

GENERAL DEVELOPMENT COMMITTEE MINUTES

December 15, 2005

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 December 15, 2005 at 10:40 a.m.

COMMITTEE PRESENT

Rex Griswold, Chairman
Kyle Jones
Mike Whalen

COUNCIL PRESENT

None

STAFF PRESENT

Debra Dollar

(Items on the agenda were discussed out of order, but for purposes of clarity will remain as listed on the agenda.)

1. Discuss and consider a request from Mesa Community College to allow banners on streetlight poles.

Senior Planner Gordon Sheffield addressed the Committee and recounted a meeting he had with a representative of Mesa Community College (MCC) wherein he learned of the college's vision to publicize itself and its various campuses. He reported that MCC has requested that the City Council consider an amendment to the Sign Ordinance allowing banners to be placed on City-owned streetlight poles situated outside of the downtown area. (Southern and Dobson and Red Mountain campuses.)

Mr. Sheffield explained that Section 11-19-7(F)2 of Mesa's Sign Ordinance restricts the use of banners to only pre-approved locations in the downtown area. He advised that although staff has no recommendation to forward to the Committee regarding this item, there are a number of concerns that should be addressed prior to the implementation of any policy changes. Mr. Sheffield spoke regarding questions relative to the wear and effect of wind loads on streetlight poles, including the potential failure of the pole structure. He noted that the current engineering standard used for light poles outside of the downtown area does not include the placement of banners on the structures. He cited, by way of example, if a banner were placed on such a light pole and there was a 50 mile an hour wind, the banner would act as a sail and the pole could collapse or be substantially damaged.

Mr. Sheffield indicated that Transportation staff's analysis of the Southern and Dobson campus indicated that in order to replace the 37 older poles (Gray streetlight poles) immediately adjacent to the campus, it would cost the City approximately \$118,000. He said that such a replacement would include the installation of poles with brackets so that a banner could break away in the event of a high wind.

Discussion ensued relative to the fact that the “green” fluted poles installed in the downtown area have been pre-engineered to accommodate the additional wind load of a banner and are designed with special breakaway “arms” that “snap” at a pre-engineered point in order to reduce the wind load; that staff’s analysis of the replacement cost of the poles was limited to the Southern and Dobson campus; and that staff would conduct research as to whether the more recently installed poles at the Red Mountain campus could structurally accommodate the banners.

Committeemember Whalen stated that he would not support changes to the Sign Ordinance in order for MCC to display banners on City-owned light poles outside of the downtown area. He commented that he would, however, be willing for MCC to display their banners within the Town Center area on the “green” fluted poles. He added that in his opinion, if MCC installed new light poles in the Town Center area as part of the downtown campus, such poles would most likely be in compliance with the City’s current Sign Ordinance.

In response to Committeemember Whalen’s comments, Mr. Sheffield clarified that MCC is a political subdivision of the State of Arizona and said that if the college installed light poles at their downtown campus, the City would have no regulatory authority over the college in that regard. He reiterated that the purpose of this agenda item was to discuss the placement of banners on City-owned streetlight poles outside the downtown area.

Committeemember Whalen suggested that when the streets in the vicinity of Site 17 are redesigned (i.e., Pasadena and Hibbert), that staff incorporate the “green” fluted streetlight poles that have already been installed in the Town Center area.

Mr. Sheffield requested direction from the Committee regarding this matter.

Chairman Griswold concurred with Committeemember Whalen’s comments and invited representatives of MCC to meet with him or the Committee regarding this item. He also encouraged MCC to invest, as well as publicize the college, in the downtown area.

It was moved by Committeemember Whalen, seconded by Committeemember Jones, to recommend to the Council that they not support changes to the Sign Ordinance in order for Mesa Community College to display banners on City-owned light poles outside the downtown area.

Carried unanimously.

2. Discuss and consider proposed bidder preference for Mesa vendors.

Materials Management Director Ed Quedens reported that after reviewing the minutes from the Committee’s January 22, 2004 Committee meeting, he learned that a local bid preference was discussed and said that the matter was deferred so that staff could solicit input from the Mesa Chamber of Commerce and conduct outreach efforts with the local business community. He explained that the proposal brought forward at that time was to use a preference of 1.5% equal to the City’s portion of the sales tax rate.

Chairman Griswold commented that it was his remembrance of the January 22nd meeting that staff was directed to research the “Phoenix model.” He indicated that Phoenix was giving a

preference over Mesa bidders and said that he became aware of this issue when he was approached by Mesa-based bidders to discuss the possibility of allowing a preference equal to the City's sales tax rate for local firms who bid on City contracts. Chairman Griswold noted that he may have used the term "preference" instead of "Phoenix model," which could account for the fact the minutes did not reflect such terminology.

