

COUNCIL MINUTES

June 27, 2019

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on June 27, 2019 at 7:36 a.m.

COUNCIL PRESENT

John Giles
Mark Freeman
Jennifer Duff
Francisco Heredia
David Luna*
Jeremy Whittaker
Kevin Thompson*

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

Mayor Giles excused Councilmember Luna from the beginning of the meeting; he joined the meeting through the use of telephonic equipment at 10:15 a.m.

*Councilmember Thompson participated in the meeting through the use of telephonic equipment.

Items were discussed out of order, but for purposes of clarity will remain as listed on the agenda.

1. Review and discuss items on the agenda for the July 1, 2019 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: None.

Items removed from the consent agenda: None.

Planning Director Nana Appiah displayed a PowerPoint presentation (**See Attachment 4**), and discussed Item 5-a (**A resolution declaring the document filed with the City Clerk entitled "Form-Based Code Amendments," containing proposed amendments to Mesa City Code, Title 11, Mesa Zoning Ordinance, Chapters 56, 58, 59, and 60, to be a public record and providing for the availability of the document for public use and inspection (Citywide)**) on the Regular Council Meeting Agenda.

Mr. Appiah explained the City adopted the Form-Based Code in 2012 and stated the reason was to create an environment to facilitate land development that creates a very customized process to achieve a specific urban form.

Mr. Appiah highlighted the Form-Based Code guiding principles and area map that described each transect zones. (See Pages 3 and 4 of Attachment 4)

Mr. Appiah highlighted the proposed modifications that would allow minor administrative adjustments to certain standards, in addition to the following: (See Pages 4 and 5 of Attachment 4)

- Require no maximum lot depth and width for by-passed parcels
- Remove requirement for floor plate above ground floors
- Allow variation in the location of private open space
- Reduce requirement for ground floor transparency in areas outside the Downtown Pedestrian Area (DPA)
- Allow increase in the distance between glazing outside the DPA
- Refine definition of a by-passed parcel

Mr. Appiah explained staff recommends approval; that the Planning and Zoning Board is scheduled to consider the item on Monday, July 1, 2019; and that Planning and Zoning conducted an initial review at a study session and are in support of the modifications.

Mayor Giles thanked staff for the presentation.

Mr. Appiah discussed Item 5-b, **(An ordinance amending Mesa City Code, Title 11, Mesa Zoning Ordinance, Chapters 56, 58, 59, and 60 or Article 6: Form-Based Code by adopting “Form-Based Code Amendments” a public record of the City of Mesa and amending the definition of By-Passed Parcel in Chapter 87 of Article 8: General Terms. (Citywide.))** on the Regular Council Meeting Agenda. **(See Attachment 5)**

Mr. Appiah explained the request is to rezone the property from the three current zoning designations to multi-resident to allow development of attached townhomes. He added the request was to change the General Plan amendment designation from employment to neighborhood, as well as rezoning and Planned Area Development (PAD). He stated the Planning and Zoning Board recommended denial because the General Plan character designation was employment; there would not be long-term sustainability of the development; there was concern related to the quality of development layout; and that the development had an inadequate solid waste collection plan. He commented after Council’s decision, staff met with the applicant on several occasions to discuss how the site plan could be improved, and to address concerns raised by the board.

Mr. Appiah highlighted various maps of the 2018 and 2019 site plans, and a comparison chart that illustrated the various changes applied to the development. (See Pages 4 through 7 of Attachment 5)

Mr. Appiah stated staff is recommending approval with conditions. He noted the Planning and Zoning Board recommended denial and a couple of concerns that were expressed by boardmembers were the density of the units, and long-term sustainability of the development. He commented with the elimination of 14 units, the main issues of crime prevention and the environmental design are being resolved. He explained one of the main reasons for staff recommending approval is the development trends of the area. He pointed out to the north, a casita-type development has been approved, which is more dense; and to the east there is a hotel, along with other commercial uses that are planned. He stated if there is any place in the City that is suited for such density, this will be the area.

Mr. Brady commented originally staff was not happy with the streets, including the density of the development, which the developer recognized and withdrew the application. He pointed out a change was made in the General Plan to convert the parcel from employment to neighborhood. He mentioned the developer came forward with changes, including moving away from the commercial dumpsters to barrels, which was something staff requested. He continued by saying staff has been working with the developer since this was introduced to Council, and staff is satisfied most of the concerns were addressed. He reported the request ended up in a 3-3 vote from the Planning and Zoning Board, and procedurally that is a denial. He pointed out this is for introduction; and staff is seeking direction on how Council would like to proceed.

Councilmember Thompson stated he supports the project. He commented staff has spent a lot of time with the developer regarding the original General Plan amendment where the area was identified as an employment area, which is no longer effective in that area as the trend is moving toward residential.

Mayor Giles concurred with Councilmember Thompson and complimented the developer for taking the criticisms that were offered by the Planning and Zoning Board and Council in redesigning the project and thanked them for being flexible. He feels the concerns of protecting the adjacent commercial corners have now been resolved.

Councilmember Duff commented she too is in support of the project. She stated the developer made great strides and has done well by providing amenities in the community. She added a bonus to this project is that it is not rental. She mentioned having seen a lot of projects come through that are rentals and appreciates seeing the opportunity to own a moderately-priced home.

Responding to a question from Councilmember Freeman, Mr. Appiah stated all the recommendations to the Form-Based Code have been made and one of the ongoing discussions is including the building forms into the Form-Based Code. He commented that discussion is being put on hold while more research is conducted.

Responding to a question from Councilmember Thompson regarding updated residential development guidelines, Mr. Appiah stated staff continues to work on the guidelines by working with the development community. He advised there was a recent meeting with the consultant, and the goal is to give an update before the Council break. He also commented the goal is to update and make a recommendation by the end of the year.

2-a. Hear a presentation and discuss the first phase of the 1st Avenue Streetscape project (South Hibbert to South Lesueur) funded by 2013 Transportation Bonds and 2014 Gas, Water, and Electric Bonds, including a request by the developer of the southeast corner of South Mesa Drive and East Main Street to enter into an agreement(s) for the design, construction and maintenance of an enhanced Streetscape between South Mesa Drive and South Lesueur.

Manager of Downtown Transformation Jeff McVay displayed a PowerPoint presentation (**See Attachment 3**) and discussed item 3-o (**1st Avenue Right-of-Way Improvements – Phase 1 – Construction Manager at Risk (CMAR) Selection and Pre-Construction Services Contract (District 4)**) on the Regular Council Meeting Agenda.

City Manager Christopher Brady stated 1st Avenue was identified in a previous Transportation Bond program for improvements. He noted staff has moved forward with the project, trying to tie into the Mesa Drive improvements.

Mr. McVay reported the 1st Avenue project was approved in 2012 as part of the 2013 Transportation Bond package. He stated, for efficiency purposes, the City looks at the utilities to see if there are opportunities for upgrades. He added there are several utility infrastructure upgrades happening that are being funded through the 2014 Gas, Water, and Electric Utility Bonds.

Mr. McVay highlighted the first phase of the project. (See Page 2 of Attachment 3)

Mr. McVay stated when the developer of the Mesa Main Project Suburban Land Reserve came to the City and learned of the 1st Avenue Streetscape Project, the developer requested the City consider an enhanced Streetscape design as it relates to the landscape of pedestrian improvements. He illustrated the improvement concept that was developed to help understand what the improvements would be. He went on to explain that the Suburban Land Reserve has conducted some level of neighborhood outreach and will continue those discussions. He described the additional improvements requested beyond the City scope. (See Page 3 of Attachment 3)

Mr. McVay noted as it relates to funding the project, the City will continue to move forward with the 1st Avenue scope of work that was included as part of the Street Bond package and the Utility Bonds. He stated the developers are going to bear all the cost of design and construction for those enhanced Streetscape elements, as well as the underground utilities. He explained a maintenance agreement is being negotiated that will incorporate the responsibilities between the developers and the City. He commented at the completion of the project, the maintenance agreement will place the responsibility for maintaining enhanced streetscape elements between Mesa Drive and Lesueur on the developer.

In response to a question from Vice Mayor Freeman regarding the outreach efforts, Mr. McVay commented efforts are being made to resolve resident concerns.

Responding to a question from Councilmember Duff, Mr. McVay stated the City is essentially taking this section of the street to a shell, and then will build out tenant improvements. He also emphasized per the agreement, there will be no reimbursements and the developer will design, construct and maintain the project.

Discussion ensued regarding project timelines and community engagement.

Mayor Giles thanked staff for the presentation.

2-b. Hear a presentation and discuss the Lehi Cove annexation (ANX18-00229) and rezoning (ZON18-00214) cases including history of these cases, Arizona Department of Environment, and schedule for City Council consideration of the annexation and rezoning requests.

Environmental Management and Sustainability Director Scott Bouchie introduced Planning Director Nana Appiah and Dr. Misael Cabrera, Director of the Arizona Department of Environmental Quality (ADEQ) to discuss the Lehi Cove Development and the sampling that ADEQ has done in the area of Lehi Crossing.

Mr. Appiah displayed a PowerPoint Presentation and provided a history of the Lehi Cove project. **(See Attachment 1)** He noted the request consists of 7.5 acres, of which 4.5 acres is currently in Maricopa County. He added as part of the request there is an associated annexation for the remaining 3 acres, which is currently in the City zoned as agriculture. He pointed out the request

is to include a planned area of development with different types of building elevations and design. He also stated there are centrally located amenities as part of the layout design of the site.

Mr. Appiah illustrated the zoning map of the project that showed the site area being considered. (See Page 3 of Attachment 1)

Mr. Appiah displayed the site plan layout of the units. He stated the units are centrally located and the request is for 89 units. (See Page 4 of Attachment 1)

Mr. Appiah reported as part of the request, the applicant conducted a neighborhood meeting on May 30, 2018, which 11 people attended. He pointed out the main concerns were the closeness to the Vulcan Plant, which sits about a quarter of a mile away, and the odor and air quality considerations. (See Page 5 of Attachment 1)

Mr. Appiah stated staff recommended approval with conditions, that the Planning and Zoning Board approved the conditions, and that the discussion focused on the proximity to the Vulcan Plant and the density of the development. He remarked after the recommendation of the Planning and Zoning Board, the case was placed on hold because of the concerns with the air quality issues that were brought up during the neighborhood meeting.

Mr. Appiah noted as part of the recommendation that will be coming before Council, there was a discussion with the applicant to add two conditions that were used in a similar project that is in close proximity to the plant. He stated the applicant has no reservations and has agreed to the conditions. (See Page 7 of Attachment 1)

Dr. Cabrera displayed a PowerPoint presentation (**See Attachment 2**) and he stated ADEQ appreciates partnerships with municipalities and wants to be of service wherever possible. He remarked roughly a year ago, Mayor Giles and Mr. Bouchie approached ADEQ to inform them of the situation with this project.

