



COUNCIL MINUTES

March 17, 2016

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 March 17, 2016 at 7:32 a.m.

COUNCIL PRESENT

John Giles
Alex Finter
Dennis Kavanaugh
David Luna
Kevin Thompson

COUNCIL ABSENT

Christopher Glover
Dave Richins

OFFICERS PRESENT

Christopher Brady
Jim Smith
Dee Ann Mickelsen

Mayor Giles excused Councilmembers Glover and Richins from the entire meeting.

1. Review items on the agenda for the March 21, 2016 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: None

Items removed from the consent agenda: None

2-a. Hear a presentation and discuss a Memorandum of Understanding with the Arizona Board of Regents on behalf of Arizona State University for the purpose of creating a university presence in downtown Mesa.

City Manager Christopher Brady stated that staff was seeking Council direction for the City to enter into a Memorandum of Understanding (MOU) with the Arizona Board of Regents on behalf of Arizona State University (ASU). **(See Attachment 1)** He explained that in the past, the City has entered into similar types of MOUs for large projects, such as the development of the Chicago Cubs' Stadium.

Mr. Brady reported that the purpose of the MOU was to provide the parties an opportunity to enter into discussions related to the development of an ASU campus in downtown Mesa. He noted that the MOU includes language indicating that the site for the campus would be within a five-minute walk of a light rail station between Country Club and Mesa Drive.

Mr. Brady, in addition, remarked that the City would be responsible for identifying the property, funding the public infrastructure, and designing and constructing the facilities. He said that ASU would be tasked with determining what programs would be appropriate to offer at the campus, as

well as pay the costs associated with the operation and maintenance of such facilities. He added that as the parties develop ideas and concepts with respect to this matter, staff intends to update the Council in this regard on a frequent basis.

Mr. Brady further commented that if the parties fail to enter into an Intergovernmental Agreement (IGA) by June 10, 2016, neither entity would have any further obligations related to the MOU. He also said that the IGA would provide greater detail as it relates to the specific obligations of the respective parties. He noted that in conjunction with this process, Mayor Giles has expressed an interest in the City addressing certain physical facility needs of the other higher education institutions situated in downtown Mesa.

Mayor Giles stated that he received speaker cards from a number of citizens who wished to address the Council. He first invited ASU representatives Richard Stanley and Rick Naimark to come forward. He explained that prior to Mr. Naimark beginning his tenure at ASU, he served as a former Deputy City Manager at the City of Phoenix when ASU established its campus in downtown Phoenix.

Richard Stanley, Senior Vice President and University Planner at ASU, concurred with Mr. Brady's prior statement that the MOU was just the beginning of a process for the parties. He stressed the importance of ASU and the City of Mesa finding common ground in an effort to ensure that the project would be beneficial to both parties. He also commented that downtown Mesa presents an interesting and positive opportunity for ASU since light rail has been extended into the area.

Mr. Stanley indicated that ASU was in the early stages of developing a list of possibilities that would be successful in downtown Mesa and contribute to the area's development. Some of those ideas include, but are not limited to, the following: offering a combination of academic programs, with a smaller range of specialty graduate programs (i.e., social services or business); accommodating a large number of graduate students and faculty in association with ASU's growing research programs; supporting economic development programs, company spinouts and entrepreneurial space for students and the public; and assessing whether the development of a residency hall would be appropriate as a component of this project. He also noted that he would be open to consideration of a few smaller buildings, which could create "a bit of a campus feel."

Mr. Naimark commented that based on his experience at the City of Phoenix, he was confident in stating that a university presence in downtown Mesa would be a transformative opportunity for the entire community. He explained that this could be accomplished through the City's acquisition of additional assets for the purpose of promoting higher education, building on its other investments in the downtown area and creating enhanced economic and physical revitalization in the community. He also stated that a university campus would bring a 24-hour presence to the area and create a sense of vibrancy. He added that ASU's Phoenix campus is embedded in the downtown community and connected with businesses and various agencies. He assured the Council that ASU would become a community partner in Mesa in a similar manner.

Mr. Stanley pointed out that ASU already has a powerful presence in Mesa as it relates to its Polytechnic campus. He stated that the programs offered at a downtown Mesa campus would not impact the research focus at the Polytechnic campus.

Responding to a question from Councilmember Luna, Mr. Naimark clarified that ASU does not intend to compete with the existing higher education facilities in downtown Mesa. He suggested, however, that perhaps ASU could offer certain graduate-level programs that currently do not exist at those other institutions that would be of benefit to the students.

In response to a question from Mayor Giles, Mr. Stanley explained that he could envision a facility in the range, at a maximum, of 200,000 square feet. He said that ASU's goal was to identify the most appropriate programs that would have an immediate impact, as well as the capacity to grow over a number of years. He added that as new programs emerge at ASU, the university would have the flexibility to offer certain classes, if it was a logical option, at the downtown Mesa campus.

Mayor Giles stated that he invited John Graham, President and CEO of Sunbelt Holdings, to address the Council. He stated that Mr. Graham's company recently purchased the former Brown and Brown Chevrolet property on Main Street and was in the process of developing it.

Mr. Graham expressed support for the partnership between the City of Mesa and ASU. He remarked that in his opinion, downtown Mesa had significant potential and was "well poised" for future development. He also noted that one of the key ingredients for a vibrant downtown, especially in Tempe and Phoenix, has been the addition of ASU campuses, which create a 24/7 presence.

Responding to a question from Mayor Giles, Mr. Graham clarified that since the concept of an ASU campus in downtown Mesa was first announced in the media, the energy and excitement in the development community has been "palpable."

Mayor Giles commented that he also invited Jo Wilson, an administrator at Benedictine University, to offer her perspective on this issue.

Ms. Wilson, who serves as Special Assistant to Benedictine University's Chief Executive Officer, Charlie Gregory, stated that he provided her a statement that she would like to read into the record as follows: "Benedictine University is very proud of its current successes, commitment and partnership with the City of Mesa. As part of that partnership, we want to further educational opportunities for our residents. If ASU can add to the expansion and delivery of educational programs, we certainly encourage furthering these opportunities for our citizens; however, we hope and anticipate the City of Mesa and its leadership will support furthering Benedictine's growth and presence with bigger resources and commitment equal to others."

Mayor Giles recognized State Senator Bob Worsley, who was present in the audience, and invited him to come forward and address the Council.

Mr. Worsley stated that ASU's presence in downtown Mesa would accelerate the Council's vision, which brought Benedictine, Wilkes and other universities to the area. He stated that young students would bring vibrancy to the downtown and suggested that it would also be important to attract millennials to the area who choose to live, work and play in downtown Mesa. He added that over the next two months, he would encourage the City and ASU to work together in an effort to enter into an IGA in June.

