

GENERAL DEVELOPMENT COMMITTEE MINUTES

July 16, 2001

The General Development Committee of the City of Mesa met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on July 16, 2001 at 3:00 p.m.

COMMITTEE PRESENT

Claudia Walters, Chairman
Jim Davidson
Mike Whalen

COUNCIL PRESENT

Keno Hawker

OFFICERS PRESENT

Mike Hutchinson

1. Discuss and consider location options for the Indoor Aquatic Center.

City Engineer Keith Nath and Parks, Recreation & Cultural Director Joe Holmwood addressed the Committee relative to this agenda item. Mr. Holmwood stated that this is the fourth meeting of the General Development Committee to discuss the location of the Indoor Aquatic Center (IAC) and said that two possible options exist: 1) keep the facility at the current site (Macdonald and First Avenue), or 2) relocate the facility to Site 17 (east of the Sheraton Hotel). He advised that staff has been working on a financial comparison of both options (see attachment), public input has been received and the Parks & Recreation Board, by a 6 to 1 vote and the Mesa Downtown Design Review Board, by unanimous vote, support the relocation of the facility to Site 17.

Mr. Holmwood said that staff has determined that the cost difference to relocate the IAC to Site 17 rather than constructing it at the originally proposed location of Macdonald and First Avenue, would be just under \$1 million more. He added that the facility's design would be similar to what is being proposed at the Macdonald and First Avenue location. Mr. Holmwood explained that staff's financial review reflects only those expenditures that reasonably should be charged to the relocation option and noted that there will be other cost considerations that the City would be responsible for whether or not the IAC is relocated to Site 17, or some other development is built at that location. Additional cost considerations include enhancements to on-site parking; cost of street improvements and landscaping to buffer the neighborhood; additional on-site landscaping and additional landscape/building entrance modifications; deferred operations cost for two years; escalation cost for two-year delay; and financial contribution from the Mesa Convention and Visitors Bureau.

Discussion ensued relative to district cooling and staff's proposal that if the facility is relocated to Site 17, the size of the initial facility at the Mesa Arts Center be reduced from three 900-ton chillers and cooling towers to two 900-ton chillers and cooling towers. This is anticipated to reduce the cost of the central plant by approximately \$400,000. Additionally, as part of the proposed relocation of the IAC to Site 17, staff would anticipate construction of another central plant with the IAC facility.

The initial phase would be constructed to serve only the IAC but would be planned and designed so that it could be expanded in the future to serve other facilities such as the Library and Centennial Center. Mr.

Holmwood stated that this would provide the potential for additional cost savings on future cooling needs for the facilities.

Additional discussion ensued relative to the need to master plan Site 17 and Mr. Holmwood commented that it is anticipated that a full site master plan would be completed as part of the relocation to ensure that the IAC is situated properly on the site and to maximize complementary private development.

Mr. Holmwood also discussed cost estimates associated with allowing the facility to remain at the current site and said that based on the 50% construction document phase of the project, the cost to complete the facility in a manner that meets all use expectations would be greater than the current \$22.8 million designated for the project. Additional cost considerations include: 1) adding items eliminated in the third round of value engineering; and 2) increased construction cost based on more accurate data. (Examples included: underground piping for storm water retention; site development; quantities of heavy-duty asphalt as well as site concrete; acoustical treatment in the natatorium; a/v system; and plumbing costs.)

Mr. Holmwood informed the members of the Committee that a majority of the public input received was in support of relocating the IAC to Site 17 and reasons included closer proximity to a hotel, restaurants and Mesa Centennial Center; Site 17 is larger and allows for better use and circulation; additional complementary private development more likely will occur on Site 17; and potential for better views of the mountains and improved aesthetics. He added that citizens who spoke in support of keeping the facility at Macdonald and First Avenue cited increased cost to relocate; project delay of two years; much needed revitalization south of Main Street; and long-range expansion potential south of the site.

Discussion ensued relative to limited parking and lack of future expansion possibilities if the IAC remained at the Macdonald and First Avenue site, the fact that parking will be available on site to accommodate the vast majority of use which will be by the community but large aquatic events will require additional parking arrangements which can be accomplished, and the fact that if the City building uses to the south of the site are temporary, as indicated, future expansion possibilities exist at this location.

Mr. Holmwood summarized the financial analysis prepared by staff and stated that currently \$22.8 million has been approved for the project. The revised cost estimate to relocate the IAC to Site 17 is \$29,046,000. However, other cost enhancements and potential cost savings reduce that figure to \$25,616,000. (This option includes a two-year delay in opening the facility.)

