



OFFICE OF THE CITY CLERK

COUNCIL MINUTES

August 13, 2026

The City Council of the City of Mesa met in the Study Session room at City Hall, 20 East Main Street, on August 13, 2026, at 7:30 a.m.

COUNCIL PRESENT

Scott Somers
Rich Adams
Jennifer Duff
Alicia Goforth
Francisco Heredia*
Doreen Taylor

COUNCIL ABSENT

Mark Freeman

OFFICERS PRESENT

Scott Butler
Holly Moseley
Jim Smith

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

Vice Mayor Somers conducted a roll call.

Vice Mayor Somers excused Mayor Freeman from the entire meeting.

Vice Mayor Somers excused Councilmember Heredia from the beginning of the meeting; he arrived at 7:33 a.m.

1. Review and discuss items on the agenda for the August 17, 2026, regular Council meeting.

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

Conflict of interest: None

Items removed from the consent agenda: None

In response to a request from City Manager Scott Butler regarding agenda Item 5-a, **(A resolution approving and authorizing the City Manager to enter into an Agreement for Management and Operations Services with Legends Global Convention Center Management LLC to manage, operate, and market the Mesa Convention Center and Mesa Amphitheater. (District 4))**, on the Regular Council meeting agenda, Deputy City Manager Candace Cannistraro introduced Brad Gessner, Consultant; Harry Cann, Senior Vice President of Business Development with Legends Global; and Tyler Othen, Executive Director with CSL International, and displayed a PowerPoint presentation. **(See Attachment 1)**

Ms. Cannistraro recalled that CSL International conducted a feasibility study in March 2025 to identify recommended improvements needed to modernize the Convention Center and Amphitheater. She reviewed the project timeline and identified Legends Global as the top-ranked proposal being selected for a contract. She confirmed that the City would retain ownership of the facilities, continue to fund operations, and highlighted the benefits and services that would be provided by Legends Global. (See Pages 2 through 4 of Attachment 1)

Ms. Cannistraro confirmed that the City would continue to fund day-to-day venue operations, while Legends Global would manage the facilities and operations on the City's behalf for a \$14,000 monthly management fee and a performance-based incentive of up to 20% of the annual management fee for exceeding City-approved goals. She added that Legends Global would provide a one-time \$500,000 capital contribution for campus improvements, contribute \$10,000 annually to nonprofit or community-based organizations during the five-year term, and cover transition costs, including system setup. (See Pages 5 and 6 of Attachment 1)

Mr. Cann highlighted the comprehensive venue management model and regional presence of Legends Global, noting that its national and Arizona-based network would provide specialized expertise, operational support, industry knowledge, event staffing, revenue-generation opportunities, and expanded programming to enhance the overall performance and value of the Mesa Convention Center and Amphitheatre. (See Pages 7 through 9 of Attachment 1)

Mr. Othen provided an overview of the CSL Facility Improvement Study and the data considered. He stated that the findings identified opportunities to modernize the Convention Center and Amphitheater, respond to increasing competition, address facility and hotel-related constraints, improve connections with Downtown Mesa, and enhance the overall experience for event organizers, performers, and attendees. He advised that Legends Global brings its network relationships and creative ideas to maximize the use of the buildings. (See Pages 10 through 12 of Attachment 1)

Mr. Othen discussed continued planning efforts to guide future improvements to the venues, including evaluating market conditions, financial impacts, funding options, and long-term investment priorities. He also noted that evolving trends in the convention and live entertainment industries are creating opportunities to broaden event offerings, enhance visitor amenities, and improve the overall guest experience. (See Page 13 of Attachment 1)

Ms. Cannistraro explained that the City of Mesa (COM) and Legends Global would jointly develop priorities for future facility improvements, with an emphasis on strengthening the long-term use, appeal, and financial performance of the venues. She noted that Legends Global would bring technical and industry expertise to help evaluate potential investments and guide future development and construction-related decisions. (See Page 14 of Attachment 1)

Ms. Cannistraro reviewed the proposed contract structure, explaining that the initial 62-month term would include a two-month transition beginning September 1, 2026, with Legends Global assuming full management of the venues on November 1, 2026. She noted that employees would be given the opportunity to join Legends Global or remain with the COM in other positions, with no anticipated layoffs. She added that the COM and Legends Global would continue to work closely on venue operations, financial oversight, bookings, events, customer feedback, and overall performance. (See Page 15 of Attachment 1)

In response to a question from Councilmember Adams, Mr. Othen identified the current facility limitations and opportunities for future growth.

Mr. Cann highlighted opportunities to enhance the Amphitheater, improve guest experience, and increase revenue through the venue management expertise, industry relationships, and data resources offered through Legends Global. He added that the company currently manages 20 government-owned amphitheaters and would tailor its approach to support the City's financial and economic development goals.

Responding to a question from Councilmember Duff, Ms. Cannistraro explained that the proposed partnership is the next step following the feasibility study and is intended to maximize campus revenues and reinvest those funds into future improvements, reducing reliance on the General Fund.

Mr. Butler expressed support for the partnership, citing its potential to increase venue revenues, fund future improvements without additional General Fund support, and generate broader economic benefits for Downtown Mesa.