Dr. Cabrera illustrated an image of the Vulcan facility and the nearby Lehi Crossing Community. (See Page 2 of Attachment 2) He stated the facility is located near Val Vista and the 202, which has a neighborhood surrounding that facility. He identified the number of complaints that ADEQ and Maricopa County has received associated with air odor and air quality. He explained this is not uncommon, considering the fact that the human nose is capable of detecting odors down to the part per trillion level, yet most health-based guidelines are at the part per billion level. He pointed out that noses are actually quite good at detecting odors, but sometimes our noses are good at detecting odors that go beyond the health-based standards.

Dr. Cabrera stated one of the things ADEQ has done is to assist residents in understanding whether there are actual health risks. He explained one thing ADEQ does first is model wind trends to verify where the wind is taking emissions the facility is producing. (See Page 3 of Attachment 2) He stated the first thing ADEQ does is make sure they are sampling air quality in the right place. He described one of the things ADEQ does is goes out and collects data but makes sure to collect data in ways that are representative of what is happening.

Dr. Cabrera explained ADEQ conducted a thorough monitoring event with five different types of sensors, as well as other badging devices to pick up air quality detections. (See Page 4 of Attachment 2) He noted ADEQ spent over \$50,000 on this effort.

Dr. Cabrera illustrated a schedule and production rates graph that showed the week of sampling, as well as the production rates. (See Page 5 of Attachment 2) He explained the Vulcan production schedule is linked to customer needs and does not operate around the clock. He noted when the sampling was conducted, it wasn't the highest amount of production the facility has had, as noted on the graph.

Dr. Cabrera commented the dust concentration and smoke were significantly lower than any standards. (See Pages 6 and 7 of Attachment 2)

Dr. Cabrera illustrated a comparison chart, which reflects samples collected, and used conservative assumptions to convert into a one-hour concentration to allow ADEQ to compare hazardous air pollutants to the ambient air quality guidelines. He reported ambient air quality guidelines are non-regulatory, health-based guidelines based on risk. He pointed out one of the things that can be seen from these graphs is during the monitoring period there was not an exceedance of any health-based guidelines, which are conservative in nature. (See Pages 8 and 9 of Attachment 2)

Dr. Cabrera reiterated for the monitoring period that was conducted, ADEQ did not see any exceedances that would suggest a concern; in fact, many were non-detectable.

Mayor Giles thanked Dr. Cabrera for his presentation and assisting communities with these specialized scientific needs. He commented it makes sense to test on both days of production and non-production of asphalt to compare since there are multiple other sources contributing to the air quality of that neighborhood. He suggested where people might nitpick or find fault with this is that on the production days, the amount of production was somewhat average, and there are some days that, admittedly, there's higher production. He asked if those same numbers can be used to project or model what the air quality would be on those high-production days to see if there might be a different result.

Dr. Cabrera stated ADEQ could model those high-production days, but it would involve a lot of assumptions and variables. He pointed out one of the things that impacts air quality the most is weather and wind patterns. He reiterated the facility is operating well within all its permit conditions. He replied the answer to the question of would the emissions go up if production goes up is yes. He then stated the real question of what the concentrations of those emissions would be in the neighborhoods is a lot harder to answer due to the variables. He pointed out on the days that there was no production, there was still some detection. He summarized not all of the concentrations are due to that facility.

In response to a question from Mayor Giles, Mr. Bouchie commented staff is working with the Lehi Crossing community to host a meeting in August.

Mayor Giles commented another agenda item today is to discuss a zoning case across the street from Lehi Crossing, so there are two separate issues going on but are related to one another. He suggested if there are air quality problems for Lehi Crossing, that raises the question of whether we should continue with residential zoning in the area.

Dr. Cabrera commented one of the things asked of Vulcan was what their plans of operation were. Vulcan responded the facility is not forecasted to ramp up production. He noted in evaluating risk, one must look at not just possibility, but probability. He stressed when considering this situation with this set of factors and the data that has been collected so far, the probability of a

health impact in the existing neighborhood or in a new neighborhood in the surrounding area is relatively low.

In response to a question from Mayor Giles related to compliance and limits on days of full production, Dr. Cabrera responded by saying ADEQ would have to spend an inordinate amount of money monitoring over a very long period of time to determine if the plant is still in compliance on days of full production. He emphasized it would mean regulation orders of a magnitude higher than any facility anywhere in the state is currently enduring.

In response to a question from Councilmember Freeman if there is a need for future testing, Dr. Cabrera stated the testing that was conducted was above and beyond anything that's required legally. He added for this project, State dollars were used to conduct a very thorough monitoring event in order to answer questions about the hazardous air pollutants. He noted ADEQ can come back in the future if there were additional concerns, but it would not be a need because the air quality permit issued by Maricopa County already accounts for Public Health.

In response to a question from Mayor Giles regarding health risks, Dr. Cabrera commented the air permit issued to a facility is required by law to be protective of receptors in the vicinity of the facility. He added the additional monitoring was to let the residents know that ADEQ cares and to verify that the facility isn't operating outside of their permit requirements. He noted the probability of health effects is extraordinarily low.

Responding to a question from Councilmember Whittaker, Dr. Cabrera stated the numbers on the dispersion graph represent the idealized concentrations based on wind patterns with the highest concentrations, and the testing equipment was placed at those locations. He added the entire area was modeled, not just areas based on complaints because people have different sensitivities to odors. He added a scientific approach is taken as to where the sampling occurs rather than locating the sampling equipment based on any individual complaint. He illustrated the greenbelt area to the northwest of the Vulcan facility coincides with the highest potential concentrations, according to the modeling, which is where the samples were taken. (See Page 2 of Attachment 2)

In response to a question from Mayor Giles, City Manager Christopher Brady stated there will be a community meeting and the item will be brought back to Council in August. He added it was approved by the Planning and Zoning Board a year ago.

Mayor Giles commented the rationale behind delaying the case was to gather the scientific data. He remarked developers should be allowed to proceed with their zoning case.

Responding to a question from Councilmember Heredia, Mr. Appiah stated nothing has changed as far as the site plan, but it does include two additional conditions of approval.

Councilmember Duff commented she understands legally the testing was within the limits, but stated the City has a responsibility to the quality of life concerning the odor. She expressed concern if the request is approved there will be additional complaints, even though it was written in the purchase or rental agreement. She questioned as a City if it is a good idea to provide a place to live that is not desirable, even though legally it is in the safe zone.

Mayor Giles concurred with Councilmember Duff, stating when considering this case there will be a lot to talk about. He remarked there are quality-of-life challenges for this neighborhood, including that it backs up to a freeway, and those issues will need to be discussed.

Councilmember Duff commented she is comfortable with moving forward but wanted to bring those issues into the conversation. She added she understands the noise as it pertains to living near a freeway, but odor is something more disturbing.

Mayor Giles declared it was the consensus of Council that the annexation and rezoning cases move forward.

Mayor Giles thanked staff for the presentation, and Dr. Cabrera for his ongoing involvement in the Lehi Crossing neighborhood.

2-c. Appointments to various Boards and Committees.

It was moved by Councilmember Freeman, seconded by Councilmember Heredia, that the Council concur with the Mayor's recommendations and the appointments be confirmed. **(See Attachment 6)**

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Thompson-Whittaker

NAYS – None

ABSENT - Luna

Mayor Giles declared the motion carried unanimously by those present.

3. Convene an Executive Session.

It was moved by Councilmember Heredia, seconded by Councilmember Freeman, that Council adjourn the Study Session at 9:05 a.m. and enter into an Executive Session.

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Thompson-Whittaker

NAYS – None

ABSENT - Luna

Mayor Giles declared the motion carried unanimously by those present.

3-a. Discussion or consultation for legal advice with the City Attorney. (A.R.S. §38-431.03(A)(3)) Discussion or consultation with the City Attorney in order to consider the City's position and instruct the City Attorney regarding the City's position regarding contracts that are the subject of negotiations. (A.R.S. §38-431.03(A)(4)). Discussion or consultation with the City Attorney regarding negotiations for the purchase, sale or lease of real property. (A.R.S. §38-431.03(A)(7)).

1. Negotiations on a development agreement and associated lease relating to the development of approximately 187 acres of property located at the northwest corner of Sossaman and Elliot Roads.

At 10:15 a.m., Mayor Giles reconvened the Study Session.

4. Reconvene Council Study Session.

- 4-a. Hear a presentation, discuss, and provide direction on the Development Agreement and GPLET Lease related to the development of approximately 187 acres of property located at the northwest corner of Sossaman and Elliot Roads.

Economic Development Department Director Bill Jabjiniak introduced Economic Development Project Manager J.D. Beatty who displayed a PowerPoint presentation. **(See Attachment 7)**

Mr. Jabjiniak spoke about a development agreement and a property lease for a development in Mesa under the code name Red Hawk. He stated there have been in-depth negotiations for the last year on this development and lease, and both parties have come to an agreement this morning.

Mr. Jabjiniak highlighted the three top Fortune 500 companies in Mesa, which include Apple, AT&T, and Boeing. (See page 2 of Attachment 7) He announced Google will also make its way to Mesa and will add continued growth to the area from an economic development perspective.

Mr. Jabjiniak illustrated the project site map located in Southeast Mesa on the northwest corner of Sossaman and Elliot at the Morrison Ranch Business Center. (See Page 4 of Attachment 7) He added the site is 186 acres, which was rezoned in 2019 to allow for the use of a data center.

Mr. Jabjiniak explained the project obligations that included the three phases of the project and the capital investment that will be included. (See Page 5 of Attachment 7)

Mr. Beatty commented the City contemplates making certain amounts of water available in terms of an allowance for the project as it is developed. He noted the City proposes to make an initial 1,120-Acre Feet per Year (AFY) of water supply. He noted, assuming Google meets the performance milestones, there is the ability to reach 4,480 AFY of supply. He also noted Google will have enough emergency backup supplies for water, which includes utilizing on-site storage, existing wells on their site, acquiring their own water rights and supplies, and transferring long-term storage credits to the City.

Mr. Beatty stated another major component the City is looking to provide on this project is a Government Property Lease Excise Tax (GPLET) agreement. He advised the City is proposing a 25-year GPLET, which is critical for their financial evaluation of developing a project here in Mesa. He added the site is outside the Central Business District (CBD) and Redevelopment Area (RDA) and is ineligible for the 8-year full tax abatement. He stated they are subject to 150% premium of the published Excise Tax Rates, due to being outside the CBD and RDA.