Mayor Giles stated that he received speaker cards from the following citizens who were in support of this item as follows:

Kelly Smith, a Mesa resident
Sean Huntington, a Mesa resident
Bryan Jeffries, President of the United Mesa Firefighters Association
David Short, Director of the Downtown Mesa Association (DMA)
Dea Montague, a Mesa resident
Jen Duff, a Mesa resident

The speakers offered a series of comments including, but not limited to, the following:

- An ASU campus in downtown Mesa would bolster restaurants and businesses with an influx of students.
- ASU could attract entrepreneurs and start-up businesses to locate to downtown Mesa.
- Citizens are excited and supportive of the City and ASU's ongoing discussions and look forward to a successful agreement that could benefit the entire community.
- The DMA Executive Committee was in support of this process moving forward.
- Downtown Mesa residents urge that whatever type of ASU campus facility is ultimately constructed, that the historic character of the area remains intact.
- The construction of light rail is bringing new vibrancy to downtown Mesa and an ASU campus would only enhance such efforts.
- High-end housing in the downtown area that would accommodate professors and researchers would be a welcome addition to the community.
- Higher education must become more affordable for students.
- It was important to support progressive ideas that would bring forward-thinking millennials to the downtown.

Councilmember Thompson stated that he would support the City entering into the MOU with ASU and noted that he looked forward to the Council considering how to make the proposal a success. He expressed concern, however, regarding the funding mechanism for such a project and its potential impact on the Council's priorities for the community as a whole. He also urged that Mesa's other higher education institutions not be overlooked throughout this planning process.

Vice Mayor Kavanaugh voiced support for the City and ASU moving ahead with their discussions relative to the potential IGA. He stated that reflecting back over the City's 20-year relationship with ASU in the development of its Polytechnic campus, he acknowledged that the partnership has been positive and equitable in terms of the investment by both entities. He also noted that the development of light rail has played a positive role in ASU's presence in downtown Phoenix.

Vice Mayor Kavanaugh, in addition, recounted that several years ago when he attended a conference that explored the role and relationship of cities and universities in downtown areas, the key takeaway was that there must be a partnership that contains equality, an understanding of community and university needs, and that neither one's needs has priority over the other. He suggested that Mesa's past experience with ASU Polytechnic illustrates that a new partnership can be accomplished "in the right way."

Vice Mayor Kavanaugh further remarked that with the City's experience over the last seven years of bringing colleges to downtown Mesa, it has created a template as it relates to developing an equitable relationship in terms of acquiring and building facilities and creating reasonable arrangements for space. He expressed confidence that ASU was committed to develop a program and a purpose for downtown that would be complimentary to the other educational institutions and also provide an opportunity for partnerships with those entities.

Councilmember Luna commented that he was supportive of staff moving forward with the MOU with ASU and acknowledged that he shared many of the same concerns that were expressed by his colleagues. He stated that as someone who works in the educational field, when the announcement was first made concerning a possible ASU campus in downtown Mesa, his colleagues were effusive that ASU could potentially be a part of the community.

Councilmember Finter indicated that he was excited with the prospect of ASU developing a

campus in downtown Mesa. He suggested that “the Sun Devil is in the details,” and looked forward to being “wowed” with the details and concepts.

Mayor Giles remarked that he envisioned an ASU presence in downtown Mesa not necessarily as a separate campus from Tempe, but rather as an extension due to light rail, which many students already use as a shuttle to attend classes. He also commented that he liked the idea of “doubling down” on the prior Council’s theme of higher education in downtown Mesa, which includes not only ASU, but all of the other institutions that the City has enlisted thus far. He noted that one complaint he has heard from Mesa’s existing partners is that there is not much of an atmosphere in downtown Mesa to attract college students. He suggested that by bringing a major presence such as ASU into the area, an atmosphere would be created that would allow the other institutions to reach their potential as well.

Mayor Giles, in addition, reported that during his meetings with ASU representatives, the concept of housing has been discussed. He pointed out that there has been tremendous economic pressure on the City to allow the development of Low Income Housing Tax Credit (LIHTC) projects along the light rail corridor. He said that if there were an ASU presence in downtown Mesa, similar pressure could be applied with regard to student housing options. He suggested that during the outset of the parties’ discussions, it might be appropriate to consider various housing options that would accommodate not only younger students, but also faculty and graduate students.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Luna, to authorize the City Manager to enter into a Memorandum of Understanding with the Arizona Board of Regents on behalf of Arizona State University for the purpose of creating a university presence in downtown Mesa.

Mayor Giles declared the motion carried unanimously by those present.

Mayor Giles thanked the speakers for taking the time to address the Council this morning. He also stated that he looked forward to the parties’ ongoing discussions in this regard.

2-b. Hear a presentation, discuss, and provide direction on a response to a Request for Proposals from Chicanos Por La Causa for the development of approximately 2.5 acres on the northwest corner of Country Club Drive and Main Street.

Manager of Downtown Transformation Jeff McVay displayed a PowerPoint presentation (**See Attachment 2**) and stated that he was prepared to discuss a response to a Request for Proposals (RFP) that the City received from Chicanos Por La Causa (CPLC) for the development of the northwest corner of Country Club Drive and Main Street. He explained that today, staff was seeking the Council’s feedback with respect to the proposal and noted that if such input were favorable, staff would conduct community outreach to solicit public comment in this regard. He added that subsequent to that time, staff would return to the Council for further direction.

Mr. McVay reported that the approximately 2.5 acre site is owned by the City of Mesa, Redstone Investments, LLC and Randall and Melissa Bailey. (See Page 3 of Attachment 2) He indicated that the RFP, which was released late last year, was done in partnership with all three property owners. He also pointed out that staff worked hard to ensure that the property owners were fully engaged in this process. He noted that although the owners have not necessarily agreed to sell their properties, they are, however, committed to working proactively with the City to find an appropriate development for the site.

Mr. McVay briefly reviewed the current Council-adopted policies that relate to this property, such as the Central Main Plan, which recognizes the prominence of the site through its designation as an urban gateway; and the Form Based Code, that designates the area as a T5 Main Street. (See Page 4 of Attachment 2) He said that the policies reflect that the City was seeking an urban, intense development at the site in an effort to provide an active streetscape and support a broader downtown.

Mr. McVay further remarked that should the property be developed in the above-stated manner, it would also conform to the goals of the Downtown Vision Ad Hoc Committee. He explained that the Committee created 12 key priorities for the downtown area and said that the development of this site in an urban, transit-oriented development pattern would support five of the 12 priorities. (See Page 5 of Attachment 2)

Mr. McVay, in addition, offered a short synopsis of various elements of the proposal as follows: a 218,000 square foot, five-story building; 200 market rate residential units; 20,000 square feet of ground-floor retail developed in two phases; and that Phase 1 would include 80 units primarily along the Main Street frontage, with Phase 2 consisting of 120 units to the north and along Country Club Drive. (See Page 7 of Attachment 2) He also displayed a document illustrating the site plan (See Page 8 of Attachment 2) and noted that the project includes surface parking in Phase 1, and Phase 2 is comprised of structured parking, with the residential units built on top of the parking garage.

