

# COUNCIL MINUTES

April 24, 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 24, 2003 at 7:30 a.m.

## COUNCIL PRESENT

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

## COUNCIL ABSENT

None

## STAFF PRESENT

Mike Hutchinson  
Debbie Spinner  
Barbara Jones

### 1. Hear a status report on Code Compliance activities.

Code Compliance Director Bill Petrie and Management Assistant Angela Duncan addressed the Council relative to this agenda item. Mr. Petrie displayed graphics in the Council Chambers and provided a brief overview of the Code Compliance Division, including, but not limited to, significant ordinance timeline changes; Code Compliance Officer response areas; general enforcement procedures; compliance dates and timeframes; citations issued by the violation section; the Tool Lending Program, and the Code Compliance brochure.

Discussion ensued relative to the Alley Cleanup Program, which teams Code Compliance, Solid Waste and Street Maintenance Divisions with the Maricopa County Adult Probation Office and neighborhoods; the Paint Reuse Program, and the benefits of an increased number of registered neighborhoods in the community to assist the Code Compliance Division.

Councilmember Walters expressed appreciation to the Code Compliance Division for their efforts and hard work to coordinate special projects, weekend alley cleanups and neighborhood cleanups to improve the appearance of Mesa's aging neighborhoods.

Vice Mayor Kavanaugh commended Mr. Petrie for the Code Compliance Division's code enforcement program which stresses an awareness of the public policy basis for codes and case resolution as opposed to the imposition of criminal penalties.

Councilmember Whalen suggested that staff consider the inclusion of language in the City Code to address odor issues that exist in certain residential areas of the community.

Mayor Hawker thanked staff for the presentation.

2. Hear an update on the Land Development Workplan.

Assistant Development Services Manager Kari Kent, Acting Planning Director Dorothy Chimel, Assistant Fire Chief Bob DeLeon and Management Assistant Mia Lozano-Helland addressed the Council relative to this agenda item.

Ms. Kent displayed graphics in the Council Chambers and reported that in October 2002, staff presented a Land Development Work Plan to the Council which set forth initiatives to make the land development processes more efficient, effective and customer focused. She advised that staff received Council direction to proceed with the implementation of the plan and indicated staff's intent to highlight brief quarterly progress reports relative to the various accomplishments which have been achieved to date.

Ms. Kent provided a brief overview of a series of the Building Safety Division's (BSD) implemented improvements including, but not limited to, new automation for an online permitting system; a BSD audit to assist with the streamlining of its processes; an ASU/City of Mesa Benchmarking Study to measure the BSD's performance standards with adjoining Arizona cities and similar sized cities nationally; the new City of Mesa Rehab Code; Simplified Fee Valuation Table; Impact Fee Administration Team, and Americans With Disabilities (ADA) compliance reviews at all City facilities.

Ms. Chimel reported that the Mesa 2025 General Plan, which was approved by the voters in November 2002, will assist in the development of a prosperous and economically balanced community and will address future housing and employment concerns. She noted that May 9, 2003 is the deadline to file a major plan amendment to the Plan.

Ms. Chimel briefly reviewed the efforts of the Preliminary Plan Review Team; the importance of the public participation process; Customer Outreach Program; Infill Development Policy; development of various Sub-area Plans, and Zoning Ordinance revisions.

Chief DeLeon addressed the Council and discussed the implementation of the Process Improvement Team, Inspector Qualifications Team, and Fire Inspection Procedures Team. He noted that the Fire Department has created a Customer Survey to gather data to assist in improving the Department's performance and reviewing the current records search policy and fee structure for Valley-wide compatibility and consistency.

Discussion ensued relative to Planning staff's ongoing efforts regarding the implementation of a lighting standards draft ordinance for the Desert Uplands area.

Councilmembers Walters, Griswold and Jones expressed appreciation to staff for their efforts and hard work to make Mesa a more "business friendly" community.

3. Discuss and consider various Town Center Redevelopment projects.

Neighborhood Services Manager Bryan Raines, Redevelopment Director Greg Marek and Real Estate Services Specialist Craig Crocker addressed the Council relative to this agenda item. Mr. Marek referred to the April 24, 2003 City Council Report and provided a brief overview and recommendations regarding each redevelopment project. (See Attachment)

a. Redevelopment Site 7

Mr. Marek advised that Site 7 encompasses the majority of the block bounded by Main Street and East 1<sup>st</sup> Avenue to the north and south, and Mesa Drive and South Hibbert Street to the east and west. He explained that the block has three development areas and that the City's consultant, Hunter Interests, Inc., in a September 12, 2002 report, recommended a building program including two Class A office buildings, high-rise apartments and mixed-use, office and retail uses.

Mr. Marek stated that it is staff's recommendation that a master developer be recruited to work in partnership with the City to revitalize Site 7 and that staff issue a Request for Qualifications (RFQ) for Site 7's development as well.