Mr. Beatty pointed out the site today generates \$3,604 in real property tax revenue per year. He explained if Google develops this property, the revenue for the project is almost \$33 million over the 25-year term of the lease. He stated the City expects to generate a minimum of \$28.1 million in construction sales tax, electricity sales and personal property tax as a result of the project. (See page 8 of Attachment 7)

Mr. Beatty mentioned Gilbert Public Schools (GPS) Superintendent Dr. Shane McCord wrote a letter of support for this project. He stated GPS represents the largest taxing entity subject to the GPLET.

Mr. Jabjiniak, in summary, stated Google has expressed a desire to maintain a commitment over the 25-year term. (See Page 10 of Attachment 7)

Discussion ensued relative to the support of the project.

Vice Mayor Freeman expressed appreciation to the Morrison family for strategically developing the land, and to Google for bringing a data center to Mesa.

Responding to a question from Councilmember Duff regarding the project timeline, Mr. Jabjiniak stated the developer contemplates having five years to start any type of construction activity, and within the following two years moving on to the next phases.

Responding to a question from Councilmember Duff, Mr. Beatty stated the \$97 million is strictly electricity sales tax which is directed to the city, state, and county rates; whereas, the \$28.1 million is the City's portion of electricity sales tax, construction sales tax and personal property tax.

Mayor Giles congratulated staff on this project and for all the efforts of the past year. He explained the excitement to be able to talk about the Elliott Road Tech Corridor which is anchored at one end by Apple and now the other end by Google. He added this is exciting not only because of the financial return, but also for the residential utility customers who will see an increase in revenue by large industrial users, as well as the branding and the substantial non-financial benefits of having Google in the community.

Mr. Jabjiniak added SRP, Greater Phoenix Economic Council and Arizona Commerce Authority are great partners for this project. He thanked City Attorney Jim Smith for his work on bringing the project to this point.

Mr. Brady stated Red Hawk will be placed on the July 1, 2019 agenda for Council consideration.

5. Hear reports on meetings and/or conferences attended.

Vice Mayor Freeman:	National League of Cities Conference
Councilmember Duff:	Mesa Public Library Water Refill Station Grand Opening
Councilmember Luna:	National Association of Latino Elected and Appointed Officials Conference National League of Cities Conference
Councilmember Thompson:	National League of Cities Conference

6. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the schedule of meetings is as follows:

Monday, July 1, 2019, 5:45 p.m. – Regular Council Meeting

Thursday, July 4, 2019, 6-10:00 p.m. – Arizona Celebration of Freedom

7. Adjournment.

Without objection, the Study Session adjourned at 10:35 a.m.

JOHN GILES, MAYOR

ATTEST:

DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 27th day of June 2019. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

Abg/la
(Attachments – 7)

Lehi Cove Residential Development

City Council Study Session
June 27, 2019

Nana Appiah
Planning Director

Scott Bouchie
Environmental and Sustainability



Background

Request:

- Annexation of 4.5 acre from Maricopa County
- Rezoning from Agriculture (AG) and Single Residence (RS-43) to Multiple Residence with a Planned Area Development (RM-2-PAD); and Site Plan Review
 - Include different building elevations and designs
 - Centrally located amenities

Planning and Zoning Hearing (August 15, 2018)

- Recommended Approval (5-1)
- 

Zoning Map



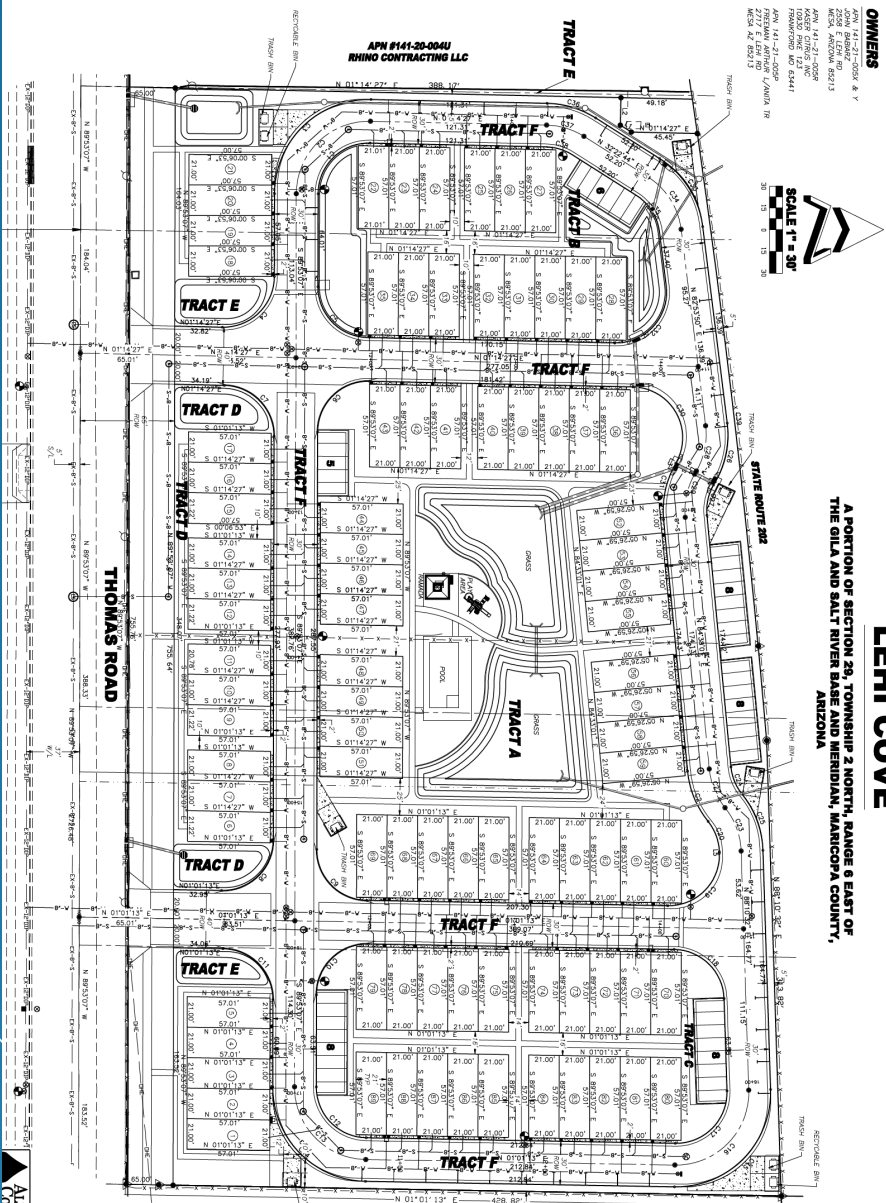
LEHI COVE

A PORTION OF SECTION 29, TOWNSHIP 2 NORTH, RANGE 6 EAST OF
THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY,
ARIZONA

APN 141-21-0056 & Y
JOHN BISHAR
2058 E LEHI RD
MESA, ARIZONA 85213

APN 141-21-0058
KASER CIRRUS INC
10930 PIKE 123
FRANKFORD MO 63441

APN 141-21-0059
FREDMAN ARTHUR L/ANITA TR
2717 E LEHI RD
MESA AZ 85213



Neighborhood Meeting

Date: May 30, 2018

Concerns:

- Proximity to the Vulcan Plant
- Odor from the Plant



Planning and Zoning Board Recommendation and City Council Hearing Delay

- Staff recommended approval with conditions
- The Planning and Zoning Board recommended approval (5-1 vote) with conditions

P&Z discussion focused on:

- Proximity to the Vulcan Plant
- Density of the development
- City Council zoning hearing was delayed until the Arizona Department of Environmental Quality (ADEQ) staff evaluated potential health impacts of mining operations of the Vulcan Materials Company facility on the Lehi Crossing community

Additional Conditions of Approval


Staff is recommending two additional conditions of approval:

- Written notice shall be provided to future property owners that their residence is within a quarter (1/4) mile of an asphalt plant and sand and gravel operations
- Written notice shall be provided on the final subdivision plat that the property is within a quarter (1/4) mile of an asphalt plant and sand and gravel operations

Air Monitoring Project Report



NEXT STEPS

- Lehi Crossing neighborhood meeting is being scheduled for early August for Arizona Department of Environmental Quality staff to explain results
 - Lehi Cove zoning case will be introduced at the August 19, 2019 City Council meeting and considered at the August 26, 2019 meeting
- 

Questions/Discussion




Building Elevations



PAD Request

Development Standards – MZO Table 11-5-5		Required	Proposed
Minimum Lot Area (SF)	7,200	1,197	
Minimum Lot Width – Attached	36'	21'	
Minimum Lot Depth	94'	57'	
Maximum Density (du/ac)	15	12.95	
Minimum Density	-	-	
Minimum Lot Area/Dwelling Unit	2,904	1,053	
Maximum Height	30'	30'	
Front and Street-Facing Side	20'	5'	
Interior Side: Single Residence – Attached	0'	0'	
Rear	15'	0'	
Maximum Lot Coverage	45%	100%	
Minimum Open Space (sqft/unit)	200	1,353	
Total Parking (Spaces/Unit)	2.1	2.8	

CONDITIONS OF APPROVAL

1. Compliance with the basic development as shown on the site plan and preliminary plat submitted, except as modified below (without guarantee of lot yield, building count, lot coverage).
 2. Compliance with all City development codes and regulations, except as modified in Table 1 of the staff report.
 3. Compliance with all requirements of the Subdivision Technical Review Committee.
- 

CONDITIONS OF APPROVAL

4. Prior to submitting for a building permit, submit a revised site plan for Planning Director review and acceptance that includes:

- a. A reduction of the alley to a width of 24' and enhanced landscaping and speed tables between the following lots:
 - 32 and 33
 - 40 and 41
 - 64 and 65
 - 74 and 75
- b. Enhanced pedestrian network from the central open space area to the following areas:
 - b. Southeast building
 - c. Southwest building
 - d. On-street parking locations

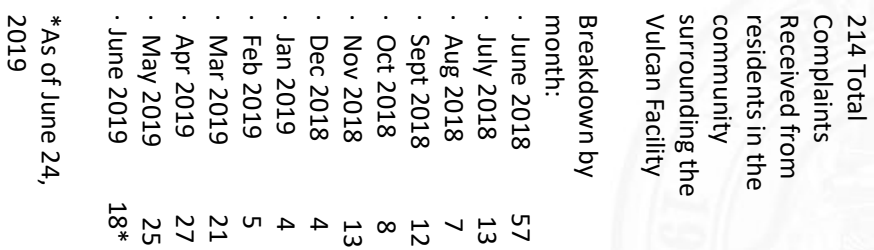
5. Compliance with the building elevations and floor plans as submitted