Mr. McVay also spoke regarding the RFP review criteria, such as consistency with the City's adopted plans and policies; return and benefit to the City; qualifications and experience of the design team; business plan/pro forma; and financial capacity. (See Page 9 of Attachment 2)

Mr. McVay invited the CPLC team to come forward and present their vision for the site.

Nic Smith, Director of Real Estate Development and Design for CPLC, displayed a PowerPoint presentation (**See Attachment 3**) and provided a brief overview of his professional experience. He reported that the mission of CPLC, which was founded nearly 50 years ago, was to build stronger and healthier communities through the creation of alliances and strategic partnerships.

Mr. Smith explained that the City's forward-thinking planning efforts clearly outline the type of building environment that is desired in downtown Mesa. He assured the Council that the CPLC team would work with the City in an effort to create a walkable and bikable destination that maximizes the millions of dollars in investments that have already been made in the area. He added that CPLC was the right partner to "set the bar" for future development at this important site during this critical time in the transformation of downtown Mesa.

Kali Mota, a partner with the architectural firm of Winslow + partners, said that the main focus of the firm has been mixed-use urban projects. She introduced Paul Winslow, the managing partner of the firm, as well as other staff members who were present in the audience. She noted that Mr. Winslow was the design lead of the project due to his vast experience in urban planning and design in the metro Phoenix area.

Mr. Winslow addressed the Council and discussed his philosophy with respect to urban retail design and the importance of attracting millennials who, in turn, are "the indicator for what Baby Boomers are looking for." He explained that there was a change in the culture with respect to socialization, sometimes referred to as the "Starbucks phenomenon." He cited, by way of example, that business travelers will often reserve smaller hotel rooms and choose to work in

communal areas, such as the lobby or a mixed-use lounge area.

Mr. Winslow commented that although downtown Mesa already has many elements in place, such as light rail, retail, an enhanced community and connectivity for pedestrian and public transportation, it does not have density. He suggested that the proposed development could “start the density intensity, the number of feet on the street kind of thing,” that would make the project economically viable for Mesa. He noted that the key elements of the project include pedestrian scale, continuity and its location as the gateway to the downtown area. (See Page 5 of Attachment 3)

Mr. Winslow displayed a schematic drawing illustrating the proposed design of the building, which includes a minimum building height of three stories; 60 to 90% lot coverage; active ground floor uses (i.e., retail, restaurant, entertainment, personal services); and shared and structured parking. (See Page 6 of Attachment 3)

Ms. Mota briefly discussed the proposed site plan for the project, consisting of two phases. (See Page 7 of Attachment 3) She explained that Phase 1 would include the parking lot area to the south, retail development on the corner of the site, and above that, the live-work area. She stated that the design maximizes the transit-oriented development elements, such as the bus stop and light rail station, in order to support multi-modal transportation in the downtown area.

Mr. Winslow, in addition, remarked that since the parking, retail and live-work space is on the ground floor, a unique element of the proposal was the placement of the amenities for the living units, such as the swimming pool and fitness center, on the level above and somewhat separated from the public.

Ms. Mota further spoke regarding the proposed landscape design, which would connect to the existing urban grid and pedestrian experience along Main Street. She also pointed out that a pocket park would be included behind the retail uses on the inside of the project, which is intended to be a semi-public space.

Mr. Winslow also reported that he envisioned college professors, start-up entrepreneurs and people in the business world as the primary focus group for whom this urban, mixed-use development was created. He displayed various renderings of the project that would create space for people to live, work and play and ultimately create a community in downtown Mesa. (See Pages 8 and 9 of Attachment 3) He pointed out that the proposal was “the right thing at the right place and at the right time” and thanked the Council and staff for their time and attention this morning.

Mr. Smith continued with his presentation and reported that CPLC was unique in its ability to develop projects through its continuous reinvestment back into communities. He explained that CPLC, which was the largest community development corporation in Arizona, focuses on four main areas including Economic Development, Education, Social Services and Community Development (Housing). (See Page 12 of Attachment 3)

Mr. Smith highlighted the types of services that CPLC offers with respect to Social Services (See Page 13 of Attachment 3); Economic Development (See Pages 14 and 15 of Attachment 3); Education (See Page 16 of Attachment 3); Real Estate Development (See Page 17 of Attachment 3); and Commercial and Residential Real Estate projects that are owned, managed and operated by CPLC. (See Pages 18 and 19 respectively of Attachment 3)

Hal White, Vice President and Managing Partner of Big-D Construction, addressed the Council and provided a brief overview of his professional experience, including his involvement in numerous mixed-use development projects. He displayed photographs illustrating examples of several projects of a similar nature that the company has completed in the Salt Lake City area. (See Page 23 of Attachment 3)

Mr. White explained that the construction of a mixed-use project in a confined space, such as the proposed development at the corner of Main Street and Country Club Drive, creates issues as it relates to limited access and points of ingress and egress. He further commented that in an effort to ensure the safety of the community in and around the construction site, his company utilizes protective coverings for the sidewalks, netting that extends over the scaffolding and other systems that prevent citizens from being injured by construction debris. He added that he looked forward to the City of Mesa moving forward with the project.

City Manager Christopher Brady reiterated that staff was seeking the Council's feedback today, after which time staff would conduct a public hearing to solicit citizen comments and input regarding the proposal. He said that staff would then return to the Council at a future date for further direction.

David Crummey, a Mesa resident, expressed support for the intent and purpose of the RFP and encouraged the Council to negotiate in good faith with the other parties. He stated that the project supports the Central Main Plan, the General Plan, as well as the goals of the Downtown Vision Ad Hoc Committee. He stressed the importance of the City investing in the revitalization of downtown Mesa through the addition of high quality, market rate housing along the light rail corridor and supporting local businesses in the area.

Dea Montague, a Mesa resident, urged that the future retail businesses at the proposed development not be the same as existing businesses along Country Club Drive, such as tattoo parlors, pawn shops and check-cashing stores. He also stated that it might be appropriate for the City to coordinate this project with the potential ASU downtown Mesa campus development.

Heather Scantleberry, a Mesa resident, pointed out that the corner of Main Street and Country Club Drive is the entrance to Mesa's "historic boutique-style downtown." She stated that maintaining the integrity of that area should be of the utmost importance to the City. She suggested that the retail businesses at the mixed-use development should be an extension of those types of businesses as opposed to the ones mentioned by Mr. Montague. She added that whatever type of housing is constructed at the proposed site, it should be complementary to the single-family homes in the surrounding historic neighborhoods.

Responding to a question from Mayor Giles, Mr. McVay clarified that the City has the authority, through its ownership of the property, to enter into a contractual agreement with a developer to limit land uses to those that are supportive of the retail/landscape vision that Mesa proposes to create in the downtown area.

Mayor Giles remarked that this urban, high-density, transit-oriented development is "a new idea for west Mesa." He stressed the importance of not only the Council and City staff "getting comfortable" with the proposal, but also soliciting public comment in this regard.

Mr. Brady pointed out that this was the first time the City has worked on a major proposal at a light rail station in Mesa. He explained that the concept of the City setting certain expectations, density and interaction near a light rail station intersection was significant for Mesa.

