

# JOINT DOWNTOWN DEVELOPMENT/REDEVELOPMENT COMMITTEE MINUTES

February 15, 1996

A joint meeting of the Downtown Development Committee and the Redevelopment Committee of the City of Mesa met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on February 15, 1996, at 8:10 a.m.

## REDEVELOPMENT COMMITTEE PRESENT

Jerry Boyd, Chairman  
Julie Pace  
Joan Payne  
Jim Stapley

## DOWNTOWN DEVELOPMENT COMMITTEE PRESENT

Julie Pace, Chairman  
Victor Linoff, vice Chairman  
Louie Matta  
Jim Passey  
Ron Peters

## DOWNTOWN DEVELOPMENT COMMITTEE ABSENT

Ri Cleghorn  
Maria Hernandez  
Boyd Thacker

## STAFF PRESENT

Wayne Balmer  
Neal Beats  
Linda Crocker  
Elva Fimbres  
Mike Hutchinson  
Harry Kent  
Gordon Sheffield  
Harold Stewart  
Lois Underdah  
Deborah Yukolis  
Others

## OTHERS PRESENT

Barry Kirshner  
Dan Nowicki  
Ralph Pew  
Tom Verploegen  
Bob Voit  
Others

(Redevelopment Committee Chairman Boyd announced the resignation of Doug Cook as a member of the Redevelopment Committee due to a conflict of interest, and stated that Mr. Cook's replacement will be Stan Troutman.)

1. Review proposals for redevelopment of Site No. 14.

Community Development Manager, Wayne Balmer, advised that Site No. 14 is the City's most recent redevelopment project and added that the Committees approved the issuance of a Request for Proposal (RFP) for the northeast corner of Serrine and Main Street. Mr. Balmer reported that one proposal has been received, from Brown & Brown Chevrolet, and requested Committee input relative to this issue. Mr. Balmer added that staff will provide the Committees with an analysis and recommendations regarding the proposal at a future meeting.

Downtown Development Committee Chairman Pace expressed concerns relative to the proposal for a tax reduction to the dealership based on annual sales tax revenues generated by the dealership during 1991, 1992 and 1993. Chairman Pace stated the opinion that the selected years represent lower than average revenue years and added that this issue would require additional analysis.

Chairman Boyd recommended that the Committee consider participation by the City for a proportionate amount.

Discussion ensued relative to the franchise issue and laws, relocation of a historical structure, land appraisals and negotiations with property owners, and auto dealership zoning.

Mr. Balmer advised that staff will perform an in-depth analysis of the proposal and indicated that this issue may be the subject of a future Council Study Session since a number of issues will be reflected in next year's budget. Mr. Balmer added that staff's recommendations will be presented to the Downtown Development Committee who will forward them to the Redevelopment Committee for a recommendation to the Council.

Downtown Development Committee Vice Chairman Linoff questioned whether Main Street constitutes an appropriate site for an auto dealership and discussed the importance of creating and maintaining a pedestrian environment in the downtown area.

Chairman Boyd thanked staff for their input.

2. Consider redevelopment options for the Northeast Quadrant Project.

Community Development Manager Wayne Balmer referred to a letter dated February 12, 1996 from Mr. Ralph Pew, an attorney representing Mr. Robert Voit President of the Voit Companies relative to the Centennial Center/Northeast Quadrant Development Master Plan. (See Attachment.)

Mr. Balmer explained that the letter urges the Committees to instruct the Community Development Department and the City Manager to consult with Voit Companies to produce a conceptual redevelopment plan for the Centennial Center/Northeast Quadrant area. Mr. Balmer stated that Robert Voit, and Barry Kirshner, of Voit Companies, have agreed to contribute their time and expenses in an effort to advise and consult with the City staff in the preparation of the conceptual plan.

Discussion ensued relative to the preparation of a Request for Qualifications and the importance of scheduling a regular monthly Redevelopment Committee meeting, possibly on the second Thursday of the month.