The cost estimate to keep the IAC at the current site is \$24,650,000 with no reductions in the current program. This includes reinstating items eliminated in the third round of the value engineering exercise as well as other increased cost considerations. (This option results in an estimated facility opening in the fall of 2003.)

Mr. Holmwood added that the City of Mesa has identified a \$2 million request for funding from the Arizona Tourism and Sports Authority (Stadium tax for youth sports facilities) for the IAC. He stated that the process for selecting the projects is being developed by the ATSA and the timeframe has yet to be determined.

Committeemember Davidson commented on the significant amount of costs that were under estimated for the project and stressed the importance of obtaining accurate bottom-line figures. He stated the opinion that one of the most compelling arguments for relocating the facility to Site 17 is its close proximity to the hotel. Committeemember Davidson stated that the City is building a facility for the long term and said that the decisions that are made should not be negatively impacted because of short-term effects. He added that in his opinion it would be better for the long term to move the IAC to Site 17. Committeemember Davidson said that if the Mesa Verde project had not been under consideration, the Council would have voted to build the IAC at the Mesa Drive & University site and expressed the opinion that the relocation of the facility will ultimately benefit the City of Mesa.

Committeemember Whalen also stated concern regarding the low cost estimates that were provided by the architect and agreed that firm, accurate costs must be determined prior to proceeding. Committeemember Whalen said that he could not support the relocation to Site 17 if the facility is located in the middle of that site as previously proposed. He stressed the importance of master planning Site 17.

Mr. Nath stated that one of the suggestions that has been made is to relocate the facility to the western portion of the site. He said that this would allow more of the site to remain together for future redevelopment purposes. Mr. Nath added that to date this proposal has not been reviewed in depth. He added that it is staff's opinion that a consultant be hired to master plan the entire Site 17 and estimated that it would take two to three months to accomplish this goal.

Chairman Walters commented on the wide array of opinions she has received on this issue from a variety of people she highly respects. She stated that although she will vote in support of moving the issue on to the full Council, this action should not be construed as indicating future support for relocating the IAC to Site 17. Chairman Walters said that she is not willing to allow the project to be delayed two more years and added that accurate costs must be determined and thoroughly reviewed. She stated that she too would oppose placing the IAC in the middle of Site 17 and said that she favors moving it closer to the west side and developing a pathway that links it to the downtown area.

In response to a question from Committeemember Davidson, Mr. Holmwood stated the opinion that a two-year delay in the project would prevent the City of Mesa from participating in the Goodwill Games.

Chairman Walters said that former Mayor Wayne Brown has offered to provide her with information regarding other entities that are marketing potential sites but stated the opinion that the project must continue to move ahead.

Committeemember Whalen asked whether the project could be design-build. Mr. Nath said that this is an option although the project is on the cusp of being too small to be an attractive design-build project.

Committeemember Whalen said that he still views the relocation as a \$5 million increase but added that the big question is whether the money will be recouped in the future and which site will ultimately benefit the City. He commented that despite the City's current financial situation, he believes that the long-term benefits of relocating the site must not be overlooked or underestimated.

It was moved by Committeemember Whalen, seconded by Committeemember Davidson, to recommend to the Council that Site 17 be considered as the future location for the Indoor Aquatic Center.

In response to a question from Committeemember Davidson, Mr. Nath reported that the South Center Campus site could be used for redevelopment purposes five to ten years in the future when City staff is supposed to be moved from that location.

Mr. Holmwood responded to a question relative to the \$2 million funding request from the Arizona Tourism & Sports Authority and said that the ATSA has acknowledged receipt of the application and information regarding this request. He said that the ATSA will forward additional information relative to the actual selection process in the near future.

In response to a question from Chairman Walters, Mr. Holmwood stated the opinion that funding from the Mesa Visitors and Convention Bureau will be approved by the Board of Directors.

Chairman Walters said that from the very beginning the goal has been to develop an economic generator for the City, a world-class facility that will contribute significantly to the Town Center area and the community as a whole. She said that she wants to make sure that these goals will be met whether the facility remains at the existing Macdonald and First Avenue site or is moved to Site 17. She added that she will move it forward at this time but reiterated that her vote does not in any way commit her vote at the full Council level. She said that there are issues that need to be addressed before she could support the proposal.

Carried unanimously.

2. Discuss and consider amendments to the downtown sign ordinance as recommended by the Downtown Development Committee.

Senior Redevelopment Specialist Patrick Murphy addressed the Committee relative to this agenda item and stated that the Downtown Development Committee and Staff recommend that the City Council adopt by ordinance the amendments to the City of Mesa's Sign Ordinance and adopt by resolution the design guidelines for all new signs in the Town Center Redevelopment Area.

