

MINUTES

HISTORIC PRESERVATION COMMISSION

March 8, 2023

Minutes of the regular hearing of the Historic Preservation commission, of the City of Tempe, which was held in hybrid format in person at City Council Chambers, 31 East 5th Street, Tempe, AZ, and virtually through WebEx.

Regular Meeting 6:01 PM

Present:

Staff:

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| Kyle Woodson | Zachary Lechner, Historic Preservation Officer |
| Dave Fackler | Ambika Adhikari, Principal Planner, Com Dev |
| Gregory Larson | Jennifer Daniels, Administrative Assistant II, Com Dev |
| Elizabeth Gilbert | |
| Laurene Montero | |
| Chris Garraty | |
| Reylynne Williams | |
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- 1) **Call to Audience:** Persons wishing to address the Commission on any matter may do so at the discretion of the Chair. However, Arizona Open Meeting Law limits Commission discussion to matters listed on the posted agenda. Other topics may be placed on a future agenda for discussion.

- 2) **Voting of the Meeting Minutes**

Commissioner Montero stated that on page 4, first paragraph and last sentence, the word “access” should be “assess.”

Motion by Commissioner Montero to approve Meeting Minutes for February 8, 2023, as amended with 1 correction mentioned: second by Vice Chair Fackler. Motion passed on **6-0** vote.

Ayes: Kyle Woodson, Dave Fackler, Laurene Montero, Reylynne Williams, Gregory Larson, and Chris Garraty

Nays: None

Abstain: None

Absent: Jim Garrison, Kiyomi Kurooka, and Elizabeth Gilbert

- 3) **Approval of Agenda**

Agenda approved by Chair Woodson.

- 4) **Update on Venue Projects and Sunbelt Holdings’ redevelopment plans for the Hayden Flour Mill and Silos, located at 119 South Mill Avenue. The presenter is Lorenzo Perez of Venue Projects.**

Ms. Maria Laughner gave a presentation on the plans for the Hayden Flour Mill and Silos. The City has identified a variety of primary business terms. The City will designate the site as an urban park, with the City retaining ownership. Sunbelt/Venue will have a 60-year lease, with possible extensions. The buildings are full of equipment. The City owns the building’s contents but will give Sunbelt/Venue first right of refusal of the contents. For the equipment or contents that are not of interest to Sunbelt/Venue, the City will look at other

opportunities for use. More information will be given once the City determines how the contents will be used. There will be no onsite parking. There will be a parking agreement with surrounding businesses. The Streetcar and light rail have a stop at the site, and the project will be subject to DTA and Streetcar assessments. The development concepts include Sunbelt/Venue restoring historic features of the Mill, Silos, and Tempe Butte and preservation-minded adaptive reuse. The new buildings on the site will be subordinate and secondary in nature. They will not overpower the existing buildings. The goal is to provide additional amenities for the overall site. There will be light and art elements for storytelling and cultural activation. Another major concept is the rehabilitation of the trailhead. Sunbelt/Venue commits to pursuing a National Register listing and federal historic tax credits, maintain all of the property, provide a façade and conservation easement on the historic buildings, and participate in a memorandum of understanding (MOU) with the Salt River Pima-Maricopa Indian Community (SRPMIC) to establish a framework on how they can work together and communicate. The development agreement has not gone to Council yet. There are 3 phases of the development that will collectively take a minimum of 5 years.

Mr. Lorenzo Perez of Venue Projects presented on the ongoing redevelopment plans for Hayden Flour Mill and Silos site. Mr. Perez stated that the outbuildings will be 1 to 2 stories high. Mr. Perez said he was recently able to walk the site with staff of the State Historic Preservation Office (SHPO) and the National Park Service historic tax credits program reviewer. Historically, there were outbuildings that surrounded the Mill. The new development will mirror how the site was oriented in the past. Mr. Perez received a gift from Jeff Zimmerman of the Hayden Flour Mills company of a cultural resources report that the City commissioned in 2008. It is a 3-volume set that includes a deep dive into the history of the Mill site. Venue Projects also has the original plans of the Mill from 1918. A lot of information can be used for storytelling, Mr. Perez said. Venue is thinking about the project and the preservation of the site in the long term and how it will be passed from generation to generation. They are receiving a lot of interest from tenants in the food and beverage industry, some of whom have reached out stating that they would love the opportunity to be a part of the site. The next step is to determine how to get the building cleaned up and get an engineering team in place.

Chair Woodson asked if there were any questions from the Commission and stated that this is just an update and not a voting item.

Commissioner Montero stated that she is very excited about this project. At the Hayden's Ferry Days Festival last week, this project was the main topic people were asking the HPC about. Commissioner Montero asked Mr. Perez to speak more about the plan for the outdoor space. Mr. Perez stated that the development team has envisioned it as 6 different plazas with different experiences as you move through the site. There will be outdoor opportunities for dining, a reflection space, landscape/hardscape, and interpretive storytelling about the Mill that explains the cultural significance of the site.

Vice Chair Fackler asked Mr. Perez when the buildings are rehabilitated, and you open the door of the Mill building, what do you see? Mr. Perez stated they are working on what they can do with the building. There is space in the Mill for a variety of uses. There are opportunities for food and beverage, retail, arts, and cultural experiences. Mr. Perez stated they want to return the building to what it looked like in the original plans as much as possible. Vice Chair Fackler asked Mr. Perez what he sees for the Silos. Mr. Perez stated there is usable space inside the Silos. It could possibly be used for retail space or storytelling for the Hayden Flour Mill. Mr. Perez also stated that there is a functional basement area, and a viewing deck at the top of the Silos might be incorporated. Mr. Fackler stated that the railroads used to come to the site, so is there an opportunity for a locomotive? Mr. Perez stated that topic came up with the Transportation Commission, and there are opportunities to explore. Vice Chair Fackler pointed out that the Mill was originally powered by water and that a water wheel was there. Mr. Perez stated that the 1918 plans have a drawing of the turbine that shows how deep it is. There is a possibility it is all still there, just buried to protect it. There will be a water feature to show that the Mill was originally water powered and to tell the story of how the Tempe Town Lake was once a river.