In response to a question from Councilmember Duff, Ms. Cannistraro clarified that the City would retain ownership of the venues, continue funding operations, and retain venue revenues, with Legends Global compensated according to the contract terms. She confirmed that existing contracts and Downtown Mesa planning efforts would remain in place and that the partnership would add expertise to support future campus development and connectivity with Main Street. She added that the transition is intended to be seamless for existing customers and bookings, while providing opportunities to enhance services, including food and beverage offerings and potential use of local vendors.

Mr. Cann pointed out that the Convention Center and Amphitheater are key community assets that can strengthen Mesa's image, economic vitality, and Downtown activity. He noted that effective venue management, strong programming, and coordinated partnerships could enhance the visitor experience, encourage longer stays and repeat visits, and support the broader Downtown destination.

Mr. Othen noted that event planners and promoters are increasingly seeking unique, experience-driven venues and stated that the Convention Center and Amphitheater could serve as key anchors for Downtown Mesa. He emphasized aligning future improvements with economic development efforts, ASU's presence, and immersive technologies, with phased planning guided by ongoing data and market trends.

Discussion ensued regarding the current volume of bookings at the Convention Center and the nearby Delta Hotel.

In response to a question from Vice Mayor Somers, Ms. Cannistraro stated that staff would explore sponsorship, advertising, and other revenue-generating opportunities for the campus. She clarified that any naming rights proposal would be subject to the COM's existing policy and require Council approval.

Additional discussion ensued regarding the proposed contract terms.

Responding to a question from Councilmember Taylor, Mr. Cann stated that Legends Global would tailor its approach to Mesa's goals and use its industry network and experience in comparable markets to increase bookings, generate new business opportunities, and maximize venue utilization. He discussed opportunities to expand amphitheater programming and attract higher-profile events through industry relationships and an open-promoter approach. He noted that future phased improvements, including increased capacity and enhanced guest and production amenities, could strengthen the venue's competitiveness and support greater use of the overall campus.

In response to a question from Councilmember Taylor, Ms. Cannistraro confirmed that the agreement includes provisions allowing the COM to terminate the partnership with appropriate notice if the expectations set forth in the agreement are not being met.

Responding to a question from Councilmember Taylor, Mr. Cann verified that Legends Global has dedicated DEI specialists and emphasized employee development through extensive training and professional development programs. He added that transitioning employees would have access to additional tools and resources to support their success.

Vice Mayor Somers thanked staff for the presentation.

In response to a request from Mr. Butler regarding agenda Item 5-b, **(Adopting a notice of intent to enter into a retail development tax incentive agreement pursuant to A.R.S. § 9-500.11 related to the development known as the "Cannon Beach Hotel," generally located at the southeast corner of Power Road and Warner Road. (District 6))**, on the Regular Council meeting agenda, Economic Development Director Jaye O'Donnell introduced Assistant City Attorney III Sarah Steadman, Deputy Economic Development Director Ben Snow, and displayed a PowerPoint presentation. **(See Attachment 2)**

Ms. O'Donnell presented the proposed Cannon Beach Hotel project, an upscale hotel of at least 130 rooms with associated event, dining, and outdoor amenities, located within the larger Cannon Beach development. She explained that the proposed development agreement would reimburse up to \$950,000 in eligible public infrastructure costs using project-generated construction sales tax and a portion of retail sales tax from the hotel and restaurant. She confirmed that the reimbursement would be contingent upon meeting specified permitting and construction deadlines, dedicating required public infrastructure and right-of-way to the City, and completing and opening the hotel within 36 months of the agreement's effective date. (See Pages 2 through 6 of Attachment 2)

Ms. Steadman clarified that reimbursement for required public improvements along Warner Road would be capped at the lesser of \$950,000 or the actual construction cost. She stated that reimbursement would be funded solely from project-generated, non-dedicated transaction privilege tax revenues, beginning with eligible construction sales tax and followed by 50% of eligible retail sales tax revenues. She added that payments would occur after completion and COM acceptance of the improvements and continue over the 10-year agreement term, with the reimbursement cap anticipated to be reached within approximately eight years. (See Pages 7 and 8 of Attachment 2)

Mr. Snow reviewed the statutory requirements for the proposed sales tax incentive, including findings that the project would generate revenues exceeding the incentive and would not proceed at the same time, place, or manner without the incentive, as well as an independent third-party review and reimbursement limited to eligible public infrastructure. He reported that the economic

analysis projects COM revenues at approximately 10 times the proposed reimbursement over 10 years. He explained that the next steps include consideration of a Notice of Intent resolution, followed by the development agreement and required Council approval. (See Pages 9 through 11 of Attachment 2)

Mr. Butler pointed out that the proposed project reflects the type of high-quality hospitality development sought by the COM. He highlighted the projected return on investment, with the project expected to generate more than 10 times the amount of the proposed tax reimbursement over the agreement term.

Discussion ensued regarding the growth of quality dining and entertainment options in the area.

Mr. Snow reported that the Cannon Beach campus had received nearly one million visits since opening approximately 20 months ago and highlighted the growing demand for additional hotel accommodations in the area.

Vice Mayor Somers thanked staff for the presentation.

2-a. Appointments to various boards and committees.

It was moved by Councilmember Duff, seconded by Councilmember Adams, that the Council concur with the Mayor's recommendations and the appointments be confirmed. **(See Attachment 3)**

Upon tabulation of votes, it showed:

AYES – Somers–Adams–Duff–Goforth–Heredia–Taylor

NAYS – None

ABSENT – Freeman

Vice Mayor Somers declared the motion carried unanimously by those present.