Vice Mayor Kavanaugh thanked everyone for the presentation and stated that the CPLC team has an excellent reputation for developing great projects in the community. He stressed the fact that the proposal would include market rate housing and commented that with its close proximity to light rail, he was hopeful that it would be a successful project for Mesa.

Councilmember Luna expressed support for the project which, in his opinion, was transformative and exciting for downtown Mesa. He concurred with Mr. Winslow's comments regarding millennials and the fact that they have changed the culture with respect to socialization in communal spaces. He also recognized CPLC for its proven track record and all that it has done to improve and enhance communities across Arizona.

Councilmember Thompson commented that although the proposal was "a beautiful project," his primary concern was the process that the City has gone through. He stated that he disliked the City issuing RFPs for property and especially for property that it does not own. He noted that if the City owns property that it would like developed, he would suggest that it sell the land to the highest buyer. He added that the City could then utilize its Zoning Code and Form Based Code to control the manner in which the site is developed.

Councilmember Finter remarked that his takeaways from the presentation are as follows: the City has a proposal for a \$42 million development on the corner of Main Street and Country Club Drive; each member of the CPLC team was top notch in their respective fields; CPLC has a proven reputation in the community; and the pro forma would be the driving force in determining what the market rate housing would be. He expressed support for the project, but concurred with Mayor Giles that it was imperative to solicit public comment as the next step in the process.

In response to a question from Mayor Giles, Mr. McVay explained that moving forward, staff would work with the development team to schedule a series of community meetings in order for citizens to offer their feedback in this regard. He stated that staff would then come back to the Council to apprise them of the feedback they received and hopefully seek the Council's direction for the City to enter into a Memorandum of Understanding (MOU). He added that the MOU would allow the City to enter into negotiations with the development team to address the issue of land control and also to discuss the specifics of the project.

Mayor Giles thanked everyone for the informative presentation.

3. Information pertaining to the current Job Order Contracting projects.

(This item was not discussed by the Council.)

4. Acknowledge receipt of minutes of various boards and committees.

4-a. Parks and Recreation Advisory Board meeting held on January 13, 2016.

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

Mayor Giles declared the motion carried unanimously by those present.

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

Councilmember Luna: "Inspire Girls" Program

Mayor Giles: Arizona Safe Baby Haven Program

6. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the schedule of meetings is as follows:

Thursday, March 17, 2016, 10:00 a.m. – Grid Bike Share Program kickoff

Friday, March 18 and Saturday, March 19, 2016, 10:00 a.m. – "Sparks" Festival of Creativity

Monday, March 21, 2016, 5:45 p.m. – Regular Council Meeting

7. Adjournment.

Without objection, the Study Session adjourned at 9:26 a.m.

JOHN GILES, MAYOR

ATTEST:

DEE ANN MICKELSEN, 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 March, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

pag
(attachments – 3)

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF MESA AND ARIZONA STATE UNIVERSITY**

This Memorandum of Understanding (“MOU or Agreement”) is made and entered into this 17th day of March, 2016, by and between the City of Mesa (“Mesa”), an Arizona municipal corporation, and the Arizona Board of Regents for and on behalf of Arizona State University (“ASU”).

Arizona State University and the City are entering into this MOU for the purpose of entering into discussions relating to the creation of a university presence in downtown Mesa. This presence could include education, research, entrepreneurship, and/or student/faculty residences.

To create this presence, Mesa intends to enter into an Intergovernmental (“IGA”) with the ASU by June 10, 2016. The intent of the IGA would be for Mesa to secure property, fund public infrastructure and fund design and construction of facilities for ASU use within a five-minute walk of a Valley Metro Light Rail station between Country Club and Mesa Drive.

ASU will identify in the IGA academic, research, entrepreneurship and/or residential programs to be located in the buildings(s) and be responsible and pay for furnishing, operation, repair, maintenance and management of the facilities, as well as any program and administrative costs.

If the parties do not enter into an IGA by June 10, 2016, neither Mesa nor ASU will have any further obligations related to this MOU.

The Parties acknowledge that this MOU is neither an agreement or contract between them, nor an offer from the City that invites acceptance by ASU. It is intended to be an outline of certain material terms on which the Parties have found preliminary agreement and which form the basis for further discussions and negotiations, with the Parties understanding that (a) such terms are not necessarily complete and require further detail and explication, and (b) there are other material terms that are essential to any agreement between the Parties that have not been included in this Memorandum. This Memorandum is not binding upon the Parties or legally enforceable, imposes no enforceable obligations upon the Parties, and does not grant any rights to or in favor of any Party as against the other. Each Party waives any and all rights that it may have to attempt to enforce the terms of this Memorandum as an agreement or a contract against the other Party. The approval of this Memorandum by the City Council shall not be, or be deemed to be, an approval of an agreement between the City and ASU.

City of Mesa

The Arizona Board of Regents for and on
behalf of Arizona State University

By: _____
Christopher J. Brady
City Manager

By: _____
Richard H. Stanley
Senior Vice President and University Planner

NWCG OF COUNTRY CLUB AND MAIN RFP RESPONSE

City Council Study
Session - 3/17/2106

Jeffrey McVay AICP
Manager of Downtown
Transformation

BACKGROUND



- RFP response:
January, 2016
- RFP respondent:
Chicanos Por La
Causa, Inc

OWNERSHIP

Map Label	APN	Parcel Owner	Area (SF)
1	13560014	City of Mesa	7,887
2	13560018	City of Mesa	7,295
3	13560076A	City of Mesa	7,919
4	13560081	City of Mesa	12,521
5	13560029	Redstone Investments LLC	15,485
6	13560082	Redstone Investments LLC	11,607
7	13560077	Redstone Investments LLC	8,163
8	13560086	Redstone Investments LLC	1,853
9	13560073A	Redstone Investments LLC	2,749
10	13560084D	Redstone Investments LLC	7,761
11	13560084E	City of Mesa	6,875
12	13560073C	City of Mesa	2,056
13	13560073D	Randall E & Melissa M Bailey	6,933
14	13560080A	City of Mesa	1,996
15	13560079A	City of Mesa	2,881
16	13560083A	City of Mesa	6,506



