

COUNCIL MINUTES

April 17, 2003

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 April 17, 2003 at 7:30 a.m.

COUNCIL PRESENT

Mayor Keno Hawker
Rex Griswold
Kyle Jones
Dennis Kavanaugh
Janie Thom
Claudia Walters

COUNCIL ABSENT

Mike Whalen

STAFF PRESENT

Mike Hutchinson
Debbie Spinner
Barbara Jones

Mayor Hawker excused Councilmember Whalen from the meeting.

1. Review items on the agenda for the April 21, 2003 Regular Council meeting.

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

Conflicts of interest declared: 5f, 5g, 5i and 7a (Hawker).

2. Further discussion and consideration regarding modification of the residential zoning surrounding Williams Gateway Airport.

Project Manager for Williams Gateway Regional Economic Activity Area Wayne Balmer addressed the Council relative to this agenda item. He referred to a copy of a memo he submitted to the Planning and Zoning Board (P&Z) following the April 10, 2003 Study Session wherein the Council instructed staff to initiate the process to rezone the properties surrounding Williams Gateway Airport. (The area is currently zoned R1-43 and an alternative use is necessary that would be consistent with Mesa's General Plan.) Mr. Balmer explained that in order to successfully undertake a project of this magnitude, it is the recommendation of staff that it be divided into three phases, with phase one involving the property owned by Mr. Ralph Pew's client, which has been proposed to be platted as "Paloma Estates." He stated that at the April 15, 2003 P&Z meeting, the Board members agreed to zone the property M1 as opposed to Planned Employment Park zoning, per the request of Mr. Pew.

Mr. Balmer provided the Council with a brief overview of the steps involved in rezoning the properties surrounding Williams Gateway Airport from residential to non-residential uses. (See Attachment)

It was moved by Councilmember Walters, seconded by Vice Mayor Kavanaugh, to direct staff to initiate the process to rezone the properties surrounding Williams Gateway Airport currently zoned R1-43 to an alternative use that would be consistent with Mesa's General Plan.

Mr. Balmer introduced Marketing and Communications Specialist Kathy Bareiss from his office who will be responsible for the development/implementation of the Citizen Participation Plan.

Mayor Hawker declared the motion carried unanimously by those present.

3. Hear a report and consider:

- a. Accepting the report and recommendation of the City of Mesa Retail Development Task Force.

Economic Development Director Dick Mulligan addressed the Council relative to this agenda item. He displayed graphics in the Council Chambers and provided a brief overview of a report entitled "Recruiting Retail Investment: Findings and Recommendations," prepared by the City of Mesa Retail Development Task Force. (The report is available for review in the City Clerk's Office.)

Vice Mayor Kavanaugh commented that Mesa has been a retail leader in the East Valley for over 100 years, but noted that in more recent times, the City has encountered extensive retail competition from surrounding communities. He stressed that it is unwise for Mesa to continue with its "laissez faire" attitude regarding the necessity for continued retail development within the City and commended the Retail Development Task Force for its comprehensive and aggressive approach regarding this issue. Vice Mayor Kavanaugh also commented on the proposed revitalization strategies for the Fiesta Mall "Super-Regional Retail District" and the Broadway Road Corridor, and noted that neighboring property and business owners have requested assistance from the City concerning needed improvements to those areas. He added that the areas represent two important locales of the City and emphasized that they cannot be ignored.

Councilmember Walters voiced appreciation to the Task Force for its ongoing efforts and stressed that west Mesa's existing retail locations cannot be abandoned. She also commented that she is pleased with the reinvestment efforts that have been made in the Fiesta Mall "Super-Regional Retail District" by Target, Banner Desert Medical Center and Mesa Community College.

Discussion ensued relative to Mesa's image and staff's efforts to attract upscale development to the community; the possibility of the City offering sales tax rebates for retail development; the establishment of a retail communications protocol between Mesa and the surrounding communities, and the City of Glendale's \$50.1 million bond election, which was held for the purpose of funding various economic development/redevelopment projects.

Councilmember Griswold expressed appreciation to staff for their efforts to meet with local business and property owners to determine the most effective method of bolstering retail development in west Mesa. He noted that as a board member of the Arizona Restaurant Association, he is aware of the perception that exists that Mesa is not "business friendly" and that restaurant developers often elect to locate their businesses in neighboring communities. Councilmember Griswold also urged improvements to the City's current sales tax permitting

system to ensure that individuals conducting business in Mesa are accommodated in a more efficient manner.

Mayor Hawker requested that the concept of a retail communications protocol be presented to the General Development Committee to solicit feedback/input relative to the possibility of Mesa pursuing the issue with neighboring communities. He also suggested that the City Attorney's Office conduct research with regard to the feasibility of Mesa issuing bonds for economic development/redevelopment similar to a \$50.1 million bond issue approved by the City of Glendale. Mayor Hawker concurred with Councilmember Griswold's comments relative to the importance of expediting the processing of sales tax applications.

City Manager Mike Hutchinson provided the Council with a brief historical overview of the development of Superstition Springs Mall.