Mr. Murphy stated that the Sign Ordinance was last revised in 1999 and several issues have come up since that time that need to be addressed. He said that a Sign Ordinance Project Team was created to gather public support and input on the proposed update and highlighted the proposed changes, which included:

- Allowing monument signs in the Pedestrian Overlay Area (POA) if the business is located on 1st Street, 1st Avenue and/or Country Club Drive.
- Limiting the height of monument signs where they are permitted in the Town Center Redevelopment Area to five (5) feet.

- Increasing the maximum permitted area of projecting signs from 15 square feet to 24 square feet.
- Limiting the area of a banner covered by a sponsor to 30%. (Increased from the initially proposed limit of 15%.)
- Reducing the time allowed for a discontinued sign from 12 months to 6 months.
- Requiring a Comprehensive Sign Plan for all buildings over one story.
- Allowing signs not permitted by the Sign Code, subject to approval of a Comprehensive Sign Plan, if the business/development is located in the Town Center Redevelopment Area.
- Limiting window sign coverage of businesses in all zoning districts located in the Town Center Redevelopment Area to 30% and requiring that 70% of the window must be able to be seen through.

- Allowing "A" frame signs in the POA.
- Prohibiting flags with the text "open" imprinted on the flag.

Mr. Murphy added that the Project Team also recommended that the Sign Design Guidelines be adopted by resolution to assist customers in the sign review process.

Mr. Murphy also discussed the proposed guidelines, which included purpose, design compatibility, colors, materials, sign legibility and sign illumination. He stated that the proposed ordinance will apply to all new signs in the Town Center Area. Existing signs that do not comply with the proposed ordinance will be able to remain as legal non-conforming signs. Mr. Murphy also commented on the public input process that occurred and stated that if portable signs are approved, there will be an annual administrative permit fee of \$25.00.

In response to questions from Committeemember Davidson, Mr. Murphy said that the Mesa Town Center Corporation (MTCC) supports allowing "A" frame signs to be erected throughout the City. He noted that the signs can only be put out during business hours and have to be taken in at night. Mr. Murphy added that over the street banner sponsorship space was increased from 15% to 30% as a result of input from MTCC. He explained that because of the height of the sign, visibility would be poor if only 15% of the space could be utilized. Committeemember Davidson commented that he would be interested in knowing what the cost would be to advertise in the newspapers versus utilizing the banners.

Additional discussion ensued relative to the fact that staff is not recommending the use of flags, and the importance of ensuring that a proliferation of banners does not occur resulting in a "cluttered" look in the downtown area.

It was moved by Committeemember Davidson, seconded by Committeemember Whalen, to recommend to the Council that the proposed amendments to the City of Mesa's Sign Ordinance be adopted by ordinance and that the proposed design guidelines for all new signs in the Town Center Redevelopment Area be adopted by resolution.

Committeemember Whalen stated that he supports allowing "A" frame signs to be erected.

Chairman Walters commented on the fact that the large banner that recently hung at the main branch of the Mesa Library was very attractive and appropriate for a City the size of Mesa. She added that she hopes that similar banners would be allowed in the future. Mr. Murphy said that such banners would be allowed under a Comprehensive Sign Permit.

Carried unanimously.

3. Discuss and consider amendments to the Zoning Ordinance relating to offices in historic districts as recommended by the Downtown Development Committee.

Mr. Murphy also addressed the Council relative to this agenda item and said that the Historic Preservation Committee, the Downtown Development Committee and staff are recommending that the City Council approve the proposed amendments to the City of Mesa's Zoning Ordinance pertaining to Office Uses in TCR-2 and TCR-3 Zoning Districts. Mr. Murphy informed the Committee that the proposed amendments include:

- The addition of definitions of "contributing property" and "non-contributing property," and "historic district" to the list of definitions in the Zoning Ordinance.
- Removing the obsolete reference to "level one historic structures" and replacing it with "contributing property to a historic district."
- Adding guidelines for office uses in designated contributing properties.

Committeemember Davidson said that he has concerns regarding portions of the recommendations but said that he will address them when the issue is reviewed by the full Council.

It was moved by Committeemember Davidson, seconded by Committeemember Whalen, to recommend to the full Council that the proposed amendment to the City of Mesa's Zoning Ordinance pertaining to Office Uses in TCR-2 and TCR-3 Zoning Districts be approved.

Carried unanimously.

4. Discuss and consider the Streetscape Project Phase 4 Concept Plan (Center Street and Main Street adjacent to the new MAC complex) as recommended by both the Downtown Development Committee and the Traffic Advisory Board.