mesa·az

Exhibit D

**NWC Country Club Dr
& Main
Ownership**

Site Location

City of Mesa

Randall E & Melissa M Bailey

Redstone Investments LLC

0 100 200 Feet

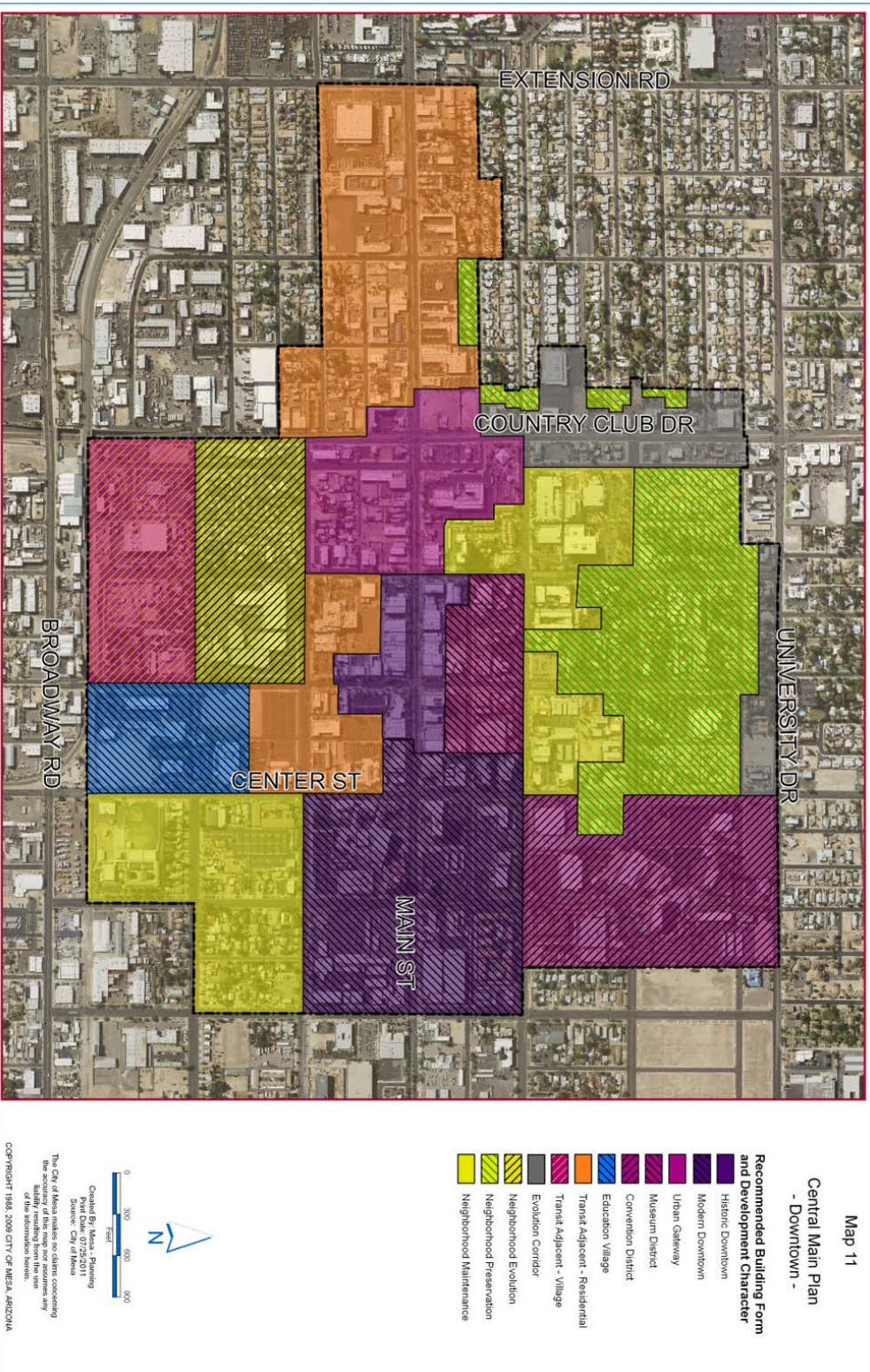
Created By: City of Mesa Planning GIS
 Created Date: 9/24/2015
 Source: City of Mesa

The City of Mesa makes no claim concerning the accuracy of the data provided here
 and any liability resulting from the use of the information herein.
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- City of Mesa:
55,936 sq. ft. (±1.3 acres)
- Redstone Investment, LLC:
47,618 sq. ft. (±1.1 acres)
- Randall Bailey:
6,933 sq. ft. (±0.16 acres)
- Total Area:
110,487 sq. ft. (±2.5 acres)

THE PLAN

Building Form and Development Character



Plan Designation

- Urban Gateway -

- Develop in a manner that announces entrance into Downtown.
- Creation of an active, urban environment with increased intensities.
- Primary focus on commercial/retail and residential development in both mixed-use buildings and stand-alone developments.

Zoning - T5 Main Street

- The intent of T5MS Transect is to integrate intensive, vertical mixed-use that can appropriately transition into the adjacent neighborhoods.
- Developments are permitted 100% lot coverage and are at least three stories with 85 foot height allowed by right.
- Developments include an active street front with ground floor retail, commercial, or entertainment uses.
- Upper floors can be commercial or residential.

DOWNTOWN VISION AD-HOC COMMITTEE

Key Priorities that Support Transit-Oriented Development on the NWC of Country Club Drive and Main Street

- Light Rail: Ensure light rail is a catalyst to create sustainable, transit-oriented development and economies.
- Partnerships: Keep stakeholders well involved, informed and partners in Downtown Mesa's future. Seek ways to work together and avoid duplication.
- Market-Rate Housing: Promote creative, unique, diverse housing products (large, medium & small scale) and opportunities in and around the Downtown core that attract residents regionally to consider Mesa as their resident city of choice.
- Public Infrastructure: Make strategic investments in public infrastructure in and around the downtown core to create a safe and aesthetically pleasing transit/pedestrian-oriented connections to and from surrounding neighborhoods, e.g. linear pedestrian paseos and parks and new/refreshed streetscaping and shade along Main Street, and creative use of alleys such as pedestrian thoroughfares, opening storefronts onto alleys, alley cafes, etc.
- Promote Downtown – Be proactive and intentional in promoting Downtown Mesa as the hot area for entrepreneurs, artists, students and businesses.

THE RESPONSE: CHICANOS POR LA CAUSA, INC

CHICANOS POR LA CAUSA, INC



Project Information:

Total Building Area: 218,030 sq. ft.

Residential: 201,475 sq. ft.

Commercial/Retail: 16,555 sq. ft.

Building Height: 5-story (60 feet)

Residential Units: 200 Market Rate

Studio: 39 units

1-bedroom: 92 units

2-bedroom: 62 units

3-bedroom: 4 units

Live/Work: 3 units

Parking: 201 spaces

Phase Development Plan:

Phase 1: 80 Units-12,550 sf retail/commercial

Phase 2: 120 Units-4,000 sf retail/commercial

CHICANOS POR LA CAUSA, INC



CHICANOS POR LA CAUSA, INC



RFP Review Criteria:

Consistency with adopted plans and policies

Return and benefit to the City

Construction tax: \$525,000 (est.)

Annual sales tax: \$112,000 (est.)

Rental tax: \$59,900 (est.)

