

GENERAL DEVELOPMENT COMMITTEE MINUTES

April 9, 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 April 9, 2001 at 3:00 p.m.

COMMITTEE PRESENT

Claudia Walters, Chairman
Jim Davidson
Mike Whalen

COMMITTEE ABSENT

None

OFFICERS PRESENT

Mike Hutchinson
Barbara Jones

1. Discuss and consider final concept design of the downtown Pedestrian Connection (north-south phase) and staff's recommendations regarding site preparation, construction, and funding issues.

Redevelopment Director Greg Marek, Redevelopment Planner, Tony Felice and Landscape Architect Steve Stettler addressed the Committee regarding this agenda item. Mr. Marek said that staff is seeking input from the Committee relative to the final concept design of the pedestrian connection (north-south) phase and also relative to staff's recommendations regarding site preparation and construction. Mr. Marek advised that the City received a Transportation Enhancement Funds Grant (TEA-21), administered by the Arizona Department of Transportation, for the development of phase one of a network of pedestrian pathways in downtown Mesa. The first phase calls for the development of a design and subsequent construction of a north-south pedestrian pathway beginning at the Mesa Arts Center mid-block crossing (Main Street), continuing north up the Lewis alignment, through the government center campus, across 1st Street, past the Library, MAC and the Convention Center, with a terminus at the Mesa Amphitheater at 3rd Place. This walkway will link the Conference/Community Center with the new performing arts center. Mr. Marek stated that the design concept was presented in January to the Downtown Development Committee, which recommended approval.

Mr. Felice provided the Committee with an overview of this agenda item and discussed project priorities, proposed construction phases, the fact that downtown Mesa has a "walking" problem rather than a "parking problem," costs and anticipated fiscal impacts, the importance of mitigating congestion and pollution, the fact that Mesa is one of the very few municipalities looking at creating a pedestrian walkway in a downtown area; the project area, three distinct thematic concepts that were addressed (The Line, The Grid and The Flowing Edge) and the best of each concept was combined into one that is yet to be named.

Discussion ensued relative to the overall design concept and Phase I construction.

Mr. Stettler addressed the Committee relative to site preparation issues and said that the site has been broken down into 12 areas that need to be addressed (See Attachment).

Discussion ensued relative to the fact that the project has been designed to work with Light Rail and will serve as a major pedestrian corridor that will get people from parking areas to light rail platforms which may be located on 1st Street or Main Street, the project's compatibility with existing and future land uses, the fact

that the pathway is designed to become a destination point itself with nodes being built into the project so that special events could be held on the plaza with space for entertainers, food and craft vendors and art exhibits, the fact that the project has received the input of an artist and has been retained to oversee artistic elements that are designed into the project, the fact that public art per se is not funded through this project, corrections to the figures provided by staff and the overall benefits of the project.

Staff responded to questions posed by the members of the Committee and Mayor Hawker who was present at the meeting regarding the proposed project. The Mayor requested that he be provided information reflecting what would be accomplished if the project was only funded up to the amount allotted in the TEA-21 grant, \$481,503.

It was moved by Committeemember Davidson, seconded by Committeemember Whalen, to recommend to the Council that the Final Concept Design of the Downtown Pedestrian Connection (north-south phase) and Staff's recommendations regarding site preparation, construction and funding issues be approved.

Chairman Walters thanked staff for their efforts and hard work.

Carried unanimously.

2. Discuss and consider a proposed resolution approving and directing the Joint Master Planning Committee to evaluate options for implementing transit oriented development standards in conjunction with the planned Central Phoenix/East Valley Light Rail Transit Project.

Committeemember Davidson asked whether this issue had been presented to the Transportation Advisory Board for their review and was advised that it was not. Committeemember Davidson requested that in the future issues such as this be presented to that Board for their review and input.

Transportation Planning Administrator Kevin Wallace stated that the purpose of this agenda item is to discuss the process that has been followed regarding transit-oriented development standards for the planned light rail line. He said that staff is requesting that the Committee recommend to the Council that a resolution be adopted in support of this effort, directing the Joint Master Planning Committee to evaluate this issue as part of the Mesa 2025 planning process. He introduced Mark McClaren, of Valley Connections, and said that Mr. McClaren works on the light rail project. Mr. Wallace said that Federal funds are critical to this project and to be eligible, the Federal Transit Administration (FTA) must rate the project as "recommended" or "highly recommended." RPTA will submit a proposal to FTA this summer that will address two remaining issues, including the cost per new transit rider and land use/transit integration efforts. The FTA looks very closely at how local jurisdictions link land use and transportation before they will invest in a local project.

Mr. McClaren presented a brief presentation on this issue and agreed that the integration of land uses and transit is a critical issue and will significantly impact whether Federal funding is received. He discussed the importance of developing inter-connected street patterns, usable open space, mixed use developments, mixed use infill, stressed the importance of making development accessible, discussed the fact that density is a design issue, and stated that transportation oriented development is based on sound urban design concepts.