Councilmember Jones expressed concerns relative to the fact that consulting services for the Broadway Road Corridor project are estimated between \$100,000 and \$150,000. He questioned why City staff cannot perform the necessary work associated with the study.

In response to Councilmember Jones' concerns, Mr. Mulligan clarified that as a result of Mesa's current budget crisis, staff's increased workloads, and the expertise needed to formulate an effective strategy, in his opinion, it is appropriate for the City to engage the services of a consulting firm that will work in conjunction with staff.

Mr. Hutchinson recommended that staff proceed with the preparation of a Retail Revitalization Strategy relative to the Fiesta Mall "Super-Regional Retail District," and that staff conduct further research with regard to the Revitalization Strategy for the Broadway Road Corridor and present their findings to the General Development Committee for further consideration and review. He added that in the upcoming budget, funds have been earmarked for both studies and said that in his opinion, both items are considered high priorities.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Walters, to accept the report and recommendations of the City of Mesa Retail Development Task Force.

Mayor Hawker declared the motion carried unanimously by those present.

- b. Authorizing proceeding with the preparation of a Retail Revitalization Strategy for the Fiesta Mall "Super-Regional Retail District."

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Walters, to direct staff to proceed with the preparation of a Retail Revitalization Strategy for the Fiesta Mall "Super-Regional Retail District."

Mayor Hawker noted that an estimated \$29,000 consulting service fee is included as part of the strategy's preparation.

Councilmember Walters commented that in order to provide the City with a Retail Revitalization Strategy for the Fiesta Mall area, funds must either be expended through staff time or the hiring of a consulting firm. She noted that with Mesa's current budget shortfall and an overburdened

staff in the Economic Development Office, she would support the hiring of a consultant who would work in conjunction with City staff.

Councilmember Thom stated that the public perception of the Council allocating funds for another study for the purpose of obtaining recommendations and findings that may or may not be followed, could be viewed as frivolous. She added that the City is in the midst of tough economic times and that it is unwise to commit additional funds to a project such as this at this time.

Vice Mayor Kavanaugh advised that he has received feedback from numerous business owners and property owners in the area who not only wish to partner with the City and share their work and expertise, but also intend to be assertive and aggressive relative to the establishment of a Retail Revitalization Strategy for the Fiesta Mall "Super-Regional Retail District." He added that although he is generally not a proponent of consultants, on a case-by-case basis when in-house expertise is unavailable, it is appropriate and necessary for the City to incur such expenses.

Mayor Hawker expressed support for the motion and commented that the proposed study warrants the investment on the part of the City to provide the property and business owners with direction relative to viable long-term solutions for the Fiesta Mall "Super-Regional Retail District."

Councilmember Griswold voiced opposition to the motion and suggested that the business and property owners in the Fiesta Mall and Broadway Road Corridor areas create their own vision as opposed to the City enlisting the services of a consulting firm.

In response to a question from Mayor Hawker, Mr. Mulligan clarified that the property and business owners in the area would be invited to provide input/suggestions to the consultant with regard to the creation of a Retail Revitalization Strategy.

Upon tabulation of votes, it showed:

AYES - Hawker-Kavanaugh-Walters
NAYS - Griswold-Jones-Thom
ABSENT - Whalen

Mayor Hawker declared the motion failed.

(The following comments were made subsequent to Council action on agenda item 3c.)

Mr. Hutchinson voiced concerns regarding the message that the Council's vote on this item will send to the residents and business owners in the area. He suggested that staff conduct further research and that the issue be presented at a future General Development Committee Meeting for input and consideration.

Mayor Hawker commented that it would be beneficial for this matter to be reconsidered and voted on by the entire Council.

Councilmember Walters clarified that in order for the Council to reconsider the issue, a Councilmember who voted in opposition during the initial vote must enter a motion for reconsideration.

It was moved by Councilmember Griswold, seconded by Councilmember Jones, to direct staff to further review and revise the recommendations for the Retail Revitalization Strategy for the Fiesta Mall "Super-Regional Retail District;" to bring back recommendations regarding possible consultant assistance at a future General Development Committee meeting for consideration and direction, and that the matter ultimately be presented to the full Council for final reconsideration.

Councilmember Jones stated the opinion that it is crucial that Mesa become more "business friendly" and added that no amount of consultant surveys or reports will make it easier for businesses to locate, build and expand within the community.

Vice Mayor Kavanaugh expressed concerns with regard to the Council's action on this item that could result in the public's misperception that the Council does not consider the Fiesta Mall area to be a priority locale for revitalization. He stressed the fact that staff's recommendations were derived as a result of discussions with business and property owners who requested an opportunity to partner with the City to develop strategies to identify the strengths and weakness in the area.

Councilmember Walters disagreed with Councilmember Jones' comments regarding problems at Fiesta Mall and his opinion that they are the result of Mesa not being business friendly. She expressed support for the motion and noted that because the area surrounding Fiesta Mall is aging, it is imperative that the Council send a clear message to Mesa residents that the area is truly in need of revitalization and reinvestment.

