

City Council Report

Date: January 21, 2010
To: City Council
From: Karolyn Kent, Deputy City Manager and Natalie Lewis, Assistant to the City Manager/Special Projects
Subject: Reuse of the Former Federal Building
26 N. MacDonald Street
Council District 4

Strategic Initiatives



Purpose

The purpose of this report is to seek direction from the City Council to pursue an updated conceptual use plan and cost estimate for the former Federal Building at 26 N. MacDonald Street.

Background

In 2002 and at no cost to the City, Mesa acquired the former Federal Building at 26 N. MacDonald Street through the "Federal Lands to Park Program." This is a Department of Interior program administered through the National Parks Service that enables excess federal property to be transferred to local jurisdictions, provided that the buildings or properties are used for public recreation or related purposes.

As part of this property transfer, the City was required to submit a detailed application to demonstrate development plans and uses of this building, as well as commit to meeting federal laws related to ADA and historic properties. This building is eligible for the National Register of Historic Places; therefore, if the City pursues future structural renovations to the building, those plans require approval through the Arizona State Historic Preservation Office.

The federal government accepted the City's 2002 application, which stated that the City would use the building for certain purposes in the short-term, converting the building to other uses in the long-term, as follows:

Short-term uses: The City would use the building to provide a secure home to the growing number of historical and archeological exhibits and materials from the Arizona Museum of Natural History (AzMNH), Mesa Library, and Mesa Historical Society (MHS). At the time, the City was storing existing materials at six, off-site storage units spending about \$20,000 annually.

Long-term uses: Working with the entities mentioned, remodel the building (while protecting remaining historic features) to retain some storage uses while also providing public uses, such as space for exhibitions, classrooms, meetings, resource libraries.

In April 2005, the City retained an outside consultant to conduct a preliminary analysis of the federal building's conditions and to propose modifications related to these short- and long-term goals. Generally, the report indicated:

- The building is in good condition and is structurally sound.
- The northern portion of the building was constructed in 1936, the southern portion in 1960 and the accessibility ramp likely constructed in 1975.
- The site is .68 acres with 37 parking spaces and building is estimated to include 12,100 sq. ft. of storage and/or programmable space.
- Asbestos was identified in several areas. Note: In June 2009, the City abated most of the building's asbestos. There is minor (less than \$5k) abatement needed for window sealants and the roof. In the interim, staff chose not to disturb windows (to avoid boarding them) and the roof (to minimize water damage).
- Other recommended repairs (such as HVAC maintenance, first floor restroom upgrades and addressing specific code issues) totaling approximately \$325,000 in 2005 were postponed until the long-term use of the building was confirmed.
- In addition to the costs for these recommended repairs, more extensive renovations also would be required if public uses are pursued (e.g. HVAC improvements; basement mold removal; new plumbing; electrical, fire and data systems; and ADA-related upgrades) totaling approximately \$930,000 in 2005.

The AzMNH is currently using portions of the building for storage and some archaeological and exhibit preparation work. As mentioned earlier, City museum staff envisions this building being utilized for education and public uses such as classrooms and auditoriums, exhibitions, collections storage, laboratory use, and materials storage.

The MHS partnered with the City to relocate its *Play Ball* exhibition from the Mesa Historical Museum in Lehi to temporarily share space with the Arizona Museum for Youth in downtown Mesa and as part of this growing downtown cultural district. In addition, the City and the MHS are working together to display some of their historical collections within other public spaces, e.g. Wallace and Ladmo exhibits at City libraries. The MHS also has expressed interest in finding a more permanent location in downtown, close to the other museums to share their heritage resources.

Based on: a) the original long-term approach identified as part of the federal property transfer; b) the AzMNH and MHS's long-term vision and goals; as well as c) Council's Quality of Life Strategic Initiative suggestion to find ways to strengthen Mesa's historical museum through local partnerships and to pursue a reuse of the federal building, staff has brought this item to Council for additional direction prior to investing in further studies and stakeholder participation.

Next Steps/Direction

If Council provides direction to staff to explore new uses of the federal building, staff would immediately initiate facilitated work session(s) in early 2010 with interested stakeholders to draft an updated "proposed concept" for how to balance existing storage use needs while also recommending ways to further activate some of the space for public benefit and access. Staff will also pursue a professional services contract to update the 2005 building analysis, which will include updated estimates of the associated capital costs. This information would be needed for Council to consider possible revenue strategies in the future, such as bond funding.

Alternatives

1. Council may direct staff to move forward to conduct facilitated work sessions with interested stakeholders as well as an update to the 2005 building analysis and associated cost estimates.
2. Council may direct staff to continue seeking other long-term partnership opportunities between the City and the MHS, however, to postpone further analysis related to a modified re-use of the federal building.

Fiscal Impact

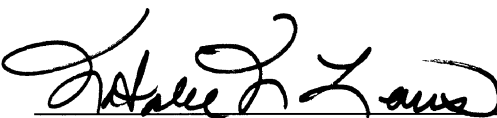
Cost to conduct the updated building feasibility study is expected to be approximately \$25,000, which would be funded through available Cultural Impact Fees.

Coordinated With

This report was completed in coordination with the City's Engineering Department, Real Estate Office and Arts & Culture Department.



Karolyn Kent, Deputy City Manager



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