Discussion ensued relative to Hunter Interests, Inc.'s recommendations for Site 7; the existing Tri-City and DES facilities and possible options for those sites; the fact that the Southside Hospital has not been designated as an historic structure by the Historic Preservation Committee, and that it is staff's recommendation that Hunter Interests, Inc. be retained to assist in the development and marketing of the RFQ and Request for Proposals (RFP) for Site 7 and Site 17 and also to assist in reviewing the various submittals.

Councilmember Thom requested that staff provide the Council with a list of all City-owned properties located within Site 7. She also stated the opinion that it may be financially feasible for the City to sell the properties outright to interested developers.

Councilmember Griswold and Vice Mayor Kavanaugh concurred with Councilmember Thom's suggestion regarding selling the City properties to the private sector.

Councilmember Walters expressed support for the issuance of an RFQ to determine whether interest exists in the development community relative to Site 7 and also to ensure that Mesa receives the highest and best use of its City-owned land.

Councilmember Whalen stated that he is opposed to giving away City-owned land just for the sake of redevelopment.

It was moved by Councilmember Walters, seconded by Councilmember Whalen, that staff be directed to draft a Request for Qualifications for the development of Site 7 and to present it to the Council at a future Study Session for further review and consideration.

Mayor Hawker voiced concerns regarding which properties located in Site 7 would be included in an RFP and commented that it would be inappropriate to include land in which the City has no ownership interest.

In response to Mayor Hawker's comments, Mr. Marek assured the Council that today's agenda item is simply to issue an RFQ seeking developer interest in Site 7. Mr. Raines added that as staff proceeds with the RFP process, all proposals would be presented to the Council for consideration prior to staff proceeding forward.

Mayor Hawker expressed support for the motion and commented that he is impressed with Hunter Interests, Inc.'s national reputation.

Councilmember Whalen questioned the feasibility of the City considering a short-term lease on the DES building as opposed to allowing it to remain vacant.

Carried unanimously.

b. Redevelopment Site 17

Mr. Marek stated that Site 17 consists of approximately 30 acres and is located between North Centennial Way east to Mesa Drive and University Drive south to East Second Street. He explained that the recommended conceptual building program discussed in the Hunter report for Site 17 includes three areas consisting of a residential community, village retail/office center, and a mixed-use development consisting of live/work space and a health club and spa. Mr. Marek stated that in an effort to identify capable participants for a future RFP, it is the recommendation of staff that an RFQ be issued for the development of Site 17.

It was moved by Councilmember Jones, seconded by Councilmember Walters, that staff be directed to draft a Request for Qualifications for Site 17 and present it to the Council at a future Study Session for further review and consideration.

Councilmember Thom stated that it would be inappropriate to include residential uses in close proximity to Mesa Drive and University Drive, especially since Mesa has no current plans to widen either road in the City's Five Year Capital Improvement Program.

Councilmember Whalen commented that there are a number of privately owned condominiums along Mesa Drive that the City does not own and noted that it would be necessary for interested developers to acquire those properties in order for the Hunter conceptual building program to be successful.

Councilmember Walters requested that staff include language in the RFQ which addresses the historic neighborhood to the south of Site 17. She also stated the opinion that a housing component in the conceptual building program is an essential ingredient of any downtown redevelopment project.

Vice Mayor Kavanaugh, Mayor Hawker and Councilmember Griswold expressed support for the motion and concurred with Councilmember Walters' comments.

Upon tabulation of votes, it showed:

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

Mayor Hawker declared the motion carried by majority vote.

c. 146 West Main Street

Mr. Raines reported that in January of this year, the Redevelopment Division presented the Council with three responses to an RFP for the reuse of 146 West Main Street (located on the north side of Main Street between Macdonald and Robson Streets). He explained that at that time, the Council elected not to proceed with any of the proposals, but rather to place the

existing retail building on the open market for sale or auction in order to obtain the highest possible market price. Mr. Raines added that Real Estate Services could place the property on the open market utilizing the services of a realtor with access to the Multiple Listing Service (MLS), publicly auction the property, or enter into a development agreement.

In response to a series of concerns expressed by the Council, City Attorney Debbie Spinner clarified that if it is the desire of the Council to require performance criteria, such as use compatibility, a construction timeline, and payment amounts that must be met by a potential purchaser, she would recommend that a development agreement, as well as a purchase agreement, be utilized.

Councilmember Walters expressed support for entering into a development agreement that would specify not only the type of use that would be allowed in the building, but also specific lengths of "use" time, in order to ensure that appropriate uses are incorporated and maintained in the Town Center area.

Vice Mayor Kavanaugh concurred with Councilmember Walters' comments regarding the entering into a development agreement.

Discussion ensued relative to the procedure by which the Real Estate Division would conduct a sale of the building at 146 West Main Street.

Mayor Hawker stated that he would prefer that the City pursue selling the building through a publicly held auction.

Councilmember Whalen commented that the Council received three excellent RFPs several months ago for the property and that the Council ultimately rejected all three. He suggested that the property be placed on the market and sold either through the services of a Realtor or by public auction.