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

3-a. Economic Development Committee meeting held on June 8, 2026.

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

Upon tabulation of votes, it showed:

AYES – Somers–Adams–Duff–Goforth–Heredia–Taylor

NAYS – None

ABSENT – Freeman

Vice Mayor Somers declared the motion carried unanimously by those present.

4. Convene an Executive Session.

It was moved by Councilmember Goforth, seconded by Councilmember Taylor, that the Council adjourn the Study Session at 9:06 a.m. and enter into an Executive Session.

Upon tabulation of votes, it showed:

AYES – Somers–Adams–Duff–Goforth–Heredia–Taylor

NAYS – None

ABSENT – Freeman

Vice Mayor Somers declared the motion carried unanimously by those present.

- 4-a. Discussion or consultation for legal advice with the City Attorney. [A.R.S. § 38-431.03(A)(3)] 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 contemplated litigation against fire apparatus manufacturers relating to antitrust and anticompetition claims. [A.R.S. § 38-431.03(A)(3) and (4)].

(At 9:06 a.m., Vice Mayor Somers excused Councilmember Heredia from the remainder of the meeting.)

At 9:29 a.m., the Executive Session adjourned, and the Study Session reconvened.

5. Reconvene the Public Meeting.

- 5-a. Discuss and consider whether to direct the City Attorney to pursue litigation on behalf of the City of Mesa against fire apparatus manufacturers relating to antitrust and anticompetition claims and to retain legal counsel for that purpose, as discussed in executive session. **(Citywide)**

It was moved by Councilmember Adams, seconded by Councilmember Duff, to direct the City Attorney to pursue litigation on behalf of the City of Mesa against fire apparatus manufacturers from which the City has purchased equipment, and to retain legal counsel for that purpose.

Upon tabulation of votes, it showed:

AYES – Somers–Adams–Duff–Goforth–Taylor

NAYS – None

ABSENT – Freeman–Heredia

Vice Mayor Somers declared the motion carried unanimously by those present.

6. Current events summary including meetings and conferences attended.

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

7. Scheduling of meetings.

City Manager Scott Butler stated that the schedule of meetings is as follows:

Monday, August 17, 2026, 5:15 p.m. – Study Session

Monday, August 17, 2026, 5:45 p.m. – Regular Council meeting

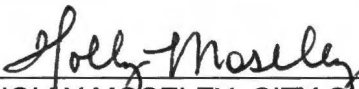
8. Adjournment.

Without objection, the Study Session adjourned at 9:30 a.m.




SCOTT SOMERS, VICE MAYOR

ATTEST:


HOLLY MOSELEY, 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 13th day of August 2026. I further certify that the meeting was duly called and held and that a quorum was present.


HOLLY MOSELEY, CITY CLERK

lr/sr
(Attachments – 3)



Mesa Amphitheatre and Mesa Convention Center Management Contract Overview

For consideration on August 17, 2026

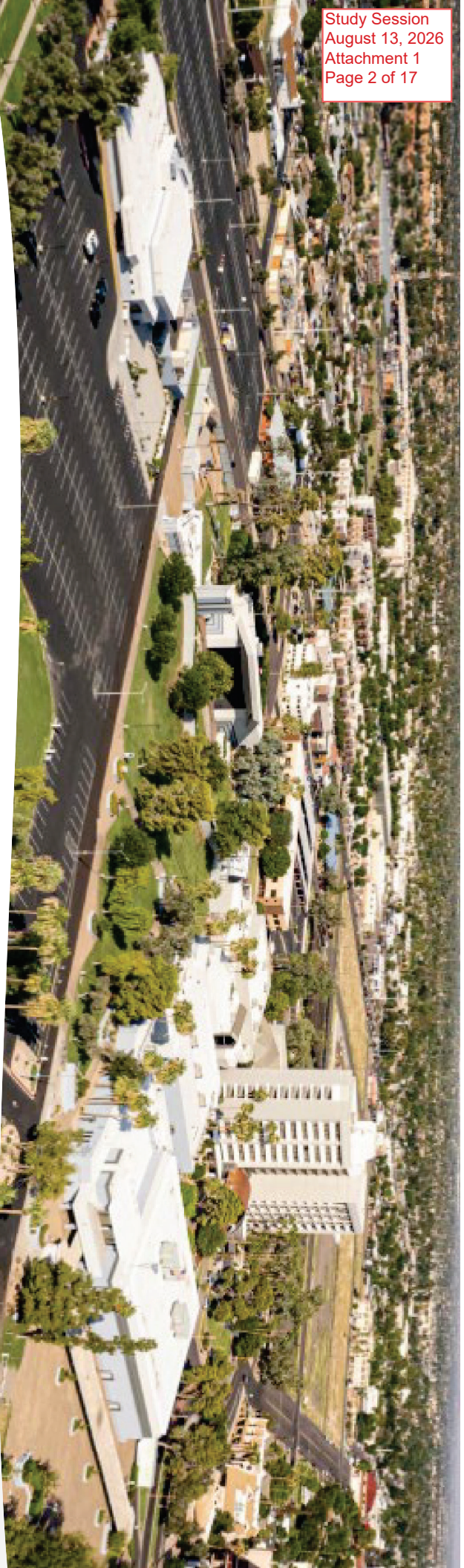
Candace Cannistraro, Deputy City Manager

