

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

Date: May 5, 2009: **Time:** 7:30 A.M.

MEMBERS PRESENT

Christian Alder
Terry Benelli
Theresa Carmichael
Jim LeCheminant
Steve Parker
Jo Wilson
Steve Wood

EX-OFFICIO

Mayor Scott Smith (excused)
Chris Brady (excused)
Brian Campbell
Jeff Crockett
Charlie Deaton (excused)
Steve Shope

STAFF PRESENT

Betsy Adams
William Jabjiniak
Gordon Sheffield

MEMBERS ABSENT

Rich Adams (excused)
Jared Langkilde (unexcused)

GUESTS

Roc Arnett
Lynn Kusy

1. Chair's Call To Order

Chair Jim LeCheminant called the May 5, 2009 meeting of the Economic Development Advisory Board to order at 7:32 A.M. at the City of Mesa Council Chambers, Lower Level, 57 E. 1st Street, Mesa, Arizona 85201.

2. Introduction of New Board Member

Chair LeCheminant introduced and welcomed Terry Benelli, Executive Director of Neighborhood Economic Development Corporation (NEDCO) as a new member of the Board.

3. Items from Citizens Present

There were no items from citizens present.

4. Approval of Minutes from April 7, 2009 board meeting.

Chair LeCheminant called for a motion to approve the minutes from the meeting held on April 7, 2009.

MOTION: Steve Wood moved that the minutes from April 7, 2009 be approved as written.

SECOND: Christian Alder

DECISION: Passed unanimously

5. Hear and discuss a presentation regarding progress of the Zoning Ordinance Update Project Modules 2 & 3

Mr. Gordon Sheffield, Zoning Administrator, explained the project goals of the proposed Zoning Ordinance Update, which are:

- Implement Mesa 2025 General Plan
- Increase Ease of Use
- Simplify
- Update Zoning Land Use Classifications
- Update Design and Development Standards
- Reflect Maturing Nature of the City
- Recognize Diverse Neighborhoods
- Encourage Reinvestment in Existing Neighborhoods
- Increase Development Options
- Recognize Diversity of Development Interests
- Encourage Development of Business and Industry
- Increase Predictability of Zoning Requirements
- Modernize Administration and Processing

Mr. Sheffield explained that Module 2 includes revisions to the initial draft language as recommended by a Technical Review Committee (TRC) and incorporates comments and suggestions proposed by boards, committees and the public.

The revisions to Module 2 are in the areas of the following: AG District (Agricultural), RS Districts (Signal Residence), RSL Districts (Single Residence-Small Lot), RM Districts (Multiple Residence), Commercial & Office Districts, Manufacturing & Industrial Districts, Town Center Districts, and Mixed Use & Transit-Mixed Use Districts.

He then explained that Module 3 deals with overlay districts. The proposed changes to the various Overlay Districts are as follows:

AF - Airfield District: The AF District has been completely rewritten, focusing on notification, mandatory postings and is more in line with the Strategic Plan. The requirements include notification to owners and renters that they are close to an airport.

AS – Age Specific District: The AS will allow a surviving spouse or relatives that are less than 55 years old to apply for an Administrative Use Permit to remain on the site.

BIZ and PAD – Bonus Intensity Zone and Planned Area Development: This will modify base districts. BIZ will be used for building mixed-use, and small to midsize projects. BIZ will give bonuses for high quality designs, infill and voluntary inclusionary housing, construction on difficult building sites, and voluntary green building construction. PAD will be used for multiple use projects with several buildings.

DMP – Development Master Plan: The DMP overlay is focused on large scale, multiple land use projects with attention to the creation or retention of significant amounts of recreation and open space.

HP - HL – Historic Preservation and Historic Landmark: These districts have been updated to reflect terms and language to be more in line and match the national norms for historic preservation activities.

IN – Infill: The IN is a new district and allows Council to establish in-fill districts that will allow areas or sites to vary from Code without having to get variances for everything. It will allow more density for sites and give the Zoning Administrator authority to approve limited reductions to zoning related development standards without a public hearing.

Module 3 also addresses the landscape and parking requirements. There are few changes to the landscaping requirements. One change will be to allow a reduction in the number of trees along a street in trade for more shrubs to increase visibility of businesses.

