

# Eco Mesa East MOU (Green Lot)

**City Council Study Session**  
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# Background

## **Summer 2023: City received unsolicited proposal to develop Green Parking Lot**

- Located at southeast corner of Macdonald and Pepper Place
- 105 Parking Spaces





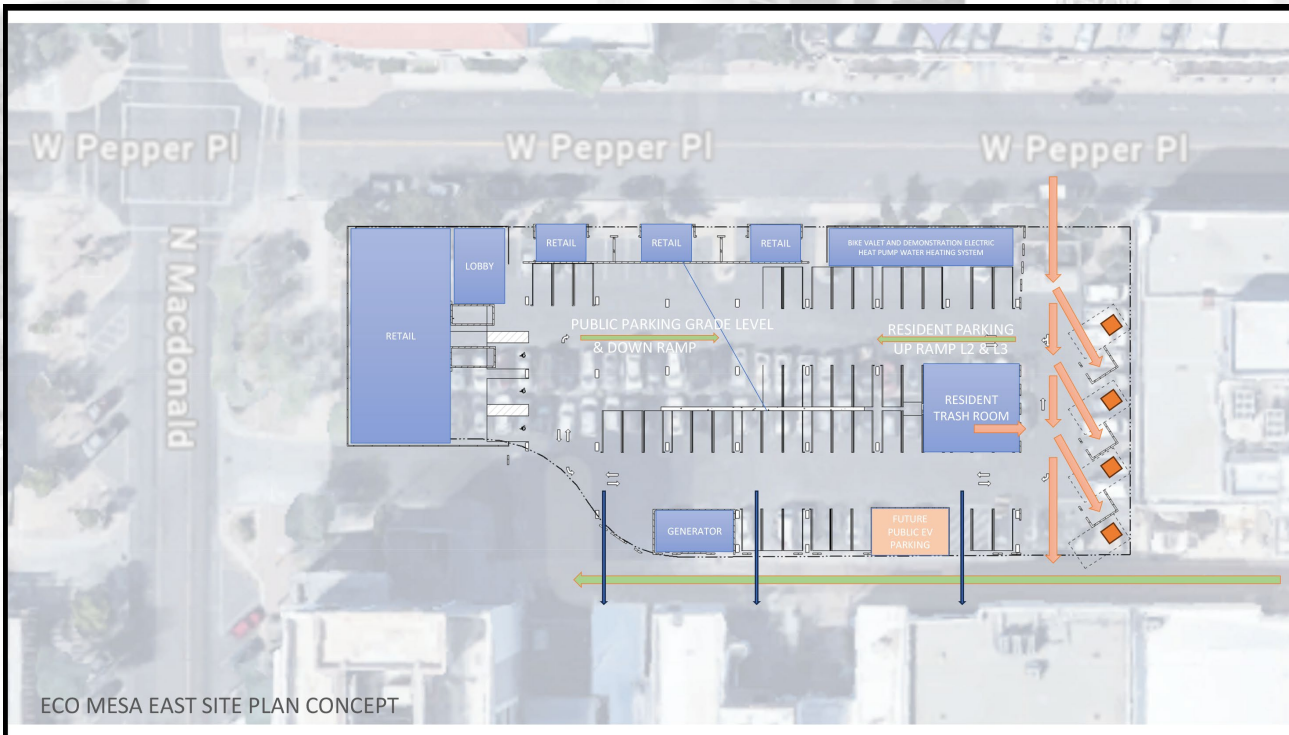
# Eco Mesa East – Concept Overview



# MOU Deal Points – Developer Obligations

## Development of mixed-use apartment building and parking garage

- Minimum of 100 market rate/ luxury sustainable apartments
- Minimum of 2,000 sq ft of commercial space
- Multi-story, structured parking garage including:
  - 74 contiguous public parking spaces, with perpetual parking easement to City
  - At City's request, installation of conduit to support Level 2 electric vehicle chargers
  - All operation and maintenance during term of GPLET
  - Wayfinding
  - Design and construction of public outdoor plaza
  - Potential installation of solar project on top of Pepper Place Garage





# MOU Deal Points – Developer Obligations

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## **Development of mixed-use apartment building and parking garage (continued)**

- **Project will use City of Mesa utilities**
- **Provision of business plan including budget & pro forma**
- **Demonstration of financial capacity to successfully complete project**



# MOU Deal Points – City Obligations

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- **City will not solicit or entertain development proposals or offers during the term of the MOU**
- **Relocation of 30 permit parking spaces from City's Green Lot to Pepper Garage**
- **Provision of parking license agreement for up to 70 spaces in Pepper Garage**
  - **Provides developer 12 months option on spaces**
  - **Initial term of 5 years at \$45/month/space**
    - **Two five-year renewals for max 15 years**
    - **Renewal rate will be the published parking rate**
    - **Parking rates approved by Council at City's discretion**



# MOU Deal Points – City Obligations

- **GPLET agreement – 8-year tax abatement**
  - Minimum public improvements that support requested tax abatement or reduction include:
    - Potential solar project
    - Public plaza space
    - Monetary contribution to be used for homeless or affordable housing programs, solar project, or programs that address infill development in redevelopment areas or at properties in Mesa categorized as blighted
- **Customized Review Schedule for construction plans, applications, etc.**
  - City will partner to provide support in any required rezoning process for the project



# MOU Deal Points – City Obligations

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- **City may reimburse developer for certain public infrastructure improvements, that support a broader downtown**
- **Provision of available impact fee offsets for previous development**



# MOU Deal Points – Other Provisions

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- **Purchase of City land will be based on fair market value**





# Discussion