Brad Gessner, Consultant

Harry Cann, Senior VP, Business Development, Legends Global

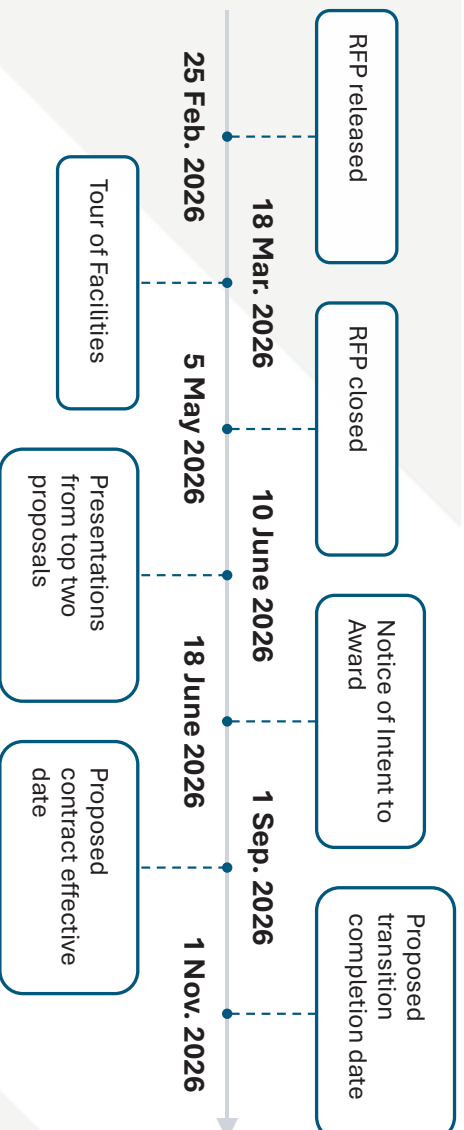
Tyler Othen, Executive Director, CSL

RFP#2026084



Site view of Mesa Convention Center
and Mesa Amphitheatre

Timeline



Public/Private Partnership

Partnership with an experienced public assembly facility management company capable of providing a full range of comprehensive services:

- Strategic Management
- Daily Operations
- Marketing and Advertising
- Facility Improvement Expertise



ment of Management Contracted



High-quality event experiences and event management



Maximized facility utilization



Modernization and capital improvement planning for the facilities



Strong economic impact for the City of Mesa



Effective communication and collaboration with the City of Mesa, Visit Mesa (DMO), local hotels, and the Downtown Mesa Association



Integration with the Downtown Mesa Arts and Innovation District



Monthly Cost



- Monthly Base Fee: \$14,000
- Monthly Food & Beverage Fee: 4% Gross Sales & 8% Net Sales
- Annual Performance Incentive Fee: up to \$50,000
 - Based on Key Performance Indicators
- Annual Quantitative Incentive Fee: 20% of AGI over benchmark
 - Benchmark Adjusted Gross Income (AGI) determined during annual budget process
- Sponsorship Commission: 20%

Instructor Cost/Contribution



- Capital Contribution: Upfront one-time payment of \$500,000
 - Amortized over 10 years
- Community Contribution: \$10,000/year for five years
 - Toward not-for-profit or community-based organization
- Transition Cost: estimated at \$50,000 - \$75,000
 - System setup, travel, lodging

THE COMPLETE SOLUTION

We deliver a single, integrated solution tailored to each partner's unique needs.

The benefits of combining Legends Global services into one complete solution:

- Maximizing revenue opportunities
- Increasing efficiency & scale
- Unmatched expertise across every discipline

