



# COUNCIL MINUTES

August 26, 2021

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 August 26, 2021, at 7:30 a.m.

## COUNCIL PRESENT

John Giles  
Jennifer Duff  
Mark Freeman  
Francisco Heredia  
David Luna  
Julie Spilsbury  
Kevin Thompson

## COUNCIL ABSENT

None

## OFFICERS PRESENT

Christopher Brady  
Dee Ann Mickelsen  
Jim Smith

Mayor Giles conducted a roll call.

### 1. Review and discuss items on the agendas for the August 30, 2021, Regular Council meeting.

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

Conflict of interest: None

Items removed from the consent agenda: None

In response to a question posed by Councilmember Thompson regarding Item 6-a, **(Amending Title 5 of the Mesa City Code (Business Regulations) by repealing Chapter 12 entitled “Massage Establishment Operations” and replacing it in its entirety with a new Chapter 12 entitled “Massage and Bodywork Establishment Operations” governing the licensing of massage establishments and bodywork establishments (Citywide))**, on the August 30, 2021, Regular Council meeting agenda, Assistant Police Chief Lee Rankin introduced Police Legal Advisor Geoffrey Balon, and displayed a PowerPoint presentation to discuss the proposed changes and how the changes will strengthen the City’s ability to address illicit massage businesses. **(See Attachment 1)**

Assistant Chief Rankin indicated the American Massage Therapy Association (AMTA), which represents 95,000 licensed therapists in the United States, has commended the City of Mesa (COM) for drafting an ordinance to close the loopholes that allow unlicensed and untrained individuals to practice under the guise of massage therapy. He stated the draft ordinance balances licensing requirements in a manner that is fair and equitable while providing the enforcement tools needed to address these illicit businesses. (See Page 2 of Attachment 1)

Assistant Chief Rankin remarked Polaris is a non-profit, non-governmental organization that works to combat and prevent sex and labor trafficking in North America, and operates the U.S. National Human Trafficking hotline to connect victims and survivors with support and services throughout the country. He mentioned through their work, the organization has built a large dataset for human trafficking in the U.S. He reported there are more than 9,000 illicit massage businesses operating as fronts for commercial sex across the U.S., compared to Starbucks having 8,222 stores. (See Page 3 of Attachment 1)

Assistant Chief Rankin provided statistics that as of January 2021, the COM has over 143 massage establishments, and that 45% of the establishments operating within Mesa are marked as active and erotic. He compared the disproportionate number of these businesses in Mesa to other neighboring cities. (See Page 4 of Attachment 1)

Assistant Chief Rankin shared the distribution of illicit massage businesses throughout Mesa and a heat map depicting the concentration of illicit massage businesses. (See Pages 5 and 6 of Attachment 1)

Mr. Balon described the main highlights of the ordinance include adding a bodywork establishment license that includes massage of the hands, feet, and head; adds manager, landlord, or owner responsibility; and closes the loop from applicants opening again in another location or under a different owner. He provided the definitions and legal changes that pertain to the proposed ordinance. (See Pages 7 through 9 of Attachment 1)

Assistant Chief Rankin stated the COM worked with the AMTA, who provided feedback while drafting the ordinance. He said the AMTA advocates for issues important to massage therapy across the country at the federal, state, and local levels. (See Page 10 of Attachment 1)

In response to a question from Councilmember Freeman, Assistant Chief Rankin indicated in order to be successful, a combination of the ordinance and enforcement efforts are needed. He added having the ordinance on paper provides the tools; however, law enforcement implementing the tools will ultimately generate the success. He mentioned other cities that are proactive in their enforcement of illicit massage businesses have demonstrated significant levels of success. He said the plan is to come back to Council in 6 to 12 months to provide an update.

City Attorney Jim Smith noted many of the provisions in the ordinance are similar to California provisions where sex trafficking has a dramatic impact, as well as provisions from other cities in Arizona.

Responding to an additional question from Councilmember Freeman regarding how large the policing enforcement team is, Assistant Chief Rankin mentioned the number of individuals specifically dedicated to these operations has increased and their focus will be much more pinpointed than it has in the past.