Parking standards will also change. More flexibility allowances such as allowing the same spaces to be shared by more than one user if they can show they will be used at different times, for instance, office and apartment users. The proposed update also adds optional motorcycle and bike/scooter parking and more flexibility for compact spaces.

The revised Zoning Code will allow the Zoning Administrator more flexibility to allow varied types of parking (transit, valet parking, off-site, locations, special needs and on-street parking in urbanized areas) and reductions in the number of spaces.

Chair LeCheminant recognized Lynn Kusy, Executive Director of Phoenix-Mesa Gateway Airport and asked him to comment on the Airport Overlay changes.

Mr. Kusy commended and expressed his thanks to Mr. Sheffield and staff members. He commented that they have worked with them extensively on the overlay district. Extensive comments were submitted, all of which have been incorporated into the ordinance draft. Other comments were just submitted within the last few days and will be taken into account for the draft.

Mr. Roc Arnett questioned if “green”, desert or environmentally friendly landscaping had been taken into account when writing the code.

Mr. Sheffield replied that it is difficult to write a code and not end up with a “one size fits all” circumstance. Because Mesa is such a large community and has so many different characters to it, the people who live in Las Sendas have a different expectation of landscaping than those in Dobson Ranch or residents on the westside of town where there is flood irrigation. Landscaping for flood irrigation will be entirely different than landscaping for Las Sendas. They are trying to have more policies than ordinances for areas.

Boardmember Alder asked for a time frame of when the Module updates would be approved and implemented.

Mr. Sheffield replied that he is trying to expedite it as quickly as possible, but it looks like the updates will not be completed until spring or summer of 2010.

Boardmember Campbell commended efforts, but encouraged zoning in the BIZ, PAD and Infill Overlay to expand their applicability and any benefits that can voluntarily be given. He suggested sensitivity regarding the phasing of shared parking.

Boardmember Shope asked if consideration had been given on zoning strictly for research parks. The codes would serve a purpose in keeping the character of the parks for research and high technology. It would restrict them from being turned into regular business parks. He stated that in the future there may be incentives to locate in a research park. He asked if there were other cities that have zoning codes for research parks.

Mr. Sheffield responded that the closest Mesa has is the PEP (Planned Employment Park) Zone. However, there could be some permitted uses within that district that might not necessarily be acceptable. To create any restrictions you might have to do it with deed restrictions and not necessarily through zoning. The site planning for a PEP district can make it very restrictive for other uses to take place.

Mr. William Jabjiniak thanked Mr. Sheffield for a job well done. Under Module 2, increased density and height were discussed. The revision has addressed, and allowed for the suggested change of increased density. He requested more information about transit oriented zoning to allow transit mixed-use districts and how converting to form based codes will help to facilitate mixed-use development.

Mr. Sheffield explained that the city currently has a land based code. Land based codes buffer uses from other uses such as commercial and residential. Form based codes work to make the different uses work together and ignore land use codes. The codes look at how the buildings look, how they address the street, spaces between the building and in the front of the building. If the use of the building changes over time then it does not matter. Form based is an entirely new concept to the city. With a form based code zoning is for the building. The benefit of doing this is that once you have the building and figure out what you are going to do with it then you can put different things there. The building can have multiple forms and uses in the same building. It actually promotes mixed-use activity as opposed to discouraging it. The city has received stimulus money from the Federal Government for the transit districts. One thing being done with the stimulus money is hiring a consultant to help the city build a form based code for the transit area and transit lines. Along the light rail line, for example, a form based zoning scheme could work in order to encourage the transit oriented development or higher density mixed-use development within pedestrian walking distances of light rail stations.

Mr. Jabjiniak appreciated the detailed explanation. He encouraged the use of and noted the proposed requirement for increased quality of building form, materials, etc. throughout the entire city and not just in the Phoenix-Mesa Gateway area. On Module 3 he thanked him for the flexibility on parking. He also wanted to know why there is a bonus on sites in excess of 2.5 acres on Infill areas.