01 BUILD

- FEASIBILITY & CONSULTING
- OWNER'S REP

02 MONETIZE

- PREMIUM SALES
- PARTNERSHIPS

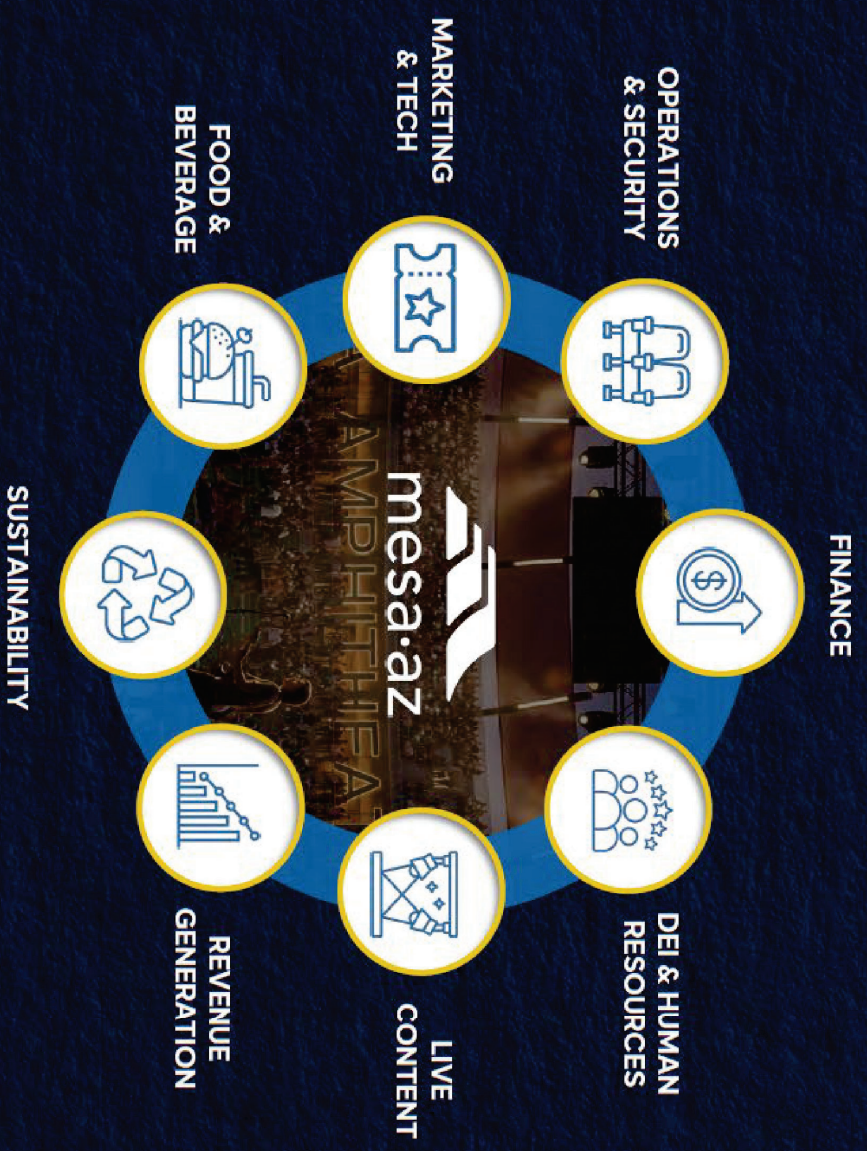
03 DELIVER

- HOSPITALITY
- MERCHANDISE
- VENUE MANAGEMENT
- CONTENT & BOOKING

INDUSTRY LEADER IN VENUE MANAGEMENT

Legends Global provides a full range of management services for each of our venues

Our national & regional teams provide support to our venues driving content, revenue & value



REGIONAL STRENGTH & KNOWLEDGE

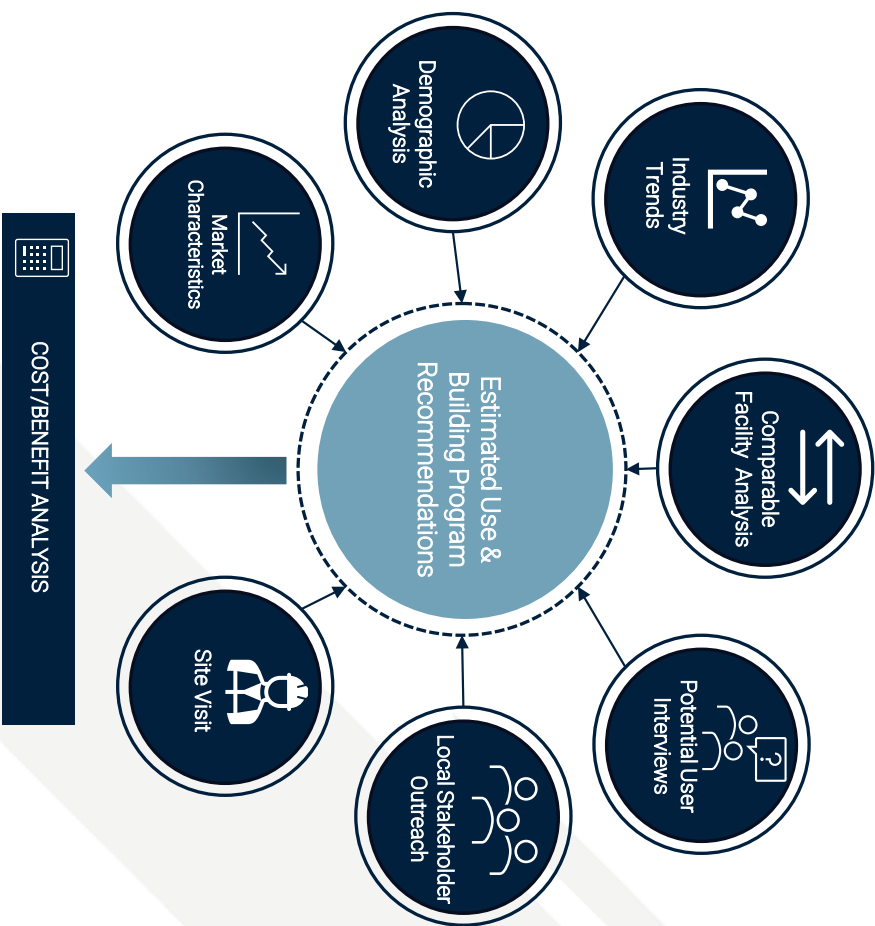
- Increasing rotational business & lead generation
- Shared business intelligence, best practices & industry trends
- Shared event, staff support & subject matter expertise
- Regional industry knowledge & data



FACILITY IMPROVEMENT STUDY



- **PROJECT EXPERIENCE:** More than 2,500 previous engagements.
- **EXISTING CONDITIONS:** Evaluated 50 competitive convention and concert facilities throughout Arizona.
- **COMPARABLE ANALYSIS:** Benchmarking analysis of 21 comparable facilities and markets throughout the country
- **INDUSTRY TRENDS:** Detailed evaluation of macroeconomic trends in the convention and concert industries.
- **STAKEHOLDER INTERVIEWS:** Held more than 20 stakeholder interview sessions.
- **INITIAL SITE VISIT, INTERVIEWS & OUTREACH:** Completed 65 surveys of event planners collectively representing more than 300 annual events.