Permanent jobs: 116

Construction jobs: 250

Qualifications and experience of team

Business plan/pro forma:

Land acquisition: \$2.5 million

Infrastructure: \$1 million

Hard costs: \$29 million

Soft costs: \$9.5 million

Total costs: \$42 million

Financial capacity:

3 financing letters of interest

COUNCIL DISCUSSION AND DIRECTION

COUNCIL DIRECTION REQUESTED
SELECTION OF PROPOSAL

NEXT STEPS
MEMORANDUM OF UNDERSTANDING
KEY NEGOTIATION POINTS

winslow + partners
ideas for a changing world

City of Mesa RFP

NWC country club and main

architecture planning interior design

urban planning experience

- 50 + years of architectural and planning practice, with both public and private clients.
- Elected to College of Fellows of the American Institute of Architects for urban and community planning (highest professional distinction).
- Lectured regularly at ASU Planning department on urban design and planning.
- Presented to city planning departments of Phoenix, Tempe, Prescott, etc., on urban planning.
- Urban planning projects and support for City of Goodyear, Surprise, Maricopa, Phoenix and others.
- Continuing education - *Harvard Graduate School of Design*, multiple executive courses, including: Hospitality Design, Urban Retail and Mixed Use.

winslow + partners

ideas for a changing world



paul winslow, faia

urban retail trends

- Internationally, changes in society and economies focus the majority of development in urban mixed use projects and urbanization.
- Social interaction as important as product.
- Intensity and density breed economic success.
- Mixed use, including residential critical for success.
- Public transportation a key element.



downtown Portland, Oregon

Site context

- Light Rail changes everything, providing other opportunities.
- Shops on Main Street
- Enhance Community
- Connectivity – Pedestrian and Public Transportation



building context

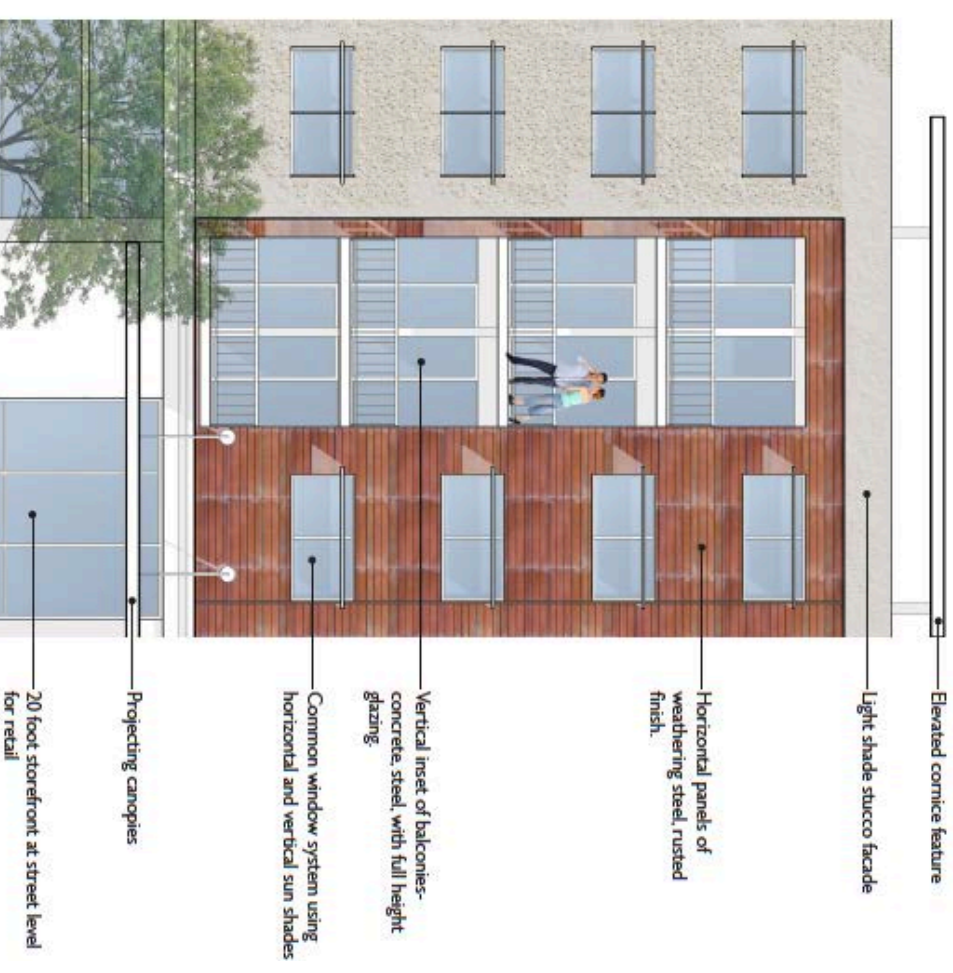
- Pedestrian Scale
- Continuity
- Downtown Gateway



plan designation

- Urban Gateway building form
- Brought to property line
- Minimum building height 3 stories
- Lot coverage 60-90%
- Active ground floor uses (retail, restaurant, entertainment, personal services) with residential allowed on upper floors.
- Shared, structured parking

