



City Council Report

Date: September 11, 2017
To: Mayor and Council
Through: Christopher J. Brady, City Manager
From: William Jabjiniak, Economic Development Director
Sara Sorensen, Economic Development Project Manager
Subject: Adoption of the Southwest Redevelopment Area Plan (Districts 3 and 4)

Purpose and Recommendation

One of Mesa's employment centers is Mesa's Fiesta District, with direct accessibility to US 60 and Loop 101, as well as connectivity to Downtown Mesa through Country Club Dr. This general area has seen some public and private investment over the past several years. To continue this momentum and encourage additional redevelopment projects in the area, City Council formally designated the Area as the Southwest Redevelopment Area (RDA) on September 12, 2016.

City Staff has been working with the project's consultant (Zions Public Finance and Logan Simpson) over the past year to craft the redevelopment plan for the Southwest RDA. The Office of Economic Development is recommending Mesa City Council adopt the Southwest Redevelopment Area Plan as presented.

Background

A Redevelopment Area is an area of the City designated by City Council to be in need of revitalization. The City of Mesa has four existing Redevelopment Areas - the Town Center RDA (1999), Southwest RDA (2016), East RDA (2017) and West RDA (2017).

The Southwest RDA incorporates two sub-areas, the Fiesta Tech Center Sub-Area, which includes adjacent parcels along Southern Avenue from the western city boundary east to Country Club Drive and the Country Club Corridor Sub-Area, which extends along Country Club Drive from the US 60 interchange north to Broadway Road (see attached 'Southwest RDA Boundaries').

In general, a Redevelopment Area must exhibit a predominance of blighted conditions. The term "blight" is defined by nine factors as listed in ARS 36-1471. The formal process of designating an area a Redevelopment Area is called the "Finding of Necessity". The Finding of Necessity for the Southwest RDA was on September 12, 2016. After this designation was made, City staff and the consultant (Zions Public Finance and Logan Simpson) began working on the Redevelopment Plan for the area. The Plan serves as the blueprint for economic development activities and aims to establish realistic strategies for revitalization projects.

Discussion

Work on the Southwest RDA Plan began in November 2016. The planning process began with a public workshop to gather feedback and ideas regarding the vision for redevelopment of the area. Drafting of the Plan by the consultant team continued through June 2017 with regular review and feedback from the City's Steering Committee. A draft of the Southwest RDA Plan document was posted on the Economic Development webpage for public review in early August, and a public meeting was held to receive comments and final input. In addition to the public meetings that have been held to receive public comment, the website established for this process provided the opportunity for citizens to make comments and provide their input regarding the Area, from which 99 people completed the online survey.

Upon conclusion of the final public meeting, City staff presented the Southwest RDA Plan to the Planning and Zoning Board on August 16, 2017. The Planning and Zoning Board verified the Plan conforms to the City's General Plan and voted to recommend City Council approval. Additionally, per the state statute, the Plan must be presented to City Council within 30 days of being presented to the Planning and Zoning Board.

Note: In preparation for the Council hearing to review the Planning and Zoning Board recommendation, some projects within the Plan were slightly amended. Further internal discussions between the City Manager, Economic Development, and City Attorney's Office led to the decision that certain projects within the Plan were not feasible or raised legal concerns. The original copy of the Plan is on file in the Office of Economic Development.

The Southwest RDA Plan is divided into four sections: Introduction, Vision, Redevelopment Plan, Appendix.

The Introduction includes background on the Area and a history of development and the partial decline of the area. It also includes a review of the public outreach and citizen participation efforts.

Citizen Feedback helped articulate the Vision for the area. The Vision Statement within the Southwest RDA Plan states:

The Southwest RDA is becoming a unique, active and economically vibrant urban destination in southwest Mesa. Revitalization of the Southwest RDA is transforming these historically vibrant areas of Mesa into a major employment center in the greater metropolitan area (the Fiesta Tech Center Sub-Area) and an urban mixed-use corridor (Country Club Corridor Sub-Area), with:

- *A unique identity and sense of place*
- *An urban atmosphere with an active street scene*
- *A pedestrian friendly environment*
- *An integrated mix of land uses and building types*
- *Diversity in entertainment and evening uses*
- *Frequent and convenient public transit*
- *A place where businesses are eager to locate*
- *A place that is attractive to businesses and residents*

- *Inviting and attractive gateways along US 60 at Dobson Road, Alma School Road, and Country Club Drive*
- *A strong, aesthetic connection along Country Club Drive to Downtown Mesa*

Also included within the Vision section of the Plan is a review of existing land uses with the RDA boundaries. Within this section, the Plan identifies three priority redevelopment sites with the greatest potential: Fiesta Mall, NWC Alma School/Southern Ave, and both sides of Country Club Dr. at the US 60 interchange.

The third section of the Plan is the heart of the document. It includes seven Problem Statements, along with Strategies and Projects to remediate each of the seven identified problems. These Problem Statements and Projects were developed through the blight study, market analysis, stakeholder feedback, public input, and the steering committee's recommendations. This section also includes case studies from other cities that have implemented similar projects within their own redevelopment areas.

This section concludes with a summary table that again lists the Problem Statement, Strategy, and Projects and also classifies the type of project (Incentive, Regulatory, Study, Capital Improvement, or Promotion), a cost estimate of the project, a timeframe for implementation. A list of possible funding sources to help with execution is included as well.

Finally, the Appendix includes the supporting documents and background information that was used to study the area and draft the Plan. This section includes a summary of the blight study findings, market analysis, and existing land uses in the Area.

Alternatives

An alternative would be to not adopt the Southwest Redevelopment Area Plan; however, the project is essentially completed and the consultant's work is done. Creation of the Redevelopment Plan is required by state statute. Additionally, by not adopting the Plan, the potential benefits of the RDA designation would only be available to redevelopment projects within the existing Town Center Redevelopment Area and Central Business District.

Fiscal Impact

The adoption of the Southwest Redevelopment Plan does not obligate the City to any additional expenditures. Should the City decide to implement any of the proposed projects within the Plan, those projects would be evaluated further and a potential funding source would be identified at that time.

Coordinated With

Economic Development has coordinated with the City Attorney's Office and the Planning and Zoning Department.