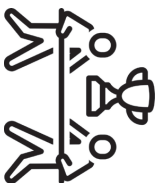
CONVENTION CENTER



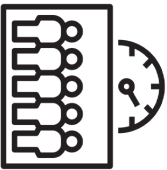
ANALYSIS TAKEAWAYS



Recent Convention
Growth



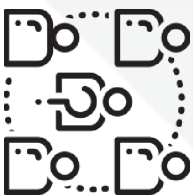
Crowded
Competitive Field



Ballroom + Hotel
Limitations



Dated Facility



Lack of Familiarity
Among Planners



Disconnected from
Downtown

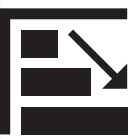


Opportunity to Be a
Pioneering Facility

HITHEATRE



ANALYSIS TAKEAWAYS



Outdoor Concert Growth



Competing with
Recently Improved
Venues



Need to Improve
The Artist
Experience



Opportunities to
Improve the Fan
Experience

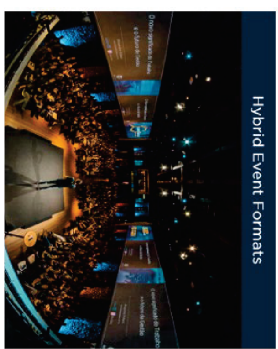
CONVENTION SERVICES



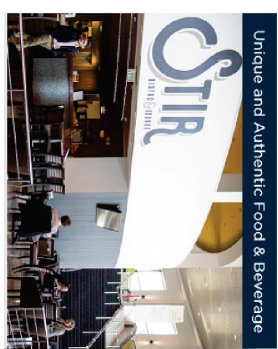
Market-Based Planning

- Market analysis review
- Financial estimates
- Economic impact calculations
- Sensitivity tools for decision-making
- Funding alternatives review
- Capital investment planning
- Roadmap development

Trends in Convention Centers



Hybrid Event Formats

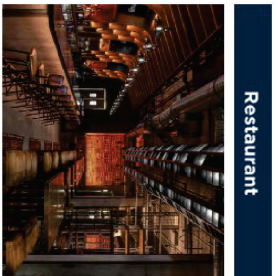


Unique and Authentic Food & Beverage



Immersive Experiences

Trends in Live Music Experience



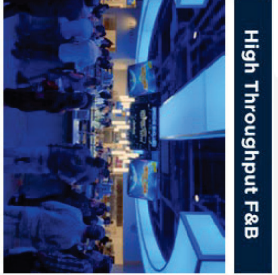
Restaurant



360 Engagement



Premium Experience



High Throughput F&B

Pre-Show

Greater Venue Exploration

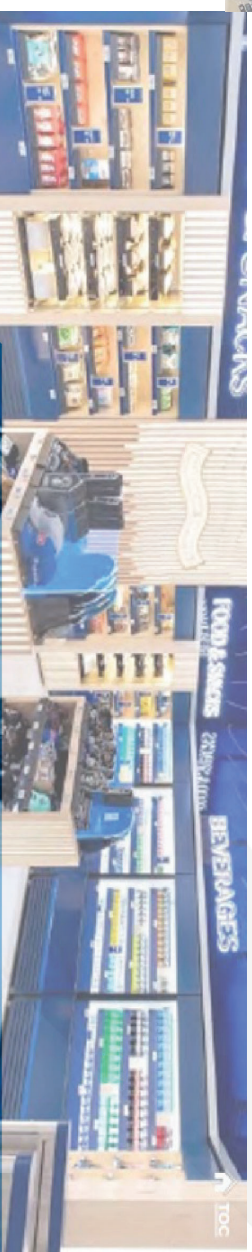
Higher Ticket Prices and Likelihood of F&B Spending

Multiple Transactions

ity Improvement Planning



- Legends Global and the City will work together to identify and prioritize improvements to modernize, enhance, and monetize the facilities
- Legends Global and its affiliates will provide the expertise and services related to capital planning, feasibility and finance modeling, venue development, real estate consulting, and construction management



Management Transition



62-Month Initial Term

- 2-month transition period
- 5-year management period

Up to three (3) five-year renewal terms

Legends Global will take control of all on-site operations including; ticketing, food & beverage, security, IT, facility maintenance, personnel, finances, marketing and sales, etc.

