CITY OF MESA
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OFFICE OF CITY CLERK

# GENERAL DEVELOPMENT COMMITTEE MINUTES

July 6, 2000

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 July 6, 2000 at 10:06 a.m.

COMMITTEE PRESENT

Claudia Walters, Chairman
Jim Davidson
Mike Whalen

OFFICERS PRESENT

Mike Hutchinson

COUNCIL PRESENT

Mayor Keno Hawker
Bill Jaffa

Chairman Walters welcomed everyone to the meeting and thanked each for their attendance.

1. Hear a report and discuss potential light rail alignment alternatives in downtown Mesa.

Transit Administrator Jim Wright introduced Marc Soronson, Environmental Planning Manager for S R Beard & Associates, which is the primary management consultant for the Valley Connections Project. Mr. Wright noted that the goal of the Valley Connections Project is to identify a viable design concept and scope for a light rail transit (LRT) system that would ultimately link central Phoenix with Tempe and Mesa.

Mr. Soronson referred to graphics displayed in the Council Chambers and provided a brief overview of this agenda item. Mr. Soronson stated that the time line for the circulation of the Draft Environmental Impact Statement is scheduled for the end of 2000, with the completion of a Final Environmental Impact Statement in 2001 and with a recorded decision from the Federal Transit Administration in the spring of 2001.

Discussion ensued relative to a proposed construction schedule commencing in 2003 and the completion in 2006; the fact the LRT would expand for 25 miles, with the final mile terminating at Mesa Drive in downtown Mesa; the fact a terminal station would be located at the East Valley Institute of Technology (EVIT).

Mr. Soronson highlighted the City of Mesa's Town Center six alignment options including: Option 1, Double-Track LRT on Main Street. Mr. Soronson expressed the opinion that although there are concerns relative to construction impacts, this option does bisect the heart of downtown Mesa, would provide a centralized station location and also would allow for easy extension to the east or southeast. Option 2, Double-Track Alignment on First Street. This option was rejected. Option 3, Double-Track LRT on First Avenue. This option was rejected. Option 4, Single-Track LRT Couplet on Main Street and First Street. Option 5, Single-Track LRT couplet on Main Street and First Avenue. Option 6, Single-Track LRT Couplet on First Street and First Avenue. (See Attachment)

Discussion ensued relative to the evaluation criteria for the proposed options including the access to North Town Center activity centers; the access to Main Street merchants; the access to South Town Center

redevelopment opportunities; community development benefit; construction impacts; cost factors; passenger convenience; and LRT extensions, and also LRT funding.

Committeemember Davidson expressed the opinion that from a financing and economic point of view, Option 1 would be the most viable LRT location. Mr. Soronson emphasized that the primary challenge during the construction phase would include maintaining access along Main Street.

Additional discussion ensued relative to the right-of-way requirements for double-track alignment; proposed station locations; train storage at the Mesa Drive and Main Street terminal.

Chairman Walters spoke in support of staff acquiring input from the merchants and business owners relative to the proposed Main Street LRT alignment route.

In response to a series of questions from Chairman Walters, Mr. Soronson clarified that commencement of construction which would ultimately impact Main Street would occur in 2007 or 2008; that the completion date of construction to EVIT would occur in 2006; and construction of the LRT would reach Mesa Drive by approximately 2010.

Chairman Walter expressed appreciation to Mr. Wright and Mr. Soronson for their presentation.

2. Hear a status report on the progress of the Site 21 (Bank One) and Site 24 (Country Club and Main) redevelopment agreements.

Redevelopment Manager Greg Marek introduced Redevelopment Planner Shelly Allen and Senior Redevelopment Specialist Patrick Murphy to the General Development Committee and provided a brief synopsis of the above-agenda items.

Mr. Murphy indicated that the City entered into a 120-day exclusive negotiation period with Malcom Ross, President of ILR, for the redevelopment of Site 21 (Bank One) and also noted that the it expires on August 1, 2000. Mr. Murphy added that staff is finalizing the Memorandum of Understanding (MOU) with Mr. Ross and the City Attorney's Office and also working on a cost benefit analysis with Finance Director Larry Woolf.

Mr. Murphy stated that the proposed schedule for consideration of the MOU includes the submittal to the Downtown Development Committee (DDC) on July 20, 2000; presentation to the General Development Committee (GDC) on July 25, 2000; review by the City Council Study Session on September 7, 2000; and consideration by the City Council on September 25, 2000. Mr. Murphy noted that is it staff's desire to submit the Redevelopment Agreement to the City Council within 60 days of approval of the MOU.

Discussion ensued relative to the fact that the applicant is currently pre-leasing the building; the fact that it is anticipated construction will commence in February of 2001; the fact that a parking garage is not included in the project; the fact that Interactive Leisure Resources (ILR) will be provided 250 parking spaces in the Pepper garage.

In response to a question from Committeemember Davidson with regard to potential tenants, Mr. Murphy remarked that the pre-leasing efforts have generated the interest of various restaurants, including a microbrewery, and also with regard to office space on the upper floors.

Committeemember Davidson spoke in support of the future project and expressed appreciation to staff for their efforts.

Ms. Allen stated that relative to Site 24 (Country Club and Main), staff has entered into a 120-day exclusive negotiation period with Lenhart's Ace Hardware and Palm Court Investments, LLC for the redevelopment of this site. Ms. Allen added that said negotiation period expires on August 1, 2000. Ms. Allen noted that the proposed schedule for consideration of the MOU includes the submission to the DDC on August 17, 2000; to the GDC on August 28, 2000; to the City Council Study Session on September 7, 2000; and approval by the City Council on September 25, 2000.