Lehi Crossing Air Monitoring Project Report

City Council Study Session

June 27, 2019

Misael Cabrera, Director



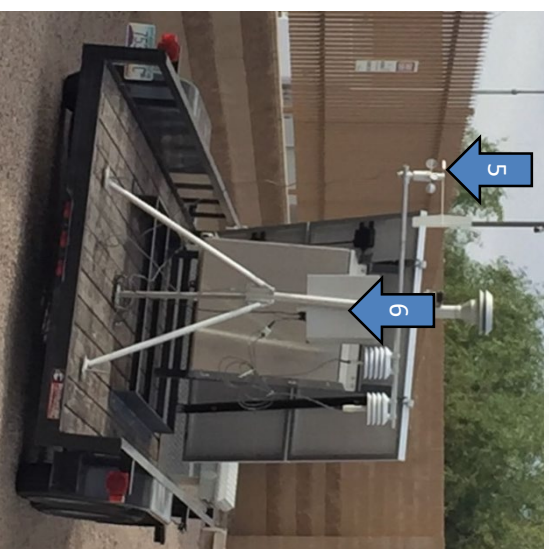
*As of June 24, 2019



Monitoring Methods



- 1: Samplers using a cellulose ester filter media and solid sorbent tube media Metals and Mercury
- 2: Diffusive solid sorbent badge media for naphthalene
- 3: Summa Canister for volatile organic compounds

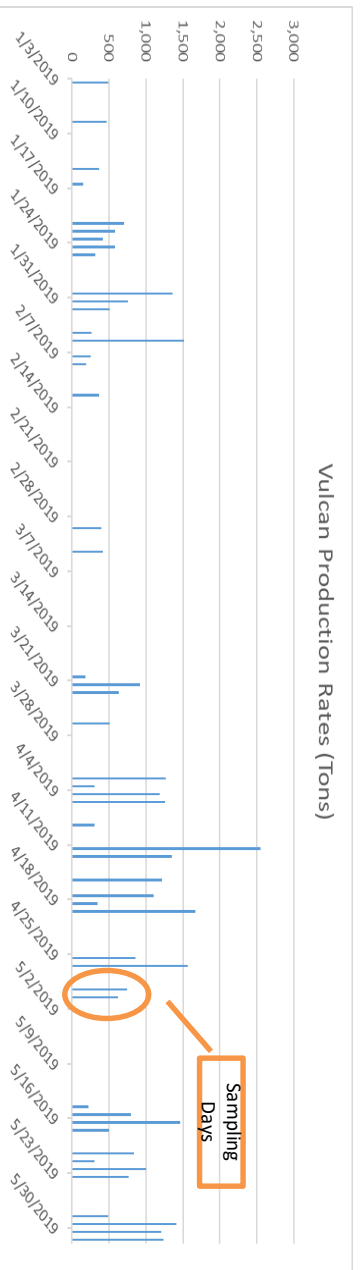


- 4: Diffusive Sampler for Aldehydes
- 5: Wind anemometer, temperature, and RH sensors for meteorological measurements
- 6: E-BAM for PM_{10} and $PM_{2.5}$ monitoring

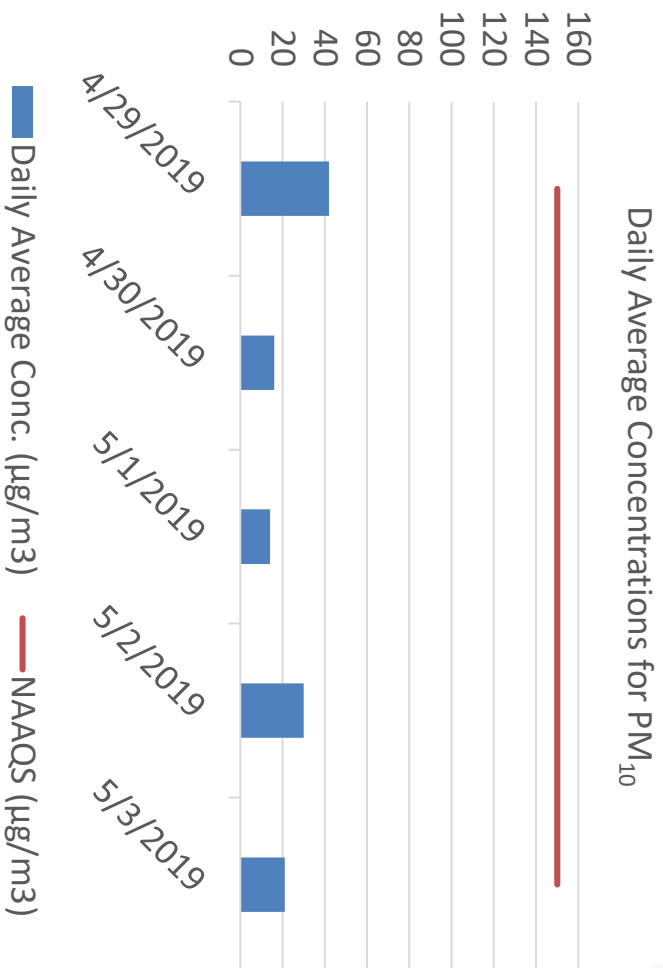
Sampling Schedule and Production Rates

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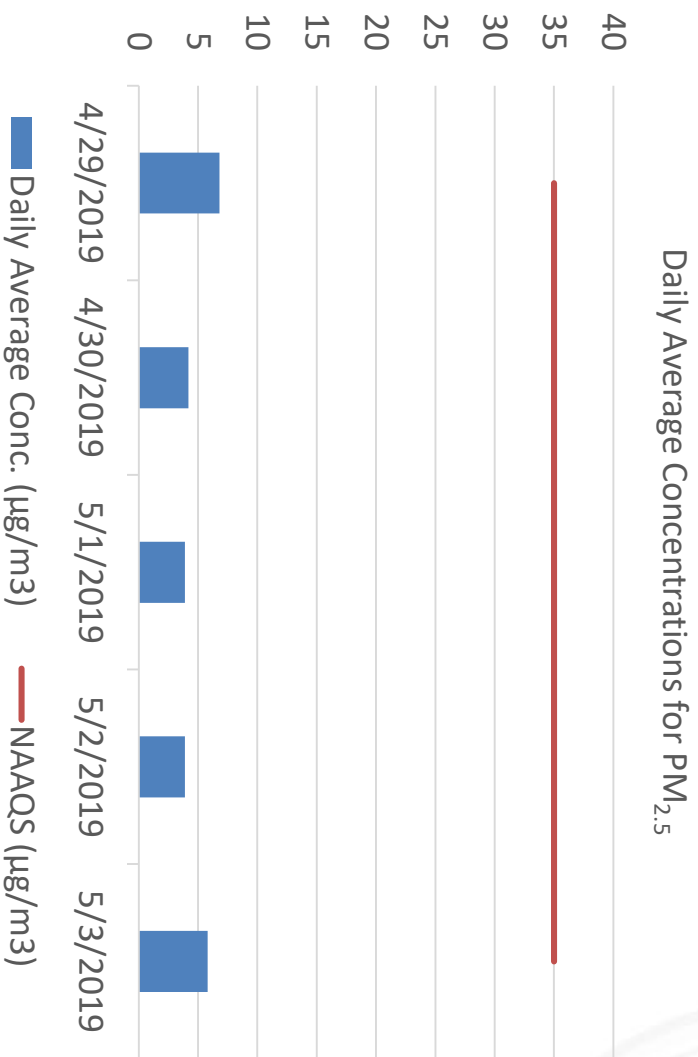
Vulcan Production Rates (Tons)



PM₁₀ Monitoring Concentrations



12.5 Monitoring Concentrations



Comparison of HAPs Monitoring Concentrations and AAAQG

HAPs	Max 4-hr Ave Conc. (µg/m³)	Max 1-hr Ave Conc. (µg/m³)	1-hr AAAQG (µg/m³)	Max 24-hr Ave Conc. (µg/m³)	24-hr AAAQG (µg/m³)
Formaldehyde	ND	ND	20	3.1	12
Acetaldehyde	37.9	75.8	2300	8.8	1400
Propionaldehyde	44.4	88.8	-	11.5	-
Hexane	ND	ND	5300	4.23	1400
Benzene	9.26	18.52	630	1.92	51
Naphthalene	ND	ND	630	ND	400
Ethylbenzene	6.51	13.02	4500	3.39	3500
Toluene	75.36	150.7	4700	12.06	3000
Xylenes	38.21	76.4	5500	47.77	3500
Methyl ethyl ketone	5.9	11.8	7400	7.08	4700
Acrolein	ND	ND	6.7	ND	2
Methyl chloroform	ND	ND	20000	ND	1100
Styrene	17.46	34.92	3500	ND	1700

Comparison of HAPs Monitoring Concentrations and AAAQG

HAPs	Max 4-hr Ave Conc. (µg/m³)	Max 1-hr Ave Conc. (µg/m³)	1-hr AAAQG (µg/m³)	Max 24-hr Ave Conc. (µg/m³)	24-hr AAAQG (µg/m³)
Tetrachloroethene	2.78	5.56	33	ND	8.8
1,3-Butadiene	ND	ND	7.2	ND	1.9
Nickel	0.416	0.832	5.7	ND	1.5
Manganese	0.49	0.98	25	0.136	8
Chromium	3.14	6.28	11	0.043	3.8
Selenium	ND	ND	6	ND	1.6
Cadmium	ND	ND	1.7	ND	0.11
Antimony	ND	ND	15	ND	4
Cobalt	ND	ND	-	ND	-
Arsenic	ND	ND	0.28	ND	0.073
Beryllium	ND	ND	0.06	ND	0.016
Mercury	ND	ND	1.5	ND	0.4