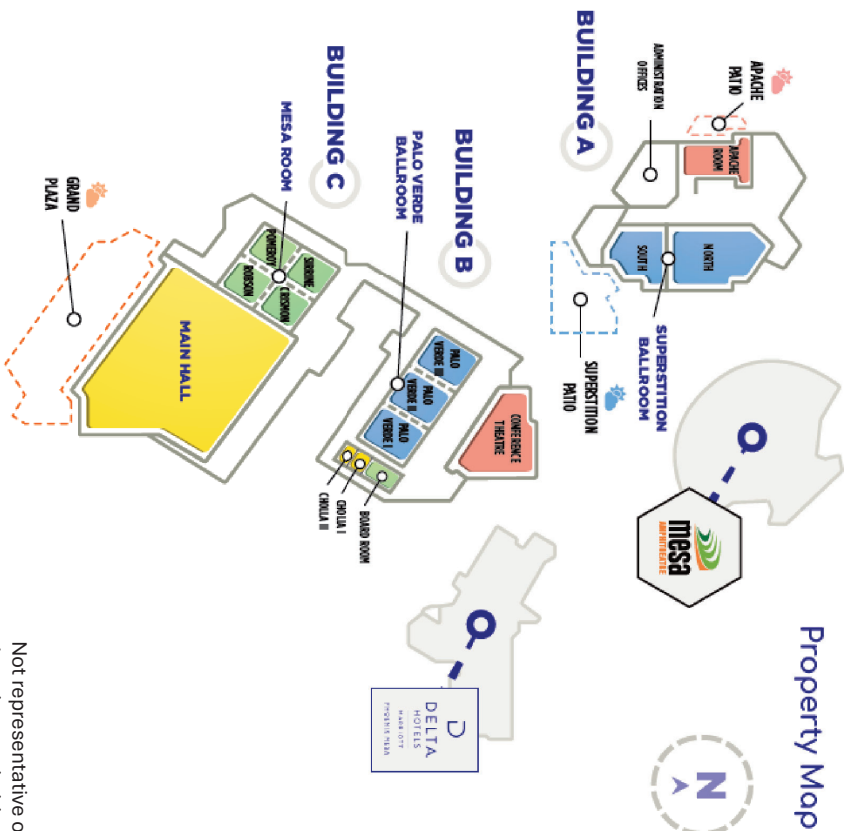
- All current personnel will have the option to move to Legends Global employment or remain with the City in another capacity
- The PRCF Director and City Human Resources will work with each employee

City staff will work with the General Manager and other site employees regarding financial reconciliations and City sponsored events

Thank You



Facilities



All except Delta Hotel
included in management
contract

Not representative of
location proximities

Cannon Beach Hotel.

Jaye O'Donnell, Economic Development Director
Sarah Steadman, Assistant City Attorney
August 13, 2026

Purpose.

The proposed Cannon Beach Hotel project will consist of an upscale hotel with a minimum of 130 rooms and various amenities, including a roof top deck and event space, ground level pool, hot tub, and lawn area, a bar and lounge connected to an outdoor terrace overlooking the surf pool, and an upscale or upscale casual, full-service restaurant consisting of a minimum of 7,000 square feet of indoor and outdoor space.

We will be discussing major terms and conditions for a proposed development agreement to provide developer with a retail sales tax incentive for the reimbursement of public infrastructure along Warner Road.



Location.

South of Warner Road and
on the east side of S. Power
Road

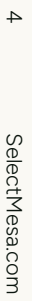
Total site is approximately
35.61 acres

Hotel site is approximately
1.32 acres



DA Project Area = Only (1.32 +/- acres) for Hotel Development, property owned by Cannon Beach Hotel LLC

Tax Reimbursement for Public Infrastructure for the Hotel and Restaurant



Overview of DA Structure.

Reimbursement of taxes up to \$950,000 for dedicated public infrastructure if Developer completes all the following conditions precedent:

- 18 months from DA effective date to obtain building permits for public infrastructure
- 36 months from DA effective date to complete public infrastructure which must be designed, bid, and built per applicable law, including A.R.S. Title 34
- Dedication of the public infrastructure (City)
- Required dedications of right of way to City prior to dedication of public infrastructure
- Upscale hotel (currently a planned Tapestry by Hilton) must complete construction and be open to the public within 36 months of the effective date of the DA

