



## AD HOC REDEVELOPMENT ADVISORY COMMITTEE

May 18, 2004

The Ad Hoc Redevelopment Advisory Committee met in the Mesa City Plaza Building, 20 East Main Street, Suite 170, on May 18, 2004 at 5:30 p.m.

### COMMITTEE PRESENT

Rex Griswold, Chairman  
Steve Adams  
Alex Finter  
Alan Rash  
Dave Richins  
Chuck Riekema  
Joe Shipley

### COMMITTEE ABSENT

Bev Tittle-Baker  
Louise Daggs  
Art Jordan  
Jordan Rose

### STAFF PRESENT

Paul Wenbert  
Greg Marek  
Pat Granillo

### OTHERS PRESENT

Tom Verploegen

#### 1. Welcome.

Chairman Griswold welcomed everyone to the meeting.

#### 2. Approve minutes of May 4, 2004 meeting.

It was moved by Committeemember Shipley, seconded by Committeemember Adams, that the above-listed minutes be approved.

Chairman Griswold declared the motion carried unanimously by those present.

#### 3. Hear a presentation regarding Tempe's redevelopment program.

Dave Fackler, former City of Tempe Development Services Director, addressed the Committeemembers relative to this agenda item. He reported that Tempe's redevelopment program currently consists of six development areas, including the highly visible downtown area and various residential, historic preservation, commercial and mixed-use redevelopment areas.

Mr. Fackler provided a brief historical overview of the downtown redevelopment area and stated, among other things, that the area was established in 1973, three years after the City Hall was constructed in the downtown area; that one of Tempe's most important redevelopment decisions was to keep City Hall in the downtown area; that it was the intent of the Council to address many slum and blighted conditions on Mill Avenue that were prevalent at the time; that Arizona State University (ASU) comprised 95% of the total market in downtown Tempe; that it was the goal of the redevelopment program to not only attract a wider array of businesses to the downtown, but also to maintain a strong relationship with ASU; that in current surveys, 45% of the downtown market consists of ASU-related facilities and that other markets have been established and continue to grow; and that the community is actively pursuing high-density residential development in the area as well.

Mr. Fackler stated that a more recently approved redevelopment area is located at the convergence of the 101 and 202 freeways. He explained that The Marketplace is a 1.4 million square foot lifestyle center that will offer a wide range of restaurants, entertainment, and retail venues. Mr. Fackler commented that it is conceivable that this development will compete for customers with the existing downtown Tempe businesses.

Mr. Fackler spoke regarding Tempe's Victory Acres, a residential redevelopment area. He reported that a unique element of the project was the fact that the City elected not to implement the tool of eminent domain in the redevelopment area. Mr. Fackler explained that originally, the area was a low-income housing community composed of 95% Hispanics, and that through the use of City and Federal (Community Development Block Grant) monies, the individual homeowners were able to build new homes on the existing property and thereby improve their quality of life. He stated that the area is now less than 50% low-income housing, 50% minority residents and close to 100% standard housing. Mr. Fackler also provided a brief overview of the necessary criteria to qualify for the housing program, residency requirements, the manner in which CDBG funds are obtained/distributed, and financing mechanisms for the home loans.

Discussion ensued relative to the fact that Tempe was developed in three phases; that the area north of Broadway Road originated prior to World War II; that central Tempe (Broadway Road south to Baseline Road) was built between the 1960's and 1980's; that south Tempe (south of Baseline Road) was established since 1980; that Tempe's planning efforts for future reinvestment and redevelopment in the City are based on each individual area as a whole; and that although housing rehabilitation is being conducted City wide, the majority of funding for redevelopment projects is currently earmarked for the area north of Broadway Road.

Mr. Fackler briefly highlighted Tempe's remaining redevelopment areas including the University/Hayden Butte Redevelopment Area, two historic preservation areas (Maple/Ash Neighborhood and Sunset/Riverside Neighborhood), and the Apache Boulevard Redevelopment Area.

Further discussion ensued relative to Tempe's long-term master plan for the community, including, but not limited to, ASU providing more on-campus student housing, additional high-density residential development in the downtown area; the fact that the downtown redevelopment plan pairs historic buildings, which create a character for Mill Avenue, with new construction opportunities to serve as the economic engine to fund the rehabilitation of the old buildings; the property acquisition procedure undertaken by Tempe using the tool of eminent

domain; and various incentives successfully utilized in redevelopment areas including a Government Property Lease Excise Tax (GPLET), sales tax rebates for infrastructure development, and direct participation by the City in the development of infrastructure for a project.

Mr. Fackler commented that it is unfortunate that this Committee was not formed earlier and had the opportunity to offer Mesa residents redevelopment alternatives prior to the March 9, 2004 Primary Election wherein voters approved Proposition 105 (which resulted in the City Charter being amended to exceed existing State law requirements by prohibiting for ten years the dedication, sale, lease or transfer of real property acquired through eminent domain). He commented that in speaking with members of the development community, he has learned that they view Mesa as somewhat "schizophrenic" and they are unsure whether the City would remain a partner, for example, on multi-phase, long-term projects. Mr. Fackler urged the Committee to take his comments into consideration when it makes its recommendations to the City Council and added that in his opinion, the City of Mesa should maintain its redevelopment efforts to revitalize its central core and thereby create a unique identity that is sorely needed.

Chairman Griswold expressed appreciation to Mr. Fackler for his informative presentation.

4. Adjournment.

Without objection, the Ad Hoc Redevelopment Advisory Committee adjourned at 7:10 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Ad Hoc Redevelopment Advisory Committee meeting of the City of Mesa, Arizona, held on the 18<sup>th</sup> day of May 2004. I further certify that the meeting was duly called and held and that a quorum was present.

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BARBARA JONES, CITY CLERK