It was moved by Councilmember Walters, seconded by Councilmember Griswold, that staff be directed to sell the property located at 146 West Main Street, utilizing the assistance of a realtor, and that a development agreement be drafted that includes various performance criteria, which would be presented to the Council at a future Study Session for further review and consideration.

Upon tabulation of votes, it showed:

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

Mayor Hawker declared the motion carried by majority vote.

d. Retail building at 51 East Main Street

Mr. Marek reported that the subject property consists of 15,000 square feet of retail space in a building located west of the Mesa Bank Building and adjacent to the Mesa Arts Center on Main Street. He stated that in order to establish a level of interest in this site and to identify capable

participants for a further RFP, it is the recommendation of staff that the City issue an RFQ for the development of the area/building within the next 120 days.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Walters, that staff be directed to issue a Request for Qualifications within the next 120 days relative to the retail building located at 51 East Main Street.

Upon tabulation of votes, it showed:

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

Mayor Hawker declared the motion carried by majority vote.

e. Reuse of Irving School

Mr. Marek explained that the Mesa Arts Center is currently located in the Irving School and will move to its new facility in early 2005. He reported that a plan for the facility's reuse should be in place prior to that time, and commented that several options have been suggested, including arts related uses. He added that the facility could also be included as part of the master planning activity for the Mesa Centennial Center and the Northeast Quadrant area. Mr. Marek requested input from the Council regarding this issue.

Vice Mayor Kavanaugh stated that he would like to see the building used for some type of arts related uses and suggested that staff return at a future Study Session to discuss possible options.

Councilmember Walters noted that it would be premature to attempt to determine a permanent use for the facility until more definitive decisions are reached relative to the Mesa Centennial Center.

Councilmember Griswold concurred with Vice Mayor Kavanaugh's comments.

Councilmember Thom stated that she would be interested in directing staff to explore the possibility of the property being leased to a charter school.

Councilmember Whalen and Mayor Hawker concurred with Councilmember Walters' suggestions. Councilmember Whalen also noted that a previous Council elected to preserve the facility as an historic building and stated that that fact must be taken into consideration when assessing future uses for the structure.

City Manager Mike Hutchinson stated that after hearing the Council's comments this morning, he would recommend that any decisions regarding the Irving School be postponed until such time as more pressing issues related to the Northeast Quadrant and the Mesa Centennial Center are resolved.

4. Discuss and consider an amended and restated Memorandum of Understanding between Arizona Bronze and the City of Mesa.

Redevelopment Planner Tony Felice addressed the Council and provided a brief overview of this agenda item. He explained that the amended and restated Memorandum of Understanding (MOU) between Arizona Bronze Fine Arts Foundry and Galley and the City of Mesa would allow Arizona Bronze to directly purchase the land located at 260 South Center Street rather than achieve this goal as a result of a sculpture exchange. He added that the revised agreement would also allow Arizona Bronze 120 days in which to arrange financing for the construction of the facility. Mr. Felice stated that it is the recommendation of staff that the Council approve the MOU and that the City proceed with the development of an agreement with Arizona Bronze.

It was move by Councilmember Jones, seconded by Councilmember Griswold, that the amended and restated Memorandum of Understanding between Arizona Bronze and the City of Mesa be approved and that staff proceed with the development of an agreement with Arizona Bronze.

Mayor Hawker expressed support for Arizona Bronze relocating to the City from Tempe and stated that the foundry would create a unique synergy in downtown Mesa particularly in view of its close proximity to the Mesa Arts Center.

Vice Mayor Kavanaugh concurred with Mayor Hawker's comments.

Carried unanimously.

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:

Vice Mayor Kavanaugh  
Mayor Hawker

Neighborhood Block Meeting  
MAG Regional Council Meeting; Sculpture  
Dedication

Councilmember Walters

Mesa United Way Awards Luncheon; Prehab  
Awards Dinner

Councilmember Whalen  
Councilmember Griswold

Prehab Awards Dinner  
Desert Uplands Public Input Meeting; Williams  
Gateway Airport/Phoenix Joint Marketing Meeting

6. Scheduling of meetings and general information.

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

Wednesday, April 30, 2003, 9:00 a.m. – General Development Committee Meeting

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

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

Monday, May 5, 2003, TBA – Study Session

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

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.

Chris Miller, 117 North Wilbur, addressed the Council and voiced a series of concerns regarding the limited ability of the City's Code Compliance officers to cite certain violations. She also discussed the benefits of the City's Tool Lending Program and suggested possible adaptive reuses for the Irving School.

9. Adjournment.

Without objection, the Study Session adjourned at 10:40 a.m.

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KENO HAWKER, MAYOR

ATTEST:

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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 24<sup>th</sup> day of April 2003. I further certify that the meeting was duly called and held and that a quorum was present.

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BARBARA JONES, CITY CLERK

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Attachment