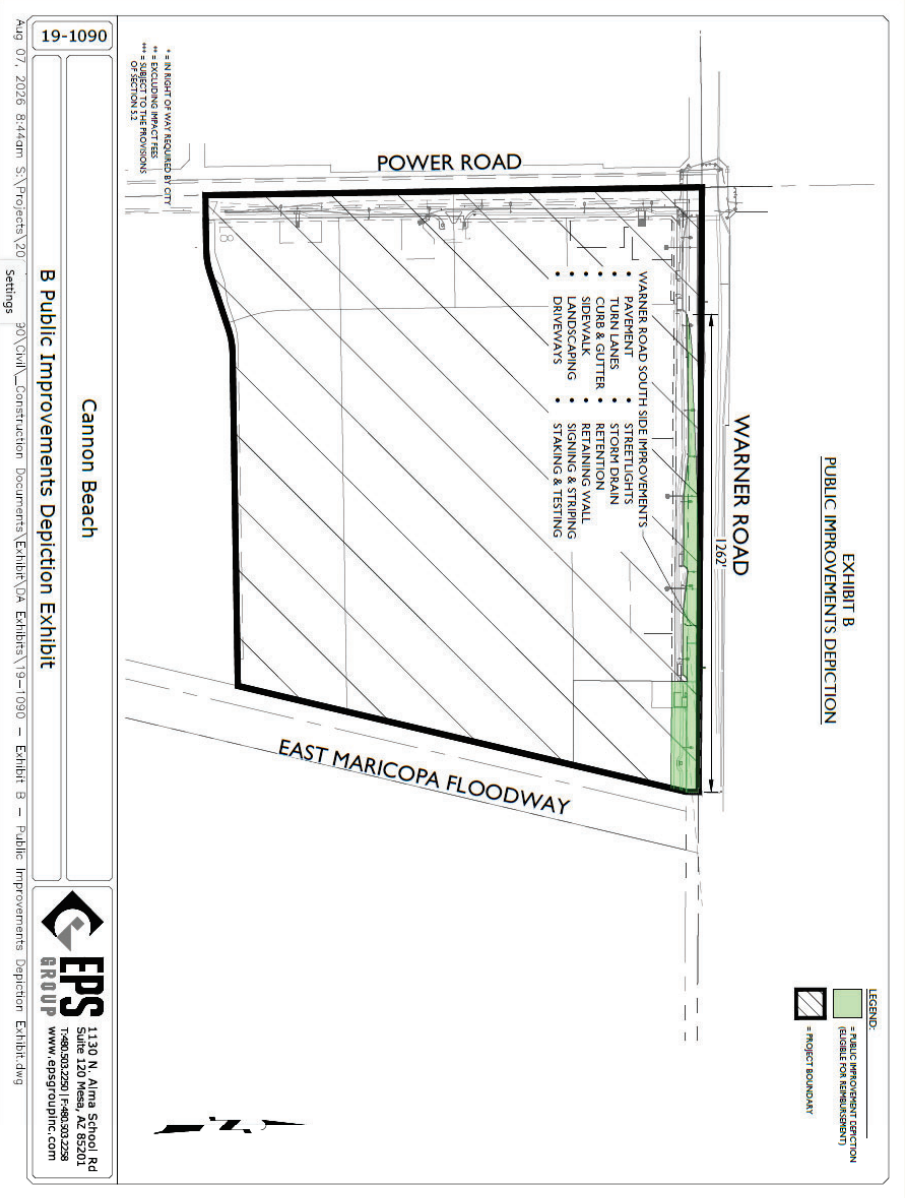
Reimbursement for public infrastructure using portions of the Construction Sales Tax and Retail Sales Tax generated by the Hotel and Restaurant

Infrastructure for Reimbursement.

PROPOSED PROPERTY

Requires public infrastructure on Warner Road that includes:

- Pavement and Turn Lanes
- Curb and Gutter
- Sidewalks and Landscaping
- Driveways and Streetlights
- Storm Drain, Retention, Retaining Wall
- Signing and Striping
- Staking and Testing



Construction Tax Incentive.

- Eligible Construction Tax: 100% of the 1.2% non-dedicated general fund sales taxes received by City for Construction Contracting for the Hotel and Restaurant
- One-time payment of Eligible Construction Tax collected from the Effective Date of DA through the date completion of construction of the Hotel and Restaurant (C of O issued)
- Subject to the maximum reimbursement cap of \$950,000

Retail Sales Tax Incentive.

- Eligible Sales Tax: 50% of the 1.2% non-dedicated general fund sales taxes received by City for taxable activities for the hotel and restaurant
- Requires Completion of the Conditions Precedent
- Economic Incentive Period: 10-year period beginning on the date of completion of construction of the Hotel and Restaurant (C of O issued)
- Sales tax rebate will be made four times per year
- Subject to the maximum reimbursement cap of \$950,000

Statutory Requirements: Findings & Economic Impact Analysis.

- Per A.R.S. **§ 9-500.11**, Council Must Find:
 - The proposed sales tax incentive (project) will raise more revenues than the amount of the incentive (reimbursement) during the term of the agreement; and
 - Development would not locate in Mesa in the same time, place or manner in the absence of a tax incentive.
- Statute requires independent third-party review of the Council findings
- A.R.S. **§ 42-6010** requires that construction and sales tax incentives offered to retail businesses be provided only as reimbursement for public infrastructure dedicated to, and accepted and controlled upon completion of the project by the City.
- Two Council Meetings Required
 - Notice of Intent Resolution
 - Resolutions for approval of the Development Agreement and the Council findings (requires a 2/3 vote of the Council)

Third Party Economic Impact Analysis.

- Performed by Applied Economics
- Includes economic analysis and impact summary with projected sales tax, City tax revenues, public improvements, total economic impact, job creation, annual labor income, and construction activity
- Revenues to the City: The project would generate a significantly greater amount of sales tax revenues than the total amount of the rebate
- Final analysis report will be provided to City Council in conjunction with the resolution requiring the City Council findings.

Next Steps.

August 17, 2026 City Council Meeting

- Notice of Intent Resolution

September 14, 2026 City Council Meeting

- Development Agreement Resolution
- City Council Findings Resolution



August 13, 2026

TO: CITY COUNCILMEMBERS

FROM: MAYOR MARK FREEMAN

SUBJECT: Appointments to Boards and Committees

The following are my recommendations for appointments to the City of Mesa Advisory Boards and Committees:

Housing & Community Development Advisory Board – Eleven-member board including new appointments.

Emily Barrett, District 3. Ms. Barrett is a program manager at GoDaddy.com and co-owner of Cadence Running Company. She holds a bachelor's degree in communications from Western Kentucky University. Her first term will expire June 30, 2029.