

City Council
Study Session
July 6, 2017

MEMORANDUM OF UNDERSTANDING: DREW STREET PARKING LOT

Jeff McVay
Manager of Downtown
Transformation

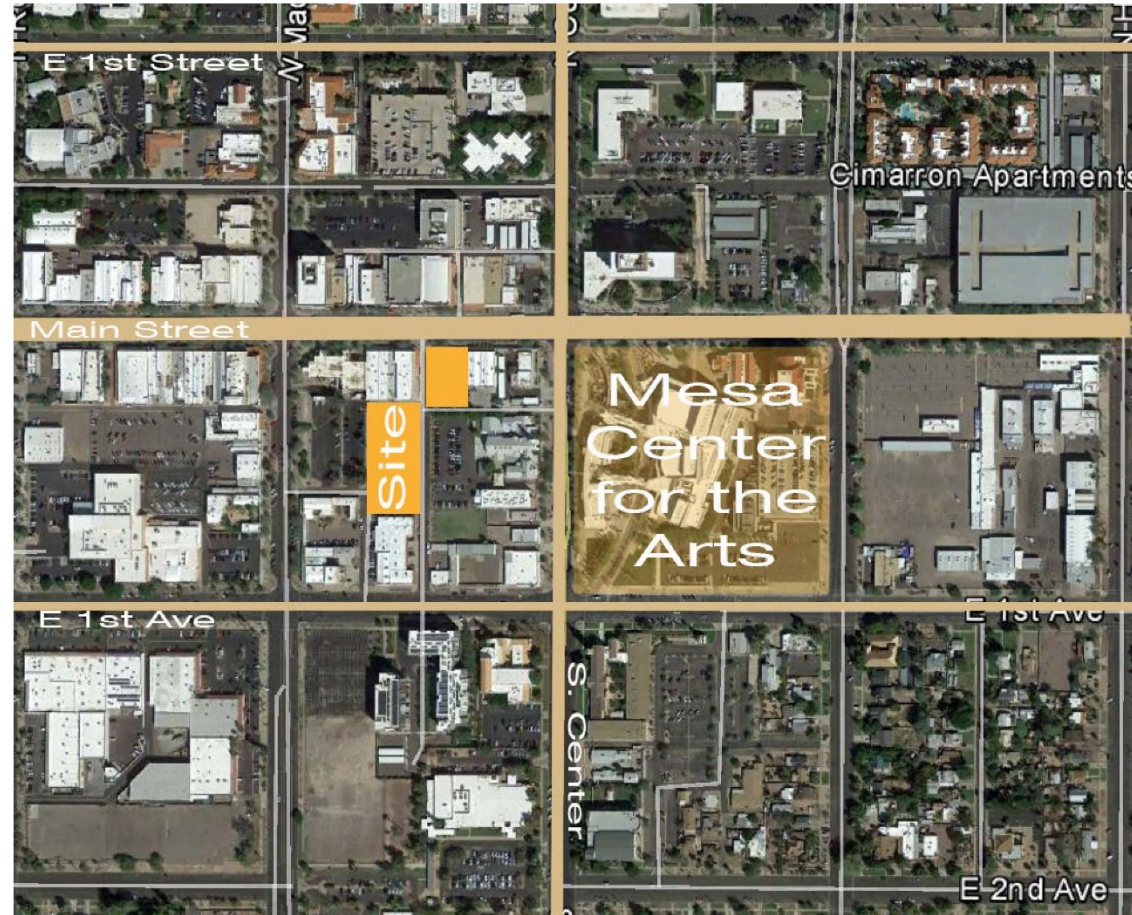
PROJECT OVERVIEW



Main St. MESA

Mesa Hotel and Residences

PROJECT OVERVIEW



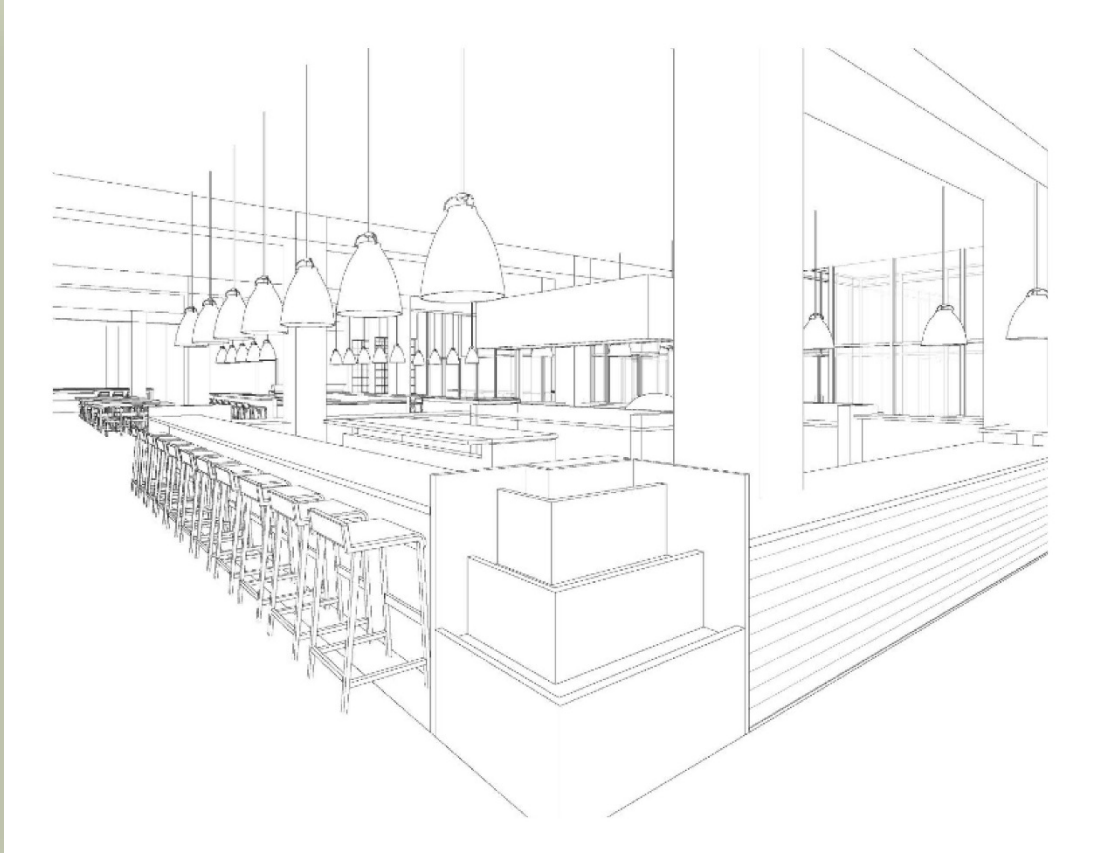
MESA HOTEL & RESIDENCES
MESA, ARIZONA

Allen + Partners
architects interiors

PROJECT OVERVIEW



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PRIMARY CITY COMMITMENTS

- Long-term lease and/or purchase of the air rights above the Drew Street parking lot
 - Reduced lease/purchase rates that reflects City benefit from new structured public parking and reduced maintenance requirements
 - Consideration of Government Property Lease Excise Tax (GPLET)
- Construction or reimbursement for public streetscape improvements along Drew Street and S. Main Alley, with City approved design and subject to a cap
- Potential abandonment of portions of Drew Street and S. Main Alley to accommodate leasable ground-floor space in parking structure
- Consideration of possible rebate of a portion of City's Transient Occupancy Tax
- Planning, zoning, and building entitlements through a customized review schedule
 - City-initiated rezoning to appropriate Form-Based Code transect
 - Assignment of Development Services Project Manager through zoning and development entitlements



PRIMARY DEVELOPER COMMITMENTS

On Drew Street Parking Lot

- Minimum 75-room boutique hotel
- Minimum 75 luxury apartments
- Replacement of surface parking with parking structure that includes equivalent amount of public parking and project parking at no cost to City
 - Additional public parking may be included at City's request and expense

On Developer Lot

- Minimum 7,000 SF of restaurant and/or retail space
- Design for additional restaurant/retail, conference and meeting space in second story with future market demand




COOPERATIVE COMMITMENTS

- Parking structure redevelopment
- Removal of property restrictions associated with a 1957 gift deed
- Maintenance of 102 public parking spaces
- Cost sharing for parking structure O&M
- Consideration of options to provide electricity from renewable energy source
- MOU expires June 30, 2018



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DREW LOT – MEMORANDUM OF UNDERSTANDING

DISCUSSION AND DIRECTION