1ST AVENUE STREETSCAPE

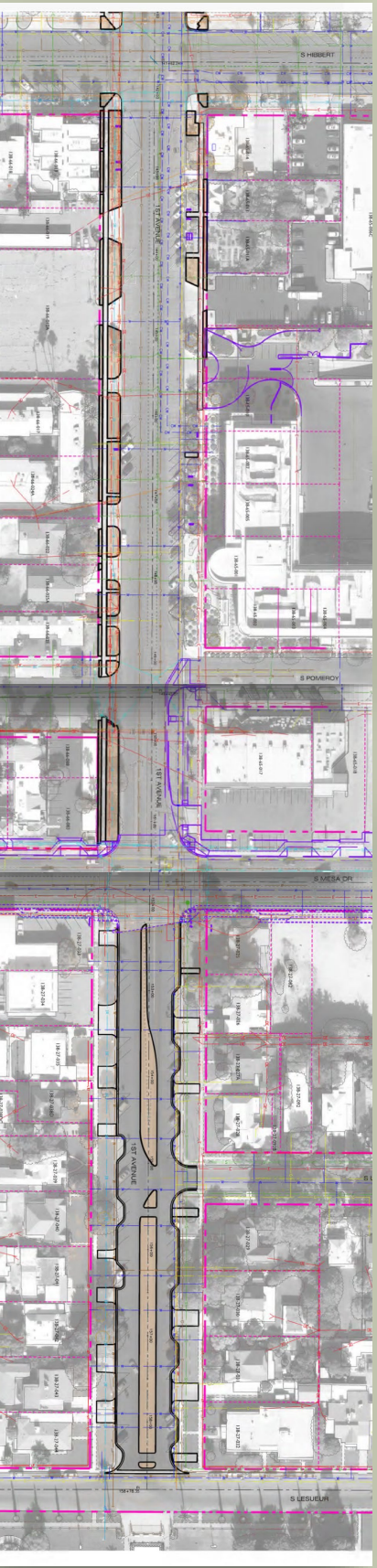
City Council
Study Session

June 27, 2019

Jeff McVay
Manager of Downtown
Transformation

CITY 1ST AVENUE PROJECT SCOPE

- Funded by 2013 Transportation Bonds and 2014 Gas, Water, and Electric Bonds
 - Multiple phases
- Anticipated timeline
 - Complete final design: October 2019 (Jacobs)
 - Complete construction: October 2020 (Haydon)
- First Phase – Hibbert to Lesueur
 - Reconstruct traffic lanes and ADA improvements
 - Install basic landscape improvements
 - Install median between Mesa Drive and Lesueur
 - On-street parking, curb and gutter
 - New underground utilities (sewer, water, gas, electric, stormwater)



ENHANCED STREETSCAPE SCOPE

- Improvements beyond City CIP scope requested by Developer
 - Enhanced landscape design and plantings
 - Pedestrian improvements
 - Streetlight improvements
 - Public utility improvements (sewer, water, gas)

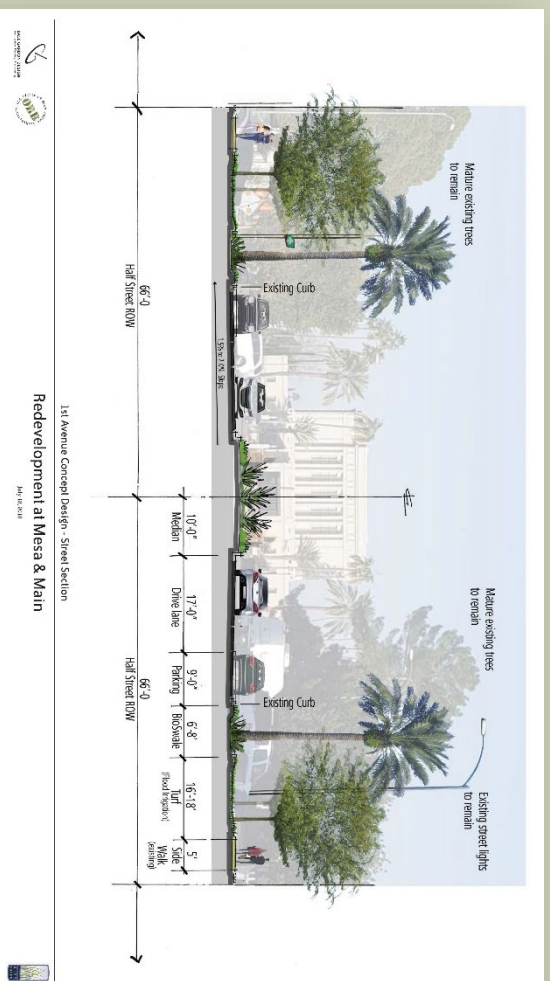


1st Avenue Concept Design - Option 8
Redevelopment at Mesa & Main
Aug 20, 2019



ENHANCED STREETSCAPE SCOPE

- Developer bears design and construction costs for Enhanced Streetscape Elements
- Developer separately contracts for design and construction
- Design and construction will be coordinated with City CIP project
- Agreements between City and Developer
 - Maintenance Agreement
 - Establish City and Developer responsibilities
 - Developer accepts maintenance responsibilities for Enhanced Streetscape Elements (less public utilities)
- Anticipate Council action August 2019



1ST AVENUE STREETSCAPE

DISCUSSION AND DIRECTION

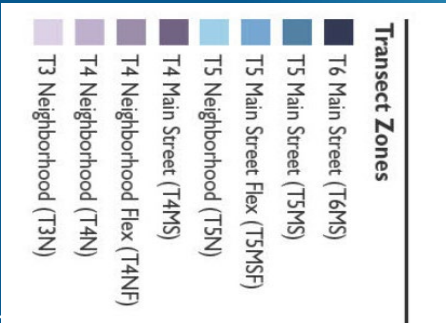
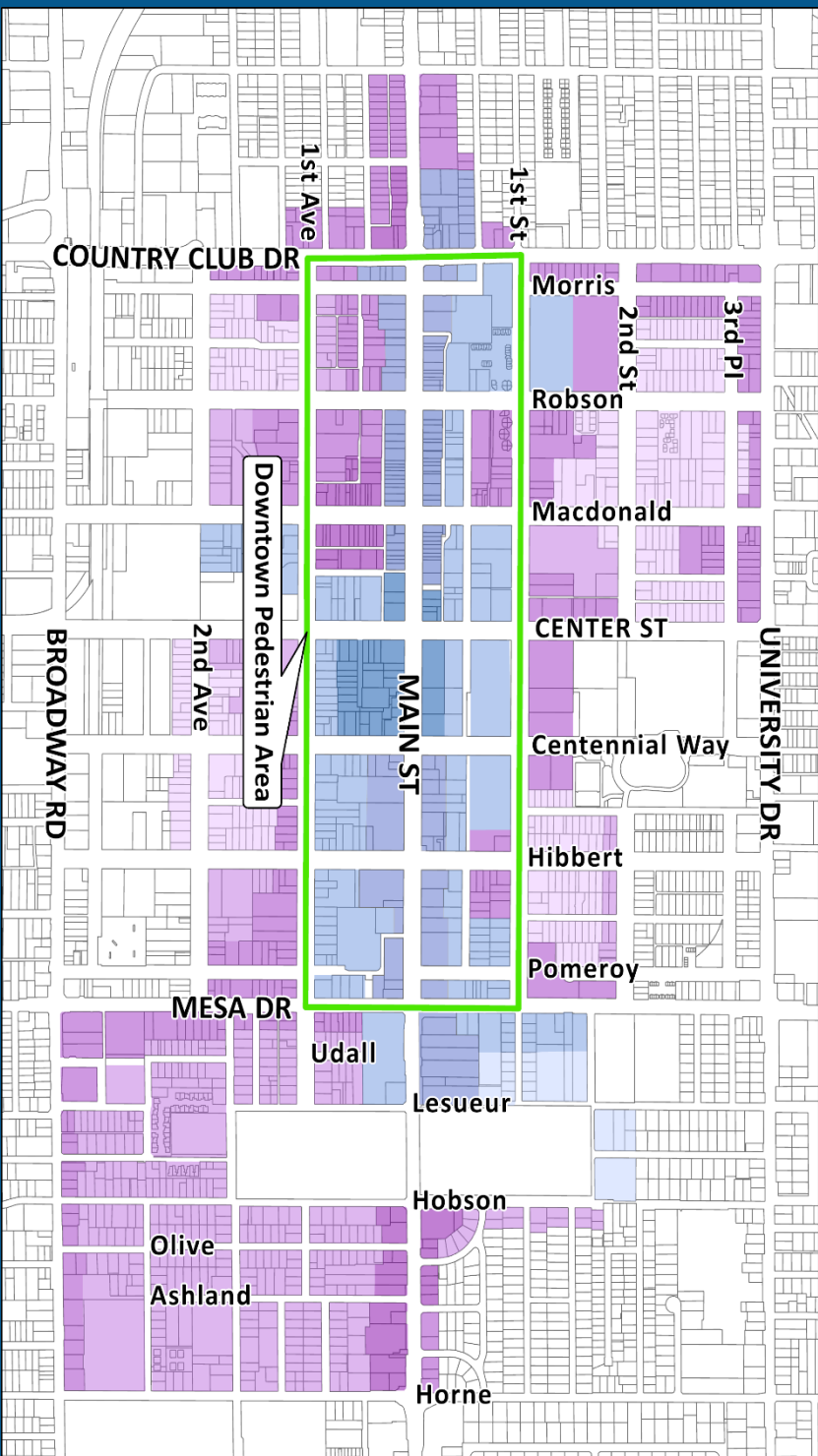
Form-Based Code Minor Amendments

Planning Director
Nana Appiah, PhD, AICP
City Council Study Session
June 27, 2019

Background

- **Form-Based Code adopted in 2012**
 - A means of facilitating land development to achieve a specific urban form
- **Guiding Principles**
 - Foster predictable built results and a high-quality public realm
 - Focus on physical form rather than separation of uses
 - Proactive and reward adherence to the community vision
 - Revitalization of neighborhoods
- **Utilization and evaluation has led to needed minor changes**

Form-Based Code Area



Proposed Modifications

- Administrative authority to allow minor adjustments to certain standards
- Require no maximum lot depth and width for by-passed parcels
- Remove requirement for floor plate above ground floors
- Allow variation in the location of private open space

Proposed Modifications

- Reduce requirement for ground floor transparency in areas outside the Downtown Pedestrian Area (DPA)
- Allow increase in the distance between glazing outside the DPA
- Refine definition of a by-passed parcel

Ground Floor Transparency

Current Requirements:

- 50% minimum for live/work and commercial uses
- 75% minimum for shopfront private frontage

Proposed Change:

- Allow 50% minimum for development outside the DPA
- Allow the reduction with a superior building wall articulation, design, and a pedestrian-scale design

Definition of a By-Passed Parcel

Any lot or parcel which meets all of the following:

1. Does not exceed 2.5 net acres, and has been in its current configuration for more than 10 years; **or** does not exceed 5 net acres and was created by the assembly of individual, contiguous parcels, each not more than 2.5 acres in area; and
2. Is served by, or has direct access to, existing utility distribution facilities; and
3. Is surrounded by properties within a 1,200-foot radius in which:
 - a. The total developable land area is not more than 25% vacant; and
 - b. Greater than 50% of the total number of lots or parcels have been developed 15 or more years ago.