Mayor Hawker declared the motion carried unanimously by those voting.

- c. Authorizing proceeding with the preparation of a Revitalization Strategy for the Broadway Road Corridor.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Walters, to direct staff to further review and revise recommendations relative to the Revitalization Strategy for the Broadway Road Corridor and to bring back recommendations regarding possible consultant assistance at a future General Development Committee Meeting for consideration and direction.

Mayor Hawker voiced support for the motion and commented that although he would be reluctant to spend \$150,000 for another study, he is willing to allow staff to conduct further research relative to this issue and to present additional recommendations to the General Development Committee for consideration.

Councilmember Thom expressed support for the revitalization of the Broadway Road Corridor, but noted that businesses that have been located in the area, such as Motorola, have the right to dispose of their property as they see fit. She added that the Council's function should be to ensure that the intended use of the property is in compliance with City zoning and not to be involved in the sale or intended use of the property. She voiced opposition to the motion.

Councilmember Griswold expressed support for the motion.

Councilmember Walters suggested that because some of her fellow Councilmembers are not supportive of the City hiring an outside consultant, that perhaps the City Manager should examine the upcoming year's budget and consider the addition of a Revitalization Specialist position. She noted that the Revitalization Specialist's primary task would be to identify tax-generating areas of the community.

Mayor Hawker declared the motion carried unanimously by those present.

4. Acknowledge receipt of minutes of boards and committees.

- a. Design Review Board meeting held April 2, 2003
- b. Historic Preservation Committee meeting held March 18, 2003

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Walters, that receipt of the above-listed minutes be acknowledged.

Mayor Hawker declared the motion carried unanimously by those present.

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

The following members of the Council provided brief updates on various meetings/conferences they attended as follows:

Councilmember Walters	Opportunity Zone Celebration
Vice Mayor Kavanaugh	Dedication of Red Mountain Branch Library
Councilmember Griswold	Gila Indian Reservation Council Meeting, Junior High Student Council Convention
Mayor Hawker	MAG Transportation Policy Committee

6. Scheduling of meetings and general information.

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

Monday, April 21, 2003, 3:00 p.m. – Finance Committee Meeting

Monday, April 21, 2003, TBA – Study Session

Monday, April 21, 2003, 5:45 p.m. – Regular Council Meeting

Thursday, April 24, 2003, 7:30 a.m. – Study Session

Thursday, April 24, 2003, Police Committee Meeting – Cancelled

Thursday, May 1, 2003, 7:30 a.m. – Study Session

Monday, May 5, 2003, 7:30 a.m. – Budget Review Session

Tuesday, May 6, 2003, 7:30 a.m. – Budget Review Session

Thursday, May 8, 2003, 7:30 a.m. – Budget Review Session

7. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

8. Items from citizens present.

Sheila Mitton, 1615 West Pueblo Avenue, addressed the Council and expressed a series of concerns and opinions relative to the Council's lack of concern for west Mesa. She also voiced disappointment with regard to the Council's action today regarding agenda items 3a, 3b and 3c.

9. Adjournment.

Without objection, the Study Session adjourned at 9:35 a.m.

KENO HAWKER, MAYOR

ATTEST:

BARBARA JONES, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 17th day of April 2003. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

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Attachment

**STEPS INVOLVED IN REZONING THE PROPERTIES
SURROUNDING
WILLIAMS GATEWAY AIRPORT
FROM RESIDENTIAL TO NON-RESIDENTIAL**

Step One

- > Prepare property owner's list for future mailings - and update as necessary
- > Update the Planning and Zoning Board on the upcoming rezoning process
- > Initiate rezoning on the "Paloma Estates" site
- > Notify the neighbors, do the advertising, etc. for the case to be heard by the Board
- > Meet with the neighbors to explain the process, if requested

Step Two

- > Prepare letter to all other affected residential property owners describing the upcoming process
- > Telephone owners where possible to explain the letter and the upcoming meeting
- > Meet with the owners to explain the process and request their zoning preferences
- > Request letters from the owners regarding both their zoning preferences and thoughts on the process
- > Divide the properties into smaller manageable sized rezoning requests
- > Prioritize rezoning requests for processing

Step Three

- > Initiate rezoning on the first group of properties
- > Send letters to both the owners and the neighbors of the upcoming rezoning case(s)
- > Meet with both neighbors and property owners as necessary
- > Prepare staff reports on the rezoning requests
- > Mail the staff reports to the owners in advance of the public meetings
- > Mail a letter inviting both the owners and neighbors to attend the Planning and Zoning and City Council meetings
- > Cases heard by the Planning and Zoning Board and City Council
- > Mail copies of the approved zoning ordinances to the owners

Step Four

- > Begin rezoning the second group of properties, using the same process described in Step Three - but adjusted as necessary to improve the process

Step Five

- > Complete rezoning of all the affected properties

First Draft

Wayne Balmer, April 11, 2003

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SURROUNDING.doc