Mr. Murphy addressed the Council relative to this agenda item and said that Phase 4 is the area around the Mesa Art Center (MAC). He noted that the Downtown Development Committee, the Transportation Advisory Board, the Streetscape Project Team, the Mesa Arts Center Design Team, Gerry Gerber and the MAC user group request that the proposed concept plan for Phase 4 of the Streetscape Project be approved.

Mr. Murphy outlined proposed improvements that have occurred along Main Street to date and said that Phase 4 consists of improvements to Center Street from Main Street to First Avenue and Main Street from Center Street to the western boundary of the Mesa Bank building (street frontage of the Mesa Arts Center). He stated that proposed improvements to this area include pedestrian lights, bus pullouts and bus shelters, increased landscaping using trees and flowering shrubs, tree collars sidewalk improvements, directional signage, bike racks, street furniture and the reduction of travel lanes on Main Street from six to four lanes.

Mr. Murphy added that electrical outlets will be installed for each tree along Main Street and Center Street so that they may be included in the Holiday Lighting Program and said that the existing pedestrian lights on Center Street will be replaced with the pedestrian lights used in the other three phases of the project. In addition, a pedestrian crossing at Lewis and Main Street and related improvements will be completed, as well as curb extensions for a future mid-block crossing and the installation of conduit and pull boxes for a future traffic signal on Center Street between Main and First Avenue, should one be required in the future.

It was moved by Committeemember Davidson, seconded by Committeemember Whalen, to recommend to Council that the Streetscape Project Phase 4 Concept Plan be approved.

Chairman Walters asked Arts & Cultural Director Gerry Gerber if she liked the appearance of the proposed tree guards and said that she had concerns regarding their appearance. Ms. Gerber said that this is the first time she has seen a drawing of the tree guards. Mr. Murphy said that the guards were reviewed by the lead architect and he felt that the tree guards, as proposed, would fit in nicely with the other plans. In response to an additional question from Chairman Walters, Ms. Gerber said that the Mesa Arts Center strongly supports the reduction of traffic lanes from four to two and said that the narrowing is a critical component of the project.

Carried unanimously.

Chairman Walters thanked staff for their input at the meeting.

5. Adjournment.

Without objection, the General Development Committee meeting adjourned at 4:01 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the meeting of the General Development Committee of the City of Mesa, Arizona, held on the 16th day of July 2001. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____ 2001

BARBARA JONES, CITY CLERK

Att.
Lgc

**Indoor Aquatic Center
 Cost Analysis Summary
 (Assumes Similar Building Design with Some Minor Floor Plan Changes
 and an Opening Date of Summer, 2005)**

	<u>Current Site</u>	<u>Site 17 Similar Design</u>	
Current Budget	\$ 22,800,000	\$ 22,800,000	
Additional Consultant Fees Required	0	900,000*	
Additional Construction Cost Required Beyond Current Budget	1,100,000	1,100,000	
Value Engineering Items Recommended to be Added Back	750,000	750,000	
Additional Construction Cost Required Due to Site Relocation	0	3,146,000*	
Additional Contingency Required for Un-knowns	0	350,000	
TOTAL	<u>\$ 24,650,000*</u>	<u>\$ 29,046,000**</u>	
 Other Cost Considerations			
<u>Enhancements and Potential Cost Savings</u>			
*- Enhancement to On-Site Parking	0	- 480,000	
*- Cost of Street Improvements and Landscaping to Buffer Neighborhood	0	- 700,000	
*-Additional On-Site Landscaping and Additional Hardscape/Building Entrance Modifications	0	- 700,000	
*- Consultant Fees to Perform Master Planning for Site 17	0	- 50,000	
- Deferred Operation Cost for 2 Years Estimated Savings	0	- 2,400,000	
- Escalation Cost for 2 Years	0	+ 1,400,000	
- Financial Contribution from Mesa Convention and Visitor Bureau (Requires Board Approval)	0	- 500,000	
TOTAL	0	\$ - 3,430,000	
 <u>Cost Summary</u>			
Total Cost	\$ 24,650,000	\$ 29,046,000	\$ 4,396,000
Other Cost Considerations (Enhancements and Potential Savings)	- 0	- 3,430,000	- 3,430,000
TOTAL	<u>\$ 24,650,000</u>	<u>\$ 25,616,000</u>	<u>\$ 966,000</u>

General Development Committee

July 16, 2001

Page 9

** The City of Mesa has identified to the Arizona Tourism and Sports Authority a \$2,000,000 request for funding for the Aquatics Facility.