Recommendation

- Staff recommends approval
- Planning and Zoning Board is scheduled to consider this item on Monday, July 1, 2019

Questions/Discussion

Bella Encanta Residential Development

Nana Appiah
Planning Director, PhD, AICP
City Council Study Session
June 27, 2019

Request & Purpose

Rezoning from:

- (1) Neighborhood Commercial (NC) with a Bonus Intensity Zone (BIZ) Overlay
- (2) Neighborhood Commercial-Planned Area Development (PAD) and,
- (3) Planned Employment Park-PAD-Council Use Permit

Rezoning to: Multiple Residence (RM-2 PAD); and Site Plan Review

Purpose:

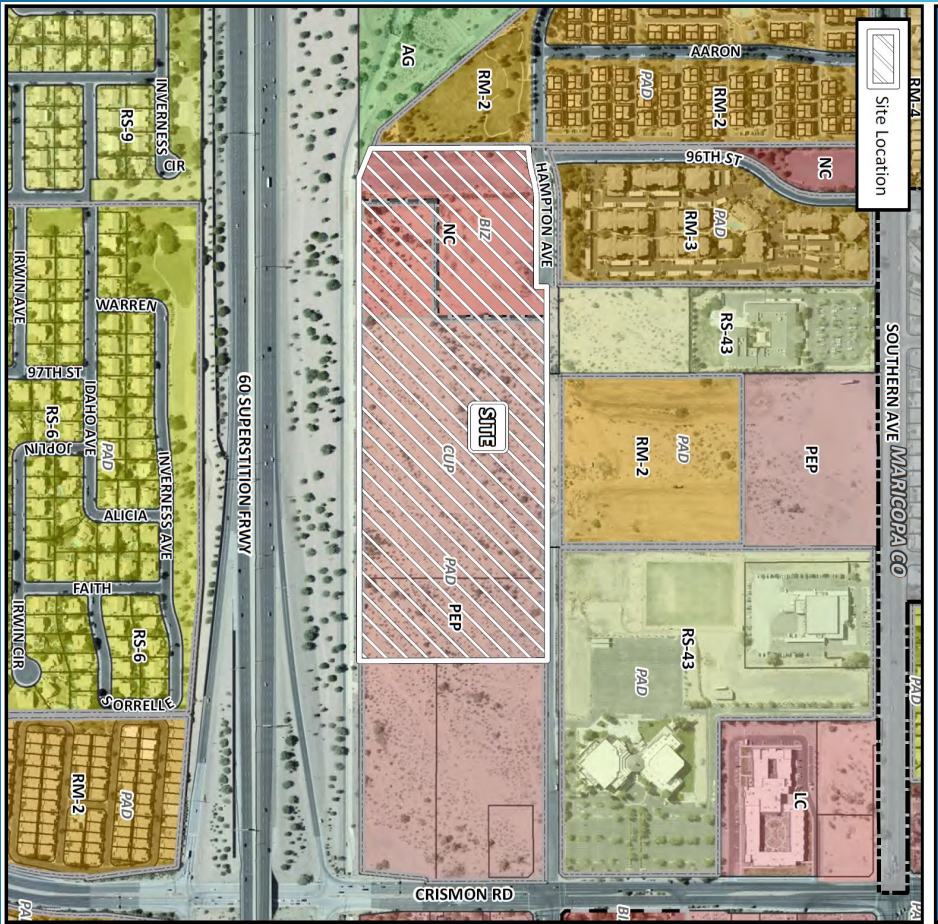
This request will allow for a single-residence subdivision



Background

- **Planning and Zoning Board Initial Review (October 2018)**
 - General Plan Amendment from Employment to Neighborhood
 - Rezoning and PAD
- Recommended Denial
- **Issues:**
 - Protecting Employment Areas
 - Long term sustainability of the development
 - Quality of development layout
 - Inadequate solid waste collection plan
- **City Council Review (December 3, 2018)**
 - Approved General Plan Amendment
 - Remanded rezoning and PAD to the P&Z

Aerial/Zoning Map



2018 Site Plan



2019 Site Plan



Comparison

Item	2018	2019
Density of Units	249 units (123 single residences and 126 attached condos) which included 8 and 14 pack small lot units	212 single residence attached
Density Per Acre	8.3 DU Per Acre	7 DU Per Acre
Solid Waste Requirements	Large commercial metal bins	Using barrels in front of each unit
Open Space Areas	8.23 Acres, but less diversified amenities	7.23 Acres; Diversified Open Space Areas, Increase Connectivity to Hampton Avenue
Building Elevations	Only two building types	Improved elevations with different building types

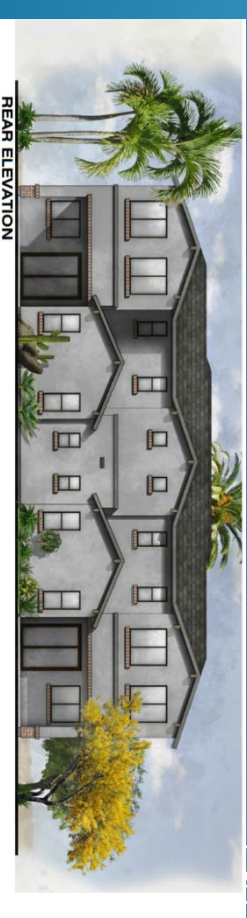
Recommendation

- Staff now recommends approval with conditions
- The Planning and Zoning Board voted 3-3 (procedural denial)
 - Some members wanted an improved site plan and more compatibility to the surrounding area
- Issues
 - Intensity of development and density
 - Long term sustainability of the development

Questions/Discussion



Building Elevations



CONDITIONS OF APPROVAL

1. Compliance with final site plan submitted.
2. Compliance with all requirements of the Subdivision Regulations.
3. Dedicate the right-of-way and easements required under the Mesa City Code at the time of application for a building permit, at the time of recordation of the subdivision plat, or at the time of the City's request for dedication whichever comes first.
4. Compliance with all City development codes and regulations, except as modified in Table 1 in the staff report.

CONDITIONS OF APPROVAL

5. Prior to submittal of a permit application for a masterplan, or any modifications to an approved masterplan, submit for review and acceptance by the Planning Director elevations and floor plans that demonstrate:

- a. Compliance with the Building Form Standards outlined in Chapter 5 of the Mesa Zoning Ordinance and the Residential Development Guidelines;
- b. Use of architectural enhancements, such as windows, recesses, shutters, or metal accents applied to elevations that are located adjacent to the street or an open space; and
- c. Use of a variety of real building materials and finishes on the exterior of the homes, such as wood or quality wood synthetic, shutters, stone, or metal to create interest through color, material and texture.

CONDITIONS OF APPROVAL

6. Prior to submittal of any construction permit(s), revise the site plan to show the stormwater runoff for the project is retained within the limits of the Bella Encanta subdivision per City of Mesa Code or submit the following documentation that substantiates Bella Encanta has permission to retain a portion of their stormwater runoff in the Muirfield Village Condominium's retention basin and establishes that the retention basin satisfies the City's requirements:
 - a. A drainage report that demonstrates the required volume of stormwater runoff in the Muirfield Village retention basin can meet the City requirements for the retention needs for both the Muirfield Village Condominium and the portion of the stormwater runoff from Bella Encanta that will be retained in the Muirfield Village Condominium retention basin.
 - b. A signed and sealed certification from a registered land surveyor that the Muirfield Village Condominium retention basin can adequately retain the volume of stormwater runoff identified in the drainage report.

CONDITIONS OF APPROVAL

- 6c. Execute and record a contract, easement or similar legal document, acceptable to the City, that secures, in perpetuity, the right of Bella Encanta to retain a portion of their stormwater runoff in the Muirfield Village Condominium retention basin and addresses the long-term maintenance responsibility of the portion of the Muirfield Village Condominium retention basin used by Bella Encanta.
7. Comply with the City's requirement to provide an 8-foot wide public utility easement adjacent to the public streets. Relative to the private streets, the City will approve 6-foot wide public utility easements adjacent to the private streets if prior to the issuance of any construction permit(s), developer obtains consent, from each of the utility and telecommunication companies who will provide service to the property, that the 6-foot public utility easements are acceptable.

Planned Area Development Request

RM-2 Development Standards	Required	Proposed	Staff Recommendation
Minimum Lot Area	7,200 sf	3,150 sf	As proposed
Minimum Lot Width	36 feet	42 feet	As proposed
Minimum Lot Depth	94 feet	75 feet	As proposed
Front and Street Facing Side Setback	20 feet	10 feet	As proposed
Interior Side Setback - Attached	0 feet	0 feet, (attached side)/5 feet, (non-attached)	As proposed
Rear Setback	15 feet	10 feet	As proposed
Maximum Building Coverage	45%	56.9%	As proposed
Garage Dimensions Standard Tandem	20 feet x 22 feet 10 feet x 44 feet	20 feet x 22 feet, 11 feet 4 inches x 41 feet 6 inches	As proposed As proposed

- 22, 2018
ors attended
hood
on letter
ay 14, 2019
updated

June 27, 2019

TO: CITY COUNCILMEMBERS

FROM: MAYOR JOHN GILES

SUBJECT: Appointments to Boards and Committees

The following are my recommendations for appointments to City of Mesa Advisory Boards and Committees:

Board of Adjustment – Seven-member board including one reappointment and one new appointment.

Reappointment:

Kathy Tolman, District 6. Ms. Tolman is an administrator with the Legacy Education Group. She holds a Bachelor of Arts from Arizona State University. Ms. Tolman is a member of the AZ Charter Schools Association Board of Directors and she is a Mesa Leadership graduate. Her term will expire June 30, 2022.

New Appointment:

Nicole Lynam, District 3. Ms. Lynam is an architect with K Engineering & Design. She holds a Bachelor of Science in Design from Arizona State University and is a member of American Institute of Architects and Arizona Petroleum Marketers Association. Her term will expire June 30, 2022.

Building Board of Appeals – Nine-member board including one reappointment.

Reappointment:

Mark Hunsaker, District 5. Mr. Hunsaker is the owner and general contractor of Stonecreek Construction. He holds a Bachelor of Arts in International Relations from Brigham Young University. In his current and previous roles, Mr. Hunsaker has completed development projects throughout Mesa and the Valley at large. Mr. Hunsaker will be continuing in the position of General/Building Contractor on the board. His term will expire June 30, 2022.

Design Review Board – Seven-member board including two reappointments and one new appointment.

Reappointments:

Scott Thomas, District 6. Mr. Thomas has extensive experience as a general contractor and currently works for the Weitz Company. Mr. Thomas has been a Mesa resident for over 20 years and has served on both the Board of Adjustments and Building Board of Appeals in past years. He fills the Contractor/Developer position on the Design Review Board. His term will expire June 30, 2022.

Sean Banda, District 3. Mr. Banda is an urban planner with the City of Buckeye. He holds a Master of Urban Planning from Arizona State University. Mr. Banda volunteers for the Boy Scouts of America. He fills one of the Citizen positions on the Board. His term will expire June 30, 2022.