winslow + partners
ideas for a changing world

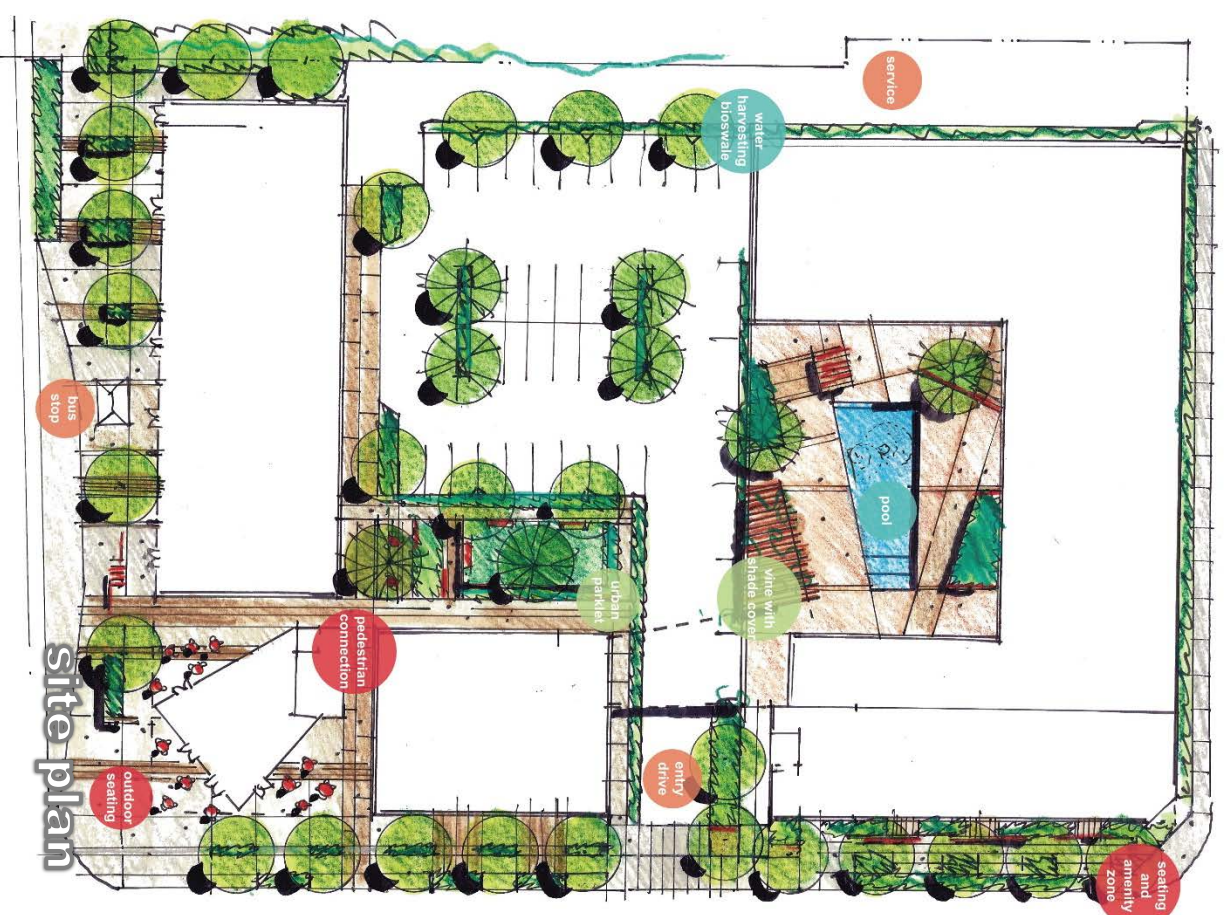


building character

Site goals - City of Mesa

- Urban transit oriented development
- Mixed-use
- High quality architectural design
- Enhanced street level amenities
- Consistent with the Central Main Plan and Form Based Code.

winslow + partners
ideas for a changing world





creating

community



Developer:



Our Mission

Chicanos Por La Causa, Inc. (CPLC) is a community development corporation, committed to building stronger, healthier communities as a lead advocate, coalition builder, and direct service provider.

Our Vision

CPLC is a progressive, community based organization recognized locally, nationally, and internationally as a model for responsive, integrated human and economic development. CPLC is a benchmark culturally proficient organization whose unifying voice and advocacy builds alliances, bridges borders, and empowers communities and the people we serve.

Development Team:

David Adame
 President & CEO
 Chicanos Por La Causa

German Reyes
 Executive VP
 Real Estate Operations

Nic Smith
 Director of
 Development and Design



Chicanos Por La Causa, Inc.
 A PROMISE OF OPPORTUNITY

Developer

Richard Pena
 President

Tony Rose
 Project Manager



Construction Manager

Henry Wade
 Director of Commercial
 Property Management



Property Manager

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 Ideas for a changing world

Architect

Paul Winslow, FAIA
 Partner
 Architect
 AZ Lic. # 6918
 50+ years experience



Landscape Architect

Roger Socha
 Landscape Architect
 18 years experience



M P E Engineers

Patrick Ramirez,
 President
 Civil Engineer



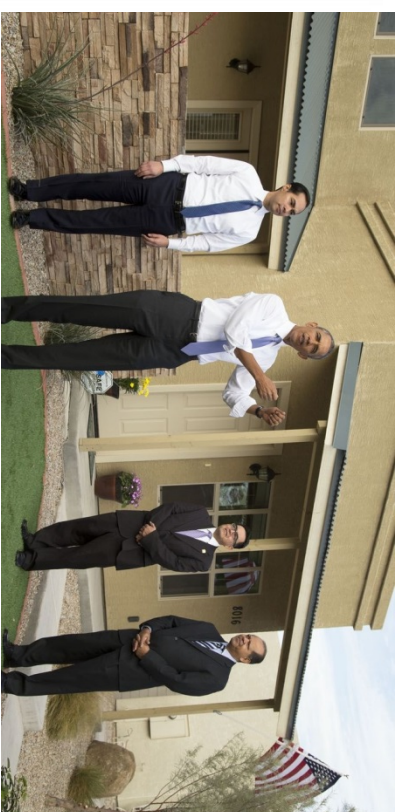
General Contractor

Hal White
 Project Manager

OUR AREAS OF FOCUS ARE ECONOMIC DEVELOPMENT, EDUCATION, INTEGRATED HEALTH & HUMAN SERVICES, AND HOUSING.

- **Economic Development:** The economic development division provides business lending, commercial development, neighborhood revitalization, and financial empowerment.
- **Education:** Our education priority focus encompasses programs such as Head Start, charter schools, prevention, leadership workshops and academic enrichment programs.
- **Social Services:** Our social service programs include behavioral health, domestic violence shelter and prevention, emergency assistance, elder services, legal immigration counseling, HIV, individual and family counseling, women's health, employment training and drug and alcohol rehabilitation and prevention.
- **Community Development (Housing):** The housing component encompasses all types of housing development, property management, client counseling, and other pertinent services.





Social Services

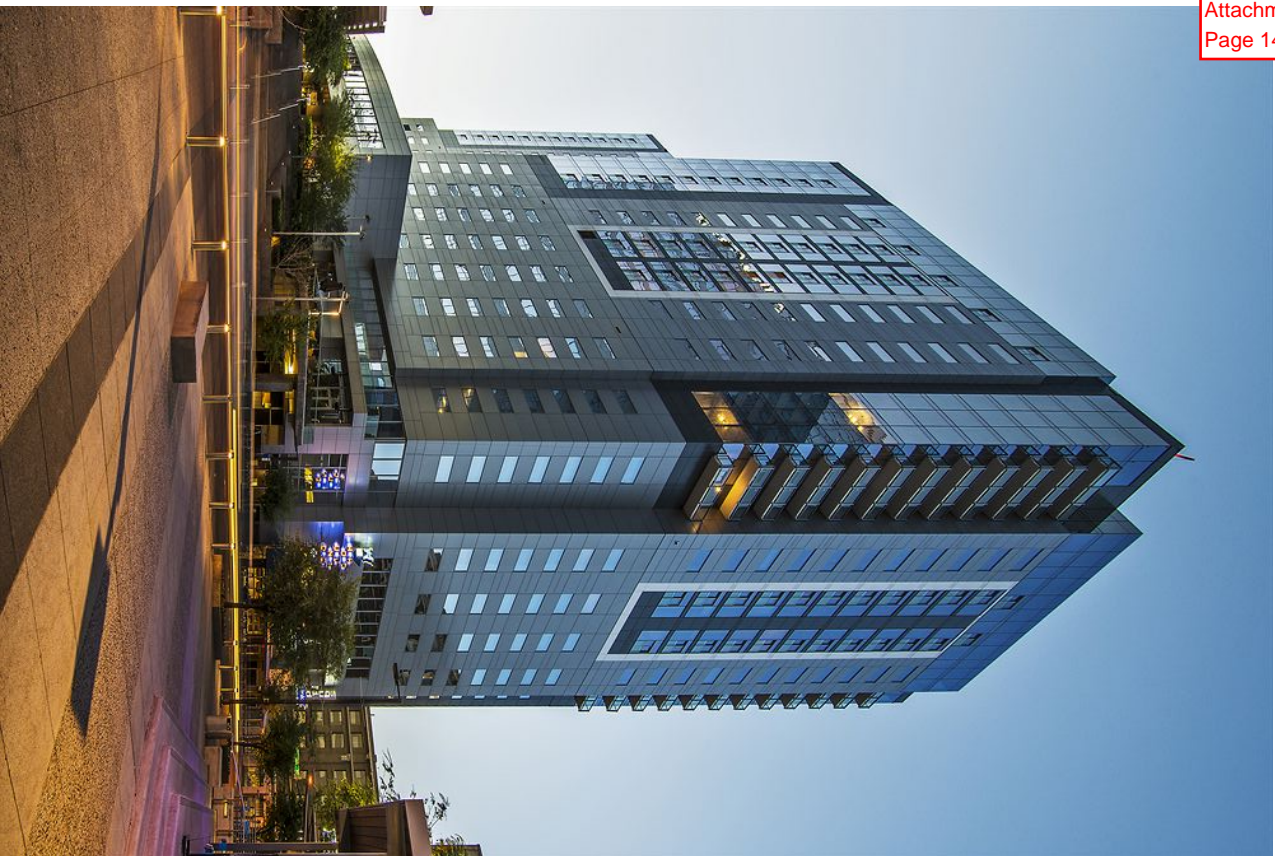
“Integrated health Care”

