



# LOCAL REDEVELOPMENT AUTHORITY

## MINUTES

December 13, 2010

The Local Redevelopment Authority of the City of Mesa met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on December 13, 2010 at 5:04 p.m.

### MEMBERS PRESENT

Chairperson Scott Smith  
Alex Finter  
Dina Higgins  
Kyle Jones  
Dennis Kavanaugh  
Dave Richins

### MEMBERS ABSENT

Vice Chairperson Scott Somers

### STAFF PRESENT

Christopher Brady  
Debbie Spinner  
Linda Crocker

Chairperson Smith excused Vice Chairperson Somers from the entire meeting.

#### 1. Items from citizens present.

There were no items from citizens present.

#### 2-a. Hear a presentation and provide direction regarding the public review process for the Draft Redevelopment Plan and Homeless Submission Report for the former Air Force Research Lab.

Economic Development Department Director Bill Jabjiniak introduced Brian Campbell, Vice Chairman of the Economic Development Advisory Board's Local Redevelopment Authority (LRA) Subcommittee, and Economic Development Project Manager Patrick Murphy, who were prepared to address the Board.

Mr. Jabjiniak displayed a PowerPoint presentation (**See Attachment 1**) and highlighted two aerial views of the former Air Force Research Lab (AFRL), which is surrounded by Arizona State University (ASU) Polytechnic and the Phoenix-Mesa Gateway Airport. (See Pages 2 and 3 of Attachment 1)

Mr. Jabjiniak also reviewed four recent milestones regarding this item as follows:

- April 19, 2010 – The City of Mesa adopted a resolution requesting that the Office of Economic Adjustment designate the City Council as an LRA to facilitate the disposition of the AFRL.

- May 19, 2010 – The Office of Economic Adjustment designated the City Council as an LRA.
- July 13, 2010 – Staff conducted a workshop for those interested in the AFRL.
- October 12, 2010 – Notices of Interest (NOI) were submitted.

Mr. Jabjiniak reported that the approximately seven acre site, consisting of ten buildings, has a unique security clearance that should be maintained. He explained that the short-term path for the reuse of the property was for the LRA to enter into an interim lease for the site and then lease the property back to the Air Force in order to maintain the specialized research and secure nature of the site.

Mr. Jabjiniak also remarked that the purpose of the presentation was to update the LRA regarding the development of the Redevelopment Plan and Homeless Submission Report.

Mr. Campbell briefly commented that the LRA Subcommittee's objectives with regard to the disposition of the AFRL include the following: identify/maximize the reuse of the AFRL, and in particular, its unique physical intellectual assets; capitalize on earlier studies (Gateway Plan, Airport Master Plan) and existing assets that surround the AFRL; and maintain and add high quality jobs at the site.

Mr. Murphy reported that with respect to the Redevelopment Plan and the Homeless Submission Report, Ernie Swiger, of Ernest Swiger Consulting, Inc., has completed the site inspection, reviewed the NOI submissions, conducted a facilities assessment, and completed a traffic study, an economic development assessment and the Homeless Submission Report.

Mr. Murphy advised that the Homeless Submission Report outlines staff and the consultant's outreach efforts as part of this process. He stated that staff sent letters/e-mails and called homeless providers within Maricopa County to inform them of the AFRL and the disposal process the City was undertaking to determine if they were interested in the property. Mr. Murphy noted that the City did not receive an NOI from any of the providers, but did obtain an expression of interest which was later withdrawn. He added that in responding to an inquiry from the consultant with regard to why several homeless providers did not submit an NOI, staff learned that the buildings were not suitable for shelter/housing and were not located near supportive services, adequate public transportation or other amenities.

Mr. Murphy further remarked that public comments on the Homeless Submission Report and the Redevelopment Plan are due no later than January 13, 2011, after which time the LRA would recommend approval of both documents. He noted that subsequent to such action, the Homeless Submission Report would be forwarded to the U.S. Department of Housing and Urban Development (HUD), which approves the document as part of the *Base Relocation and Closure Act* (BRAC) process.