Ms. Allen commented that Ken Lenhart is currently in negotiations with Ace Hardware to increase merchandise stock in the new facility. Ms. Allen said that the Moses brothers are also endeavoring to enter into contracts with local residential contractors to design a showroom that will display various kitchen options and layouts offered to homeowners by specific residential contractors.

In response to concerns raised by Committeemember Davidson relative to the location of Lenhart's Ace Hardware at the entrance to the Mesa Town Center, Ms. Allen clarified that Lenhart's has been extremely receptive to the proposed design changes.

Chairman Walters expressed the opinion that the incorporation of the landscaping and the siting of the Lenhart's building are critical components with regard to compatible design elements in the downtown area. Chairman Walters also encouraged office and business developments to consider locating to the Town Center.

Chairman Walters spoke in appreciation of staff's input.

3. Discuss and consider proceeding with designing the Arts & Entertainment Center complex as a district cooling facility.

Committeemember Davidson stated that he had questioned whether or not he had a conflict of interest relative to this agenda item and came to the conclusion that he did not.

City Engineer Keith Nath provided the Committee with a brief overview of the above agenda item. Mr. Nath stated that in mid-January of this year, the City received an unsolicited proposal from Northwind Arizona for a district cooling system which would serve the Mesa Verde project and also additional City facilities in the downtown area. Mr. Nath added that in March, the General Development Committee directed staff to continue its analysis of this proposal and to evaluate other options.

Mr. Nath noted that as a result of a feasibility study, the determination was made that it would be advantageous and cost effective for the City to construct a district cooling facility in said location. Mr. Nath indicated that some of the advantages of a district cooling system include lower equipment cost; lower maintenance cost; redundancy and reliability; energy savings; less equipment space; less rooftop equipment; less noise control; less electrical distribution and a potential source of revenue.

Mr. Nath said that it is staff's recommendation that a central plant adjacent to the Arts & Entertainment Center be constructed, which would include three 600-ton chillers that would provide double the capacity of said facility, and would also serve the Aquatics facility and accommodate future growth whether it be City or private facilities. Mr. Nath commented that the initial cost to the City would be $2.8 million.

It was moved by Committeemember Davidson, seconded by Committeemember Whalen, that the General Development Committee recommend to the City Council that the design of the Arts & Entertainment Center complex as a district cooling system be approved.

In response to concerns expressed by Mayor Hawker relative to the Aquatics Center being constructed prior to the Arts & Entertainment Center, Mr. Nath clarified that the central plant would be built as a separate package and completed prior to construction of the Arts & Entertainment Center.

Discussion ensued relative to the fact that the proposed central plant will be located in a separate building from the Arts & Entertainment Center and should not be a source of noise during performances at the Center; the fact the placement of the chiller plant at the Arts & Entertainment Center is warranted as the Center requires the largest load demand and that it is beneficial to place said load in closer proximity to the source of chilled water; the fact that the chiller plant would be located close to other municipal structures and would allow the City the potential to tie them into the system in the future without running the piping for long distances.

Chairman Walters expressed the opinion she is in support of this proposal, but feels it is imperative that the noise factor at the Arts & Entertainment Center be thoroughly discussed with the various consultants.

In response to a question from Chairman Walters, Mr. Nath assured the Committee that it is more cost effective to provide cooling via one source to both the Arts & Entertainment Center and the Aquatics Center rather than to cool them separately and added that as the City's needs grow, the facility could also accommodate additional customers.

A tabulation of votes showed the motion carried unanimously.

4. Discuss and consider the proposed improvements to Mesa Drive and University Drive related to the Mesa Verde project.

City Manager Mike Hutchinson provided a brief synopsis of this agenda item and related that staff is seeking input from the General Development Committee relative to the proposed improvements at the intersection of University Drive and Mesa Drive.

Supervising Engineer Ross Renner referred to aerial photographs displayed in the Council Chambers. Mr. Renner indicated that staff has prepared a preferred alignment to widen the existing roadways which would provide six lanes with a painted median and also additional left turn and right-turn lanes are proposed at the major arterial intersection and at Mesa Verde's entrances. Mr. Renner added that the proposed project would also include curb and gutter, sidewalk, landscaping, streetlights, traffic signals and the relocation of electric lines owned and operated by the City.

Transportation Director Ron Krosting indicated that as a result of 20-year projections of traffic volume conducted by the Maricopa Association of Governments (MAG), that staff is proposing to accommodate the Mesa Verde project now and also the 2020 increase into the future.

Chairman Walters commented that intersection improvements are critical, but that she is not in support of widening University Drive to six lanes which would result in "an urban highway."

Committeemember Davidson expressed the opinion that staff is using the Mesa Verde project as the sole motivation to widen University Drive and that if Mesa Verde does not become a reality, the street improvements will have been for naught.

In response to concerns raised by Committeemember Davidson relative to the expansion and constriction of lanes in an effort to alleviate street congestion, Mr. Krosting noted that it is an efficient means of funneling motorists through the intersection.

Committeemember Davidson expressed concerns with regard to the current landscaping at Circle K and McDonald's and expressed the opinion that the efficiency of moving transportation brings about the demise of quality of life issues.

Chairman Walters concurred with the opinions of Committeemember Davidson and further commented that she would be in support of bus bay pullouts, improvements along the intersection, the addition of the right-turn lane, the widening of the intersection, but would be in favor of the elimination of any proposals which would decimate the existing landscaping. Chairman Walters recommended that staff provide the General Development Committee with alternative options relative to the proposed widening of the intersection and also with regard to landscaping.

Committeemember Whalen spoke in support of staff's recommendations and also the supplemental recommendations made by Chairman Walters.

Chairman Walters expressed appreciation to staff for their presentation.

5. Adjournment.

Without objection, the General Development Committee Meeting adjourned at 11:40 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 6th day of July, 2000. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____ 2000

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BARBARA JONES, CITY CLERK