

TRANSPORTATION COMMITTEE MINUTES

June 30, 2003

The Transportation Committee of the City of Mesa met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on June 30, 2003 at 2:00 p.m.

COMMITTEE PRESENT

Mike Whalen, Chairman
Rex Griswold
Janie Thom

COUNCIL PRESENT

Keno Hawker

OFFICERS PRESENT

Paul Wenbert

1. Discuss and consider payment in-lieu of construction policy for street improvements.

Deputy Building Safety Director Jeff Welker addressed the Committee relative to this agenda item. He reported that the purpose of this item is to discuss the City's current in-lieu payment program, a method of ensuring that required public improvements are constructed in conjunction with private development in Mesa.

Mr. Welker explained that the adoption of the Subdivision and Offsite Improvement Regulations in the 1970s outlined a developer's responsibility for required public improvements adjacent to the developing properties. He noted that the regulations also provided for the deferral of required improvements when deemed appropriate. Mr. Welker stated that in an effort to implement such regulations, guidelines were established and deferral documents were developed. He briefly highlighted the following development agreements: 1. "Temporary Offsite Improvement Deferral" agreements, which outline a property owner's obligation to an unspecified amount of money (at some point in the future) for the future installation of required improvements, and 2. "In-Lieu of Construction" agreements, which require the payment of the estimated construction cost prior to permit issuance. He added that the City utilized both agreements for a number of years.

Mr. Welker stated that with regard to the "Temporary Offsite Improvement Deferral" agreements, in March of 2000, the City Attorney's Office issued an opinion that in some instances, the agreements may be unenforceable and should no longer be executed. He added that the City Attorney's Office has more recently clarified that in-lieu payments should only be collected for anticipated future improvements and existing improvements for which a formal acknowledgement (development agreement) has been recorded against the property.

Discussion ensued relative to the fact that staff has collected approximately \$2.5 million from developers in the form of in-lieu payments on more than 80 projects; that of that amount, over \$350,000 has been drawn from those deposits and used to fund capital improvement projects

that subsequently constructed the required street improvements across those particular parcels; that the collection of in-lieu payments not only provides developers with a viable option to Mesa's standard improvement requirements, but also maintains a fair and level playing field for all City development; that staff has recently received comments from developers (particularly in extreme northeast or southeast Mesa) that object to the in-lieu payments and contend that there are no street improvements in the area and do not anticipate public streets being built in the future, and that it is the intention of City management that public streets will ultimately be built in all of Mesa's public rights-of-way.

Mr. Welker further commented that although it is the recommendation of staff to continue the collection of payments in-lieu of construction, they are faced with the dilemma that the "Temporary Offsite Improvement Deferral" agreement is still considered the preferred method. He requested input from the members of the Committee with regards to the best manner in which to proceed with this issue.

Further discussion ensued relative to the fact that under the current ordinance, the City cannot assess existing developed properties unless the residents agree to the formation of a Special Improvement District (approval by 50% plus one of the residents would be necessary for the formation of the district); that State law governs the percentage requirement for the formation of a Special Improvement District, and that historically, Mesa's Special Improvement Districts have been supported by a percentage greater than 50% plus one.

Mr. Welker suggested that it may be appropriate for the City Attorney's Office to reconsider their opinion regarding the "Temporary Offsite Improvement Deferral" agreement due to the fact that under certain circumstances, it would not only be in the developer's best interest, but also the City's to have certain public improvements constructed at a later date.

In response to a question from Chairman Whalen, Mr. Welker advised that he would like to meet with staff from the City Attorney's Office as well as the Engineering Division to consider the feasibility of establishing a "fair dollar value" upfront on the deferral agreements. He stated that with this additional information, the City Attorney's Office may deem such agreements a more enforceable contract for the City to enter into with the development community.

Chairman Whalen expressed concerns relative to the collection of payments in-lieu of construction. He stated that because of Mesa's current budget constraints, there may be areas of the City that will remain undeveloped for many years and the in-lieu payments would result in a developer's monies being tied up for an extended period of time. Chairman Whalen requested that staff consider a mechanism that would "run with the land" so that subsequent property owners would be apprised of the possibility of incurring costs for future City improvements. He also concurred with Mr. Welker's suggestion that this matter be referred back to the City Attorney's Office for further research.

Committeemember Thom commented that staff is faced with a difficult task of resolving this dilemma. She stressed, however, that whatever option is ultimately implemented, it must serve not only the needs of the City of Mesa, but the development community as well.

It was moved by Committeemember Griswold, seconded by Committeemember Thom, that the City Attorney's Office be directed to conduct further research relative to the issue of "Temporary Offsite Improvement Deferral" agreements.

Carried unanimously.

2. Discuss and provide funding recommendations for freeway enhancement program and interconnecting City streets.

Transportation Planning Administrator Kevin Wallace addressed the members of the Committee and reported that the purpose of this agenda item is to provide a brief overview of the cost information on upcoming freeway traffic interchange (TI) improvements and arterial street widening projects, as well as to request the authority to move forward with the specific improvements. He advised that the types of projects in question include dual left-turn lanes and the widening of arterial streets beyond the freeway interchange for generally a quarter of a mile in both directions.

Mr. Wallace stated the fact that historically, Mesa has funded freeway interchange improvements even when they were not warranted by the Arizona Department of Transportation's (ADOT) traffic studies; that the City determined that ADOT has underestimated the traffic volumes at the freeway openings and made such improvements; that the existing principal for transportation bond debt is approximately \$101 million and that the figure is expected to grow to \$172 million with the addition of projects identified in the 2003/2008 Capital Improvement Program (CIP); that \$71 million in CIP projects is earmarked for extra pavement width and streetlights, streetlight and traffic signal construction, landscape improvements and a limited number of street and intersection widening projects, and that the CIP does not include funding for the recommended interchange enhancements, but \$39.3 million in arterial street widening projects would be new projects not currently included in the CIP.

Mr. Wallace referred to a document entitled "Table 1, Status of Freeway Enhancements" and highlighted the proposed TI enhancements on the Red Mountain, Santan and Superstition Freeways, as well as the Adjacent Arterial Improvements. (See Attachment 1.)

Discussion ensued relative to the fact that ADOT has agreed to a 50/50 cost share with regard to the TI enhancements; that funding for general freeway enhancements has already been identified in the City's CIP, and that additional capacity at the freeway interchanges will provide greater improvement from a traffic management perspective.

Mr. Wallace commented that with regard to the arterial street improvements, it is the recommendation of staff to defer most of the associated arterial widening projects based on the following reasons: 1. Most of the arterial streets in question already have two travel lanes in each direction; 2. Traffic volumes in east Mesa are generally lower than in other parts of the City; 3. The only way to proceed with all of these projects would be to issue additional debt, and 4. Policy T-41d of the Mesa Transportation Plan (June 24, 2002) directs the City to "Establish the operations and maintenance of the existing transportation system as a priority for funding before investing in new infrastructure."

Mr. Wallace referred to a document entitled "Table 2 – Long Range Transportation Financial Scenario and briefly highlighted Mesa's future transportation funding levels. (See Attachment 2.)

Mr. Wallace reiterated his previous comments and stated that it is the recommendation of staff that the freeway enhancements proceed as identified in Table 1 and also that the remaining projects be deferred until a dedicated transportation-funding source is secured.

In response to a series of questions from Committeemember Thom, Mr. Wallace clarified that dual left and exclusive right turns under the Red Mountain Freeway cannot be funded with MAG Congestion Mitigation and Air Quality (CMAQ) monies. He explained that what can be funded with CMAQ funds would include the addition of left-turn lanes at existing facilities that have high congestion levels, but not for the construction of new facilities. Mr. Wallace also stated that the proposed TI enhancements at Stapley, Gilbert and Val Vista were proposed in conjunction with the freeway-widening program, but noted that Mesa was unsuccessful in coordinating with ADOT to complete the projects.

Committeemember Thom requested that staff provide the members of the Committee with a breakdown of the Quality of Life and general fund monies identified in the "Projected Revenue" category (Table 2) prior to this matter coming before the Council.

(Chairman Whalen and the Committeemembers reviewed each of staff's recommendations for Freeway Enhancements and Adjacent Arterial Improvements, as contained on Table 1, and a consensus was reached regarding all of the recommendations.)

It was moved by Committeemember Thom, seconded by Committeemember Griswold, to recommend to the Council that staff proceed with the freeway enhancements as identified in Table 1, and that the remaining projects be deferred until a dedicated transportation funding source is secured.

Carried unanimously.

Chairman Whalen thanked staff for the presentation.

3. Discuss and consider barrier wall construction policy for City arterial street projects.

City Engineer Keith Nath and Deputy City Engineer Jeff Kramer addressed the Committee relative to this agenda item.

Mr. Kramer reported that with the commencement of arterial street widening projects in the mid 1980s, the City realized it was necessary to replace some existing property fences and walls with new eight-foot high block barrier walls. He explained that this was due, in large part, to the need for enhanced security as roadways were brought closer to existing residential properties. Mr. Kramer advised that the primary criteria utilized by staff to determine if a new wall should be constructed is whether or not the arterial street is being moved closer to a residential property. He stated if that is the case, the property owner is given the option of replacing his/her existing fence or wall with a new wall offered by the City, or alternatively, constructing his or her own wall and the City will provide reimbursement for the actual cost up to a pre-set maximum per foot cost. He added that the average cost of a typical eight-foot block wall is approximately \$100 per lineal foot.

Mr. Kramer briefly outlined three alternatives with regards to this issue including: 1. Continue to replace existing fences and walls along the right-of-way with new barrier walls when the arterial street is physically moved closer to the residences; 2. Do not replace existing fences and walls along the right-of-way with new barrier walls unless it is physically necessary to do so as part of the project construction, and 3. Replace all existing fences and walls along the right-of-way line with new barrier walls regardless of the project's impact upon the properties.

Mr. Kramer displayed a series of photographs in the Council Chambers depicting examples not only of recently replaced barrier walls, but also instances where the replacement of a barrier wall was not warranted.

Mr. Kramer concluded his remarks by stating that it is the recommendation of staff to continue installing barrier walls along arterial street widening projects, as outlined in Alternative 1.

Discussion ensued relative to recent cases in which staff determined that the construction of barrier walls was unwarranted; that residents wishing to construct their own barrier walls must apply for a building permit, and that Engineering and Real Estate staff work with property owners once it is determined that a barrier wall is warranted.

Committeemember Griswold stated the opinion that it is important that City staff have a mechanism in place whereby residents can voice their concerns and/or appeal a decision relative to staff's determination whether the construction of a barrier wall is warranted.

In response to Committeemember Griswold's comments, Mr. Nath assured the Committee that any comments which staff receives from residents during the public hearing process are forwarded on to the Transportation Advisory Board (TAB) for their input and/or recommendations.

Chairman Whalen noted that several Mesa residents who have expressed concerns regarding specific ADOT/freeway issues are present in the audience. He stated that although the Committee is not addressing those matters today, he thanked everyone for their attendance and assured them that the City is continuing to work with ADOT to resolve those items.

Chairman Whalen concurred with Committeemember Griswold's comments and encouraged staff to incorporate an effective outreach program whereby residents are advised of the fact that the barrier wall construction is necessary to ensure adequate public safety measures for Mesa residents, and that the street widths are sufficient and the City will not be encroaching on a resident's property.

In response to Chairman Whalen's comments, Mr. Nath suggested that the TAB may be an appropriate forum in which to address any residential concerns subsequent to the completion of a project.

It was moved by Committeemember Griswold to recommend to the Council that Alternative 1 be approved, that staff continue to engage in a public outreach process prior to the installation of new barrier walls, and that the TAB be used as a forum whereby residents can address issues subsequent to the completion of a new barrier wall.

Further discussion ensued relative to the criteria for the construction of an eight-foot wall.

Committeemember Thom seconded the motion.

Carried unanimously.

Chairman Whalen thanked staff for the presentation.

4. Discuss and consider adopting a resolution approving recommendations in the Southeast Maricopa/Northern Pinal County Area Transportation Study.

Transportation Planning Administrator Kevin Wallace and Roger Herzog, Project Manager of the Maricopa Association of Governments' (MAG) Southeast Maricopa/Northern Pinal County Area Transportation Study, addressed the Committee relative to this agenda item.

Mr. Wallace reported that as part of the regional transportation process, MAG has undertaken various transportation studies to examine the growing needs throughout the Valley. He explained that MAG, the Central Arizona Association of Governments (CAAG) and the Arizona Department of Transportation (ADOT) jointly initiated a study to assess transportation needs in the Southeast Maricopa and Northern Pinal County areas. Mr. Wallace noted that the purpose of the study was to identify future transportation needs and to develop a prioritized list of transportation projects to assist in meeting those needs.

Mr. Wallace stated that when the Mesa Transportation Plan was developed in June 2002, little was known about the magnitude of population growth in Pinal County. He commented that the joint study has offered a more precise understanding of the future growth in Pinal County, as well as its impact on Mesa's transportation system. Mr. Wallace added that the study is significant in that it is the first formal attempt to evaluate the need for future transportation linkages between Maricopa and Pinal Counties.

Mr. Wallace referred to the Draft Summary Report of the Transportation Study and highlighted statistical data relative to population and employment forecasts. (A copy of the report is available in the City Clerk's Office for review.) He explained that based on MAG's most recent socioeconomic projections for 2025, traffic levels throughout the Phoenix metro area, and in southeast Mesa in particular, will be much higher than previously anticipated. Mr. Wallace also stated that the Draft Summary Report identifies arterial and freeway improvements, new highway corridors, other State highway improvements, transit improvements and non-motorized improvement needs. He added that several of the arterial street and freeway improvement projects identified in the study are currently being considered for funding as part of the proposed regional half-cent sales tax extension.

Mr. Wallace further commented that the Draft Summary Report identifies two major corridors of significance to the City of Mesa, including the construction of the Williams Gateway Freeway, which is estimated to cost \$750 million. He explained that this corridor will serve Williams Gateway Airport, the General Motors site and future development on State land in Pinal County. Mr. Wallace also stated that the study identified a future Apache Junction/Coolidge Corridor, a \$1.64 billion construction project, that would be phased in over a number of years. He added that it is the recommendation of staff that ADOT initiate a corridor alignment and phasing study for both of these projects and also that Council adopt a resolution in recognition of the Transportation Study and its findings.

Discussion ensued relative to Pinal County's funding mechanism for roadway construction; the extension of the half-cent sales tax, and the fact that \$500,000 has been earmarked for the Williams Gateway Freeway corridor study.

It was moved by Committeemember Griswold, seconded by Committeemember Thom, to recommend to Council that a resolution in support of the Transportation Study be adopted, and

that ADOT initiate corridor studies for the Williams Gateway Freeway and the Apache Junction/Coolidge Corridor.

Carried unanimously.

5. Adjournment.

Without objection, the Transportation Committee Meeting adjourned at 3:40 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Transportation Committee meeting of the City of Mesa, Arizona, held on the 30th day of June 2003. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

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Attachments