Mr. Ralph Pew, 40 North Center Street, the attorney representing Mr. Voit and Mr. Kirshner, expressed his client's interest in proceeding as quickly as possible and briefly outlined the contents of the letter submitted to the Committees. Mr. Pew added that the Voit Companies are requesting that the City contribute funds, not to exceed \$10,000, for architectural fees and services required to prepare the conceptual plan.

It was moved by Committeemember Stapley, seconded by Committeemember Pace, to recommend to the Council that the five steps outlined in the attached February 12, 1996 letter prepared by Mr. Pew on behalf of the Voit Companies, relative to the Centennial Center/Northeast Quadrant Development Master Plan be approved and that the City expend funds in an amount not to exceed \$10,000 to cover the cost of architectural and design services for preparation of the conceptual plan.

Chairman Boyd declared the motion carried unanimously by those present.

Mr. Voit addressed the Committees and expressed appreciation for their confidence in the Voit Companies.

### 3. Review results of the Main Street Parking Survey.

Community Development Manager Wayne Balmer provided the Committees with a brief synopsis of the results of a recent parking survey which was distributed to the downtown colonnade business and property owners on January 15, 1996. Mr. Balmer advised that the survey was distributed to a total of 81 property and/or business owners and a total of 46 responses, representing a 57% return, have been received to date.

Mr. Balmer reported that 19 business owners and 4 property owners indicated that parking limits should be changed from 2 to 1 hour on Main Street and increased from 2 to 3 hours in rear surface lots; 16 business owners and 3 property owners indicated that Main Street parking should remain unchanged and parking in rear surface lots should be expanded from 2 to 3 hours; 1 property owner indicated that all current parking time frames should remain unchanged; and 3 property owners offered alternative choices.

Mr. Balmer informed the Committees that MEGACORP, the Community Development staff and Mesa Town Center Corporation staff support decreasing the allowable parking limits on Main Street from 2 hours to 1 hour and increasing the parking limits in surface lots from 2 to 3 hours.

Chairman Boyd requested that staff provide Mr. Joe Guinn, a citizen/property owner in the Town Center area, with a copy of the survey results since Mr. Guinn has offered input relative to the parking issue in the past.

Downtown Development Committee Vice Chairman Linoff stated the opinion that although businesses and property owners will not unanimously support the proposed changes, the Town Center businesses will be positively impacted in the future by the revisions. Mr. Linoff stressed the importance of utilizing signage to advertise the availability of free, rear surface lot parking.

Committeemember Payne expressed concern relative to the proposed revisions and advised that business owners in the area have adamantly expressed their opposition to the changes. Committeemember Payne advised that affected property/business owners have stated the opinion that their recommendations are consistently ignored by committees, City staff, and the Council. Committeemember Payne stressed the importance of responding to the requests of the minority rather than the majority.

Town Center Corporation Executive Director Tom Verploegen stated the opinion that although the proposed revisions may not be acceptable to certain segments of the downtown business community, the Town Center area as a whole must be considered. Mr. Verploegen expressed the opinion that a 1 hour parking turnaround will increase business and said that he supports the proposed changes.

Discussion ensued relative to parking limitations initiated in the City of Tempe and the resulting increases in business.

Chairman Pace indicated that she supports the proposed time limit revisions but added that "Parking Spot" signage should be in place prior to implementation. Chairman Pace spoke in favor of postponing implementation of the proposed revisions pending erection of the signage.

Committeemember Peters advised that he would support a 30 minute time limit on Main Street and noted that similar limitations have increased business in other areas. Committeemember Peters added that he supports Chairman's Pace comments relative to signage.

In response to a question from Chairman Boyd, Assistant City Manager Mike Hutchinson advised that implementation of the "Parking Spot" signage has been delayed pending discussion of this issue.

Committeemember Passey stressed the importance of advertising the available rear parking.

It was moved by Chairman Pace, seconded by Committeemember Linoff, to recommend to the Council that parking time limits be changed from 2 to 1 hour on Main Street and from 2 to 3 hours in surface lots; that the revised parking time limits become effective six months after the erection of the "Parking Spot" signage; and that an additional survey be conducted six months after the proposed parking limit revisions are implemented in order to solicit business and property owners' input relative to the effectiveness of the changes.