Mr. Sheffield responded that part has to do with the fact that the Infill Overlay District would be used in a proactive manner. In other words, the City Council would rezone these properties as an infill site in order to create an Infill Overlay District. Properties under 2.5 acres are already eligible for the Development Incentive Permit (DIP) program. If the Council proactively rezones these properties then hopefully they would rezone areas larger than 2.5 acres. It would not be worth the time to go through the process for anything less than 2.5 acres.

6. Director's Report

Mr. Jabjiniak commented that it has been an active month with the following events:

- Sol Focus had a ribbon cutting ceremony on April 23, 2009. Sol Focus is our small and rapidly growing solar manufacturer at Falcon Field. It has expanded and has projected approximately 150-160 jobs by the end of June.
- Pueblo Market at Main and Dobson is still under construction with a projected opening several months out yet.
- Pro's Ranch Market had a Grand Opening on April 29, 2009. The store is astonishing and is a fantastic facility. The quantity levels are tremendous and prices are very good. He encouraged everyone to take the time to stop by the store.
- Phoenix-Mesa Gateway Airport had its 15th year Anniversary on April 20, 2009.
- Convention & Visitors Bureau held its 25th year Anniversary at the new Toby Keith's "I Love This Bar and Grill" Restaurant on April 22, 2009.
- Downtown Mesa Association had its 25th Anniversary on April 23, 2009.

On May 4, 2009 a press conference was held announcing a new energy drink from the future site of the Julio Cesar Chavez Campoenes family restaurant/entertainment venue. The venue is located on the southwest corner of Country Club and Southern Avenue. The projected opening for the restaurant/venue is late August 2009. Campoenes will be quite a destination location for Mesa.

Mr. Jabjiniak encouraged feedback from the EDAB Board for a request from the Downtown Mesa Association (DMA) to appear before the Board for a presentation. The DMA would like to share the Downtown Vision/Concept Plan and are looking for an interactive session with the Board in either a one or two month meeting time frame.

EDAB's consensus was that it be scheduled for a two month agenda item - one month for the presentation and the next month for discussion and feedback to DMA.

Hyatt Place at Riverview is open and a Grand Opening is scheduled for May 19, 2009. There also will be a formal Toby Keith Grand Opening. A date is yet to be confirmed for either the last week in May or the first week in June. Mesa is on its way to becoming a hub for children's health care with the addition of a second children's hospital. Los Ninos Hospital- East Valley with 32 beds plans to open at 610 W. Jerome (near Baseline & Extension Road). The 70 new jobs with an average salary of \$60,000 are a welcome addition to the city. The approximate completion date is in the fall of 2010.

7. GPEC Update

Boardmember Campbell commented on the activities of GPEC. GPEC is revising their job forecasts and performance numbers in light of economic conditions. He served on a sub-committee with economists from Wells Fargo, Cox and SRP. The committee participated in a conference call with representatives from the Federal Reserve focusing on the Arizona market area. The sobering news is that there is some anticipation, at least from a national level, that Arizona will continue to have some tough times especially in the commercial market. The commercial market decline is the 2nd wave anticipated to hit

our region. The good news is that it appears that the residential inventory is at least moving. The expected upswing is forecast for around late 2010 or early 2011.

GPEC is working very hard to expand relations in the east valley and southeast valley to bring in key regional players from Northern Pinal County for support of the Gateway area efforts. The Pinal County players are talking about participating in the California Initiative. The California Initiative is a partnership between GPEC and Tucson to bring businesses from California to Arizona.

Senate Bill 1403 (Renewable Energy) is still facing some challenges especially with a focus on the budget going through. GPEC is still pushing for that bill very hard. The delay of the budget has cost Arizona projects. Several projects being looked at were worth \$4-5 billion in our job pipeline that would hit Arizona if the bill passes. Arizona lost a \$2 billion project because Bill 1403 was not already in place. GPEC will be looking to Mesa for help to emphasize to the legislature leaders how important to Mesa it is to get Bill 1403 passed for some of our partners such as Sol Focus and other potential projects.

8. Other Business

Chair LeCheminant reminded the EDAB members of the next scheduled meeting on June 2, 2009.

9. Adjournment

Chair LeCheminant adjourned the meeting at 8:46 a.m.

Submitted By:



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