Mr. Quedens clarified that he was not employed by the City on January 22nd and noted that the minutes did not address the "Phoenix model." He explained that Phoenix does not consider their practice a preference, but rather a "pass through" cost. Mr. Quedens stated that his primary concern regarding this issue is the possibility of other cities enacting reciprocal preference laws if Mesa offered a local preference. (Note: if a bidder is from a municipality that uses a local preference, the amount of that preference is added to the bidder's price when evaluating the bid.)

Discussion ensued relative to the fact that of the 4,040 vendors who have registered to be included on Mesa's bid list, only 421 are local Mesa businesses; that such a number may demonstrate a lack of participation or interest on the part of Mesa businesses concerning City purchases or a mismatch of local businesses to the commodities purchased by the City; and that in the Purchasing Division's analysis of contracts awarded in 2005, the 1.5% local business preference (or pass through) would have affected only one group associated with one contract.

Mr. Quedens stated that it is the Purchasing Division's recommendation that staff continue to build their infrastructure so that they can more definitively measure their progress in acquiring greater local interest and bid participation. He highlighted staff's efforts to increase the efficiency of various databases (i.e., bid database, online registration database, and new purchasing system). Mr. Quedens also noted that it is essential that staff contact the local business community and register additional vendors including minorities, disadvantaged businesses, women-owned businesses, and small businesses. He added that staff intends to use events hosted by Valley Metro (for those businesses that would be displaced or inconvenienced by the light rail construction) to attract more businesses to Mesa's vendor pool.

Chairman Griswold commented that he is aware of Mesa businesses that have opened satellite offices in Phoenix in order to qualify as a Phoenix vendor and receive the equivalent of a 1.8% pass through (preference) for taxable purchases. He stated the opinion that the worst thing that could happen regarding this issue is that the vendors would pay a 1.5% pass through to Mesa or a 1.8% pass through to Phoenix. Chairman Griswold added that it is a matter of perception whether Mesa is pro-business, and because Phoenix has a pass through, they are perceived as being "business friendly." He added that he would like Mesa to have the same economic advantages as other cities that are of no cost to the City.

Further discussion ensued relative to potential administrative difficulties that Purchasing might encounter with regard to a preference/pass through bid.

It was moved by Committeemember Jones, seconded by Committeemember Whalen, that this agenda item be forwarded on to the Council in order for staff to make a presentation regarding the Phoenix model (pass through).

Carried unanimously.

3. Hear an update on the Escobedo Apartments.

Housing Services Director Ruth Anne Norris displayed a PowerPoint presentation in the Council Chambers and provided a brief update on the Escobedo Apartments. Her comments included, but were not limited to, the following: that the apartments were formerly the only public housing in Mesa and are now owned and operated by the City; that the 101 rental units are currently 100% occupied (consisting of 51 families and the remainder divided among the elderly and disabled families); that the apartments are operated as affordable housing, with the tenants paying rent and utilities; and that there are only three elderly residents who have resided at the apartments longer than 16 years.

Ms. Norris reported that staff finds itself at a crossroads with regard to the future of the Escobedo Apartments and indicated that there are a variety of challenges that must be addressed. She explained that in particular, there is no "set aside" funding for major repairs, and stated that in the 1980's when prior City Councils discontinued Federal subsidies for the project, a reserve fund for the purpose of renovations, major repairs and improvements was never established.

Ms. Norris further explained that there are immediate needs at the apartment complex such as re-roofing, painting, and upgrading the electrical and plumbing infrastructure. She commented that staff has not received long-term direction from the Council regarding the apartments and suggested that three options for Council consideration might include: 1.) Continue to handle repairs as they arise; 2.) Renovate the facility; or 3.) Rebuild the project with a goal of a mixed-income and mixed-use project.

Ms. Norris displayed photographs depicting major renovations of similar types of projects in Glendale, Arizona and Cucamonga, California.

Discussion ensued relative to the fact that prior to the implementation of any of the above-referenced options it would be necessary to conduct a Historical Significance Survey to determine whether the apartments, which were built in the 1940's, are of historical significance; that during the same process, a Building Conditions Assessment could be completed to assess whether the facility is worthy of being preserved; that the City should determine its level of involvement in the project and whether it would be appropriate to partner with a nonprofit agency or sell the property outright; and that if the City did sell the property, it would be responsible to provide the current tenants with relocation assistance, advisory services and moving/related expenses (at a cost of approximately \$100,000), as well as replace the 101 units that would be lost from Mesa's affordable housing inventory.