Committeemember Linoff recommended that the Mesa Town Center initiate an education program relative to the proposed revisions and added that customers should be surveyed as well as business/property owners.

Chairman Boyd declared the motion carried unanimously by those present.

4. Discuss the role of the Downtown Development Committee in implementation of downtown redevelopment activities.

Chairman Pace discussed an upcoming Downtown Development Retreat and requested input from the Redevelopment Committee relative to specific issues which should be addressed.

In response to a request from Chairman Boyd, discussion ensued relative to the responsibilities and operation of the Downtown Redevelopment Committee.

Chairman Boyd stressed the importance of joint meetings and open communication to address issues of mutual concern and avoid duplication of efforts.

5. Adjournment.

It was moved by Committeemember Stapley, seconded by Chairman Pace, that the meeting adjourn at 9:55 a.m.

Carried unanimously.

Attachment

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the joint meeting of the Downtown Development Company and the Redevelopment Committee of the City of Mesa, Arizona, held on the 15th day of February 1996. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 16th day of February 1996

BARBARA JONES, CITY CLERK

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ATTACHMENT

Killian, Nicholas, Fischer,  
Wirken, Cook & Pew, P.L.C.  
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February 12, 1996

HAND DELIVERED

The Honorable Willie Wong and  
Mesa City Council Members  
55 North Center Street  
Mesa, Arizona 85201

Re: Centennial Center/Northeast Quadrant Development Master Plan Presented by The Voit  
Development Company, Inc.

Dear Mayor and Council Members:

At the request and instruction of Mr. Robert D. Voit, President of The Voit Development Company, Inc. ("Voit"), we have been asked to provide to you a proposal for proceeding with the Centennial Center/Northeast Quadrant Development Master Plan ("Project"). This proposal is prepared for consideration by the Downtown Development Committee and the Redevelopment Committee at the February 15, 1996 Joint Committee Meeting. After careful analysis and a review of applicable state law, the procedures outlined in this letter constitute Voit's recommendation to the City of Mesa ("City") for the prompt and expeditious implementation of the Project.

The following paragraphs identified as 1 through 5 represent the sequential steps necessary to implement the Project. For purposes of clarity, words and phrases printed in bold lettering in the balance of this letter shall have the meanings identified for them in A.R.S. § 36-1471.

1. Voit has spent several weeks in the process of analysis and creation of a Preliminary Development Master Plan for the Project. Building on the work that has already been prepared and utilizing the previous studies and information available to the staff, we would urge the Joint Committee to

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instruct the Community Development Department and the City Manager to consult with Voit to produce a Conceptual Redevelopment Master Plan for the Centennial Center/Northeast Quadrant Area ("Conceptual Plan"). Bob Voit and Barry Kirshner will contribute their time and expenses in an effort to advise and consult with the City staff in the preparation of the Conceptual Plan. Voit requests that the City contribute funds in an amount necessary to pay the actual fees and expenses of Poliquin Kellogg Design Group for architectural and design services in preparing the Conceptual Plan. The amount of such fees and services shall not to exceed \$10,000. We expect that reaching a consensus with the staff on a Conceptual Plan will take approximately four (4) to six (6) weeks. The Conceptual Plan described in this Paragraph 1 will be a precursor to the **Redevelopment Plan** described later.

2. After the Conceptual Plan is detailed and configured in such a way as to allow the Community Development Department and the City Manager to recommend its approval to the Council, the City staff will initiate the procedures necessary pursuant to A.R.S. § 35-1471 et seq. to have the Centennial Center/Northeast Quadrant Area **Redevelopment Plan** approved by the City Council.
3. During the time period required for notice and public hearing on the **Redevelopment Plan**, the City staff will work on preparing a "Request for Qualifications" ("RFQ") to invite interested and qualified parties to be designated by the City as the **Redeveloper** of the **Redevelopment Plan**.
4. At the same time the City Council approves the **Redevelopment Plan**, the Council will instruct staff to publish and distribute the RFQ in accordance with applicable statutory requirements. While we recognize that the staff is experienced in preparing RFQs of this nature, we would anticipate that the RFQ would contain a description of the following items:
  - A. Invitation. An invitation to developers to submit their qualifications to be designated by the City of Mesa as the Redeveloper for the planning, design, finance, construction, management and operation