New Appointment:

Tanner Green, District 4. Mr. Green works as an equipment and process development engineer at Intel Corporation. He earned a Bachelor of Science in Mechanical Engineering from Arizona State University and a Masters of Science in Mechanical Engineering from the University of Southern California. He owns a historic home in the Fraser Fields neighborhood and will fill one of the Citizen positions on the Board. His term will expire June 30, 2022.

Economic Development Advisory Board – Nine-member board including two reappointments.

Reappointments:

Matthew Likens, District 5. Mr. Likens is CEO of Ulthera Inc., a medical device company. He holds a Bachelor of Business Administration from Kent State University. Mr. Likens is a member of the Greater Phoenix Economic Council and the 2015 winner of the Ernst & Young Entrepreneur of the Year Award. His term will expire June 30, 2022.

Debra Duvall, District 5. Ms. Duvall is a retired Mesa Public Schools Superintendent with over forty years' experience working with public schools. Ms. Duvall has given extensively to her community, serving in many varied capacities including as Chair of the Opportunity for Youth Council, A New Leaf Board of Directors, Greater Phoenix Economic Council, Mesa United Way Board of Directors, Downtown Development Committee and the City of Mesa Planning and Zoning Board. Ms. Duvall holds a Masters of Education from Long Beach State and a Doctorate of Education from Arizona State University. Her term will expire June 30, 2022.

Historic Preservation Board – Seven-member board including two reappointments and one new appointment.

Reappointments:

Milagros Zingoni, District 3. Ms. Zingoni is an Assistant Professor in the Design School at Arizona State University. She has held other faculty and research positions in the School of Architecture and Landscape Architecture, School of Urban and Environmental Planning, and IRA Fulton School of Engineering. Ms. Zingoni holds a Masters of Urban and Environmental Planning from ASU. She has served the community in a wide variety of ways including as an Ideologist for the IDEA Museum, and a board member of Everlasting Marks. Ms. Zingoni's term will expire June 30, 2022.

Benjamin Ayers, District 1. Mr. Ayers is an architect with Shepley Bulfinch as well as an associate faculty instructor at Arizona State University. Mr. Ayers holds a Bachelor of Science in Design degree with a Minor in Urban Planning and a Master of Architecture degree from Arizona State University. He volunteers his time with the Boy Scouts of America, ACE Mentorship Program, and the Sonoran Collaborative. His term will expire June 30, 2022.

New Appointment:

Barbara Bingham, District 1. Ms. Bingham is a retired librarian and formerly worked for Mesa Public Library at the Red Mountain and Dobson Ranch Branches. She holds her Bachelor of Interdisciplinary Studies in Operations Management from ASU and a Master of Arts in Information Resources and Library Science from the University of Arizona. Ms. Bingham lives in the Evergreen Historic District. Her term will expire June 30, 2022.

Housing and Community Development Advisory Board – Eleven-member board including three reappointments and two new appointments.

Reappointments:

Stephanie Luz Cordel, District 2. Ms. Cordel is a Social Sector Consultant with All Voices Consulting. Previous professional experience includes work in the mental health field. Ms. Cordel holds a Bachelor's degree from Vanderbilt University and a Master of Social Work degree from Arizona State University. Ms. Cordel sits on the Board of Directors for Mindfulness First, volunteers her time with Anytown Arizona Leadership Camp, and is a recent Mesa Leadership graduate. Ms. Cordel will continue serving as a Community Representative member on the board. Ms. Cordel's term will expire June 30, 2022.

Mara Benson, District 6. Ms. Benson is currently a Realtor with Bliss Realty & Investments and has over fifteen years of professional experience in reality, and sales. Ms. Benson is very active in the community serving in a number of current and past leadership roles including: House of Refuge Board Member, graduate and Board Member of Mesa Leadership, Chair of Mesa Chamber Gateway Networking Group, Vice President Membership of Maverick Toastmasters, and many more. Ms. Benson will continue to fill one of the Community Representative positions on the board. Her term will expire June 30, 2022.

Derek Brosemann, District 1. Mr. Brosemann is a Vice President and Business Banking Relationship Manager at JPMorgan Chase Bank. Previously, he owned and operated a small business in Mesa. Mr. Brosemann holds a Bachelor of Science in Business from Western International University. In addition to his professional career, Mr. Brosemann volunteers his time with the Boy Scouts of America. Mr. Brosemann will be filling one of the Community Representative positions on the board. His term will expire on June 30, 2022.

New Appointments:

Mark Powell, District 6. Mr. Powell has spent the last 14 years in the mortgage business and is currently a mortgage loan officer with LoanDepot.com. He holds a Bachelor of Science from NAU and membership in the SouthEast Valley Association of Realtors (SEVRAR). Mr. Powell will be filling one of the Community Representative positions on the Housing & Community Development Advisory Board. His term will expire June 30, 2022.

Chad Cluff, District 1. Mr. Cluff works for Cluff Property Management and has background in commercial infill redevelopment. He holds a Bachelor of Arts from ASU and a Masters Degree in Real Estate Development from the W. P. Carey School of Business at ASU. Mr. Cluff is a native of Arizona and has previously served on the Historic Preservation Board and the Board of Adjustment. He will be filling the Single-Family Housing Development Representative position on the Housing & Community Development Advisory Board. His term will expire on June 30, 2022.

Human Relations Advisory Board – Eleven-member board including three reappointments and three new appointments.

Reappointments:

Alvaro Perez Gonzalez, District 4. Mr. Gonzalez is a legal assistant at Skousen, Gulbrandsen & Patience. He is currently pursuing a double major in Political Science and Spanish from Benedictine University. At Benedictine University, Mr. Gonzalez serves as the Hispanic Outreach Specialist, is the Vice-President of the Hispanic Student Association, and is part of the Jo Wilson Leadership Program. Mr. Gonzalez is a member of the Mesa Association of Hispanic Citizens, has served as an afterschool mentor and has volunteered with other Valley organizations. His term will expire June 30, 2022.

Joseph K Holmes, District 4. Mr. Holmes is the CEO of Heal the Hero Foundation. Mr. Holmes previously served as the Executive Director of Business Operations for Westminster College, and as a consultant to several local businesses, and government agencies. Mr. Holmes holds a Bachelor of Science in Business and a MBA. His term will expire June 30, 2022.

Louis Wade, District 6. Mr. Wade is a Detention Officer with the City of Mesa Police Department. Mr. Wade is a veteran, having served with the United States Marine Corps from 1988–1992 and the United States Navy from 1995-2014. Mr. Wade holds a Bachelor of Science from the University of Maryland University College. His term will expire June 30, 2022.

New Appointments:

Olga O. Danelowitz, District 2. Ms. Danelowitz is currently retired and has many years experience working for municipal government. While employed with the City of Phoenix she staffed the Women's Issues Committee, the Disability Committee and the Human Relations Committee. She also served as the Director of Compliance and Enforcement in the EEO Department and on the Public Housing Board. Ms. Danelowitz holds a Bachelor of Science from the University of Phoenix. Her term will expire June 30, 2022.

Bill McAllister, District 5. Mr. McAllister is a Community Development Consultant for Marc Community Resources. He holds a Bachelor of Science from ASU and is a 2015 graduate of the Mesa Leadership program. Mr. McAllister has previously served on the Maricopa County Industrial Development Authority (IDA) Board of Directors and the Maricopa County Community Development Advisory Committee (CDAC). His term will expire June 30, 2022.

Alane Breland, District 6. Ms. Breland is an attorney with the Salt Rive Pima-Maricopa Indian Community, Office of the Prosecutor. She holds a Bachelor of Arts and Juris Doctor from the University of Alabama. Ms. Breland is a member of the State Bar of Arizona and has served as the Minority Bar Convention Co-Chair. Her term will expire June 30, 2022.

Judicial Advisory Board – Seven-member board including two reappointments.

Reappointments:

Gordon Sheffield, District 4. Mr. Sheffield is a retired City of Mesa Zoning Administrator and has over 30 years of experience with the planning division. Mr. Sheffield holds a Bachelor of Science in Geography and Urban Studies and a Masters of Public Administration from Arizona State University. His term will expire June 30, 2022.

Wade Swanson, District 3. Mr. Swanson is General Counsel & Division VP of HR for Bar-S Foods. He holds a juris doctor from Arizona State University. Mr. Swanson will continue holding the position required to be filled by a designee of the State Bar of Arizona. His term will expire June 30, 2022.

Library Advisory Board – Nine-member board including three reappointments and one new appointment.

Reappointments:

Joy Petroff, District 1. Ms. Petroff is an administrative assistant with the First Evangelical Lutheran Church. She holds a Bachelor of Arts degree from South Dakota State University. Ms. Petroff has volunteered her time with Feed My Starving Children, the United Food Bank, Compassion International, and others. Her term will expire June 30, 2022.

Alexis Ross, District 4. Ms. Ross attends Arizona State University. She has volunteered with the library for over two years including assisting with the Summer Reading Program and Sensory Story time. Ms. Ross is a member of the Cardon Childrens Advisory Board. Ms. Ross holds the student representative position on the Library Board. Her term will expire June 30, 2022.

Megan Sterling, District 6. Ms. Sterling holds a Bachelor of Arts in English from University of California, Irvine. Ms. Sterling is a Mesa Historical Museum Board Member and volunteers for the Mesa United Way, Mesa Historical Museum, and Ruff Ruff Rescue Runners. She is a 2012 Mesa Leadership graduate. Her term will expire June 30, 2022.

New Appointment:

Ralph Wilson, District 1. Mr. Wilson is a well-known orthopedic surgeon practicing at OrthoArizona/Mezona Orthopaedic. He completed medical school and received his M.D. at the University of Iowa. He performed his residency at Vanderbilt University Hospital in Nashville, Tennessee. Mr. Wilson has completed numerous medical mission trips. His term will expire June 30, 2022.

Merit System Board – Three-member board including one reappointment.

Reappointment:

Terry Hines, District 1. Ms. Hines is a consultant with DTH Consulting. She previously served for thirty years in various capacities with the Child Crisis Center including as Chief Operating Officer and Assistant Director. Ms. Hines holds a Bachelor of social work from Arizona State University and a masters of organizational management from the University of Phoenix. Her term will expire June 30, 2022.

Museum & Cultural Advisory Board – Eleven-member board including one reappointment and two new appointments.

Reappointment:

Jocelyn Condon, District 1. Ms. Condon is a flight attendant with American Airlines. She was a Girl Scout Leader, taught Art Masterpiece at Franklin Elementary, and is a board member of the Wings of Flight Foundation at Falcon Field. Ms. Condon holds a Bachelor of Science in Elementary Education from the University of Colorado. Her term will expire June 30, 2022.