In response to a question posed by Councilmember Heredia, Mr. Balon described the ordinance is reactive to the facts and investigations police have been involved with, as well as the trend where illicit massage businesses are claiming exemption, which resulted in the bodywork establishment license and definition. He added the ordinance is proactive in that it will ensure all establishments have the same rules.

Responding to additional questions from Councilmember Heredia, Assistant Chief Rankin stated Mesa PD works together with other agencies throughout the Valley, and at the state level, in developing strategies to shut down the illicit businesses.

Mr. Balon reported the bodywork establishment license will take effect on January 2, 2022, and the other provisions will take effect 30 days after adoption.

In response to a question from Councilmember Luna inquiring why the City cannot just shut the illicit sites down, Assistant Chief Rankin explained the sites are connected through technology where information is shared and the burden lies on law enforcement to prove the illicit behavior is occurring.

Discussion ensued relative to the revolving door issue and the challenges that PD faced in shutting down the businesses when the business owner would apply for another license and simply move to a different location.

Mayor Giles discussed the need for education in the real estate community that puts strip mall owners on notice that there could be potential criminal liability if leasing to illicit massage businesses.

Assistant Chief Rankin agreed that the property owners must be partners in the process. He added having the ordinance that provides the teeth, as well as having a law enforcement agency that is willing to invest the time, energy, personnel, and resources to tackle the problem is the key to success.

In response to a question posed by Mayor Giles regarding what the potential liability is for a building owner, Mr. Balon indicated the provision states an owner cannot knowingly permit or negligently fail to prevent criminal and unlawful activity occurring on the property. He acknowledged the first step is that the property owner must be put on notice and informed about what is occurring on their property. He said initially the citation is a civil violation; however, if the conduct rises to criminal there is a statute under state law that can be utilized. He mentioned that the ordinance gives PD more options and makes it clear that Mesa is going to take action, in addition to the state law that regulates illicit businesses.

Mayor Giles thanked staff for the presentation.

2-a. Hear a presentation and discuss the feedback received from the Active Transportation Survey and provide direction relating to the types of projects to be considered.

Transportation Department Director RJ Zeder introduced Deputy Transportation Director Erik Guderian, who displayed a PowerPoint presentation to provide an overview of the survey work that has been completed for transportation projects and seek Council direction. **(See Attachment 2)**

Mr. Zeder noted Mesa voters overwhelmingly approved and authorized the City to issue \$100 million in general obligation bonds to fund transportation projects across the city. He reminded Council the \$100 million allowed an additional \$62 million in reimbursement money through Proposition 400. (See Pages 2 and 3 of Attachment 2)

Mr. Zeder stated the goal of active transportation is to enhance the bicycle and pedestrian network and promote connectivity and health. He remarked the specific projects will be identified through a citywide process. (See Page 4 of Attachment 2)

Mr. Zeder explained capital projects are defined as major investments in new transportation infrastructure or major upgrades. He gave the example of adding a separated bicycle lane on First Avenue from Country Club to Hibbert as a project that will be funded by operation funds rather than capital funds. He mentioned the cost for a fully improved path section is \$2 million per mile. (See Page 5 of Attachment 2)

Mr. Zeder shared examples of shared use path and complete street enhancement projects. (See Pages 6 and 7 of Attachment 2)

Mr. Zeder presented a map of the current bicycle and pedestrian system and highlighted the areas of future improvement. He stated the eastern canal project is underway and will add five signals to provide safe connection into Gilbert. He added the future network will build out the shared-use path using the canal system and the freeway system. (See Page 8 of Attachment 2)

Mr. Zeder commented on the public engagement schedule that began with the Transportation Advisory Board in January 2021. (See Page 9 of Attachment 2)

Mr. Zeder advised the public survey was open from April 1 to May 9, 2021. He remarked the survey was available in both English and Spanish, and social media and local bike shops were utilized to spread the word. He said 489 survey responses were received. (See Page 10 of Attachment 2)

Mr. Guderian shared the survey results on the seven questions that were asked which pertained to value statements for pedestrians and bicyclists on their desired vision of the network. (See Pages 11 through 17 of Attachment 2)

Mr. Guderian reported, based on the survey results, pedestrians want more off-street pathways and cyclists want both off-street pathways and on-street separated bike lanes. He stated moving forward the focus will be to utilize the \$20 million in funding to provide more mileage with less amenities. (See Page 18 of Attachment 2)

Mr. Zeder indicated the project goals are to connect into existing bicycle and pedestrian facilities and maximizing the mileage using the current existing network. (See Page 19 of Attachment 2)

Mr. Zeder outlined the next steps. He remarked that staff are seeking feedback on the types of projects Council views as important and will come back to present ideas of potential projects. (See Page 20 of Attachment 2)

In response to a question from Councilmember Luna inquiring about Northeast Mesa projects, Mr. Zeder advised currently there are not many located in Northeast Mesa, but the goal is to eventually work off the 202.