Mr. Murphy also spoke regarding the Redevelopment Plan, which includes a facilities assessment, traffic study and economic development findings. He briefly highlighted various findings as follows: 1.) Although the buildings were old and antiquated, the secure nature of the facility and the specialized research that can be conducted at the site make it a unique property; 2.) That even with the proposed reuse of the facility, there would be no new significant traffic impacts to the area; 3.) The economy remains in a downturn, but is anticipated to improve over

time; and 4.) That with the unique nature of the facility, it was anticipated that the City would be able to maximize its reuse once it obtains the property.

Mr. Murphy also reported that the Redevelopment Plan discusses three Reuse Alternatives as follows:

- Market the property like any typical commercial/industrial space. This option does not capitalize on the unique nature of the facility.
- The NOI submitted by ASU proposed a Public Benefit Conveyance (PBC) for educational purposes. This option is not recommended because it does not capitalize upon the reuse of the AFRL's unique structures or ability to conduct research.
- Pursue an Economic Development Conveyance (EDC) in which the City of Mesa would retain ownership of the property and market it to those companies (i.e., aerospace and defense contractors) that require specialized research capabilities and security clearance. **(Preferred alternative)** This option meets the vision and goals of the LRA, and specifically maximizes the reuse of the facility by capitalizing on the specialized research capabilities.

City Manager Christopher Brady clarified that although the NOI submitted by ASU and Alion Science and Technology does not meet the City's expectations, that does not mean those entities could not have a significant partnership role in the EDC.

Mr. Murphy further advised that several weeks ago, staff met with representatives of ASU to discuss the alternatives proposed in the Redevelopment Plan. He explained that staff subsequently received a follow-up letter from ASU, which indicated that ASU was focused on the highest and best use of the site and was supportive of a strong public/private partnership between ASU, Alion, the City of Mesa and subsequent partners in order to achieve that goal. Mr. Murphy said the letter further conveyed that ASU was comfortable with the proposed EDC if the solution included priority access to the site by ASU and its partners in industry, academia and government.

Mr. Murphy also commented that as part of the public review process, staff and the consultant would consider the letter and additional comments that they receive from the public and bring those back to the LRA in January.

Mr. Murphy concluded his presentation by stating that on December 16, 2010, staff would conduct a public meeting at Phoenix-Mesa Gateway Airport to discuss the draft documents. He reiterated that January 13, 2011 is the end of the public comment period relative to the Redevelopment Plan and Homeless Submission Report and said that on January 24, 2011, staff would present the completed documents to the LRA for their approval. Mr. Murphy added that subsequently, the LRA would make a recommendation to the Air Force, the Department of Defense and the Office of Economic Adjustment and noted that those entities would review the documents and forward any comments to the City of Mesa.

Chairperson Smith stated that he looked forward to this process moving forward and thanked everyone for the presentation.

3. Adjournment.

Without objection, the Local Redevelopment Authority meeting adjourned at 5:17 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Local Redevelopment Authority meeting of the City of Mesa, Arizona, held on the 13<sup>th</sup> day of December, 2010. I further certify that the meeting was duly called and held and that a quorum was present.