In response to a series of questions from Chairman Griswold, Ms. Norris clarified that it would be necessary for the City to conduct the Historical Significance Survey if it intended to invest any Federal or State funds into the site. She cited, as an example, if the Council directed staff to renovate the apartments, she would seek Federal resources, such as Community Development Block Grant (CDBG) funds, to accomplish such a task. Ms. Norris noted that if Mesa sold the property outright, such a survey would not need to be undertaken by the City. She added that Mesa is a Certified Local Government with regard to historic preservation and said that one of the steps in preserving Mesa's history is to go through a public process before it would demolish a potentially historic site. Ms. Norris said that if the property were sold to a

private developer, such an entity would still be required to conduct the Historical Significance Survey prior to the apartments being demolished.

Committeemember Jones noted that as a life-long resident of Mesa, he does not need anyone to conduct a survey on the Escobedo Apartments because he is already aware of their historical significance. He suggested that it might be appropriate for the City to designate one or two buildings as historic and proceed with some type of project at the site as soon as possible. Committeemember Jones added that he has met with developers who are interested in the site and awaiting Council action in this regard.

Further discussion ensued relative to the fact that an experienced consultant would be required to conduct the Historical Significance Survey; that staff is currently shorthanded and unable to undertake such a project; that the Historical Significance Survey would cost approximately \$15,000, but if the Building Conditions Assessment was completed at the same time, both studies would cost an estimated \$25,000; and that rebuilding the Escobedo Apartments could enhance the Town Center area.

Committeemember Jones said that before the Council proceeds with any of the above-referenced options, it is essential that the Historical Significance Survey be completed.

In response to a question from Committeemember Jones, Ms. Norris explained that the Building Conditions Assessment would only be required if the Council voted to approve the apartment's renovations.

It was moved by Committeemember Whalen that this item be forwarded to the full Council for further discussion and consideration.

Chairman Griswold concurred with Committeemember Whalen's comments. He suggested that staff provide the Council with similar scenarios discussed today such as if the property was sold outright; the requirements for the Building Conditions Assessment and the Historical Significance Survey; possible tenant relocation costs; and whether Mesa currently has a sufficient affordable housing inventory to replace the 101 units at the Escobedo Apartments, if necessary.

Ms. Norris explained that she encourages the Escobedo Apartments residents to apply for Section 8 housing when openings are available. She noted, however, that the Section 8 Housing Program is currently closed and added that there are over 900 families on the waiting list.

Chairman Griswold seconded the motion.

Carried unanimously.

4. Hear an update on the sign permit process.

Principal Planner Laura Hyneman displayed graphics in the Council Chambers and briefly highlighted the City's sign permit process. She reported that signs generally fall into five categories including banners, attached wall signs, detached freestanding monument signs, freeway landmark signs, and subdivision signs.

Ms. Hyneman explained that when an individual makes a sign request, staff first inquires whether it is a comprehensive sign request (for example, a shopping center which may include tenants set back away from the road), which provides a certain degree of flexibility with regard to how it applies to the code. She explained that in the case of a comprehensive sign request, the business owner would make a submittal to the Planning Department, which is then reviewed and approved by the Board of Adjustment. Ms. Hyneman stated that if the project were located within a project that has already received Design Review Board (DRB) approval, staff would research DRB's decision regarding the case. She stated that such signs are often included in the request that is presented to the Board, and said that once that approval is made, the business owner can proceed to the Building Safety Division for sign approval, which generally takes ten days. She added that if an individual requests to change out an existing sign, for example, the business owner would proceed directly to the sign permitting process, which also takes approximately ten working days to complete.

Discussion ensued relative to the fact that an individual can access online a checklist of all the documents that are needed in order to request a sign permit; that staff would generally "accept a sign request in for review" (with the exception of a banner sign) to determine whether a comprehensive sign plan has been approved on the site or if there was a previous approval; that such a procedure is implemented due to the fact there is limited staff time to complete the approval process at the counter; the mechanism by which the size of a sign is determined; staff's efforts to become more efficient regarding the issuance of sign permits, including the development of a website for property owners and developers; and the requirements for a local business owner to obtain a banner for a "Grand Opening" event.

Chairman Griswold cited the efforts of a Mesa business owner who spent over a year attempting to obtain a sign permit and who has yet to have the matter satisfactorily resolved.

Responding to Chairman Griswold's comments, Mr. Sheffield requested information regarding the particular case and said he would research the matter.

Chairman Griswold expressed appreciation to staff for the presentation.

5. Adjournment.

Without objection, the General Development Committee meeting adjourned at 11:55 a.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 15th day of December 2005. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK