

**Office of Economic Development**  
Economic Development Advisory Board  
MEETING MINUTES

Date: February 5, 2008: 7:31 A.M.

MEMBERS PRESENT

Brian Campbell, Chair  
Jim LeCheminant, Vice Chair  
Christian Alder  
Theresa Carmichael  
Steve Parker  
Steve Shope  
Steven Wood

EX-OFFICIO

Mayor Keno Hawker (excused)  
Chris Brady (excused)  
Jack Sellers  
Charlie Deaton

STAFF PRESENT

Betsy Adams  
Shelly Allen  
Sue Cason  
William Jabjiniak  
Cathy Ji  
Shea Joachim  
Amy Morales  
Patrick Murphy  
Mike Paredes  
Scot Rigby  
Katrina Rogers  
Gordon Sheffield

MEMBERS ABSENT

Dale Easter (excused)  
Steve Shope (excused)  
Ted Wendel (unexcused)

GUESTS

Lois Yates

**1. Chair's Call To Order**

Chair Brian Campbell called the February 5, 2008 meeting of the Economic Development Advisory Board to order at 7:31 A.M. at the City of Mesa Council Chambers, Lower Level, 57 E. 1st Street, Mesa, Arizona 85201.

**2. New Board Member**

Chair Campbell welcomed new board member Mr. Steve Parker. Mr. Parker is from LarsonAllen, LLP and comes to the board with financial expertise.

Mr. Parker expressed his enthusiasm to be a Board member.

**3. Approval of Minutes from December 4, 2007 board meeting.**

Chair Campbell called for a motion to approve the minutes from the meeting held on December 4, 2007.

**MOTION:** Jim LeCheminant moved that the minutes from December 4, 2007 be approved as written.

**SECOND:** Theresa Carmichael

**DECISION:** Passed unanimously

**4. Hear a brief presentation on the Zoning Ordinance Update**

Mr. Gordon Sheffield, Zoning Administrator, stated that the proposed update to the Zoning Ordinance is important to many people. It effects how property owners build on or use their land as well as the look of the City. The code was last updated in 1988. The San Francisco firm of Dyett and Bhatia, serves as the consultant for the land use module update.

Mr. Sheffield asked the Economic Development Advisory Board (EDAB) to read the report, and either call or e-mail him with any concerns or comments they might have. He stated that he was very open to discussion, comments and suggestions. This presentation is to report the progress of the project to date, and summarize some of the recommended additions and changes.

Mr. Sheffield stated that the project to update the code began in September 2006. Since that time there have been interviews with stakeholders, and a community workshop, which was well attended. In May 2007 the consultant presented an Issues and Options Working Paper. This Paper is a quick summary of what they believed the City needed to work through in order to develop an updated zoning ordinance. The issues and Options Paper was presented at that time to five (5) other City Boards and the City Council for comments.

The presentation today is concerning Module 1, which is the first of four parts that eventually will be organized together to form the draft update to the zoning ordinance. The format for the new code will be in a table format instead of a listing of various zoning districts, with cross-references of land uses. There will be a classification method of organizing land uses, instead of land uses listed under each zoning district. The land use classifications are associated with a review requirement. The current code has three (3) review processes that will continue, and a fourth process called limited uses will be proposed as a way to address some of the administration issues identified during the initial research.

Mr. Sheffield further explained the changes proposed for the zoning ordinance update as follows:

#### Table Organization

- Allows side-by-side comparison of different zoning districts
- Formatted for quick access and comprehension, with cross-references to additional regulations
- Notes to show specific limitations without the need to turn to other pages

#### Use Classifications

- Categories include:
  - Residential
  - Public and Semi-Public
  - Commercial
  - Employment
  - Transportation, Communication, and Utilities
  - Accessory Uses and Facilities
    - Each category contains use classifications and sub-classifications

- Flexibility to accommodate new types of businesses

#### Types of Use Regulations

- P: *Permitted*. Allowed without discretionary review.
- SUP: *Special Use Permit*. Requires discretionary authorization by the Zoning Administrator or Board of Adjustment.
- CUP: *Council Use Permit*. Requires discretionary authorization by the City Council.
- *Limited Uses*: Marked in the table with footnotes in parentheses. These uses are permitted, provided they comply with the limitations established in the footnotes. Otherwise, a higher level of review may be required.

#### Additional Regulations

- The last column in the use tables refers to additional regulations that appear in Chapter 11-20, Standards for Specific Uses (included in this module).
- These standards are use-specific and typically do not address general, citywide regulations such as landscaping and parking standards.
- Infill development standards and incentives will be separate from use regulations.

Mr. Jabjiniak inquired if density was being considered in the employment areas and if more than a 3 story high building would be addressed.

Mr. Sheffield replied that those issues would be addressed in Module II.

Mr. Jack Sellers suggested that the problems be identified before going to the City Council. He also commented that Mesa is not competitive in the Valley and East Valley.

Mr. Steve Wood was concerned that Light Rail and Rapid Transit zoning stay the same.

Mr. Jabjiniak commented that the consolidation of zoning codes be a correct fir, with more done administratively and less politically.

Chair Campbell suggested that a more business friendly approach is needed and more ease in getting through the process. He asked what the time line was for completion of the revision.

Mr. Sheffield replied that the 4 module parts would be organized together to form the draft update to the zoning ordinance. An early summer target date is anticipated. It would then be presented to the Boards/ Committees and City Council for approval.

Chair Campbell suggested the Board review the material in the packets along with the handouts and continue the discussion at the March 4, EDAB meeting.

## **5. Directors Report**

Mr. Jabjiniak reported an application is in the process for establishment of Community Development Block Grant (CBDG) loan funds of \$200,000.00. The funds are designated to help kick start the Town Center Development area. The loan would help leverage funding and also assist with job creation. It would be used in partnership with the Neighborhood Economic Development Corporation (NEDCO). The goal is to have the funds available and encourage low interest rate loans.

Mr. Jabjiniak explained that the Section 108 Program is the loan guarantee provision of the CBDG. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. It is one of the most potent and important public investment tools that HUD offers to local governments.

A public entity may apply for up to 5 times its latest approved CDBG entitlement amount, minus any outstanding Section 108 commitments and/or principal balances of Section 108 loans. For Mesa it has the potential of up to a \$ 17.5 million line of credit.

The principal security for the loan guarantee is a pledge by the applicant public entity of its current and future CBDG funds. Maximum repayment period is 20 years and obligations are financed through underwritten public offerings with a low interest rate.

To date, there has been no default under Section 108 resulting in a repayment by HUD.

Chair Campbell commented that this is an on going process and suggested establishing a policy. He encouraged the staff to carry through with securing the line of credit.

Mr. Jabjiniak commented that a Section 108 Loan Guarantee Program booklet would be given to all Board members to review and encouraged comments/suggestions be directed to him.

## **6. Other Business**

Chair Campbell asked for suggestions of items to be placed on the agenda. He also encouraged the Board members to let staff know if they had a scheduling conflict for any of the meetings.

## **7. Items from Citizens Present**

Ms. Lois Yates inquired if the Section 108 Loan Program had income requirements or a limit to the area that it can be used?

Mr. Jabjiniak responded that if Section 108 is being used for housing then it is offered/targeted for low to moderate-income people. When it is not being used for housing then there is no income requirement except that 51% of all jobs created must be offered to low to moderate-income individuals or created in a low to moderate area of the City. Mr. Jabjiniak further stated that the proposed program could be used citywide.

**8. Adjournment**

Chair Campbell adjourned the meeting at 8:34 a.m.

Submitted By:

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William J. Jabjiniak  
Economic Development Department Director  
(Prepared by Betsy Adams)