Mr. Guderian elaborated that the Red Mountain shared-use path will run along Power Road from the Park n Ride and will run north to the city limits.

In response to multiple questions from Councilmember Thompson, Mr. Zeder explained the City has a contractor to maintain the streets. He mentioned the City also has a smaller sweeper that

will fit between the curbs of the separated bicycle lanes. Mr. Zeder added the road bumps are cheaper than having a concrete divider. He said there are different options to create separation; however, the feedback received was that a more robust divider is desired.

In response to a series of questions from Councilmember Heredia, Mr. Zeder advised staff are looking at using half-mile streets as potential dedicated separated bike lane streets. He indicated the best time to make street changes is during scheduled street maintenance and staff are working with operations to determine timing.

Mr. Guderian continued by saying the retail and restaurant locations will need to be identified first before finding ways to connect with the pathways.

In response to a question posed by Vice Mayor Duff, Mr. Guderian explained the City would not have to bond for the maintenance projects; however, more planning needs to take place to provide a clean slate before doing the connector street restriping.

Responding to an additional question from Vice Mayor Duff regarding the demographics of the survey respondents, Mr. Zeder said he would have to go back to the survey details, but he does not believe that information was collected.

Vice Mayor Duff suggested working closely with the communities who depend on public transportation and encouraging residents to make lifestyle changes to live without a vehicle.

Councilmember Freeman discussed the safety issue for cyclists on the narrow streets and encouraged use on the non-essential side of the canal path.

Mr. Zeder stated canal projects start with the premise of being on the opposite side from Salt River Project (SRP) maintenance activities.

Further discussion ensued relative to active transportation projects and needs.

Vice Mayor Duff inquired whether staff could create mapping that includes suggested routes and connections to the light rail or bus stations.

Mr. Zeder replied staff will explore building an interactive map to provide resources that provide recommended routes.

At 8:48 a.m., Mayor Giles excused Councilmember Thompson from the remainder of the meeting.

Mayor Giles voiced his opinion that based on the survey results the most impactful way to spend the money is by maximizing the shared-use pathway miles. He questioned whether Council has provided clear consensus for staff.

City Manager Christopher Brady indicated if Council accepts the prioritization list on Slide 19, staff will come back to Council with a specific list of projects. He said the list will include both capital improvement projects, as well as projects covered on the operations side. He remarked the City is trying to take advantage of the current infrastructure while also recognizing the need for movement in the city without motor vehicles.

Vice Mayor Duff shared national average figures to give a perspective on how transportation dollars are spent.

In response to a question from Mayor Giles regarding to what extent can street dollars be used to improve bike lanes on streets, Mr. Zeder confirmed that street improvement dollars can be used to improve bike amenities because they are part of the street.

Mayor Giles thanked staff for the presentation.

Mayor Giles declared a recess at 8:56 a.m. The meeting reconvened at 9:08 a.m.

2-b. Hear a presentation, discuss and provide direction on the City's proposed expenditure plan for the Coronavirus State and Local Fiscal Recovery Funds.

Deputy City Manager and Chief Financial Officer Michael Kennington introduced Finance Director Irma Ashworth, who displayed a PowerPoint presentation to provide an update on the American Rescue Plan Act (ARPA). **(See Attachment 3)**

Mr. Kennington reminded Council that the ARPA funding comes out of the \$1.9 trillion bill that was signed by the President in March. He mentioned the Treasury allowed comments and questions and the final ruling has not been issued yet. (See Page 2 of Attachment 3)

Mr. Kennington stated the COM was allocated \$106 million, half of which was received in May and the second half will be received in May 2022. He remarked the City has until the end of 2024 to obligate the funds and the funding needs to be spent by the end of 2026. (See Page 3 of Attachment 3)