Mr. McClaren said that the goal is to ultimately have the General Plan updates on the three cities that will be served by the light rail. He stressed the importance of ensuring that future land use development or redevelopment complements the light rail system. Mr. McClaren commented that Transit Oriented Development (TOD) involves the creation of higher density, mixed use activity centers connected by high quality public transportation. Activity centers are developed with an enhanced pedestrian environment, public amenities and a concentrated mix of residential, retail and commercial uses that help encourage a shift to biking, walking and public transportation. He noted that the City's current Zoning Code does not provide for this type of development. Mr. McClaren also discussed alternatives and urged the Committee to support staff's recommendations.

Mr. McClaren responded to questions from the Committee relative to this agenda item.

It was moved by Committeemember Whalen, seconded by Committeemember Davidson, to recommend to the Council that Staff's recommendation relative to adopting a proposed resolution approving and directing the Joint Master Planning Committee to evaluate options for implementing transit oriented development standards in conjunction with the planned Central Phoenix/East Valley Light Rail Transit-Project, be approved.

Carried unanimously.

3. Discuss and consider responses to the City of Mesa Request for Proposals for the redevelopment of the block generally bounded by Robson Street, Main Street, Macdonald Street, and First Avenue (Site 25).

Redevelopment Director Greg Marek and Economic Development Director Dick Mulligan addressed the Committee relative to this agenda item. Mr. Marek stated that the purpose of this agenda item is to discuss and obtain a recommendation from the Committee regarding the responses to the Request for Proposals (RFP) that were received for the redevelopment of Site 25. Mr. Marek said that last year the Redevelopment Office was approached by The Crowe Group with a proposal to develop Class A office space in downtown Mesa, specifically at the southeast corner of Main and Robson Streets. The Crowe Group owns a building along Robson Street, south of the intersection. To determine whether a market for Class A office space exists in downtown Mesa, the Redevelopment Office hired Canyon research Southwest to prepare a speculative office market analysis. The purpose of the study was to quantify historical and existing speculative office market conditions in Mesa and to determine the downtown area's ability to absorb the short-term addition of up to 300,000 square feet of new Class A office space. The study was completed in October 2000 and concluded that construction of quality space with large floor plans could attract large tenants from outside the Mesa market through aggressive marketing by the City.

Discussion ensued relative to staff's efforts to retain the Mesa Tribune operations in Mesa, the fact that Dale Carpenter, the Tribune's Chief Operating Officer, indicated that his preference would be to remain at the current location if the Tribune's needs could be accommodated, the fact that Site 25 was designated as a Redevelopment Project Area in November 2000, the boundaries of the site, the RFP process and the fact that proposals were received from The Crowe Group and the Boyer Company.

Mr. Marek advised that staff is recommending that the Committee recommend to the City Council that staff be directed to enter into a 120-day exclusive negotiation period with The Crowe Group for the redevelopment of Site 25. Mr. Marek explained that during the proposed 120-period, staff will further study the financial details of the proposal and prepare a cost/benefit analysis to determine whether the City should enter into a redevelopment agreement with The Crowe Group. Mr. Marek noted that both of the companies that submitted proposals are in the audience and will present a brief overview of their proposals for the benefit of the Committee.

Mr. Mulligan addressed the Committee and said that he and Harold Decker had discussed this issue and he wanted to share their thoughts with the members of the Committee. He stressed the importance of retaining the Mesa Tribune in the City of Mesa and noted that the Tribune represents a key employer in the City. Mr. Mulligan also commented on the importance of attracting quality tenants in the downtown area and said that the product has to be available in order to successfully promote this area of Mesa. He noted that downtown Mesa has the second largest draw of workers in any location in the City and said that in 1999, approximately 612 workers came to the downtown area. Mr. Mulligan stated the opinion that The Crowe Group recognizes the fact that a significant amount of public investment is occurring in this area and that is going to leverage private investments in the future to attract the type of private sector businesses and development that Mesa is attempting to attract.

Mr. Marek responded to a series of question from the Committee relative to the two proposals and staff's analysis and recommendations.

Mark Pace, a partner with the Boyer Company headquartered in Salt Lake City, provided a brief overview of the proposal his company submitted in response to the City's RFP. Mr. Pace cautioned the Committee not to make a decision that is based solely on cost and stated the opinion that in order to attract high quality tenants, the City of Mesa must offer incentives. He expressed the opinion that Mesa would have to offer a \$2.00 per square foot reduction in leasing costs in order to draw tenants away from the Superstition Corridor and have them locate in downtown Mesa.

Dan Hawkins, Vice President of Operations with The Crowe Group and Mark Roddy, representing the architectural group Architekton, provided the Committee with a brief presentation on his company's proposal. Mr. Hawkins stated that he has been working on this project for nine months and has determined that the only way to raise the monies for this project is pre-leasing and said if his proposal is selected, it is his intention to solicit California tenants who are interested in leasing prestigious space in the downtown area of Mesa.

Chairman Walters thanked the speakers for their presentations.

Discussion ensued among the members of the Committee relative to the proposals and staff's recommendations.

It was moved by Committeemember Whalen, seconded by Committeemember Davidson, to recommend to the Council that Staff be directed to enter into a 120-day exclusive negotiation period with The Crowe Group for the redevelopment of Site 25.

Carried unanimously.

4. Adjournment.

Without objection, the General Development Committee meeting adjourned at 5:16 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 9th of April, 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