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LINDA CROCKER, CITY CLERK

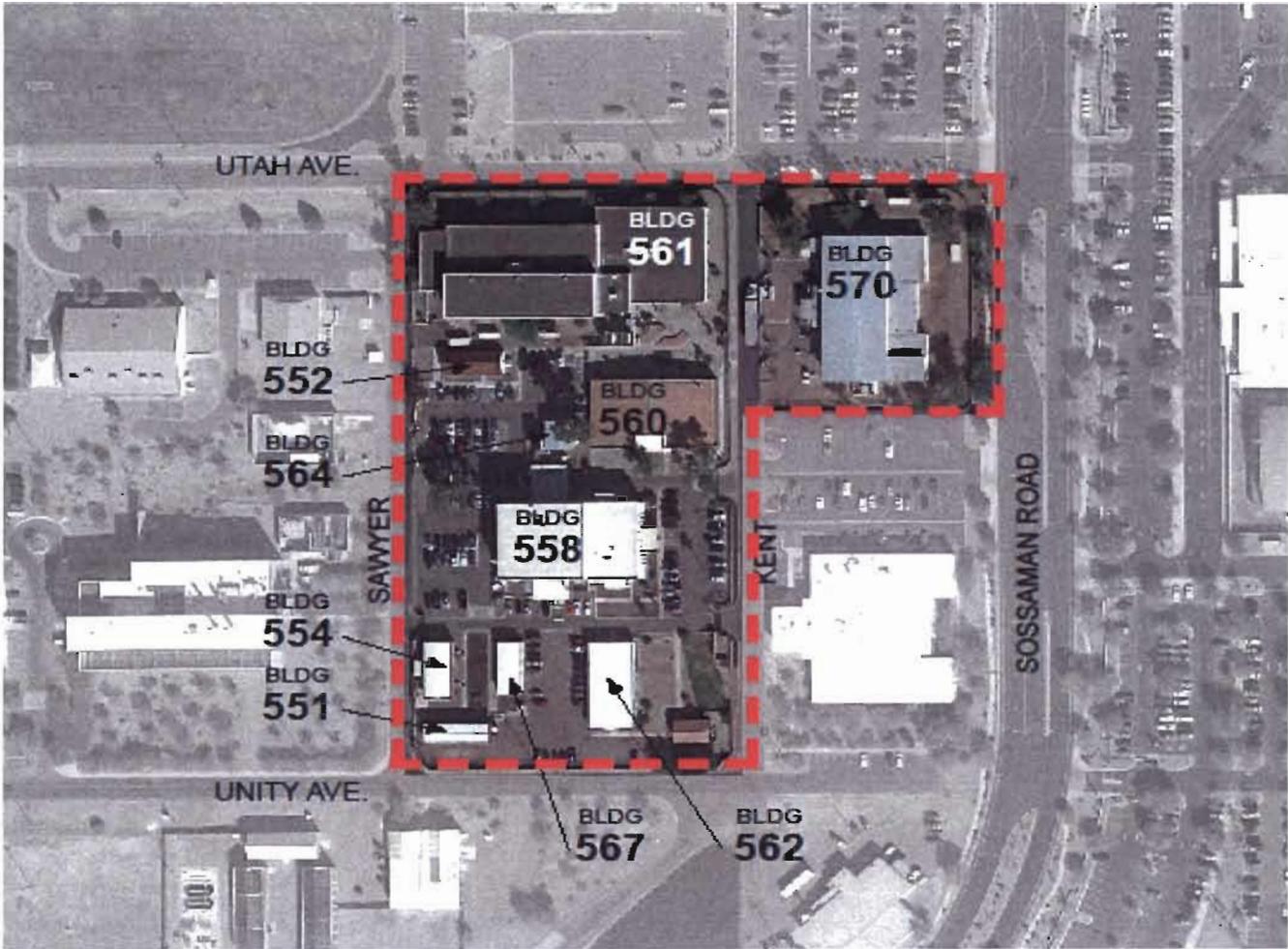
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(attachment – 1)

# AIR FORCE RESEARCH LABORATORY REDEVELOPMENT PLAN AND HOMELESS SUBMISSION

DECEMBER 13, 2010







# LRA VISION AND GOALS

SAVE JOBS – CREATE JOBS  
PROMOTE ECONOMIC OPPORTUNITY

# REDEVELOPMENT PLAN & HOMELESS SUBMISSION

## CURRENT STATUS



# THE HOMELESS SUBMISSION

- Thorough outreach effort
- Documented need, but . . .
- No applications from homeless services providers



# Redevelopment Plan

- Facilities Assessment Findings
  - Traffic Assessment Findings
    - Economic Development Findings



# THE REDEVELOPMENT PLAN

- Three alternatives emerged
- Preferred Alternative
  - Economic Development Conveyance
  - Reuse of Facility for Specialized Research
- Meets LRA vision, and goals
  - Maintains/creates jobs
  - Capitalizes upon site characteristics
  - Capitalizes upon Mesa strengths and aims



# NEXT STEPS

## ➤ Public Review Process

➤ PUBLIC MEETING – 12/16

➤ PUBLIC REVIEW THROUGH 1/13

➤ COMPLETE DRAFT REDEVELOPMENT PLAN AND HOMELESS SUBMISSION REPORT – JANUARY

➤ LRA & COUNCIL APPROVAL – JANUARY



Thank You

Questions?