- 200 employees
- 20 are high level doctors and nurses

Services include:

- Psychiatric Evaluations
- Medication Management
- Counseling Services
- Marriage Counseling
- Family Counseling





Economic Development

- Creation and maintenance of retail and commercial properties aimed at creating jobs
- Eliminating blight
- Promoting small business development
- Increasing the community's tax base
- Improving the infrastructure of the south Phoenix central corridor





Assured Engineering Concepts, LLC

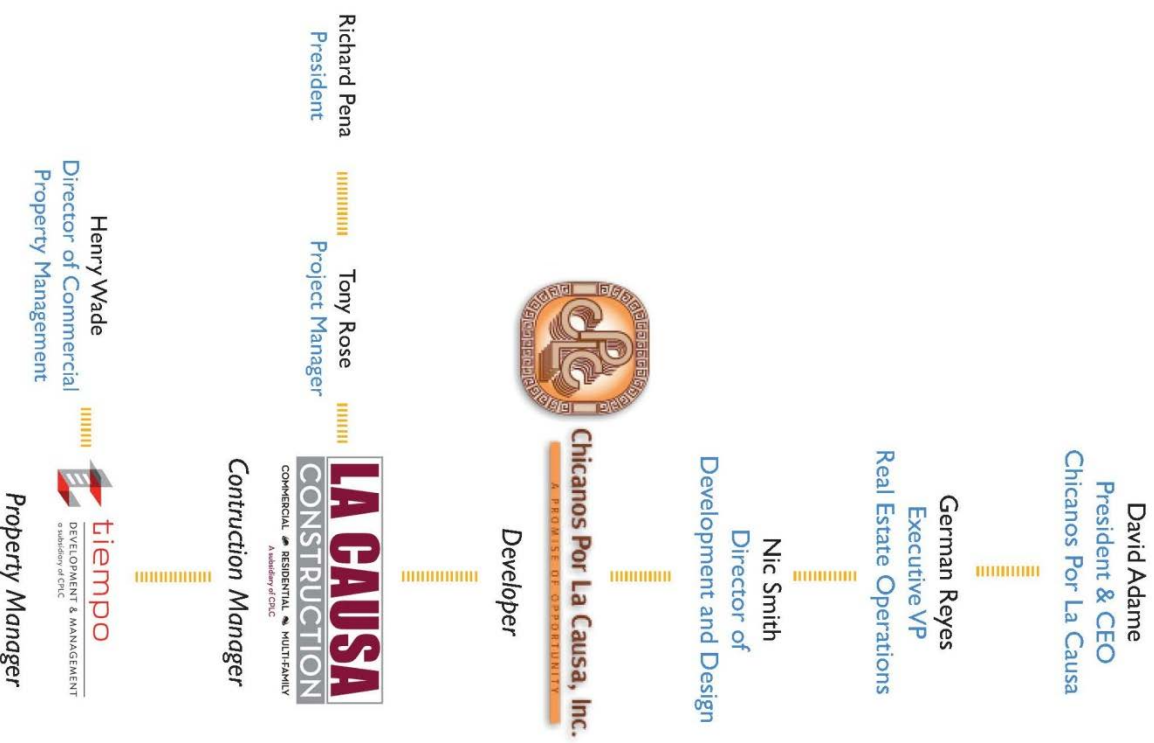
- Local veteran-owned business providing engineering, project management, and consultant services
- Provides opportunities for high school students pursuing careers in STEM curriculum
- 2 years old firm with 5 employees and plans to open a second office





- Education**
- Early childhood Development
 - CPLC Community Schools
 - Youth and Adult Education Services





Real Estate

“Continuum of Housing Choices”

- Senior Housing
- Multi-family Housing
- Single Family Rental and Ownership
- Commercial Real Estate

For Profit Subsidiaries:

- Tiempo, Inc.
- La Causa Development, LLC
- La Causa Construction, LLC
- La Causa Realty, LLC





- **Commercial Real Estate**
- Manage, Own, and Operate:
 - +/- .5M SF of Commercial Real Estate
 - Retail
 - Office
 - Medical
- All leased at "Market Rates"





Residential Real Estate

- Manage, Own, and Operate: nearly 5000 units of rental housing
- Developed 2000 units
- Approximately 1000 units (50%) are “Market Rate” units
- Employee nearly 100 individuals

NSP II Program:

- In 2013, the CPLC/NALCAB received a \$137 million NSP2 grant from the U.S. Department of HUD
- **1,500** housing units
- **183** properties secured for future development
- **2,300 jobs** created





Chicanos Por La Causa, Inc.
A PROJECT OF OPPORTUNITY

winslow + partners
architecture planning interior design

TRUEFORM
landscape architecture studio



Today

City of Mesa, RFP #2016084 NWC Country Club and Main

January 07, 2016



Tomorrow





Wesminster on the Draw

Location:
Salt Lake City, Utah

Size:
87,500 sf
100,954 sf 5-Level Parking

Cost:
\$16.8M

Team Members:
Big-D Construction

Reference:
Lynn Woodbury
VP Development Architecture
Woodbury Corporation
801.485.7770



Legacy Village of Sugarhouse

Location:
Salt Lake City, Utah

Size:
312,000 sf

Cost:
\$17M

Team Members:
Big-D Construction

Reference:
Lynn Woodbury
VP Development Architecture
Woodbury Corporation
801.485.7770



Brigham Young University Herigate Halls Phase I and Phase II

Location:
Provo, Utah

Size:
Phase I - 312,200 sf
Phase II - 171,992 sf

Cost:
Confidential

Team Members:
Big-D Construction

Completion:
Phase I - 2011
Phase II - 2013

Reference:
Lynn Shurpott
Owner's Representative
Brigham Young University
801.422.5559



Hal White
Project Manager

General Contractor