Mr. Kennington presented the eligible uses, adding the common theme is using the funds to respond to those impacted negatively by the pandemic. He discussed qualified census tracts (QCT) are defined as having 50% of the households with incomes below 60% of the area median gross income. (See Page 4 of Attachment 3)

Mr. Kennington commented that based on Council feedback, program ideas were reviewed by staff to ensure consistency with the eligible uses. He mentioned 14 areas have been identified, as well as an unallocated bucket to cover future community needs. He advised the programs are in the initial stages, more time will be needed to fully develop, and costs are high-level estimates at this time. He said the 14 projects have been classified into four categories. (See Page 5 of Attachment 3)

Mr. Kennington outlined the four projects that fall under the Public Health category and the estimated costs. (See Page 6 of Attachment 3)

In response to a question from Councilmember Freeman regarding decontaminating ambulances, Mr. Kennington confirmed that while the ambulance is being decontaminated, the ambulance is out of service. He added purchasing five additional ambulances will lower the time that a crew is unable to go on calls.

Responding to an additional question posed by Councilmember Freeman, Mr. Brady indicated acquiring an additional engine or ladder company would be outside the health response of the eligibility requirements.

In response to a series of questions from Councilmember Luna regarding where the Police Department Crime Center will be located, Police Commander Chris Rash reported with the

remodel taking place at PD headquarters, initially the Crime Center will be located in the municipal court and ultimately will end up next to headquarters in the old municipal court building. He added there will be high-tech video wall capability and consoles similar to the dispatchers. He commented the staffing details are under review. He said the plan is to have the Crime Center operational in some form by December and the full setup by mid-year 2022.

Councilmember Luna suggested a presentation to the Public Safety Committee to give insight on what the model will look like.

Responding to an additional question from Councilmember Luna pertaining to the behavioral health portion, Fire Chief Mary Cameli advised the program will be 24/7 with two crisis counselors on a unit to respond to behavioral health calls. She explained the current partner's funding was reduced and the COM has been covering the costs to cover the gap and these dollars will allow the program to continue.

Assistant City Manager John Pombier elaborated this program has been running for quite some time and will filter into the new program and become an asset to expand the response model.

Police Commander Jeffrey Cutler informed Councilmember Luna that the body scanner will provide an accurate read on temperature and has technology to see past an individual's clothing to show whether there are hidden weapons or drugs under clothing or internally. He added the body scanner will be used in the holding facility.

Mr. Brady continued by saying because many cities are experiencing a surge in violence and criminal activity, addressing public safety concerns was added as an eligible area to use the ARPA funding. He said the funding allows for one-time purchases to be made that would not normally make the general fund discussions yet provided increased safety.

In response to a question from Councilmember Heredia, Mr. Brady advised contingency funding has been set aside for Covid vaccinations. He added the City normally receives grants and supplements for the flu vaccine.

Deputy City Manager Scott Butler commented that the flu vaccine is an annual event put on by the Fire Department that will be funded by Indian Gaming dollars and will be on a future agenda.

Mr. Kennington discussed the extreme shift in energy costs that have occurred over the last year which normally are passed through to the customer. He pointed out the energy commodity cost funding will offset those costs, so they are not passed to the customer's electric utility bill. He explained food distribution center funding is to purchase a permanent location for United Food Bank to service those experiencing food insecurity in the community.

In response to a question from Councilmember Luna, Mr. Brady reported United Food Bank ran out of space and with the new model of service are in need of expansion. He indicated discussions are occurring regarding a new location and the COM would like to set aside some funding to be a partner in supporting the capital allocation and United Food Bank would do the tenant improvements and operate the services.

Responding to several questions posed by Councilmember Spilsbury regarding whether the City would own the building, Mr. Brady clarified under this program the COM would acquire the property and lease it back with the caveat that services continue. He remarked the model will be different than what was used during Covid where anyone could pull up and receive food.

Mr. Kennington continued by describing the programs under the negative economic impact category and what will be covered under each category. (See Page 8 of Attachment 3)

In response to a question from Mayor Giles regarding the Convention Center floor replacement, Parks, Recreation and Community Facilities Director Andrea Moore informed Council the flooring will be a carpet-type product that is low piles for easy cleaning, will be laid in squares to allow replacement in sections, and will reduce the echo.

Mr. Kennington reported the programs under the services to disproportionately impacted communities include the Homeless Solution, Recreation Programming for K-6, and Education and Enrichment Scholarships. (See Page 9 of Attachment 3)

Mr. Brady added the Education and Enrichment Scholarships, and Recreation Programming are outreach programs to help re-engage children back into facilities such as the i.d.e.a. Museum and the Arizona Museum of Natural History.

In response to a question posed by Councilmember Spilsbury, Deputy City Manager Marc Heirshberg clarified schools would apply for scholarships at the museums and the arts center and recreational programming would be individual scholarships for the programming.

Further discussion ensued relative to including Mesa K-Ready in the recreational programming and scholarship programs.

Mr. Kennington stated premium pay is one of the allowable uses in the Interim Final Rule (IFR) for essential workers that continued to provide services to the community throughout the pandemic. (See Page 10 of Attachment 3)

Mr. Kennington identified the unallocated funding totals just over \$14 million and presented potential use ideas. (See Page 11 of Attachment 3)

In response to a question from Councilmember Spilsbury, Mr. Brady stated the final numbers for each category could change a little. He mentioned staff are working on identifying the specific areas for the unallocated funding.

Responding to a question from Councilmember Heredia regarding what the Education and Enrichment Scholarships and Recreation Programming funding is based on, Mr. Brady advised those amounts are based on prior year experiences. He remarked these relationships were there in the past and now the goal is to re-establish those relationships.

Councilmember Heredia inquired about marketing the programs to the various non-profits that the COM works with and taking proactive measures to help spread the word regarding the available assistance. He discussed continuing to work with small businesses to provide those necessary services that were created during the pandemic.

Mr. Brady agreed with Councilmember Heredia and highlighted the Restaurant Incubator Program that would help small restaurants develop their skills and provide instruction in a commercial kitchen on how to run a successful business. He said the program centers around how to build the sustainability and resiliency for small businesses.



Downtown Transformation Manager Jeff McVay described the vision would be to buy and build out a commercial kitchen space with a program partner to teach individuals interested in opening a food business how to run a business. He indicated there would be a graduation attached to the program at which time they would find their own space to run their business.

Mr. Kennington stated if Council approves of the initial plan, staff will work on developing the project ideas. (See Page 12 of Attachment 3)

Mayor Giles indicated it was a consensus of Council that staff proceed with the recommendations. He added he appreciates the flexibility built into the plan because it takes time for good ideas to develop.

Vice Mayor Duff suggested improving QCT areas by providing opportunities for learning job skills. She commented supporting the Promise Program is another related area that is important to provide better education and promote the workforce. She said using these funds to create a successful and healthy community will be a factor in decreasing the money that is spent on social services. She asked whether there are any programs for low-income childcare.

Mr. Brady advised childcare was not included. He said most of the programs were based on prior discussions; and while there are some services offered, most of the focus is brick-and-mortar investments.

In response to multiple questions from Councilmember Spilsbury, Mr. Brady advised the programs are flexible because these are just preliminary plans and the City has until 2026 to spend the money. He explained the wi-fi mobile broadband will cover the under-served neighborhoods because the expense was too high to cover the entire city.

Councilmember Luna encouraged continuing to work on workforce development programs that support the community and creates a foundation based on education.

Mayor Giles thanked staff for the presentation.

At 10:07 a.m., Mayor Giles excused Councilmember Heredia from the remainder of the Council meeting.

3. Current events summary including meetings and conferences attended.

Mayor Giles pointed out that Councilmembers Heredia and Spilsbury chaired the first Education and Workforce Development Roundtable meeting.

Vice Mayor Duff announced today is Women's Equality Day.

4. Scheduling of meetings.

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

Monday, August 30, 2021, 5:00 p.m. – Study Session

Monday, August 30, 2021, 5:45 p.m. – Regular Meeting

5. Adjournment.

Without objection, the Study Session adjourned at 10:08 a.m.

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JOHN GILES, MAYOR

ATTEST:

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DEE ANN MICKELSEN, 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 26<sup>th</sup> day of August 2021. I further certify that the meeting was duly called and held and that a quorum was present.

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DEE ANN MICKELSEN, CITY CLERK

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(Attachments – 3)