New Appointments:

Richard Lanahan, District 2. Mr. Lanahan is retired with 30 years experience with Electronic Data Systems & Hewlett Packard. He holds a Bachelors in Management Information Services from the University of Detroit and is Lean Six Sigma Black Belt Certified. He has volunteered as a baseball and soccer coach and is a new resident of Mesa. His term will expire June 30, 2022.

Nick Willis, District 1. Mr. Willis is a Legislative Coordinator with DeMenna Public Affairs. He holds a Bachelor of Arts from ASU and formerly worked as research staff for the Arizona State Senate. Mr. Willis speaks fluent Spanish and is an active volunteer in the community. His term will expire June 30, 2022.

Parks & Recreation Board – Eleven-member board including two reappointments and two new appointments.

Reappointments:

Jo Martin, District 6. Ms. Martin is the owner of TM3 Consulting a firm providing accounting, business growth and strategic services for businesses and non-profit organizations. Ms. Martin holds a Bachelors of Science in Psychology from the University of Illinois, Urbana-Champaign. She serves on the Mesa Police Family 906 and United Food Bank Board of Directors. Her term will expire June 30, 2022.

Orchidia Peterson, District 6. Ms. Peterson has a Bachelor of Arts Degree in Elementary Education from ASU. She is currently employed by the Town of Gilbert Public Works Department and previously spent several years working for the Town of Gilbert Parks & Recreation Department. Her term will expire June 30, 2022.

New Appointments:

Brent Maldonado, District 6. Mr. Maldonado is a Planning Technician-Load Researcher at Salt River Project (SRP). He holds a Bachelors of Science in Business Management from Western International University and a MBA from Wilkes University-Mesa. Mr. Maldonado was part of the Mesa Leadership class of 2012. His term will expire June 30, 2022.

Claud Cluff, District 3. Mr. Cluff has 30 years park maintenance experience and is currently a Maintenance Supervisor for the City of Chandler. He holds a Bachelor of Science in Plant Science from the University of Arizona. He is on the Arizona Community Tree Council Board of Directors and the Mesa and Chandler Schools Agriculture Education Advisory Board. His term will expire June 30, 2022.

Personnel Appeals Board – Five-member board including one reappointment.

Reappointment:

Eric Jackson, District 1. Mr. Jackson is an Attorney with JacksonWhite, P.C. He is a member of the Arizona and Utah State Bars and holds a Bachelor of Arts and a Juris Doctorate from Brigham Young University. Mr. Jackson actively gives back to the community through Mesa Rotary, Families Helping Families, Little League Baseball, Pop Warner Football, and many other activities. His term will expire June 30, 2022.

Planning & Zoning Board – Seven-member board including two reappointments.

Reappointments:

Deanna Villanueva-Saucedo, District 4. Ms. Villanueva-Saucedo is the Community Engagement Director for Maricopa Community Colleges. Ms. Villanueva-Saucedo holds a Bachelor's degree in Psychology and a Master's degree in Public Administration from Arizona State University. She is extensively involved in the community, serving on numerous boards and committees and many additional volunteer roles including board member of A New Leaf, Mesa Association of Hispanic Citizens, East Valley Partnership, Mesa United Way, and many more. Ms. Villanueva-Saucedo's term will expire June 30, 2022.

Tim Boyle, District 1. Mr. Boyle is an architect with Kendle Design Collaborative. He also owns and operates his own company, Tim Boyle Design, LLC. Previous professional roles have included Adjunct Professor in the Graduate School of Architecture at Columbia University, and serving as Faculty in the ASU School of Architecture. Mr. Boyle has served as a Scoutmaster for the Boy Scouts of America and as a member of the Mesa Grande Steering Committee. His term will expire June 30, 2022.

Self-Insurance Program Board of Trustees – Five-member board with one reappointment.

Reappointment:

Linee Ferguson, District 5. Ms. Ferguson is a human resources consultant and trainer for Master the Workplace. She previously served as the human relations manager for the Salt River Pima-Maricopa Indian Community Education Division. She holds a Master's Degree in Urban Studies with a Human Resources concentration from Georgia State University. She has previously served as a City of Scottsdale Personnel Board member and City of Mesa Merit System Board member. Her term will expire June 30, 2022.

Transportation Advisory Board – Eleven-member board including two reappointments and two new appointments.

Reappointments:

Georgina Marin, District 4. Ms. Marin is an Emergency Preparedness Planner at the Maricopa County Department of Public Health. She formerly worked for the AZ Department of Fire, Building & Life Safety. Ms. Marin has a Master of Arts degree in Homeland Security from American Military University. She is an active volunteer with the Boy Scouts. Her term will expire June 30, 2022.

Dave Bergner, District 2. Mr. Bergner is a principal with Monte Vista Associates, LLC, a consulting firm that specializes in public works operations. He is also an on-call Traffic Incident and Emergency Management Specialist with Gannett Fleming Engineering Co. Mr. Bergner has held several other transportation and traffic related positions over his career. He holds a Bachelors of Arts in Geography from the University of Missouri-Kansas City and a Masters in Management from Webster University. His term will expire June 30, 2022.

New Appointments:

David K. Winstanley, District 6. Mr. Winstanley is a retired Director of Engineering, currently doing independent consultanting work for InterTec Int'l. Former consulting clients include Honeywell, Belcan, AlphaSites, ThirdBridge, and Bain. Mr. Winstanley spent 35 years at Honeywell Aerospace, including serving as Mechanical Chief Engineers Director. He earned his Bachelors and Masters in Mechanical Engineering from Purdue University, and completed post-graduate studies at Arizona State University. Mr. Winstanley served on the original Paz de Cristo board that developed and implemented Paz de Cristo. His term will expire June 30, 2022.

Melissa J. Vandever, District 3. Since 2014, Ms. Vandever has owned Premier Accounting & HR. She has a long history in HR and training and has previously worked for ADP, Wells Fargo, and other local companies. Ms. Vandever is a member of the Mesa Chamber of Commerce and has participated in multiple certification programs including the Society of Human Resource Management (SHRM) and National Bookkeepers Association (NBA). Her term will expire June 30, 2022.

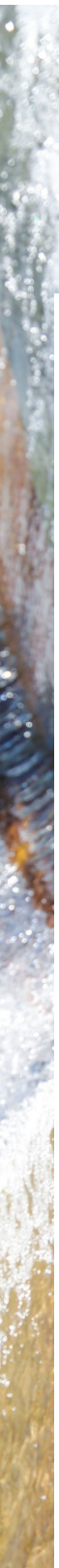


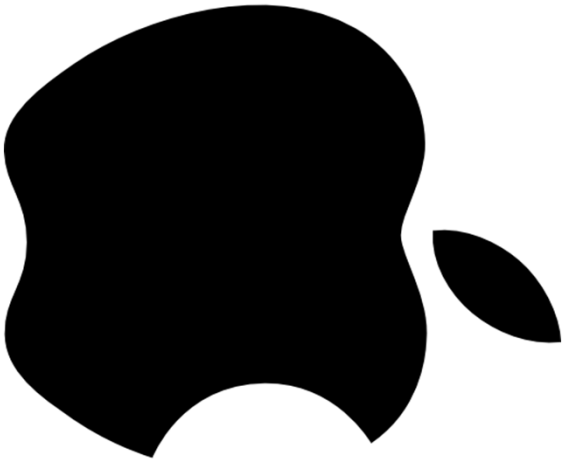
Project Red Hawk

Development Agreement & Government
Property Improvements Lease Presentation

City Council Study Session – June 27th, 2019

Office of Economic Development





#3



AT&T

#9



BOEING®

#28

Google

#15

Existing Zoning:
Employment
Opportunity (EO)
Zoning District,
approved by
Council on April
1st, 2019



Project Obligations

Performance Milestones in the Development Agreement

- July 2025 - Milestone I – Minimum of \$600M in CapEx, \$180M in Taxable Construction Cost & 250,000 SF of Development
- July 2027 - Milestone II – Minimum of \$800M in CapEx, \$240M in Taxable Construction Cost & 500,000 SF of Development
- July 2029 - Milestone III – Minimum of **\$1 Billion** in CapEx, \$300M in Taxable Construction Cost & 750,000 SF of Development
 - Average Salary of all Project FTEs to be minimum of \$65,000/year

City of Mesa Obligations

Water

- The City proposes to make an initial 1,120 AFY of water supply available for the project, and should they meet the Performance Milestones, they will have the ability to reach 4,480 AFY of supply.
- Project Red Hawk will also have sufficient emergency back-up supplies for water, which includes utilizing on-site storage, existing wells on their site, acquiring their own water rights & supplies, and transferring long-term storage credits to the City.

City of Mesa Obligations

GPLET

- We are proposing a 25-year GPLET for the project, which is critical in their financial evaluation of developing the project.
- The site is outside the CBD & RDA, and is ineligible for the 8-year full tax abatement. Additionally, they are subject to a 150% premium of the published Excise Tax Rates, due to being outside these CBD & RDA areas.

25-Year GPLET Analysis

- In 2019, the site will generate **\$3,604** in Real Property Tax Revenue.
- If it stays farm land for the next 25 years, it will generate a total of **~\$162,007**.
- The GPLET is a critical component for Google to develop a campus here in Mesa, and they will still be paying a significant **~\$32,967,000** in Excise Taxes over the 25-year term of the Lease.
- If Project Red Hawk were not to receive a GPLET, they would pay an estimated **~\$48,916,134** in ad valorem Real Property Taxes.
- Furthermore, the City expects to generate a minimum total of **~\$28.1 million** in Construction Sales Tax, Electricity Sales Tax and Personal Property Tax as a result of this project.

Projected Tax Revenue over 25 years

- This Table below represents the projected total tax revenue to be collected by all taxing entities over 25 years.
- These calculations were derived from the Milestone Minimums, as well as industry standard assumptions for similar developments.

Tax Revenue Types	Projected Revenue
GPLET Excise Tax Revenue	\$32,967,000
Electricity Sales Tax Revenue	\$97,174,242
Construction Sales Tax Revenue	\$15,356,517
Personal Property Tax Revenue	\$11,069,748
Total Tax Revenue	\$156,567,507

Summary & Considerations

- Google has expressed a commitment to the thoughtful use of water, and maintaining a high level of water stewardship
- Over the 25-Year Term of the GPLET the City alone would receive approx. **\$28.1M** in direct revenue from Electricity Sales Tax, Personal Property Tax & Construction Sales Tax revenue.
- A GPLET will still significantly increase the Property Tax generated from this property as it sits today, and also allow for additional property tax growth as they construct additional development on the site, due to Excise Tax Rates being based on square-footage.
- City Staff recommends and asks that Mayor & Council **approve** this Development Agreement and Government Property Improvements Lease, which we hope will facilitate the development of Google's new campus in Mesa.



Questions & Discussion