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of a large-scale, mixed-use commercial, residential, recreational facilities-public facilities project known as the **Redevelopment Plan**. It is anticipated that the **Redevelopment Plan** will be a mixture of private-public urban mixed use development including, but not limited to, such uses as office, retail, restaurants, hotels, residential and commercial-based recreation/entertainment facilities.

- B. Description of the Site.
- C. Project Description. This aspect of the RFQ would discuss the **Redevelopment Plan** and the fact that negotiations will take place between the selected Developer and the City regarding: (i) land assemblage within the site, (ii) negotiated terms for the purchase of property and construction of buildings, (iii) the use, where approved by the City, of eminent domain and other funding mechanisms from the City, and (iv) a discussion of the long-term (phased) character of the **Redevelopment Plan**.
- D. Methodology for Selection of Redeveloper. This section clarifies the fact that the top-ranked developer will have the exclusive right to negotiate with the City the terms of the **Redevelopment Contract**.
- E. Identification for Developer Selection Criteria. This section includes an opportunity for the developer to explain and identify its: (i) experience in large-scale, mixed-use commercial development, (ii) corporate organization and development capability, (iii) financial capacity to undertake a project of this size and scope, (iv) financial and development references, and (v) plan for establishing a working relationship with the City as the **Redevelopment Plan** proceeds through the approved phases. This section may include a discussion of how the developer intends to energize and move the Project toward completion and a description of the Developer's expectation of the City's participation in the **Redevelopment Plan**.
- F. City Council Action.

- G. Negotiation of Final Redevelopment Contract.
  - H. Procedures for Proposal Submission.
5. After review of the responsive qualifications received by the City, the City Council would then identify the top-ranked developer. The City staff would then be instructed to begin a thirty (30) to sixty (60) day exclusive negotiation period with that developer concerning the **Redevelopment Contract** for the **Redevelopment Plan**. Voit expects that the following items would be included in the **Redevelopment Contract**:
- A. Description of property owned by the City and methodologies for acquisition of that property.
  - B. Detailed description of procedures for conveyance of property to the **Redeveloper**.
  - C. Status of site preparation and future infra-structure, utility and landscape elements.
  - D. Identification of plans and specifications leading to the development of a final and approved development plan.
  - E. Time schedules and phasing elements of the **Redevelopment Plan**.
  - F. Identification of use restrictions, change in ownership provisions, procedures for transfer of property within the **Redevelopment Plan** and covenants with respect to encumbrances on the Property.
  - G. Default provisions for both the **Redeveloper** and the City.
  - H. Procedures for modifying the agreement.
  - I. General provisions and notices.

Voit recognizes that the procedure outlined in Paragraphs 1 through 5 above follows traditional statutory methodology for downtown redevelopment projects. Even though the procedure will take several months to evolve, the end result will be a

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Redevelopment Contract that insures a long-term relationship between the Redeveloper and the City. This contractual relationship facilitates the opportunity for redevelopment to occur when the Redeveloper and the City can rely upon the representations, covenants and promises made in the Redevelopment Contract. We believe that Voit's enthusiasm for the Project and commitment to the initial development of the Conceptual Plan has vitalized private involvement in a to previously dormant Project. Now that the City has a developer interested and qualified to embark upon a plan of this magnitude, we urge the joint Committee to recommend that the City Council proceed and authorize staff to implement steps 1 through 5 above. Voit is confident that a deliberate and patient approach to a project as unique and large as this one will ultimately be beneficial to the City. Voit is prepared to begin immediately after the Joist Committee Meeting on 15th to advise and assist the City in creating the Conceptual Plan.

Sincerely,

W. Ralph Pew

AUTHORIZED AND APPROVED

THE VOIT DEVELOPMENT COMPANY, INC.

By:

Robert D. Voit, President