questions / Comments

www.MesaBusinessBuilder.com

www.selectmesa.com