Chair Woodson asked Dr. Lechner if he would be reviewing the development agreement before it is executed. Dr. Lechner stated that Economic Development will involve him, and he will be able to comment on the agreement. Dr. Lechner has had the opportunity to provide input on the deal points. Chair Woodson asked if any of structures have been nominated for or listed in the National or Tempe Register. Dr. Lechner said the Mill and Silos are on the Tempe Register. Mr. Perez stated that the Silos cannot be placed on the National Register because they are considered chattel, storage containers than a building. Chair Woodson asked if Dr. Lechner was involved in the meetings with SHPO and the National Park Service? Dr. Lechner stated yes, he was. Chair Woodson asked the Commission and himself be involved the next time Dr. Lechner meets with either SHPO or the Park Service. Chair Woodson asked if the Tempe History Museum is involved in this project coordination. Mr. Perez stated that there is a lot of potential for that. Ms. Laughner stated that there have been conversations with the Arts and Culture Commission, which includes the direction of the Tempe History Museum. Once the inventory of the equipment begins, they would like to bring in the Tempe History Museum so staff can possibly incorporate some of the equipment into the museum and library.

Vice Chair Fackler stated that there was a run-down tin shack attached to a storage shed on the site. On the side of the structure was a piece of artwork showing the rose flower bag that they used at the Mill. One of the past Mill development groups, Benton-Robb, took the artwork down to store it. Ross Robb can be contacted to see if the artwork is sitting somewhere or if there are pictures of it.

Chair Woodson thanked Mr. Perez for the handout that was provided to the Commission members that volunteered at the Hayden's Ferry Days Festival. One of the comments that stood out most from the visitors to Chair Woodson at the festival was that people want to maintain the viewscape of not just the Mill but also the butte behind the Mill. Chair Woodson asked Ms. Laughner and Mr. Perez about the future outbuildings that will surround The Mill. Chair Woodson asked if they will be 1-, 2- or 3-story buildings. Mr. Perez stated that all outbuildings will be kept at 2 stories. Chair Woodson asked Mr. Perez to speak about the outbuildings and what they will be used for. Mr. Perez stated they could be used for food and beverage, from small operators to established restaurants. Mr. Perez stated that they heard from the public that the site must be for all citizens: approachable, multicultural, and elevating food offerings near Mill Avenue. Possible uses include indoor/outdoor dining cafes, from juice bars to sit-down dining; hospitality, retail, education elements, and affordable creative workspace.

Ms. Laughner stated that they will be back to show the Commission plans as the process proceeds and it is time to do the work. They will show the Commission more defined plans later.

A comment was received online from Morningstar Bloom asking Mr. Perez to define "hospitality." Does that mean hotel? Mr. Perez stated there will not be a hotel or housing, just food and beverage, a visitor center, and arts and culture.

5) Update on the RFQ process for the redevelopment of the Gonzales-Martinez House property and the adjacent parcel to the west, both located near the intersection of 1st Street and Farmer Avenue. The presenter is Maria Laughner, City of Tempe Deputy Economic Development Director.

Ms. Laughner gave an update on the Gonzales-Martinez House property. Ms. Laughner stated that she has not had a meeting with the developer yet. Dr. Lechner was successful in receiving a grant for the rehabilitation of the house, and the City is working on getting a timeline together for that. In 2020, the City Attorney's Office tried to work with the State Land Department so that the City could acquire the land owned by the State on the adjacent parcel to the west. The City has not been successful in its discussions with the State Land Department. The City found out during the first week of November that the State Land Department was auctioning its portion of the site. The starting bid was \$2.75 million for land that is a little under 1 acre. There was a successful bidder. It was the same development team, 1st and Farmer LLC, behind the Farmer Arts development, which runs along Farmer Avenue from University Drive to where Culinary Dropout is located, just south of the Gonzales-Martinez House site. The developer also owns the land where The Lodge is on the other side of Farmer Avenue. The developer is looking to build a 400-unit high-rise project with restaurants below. When the developer finalized the purchase, they requested of City

Council that the City issue a request for qualifications (RFQ) so they could work on their development. The City agreed and issued an RFQ on January 11, 2023. City Council identified the criteria would allow for only adjacent property owners to apply, with a preference for a mixed-income residential project with ground-floor commercial. The City's property would have to be purchased at the appraised market value. The City is requiring that the Gonzales-Martinez House be retained and incorporated into the project according to preservation standards and that the grant funding that the City had secured through the Historic Preservation Office be utilized. The developer would also have to sign on to the Streetcar agreement and add a pedestrian link to Tempe Town Lake. Council also wanted the developer to be able to execute quickly. The purpose for that is so that someone does not sit on the land for a long period of time. One proposal was received, and it was from the same developer as Farmer Arts. City Council awarded the RFQ to 1st and Farmer LLC on February 16, 2023. As of today, the City has not had a meeting with the developer. The City's goal in working with the Historic Preservation Office and the Planning Department is to retain and preserve the Gonzales-Martinez House because of its significance to the community. Ms. Laughner said she is not able to speak to the development plans of the site. The developer did not have to submit any site plans. The 400-unit high-rise plan was in narrative form.

Vice Chair Fackler stated that the bid on the adjacent land establishes a nice comp for the City's land. He asked that if the developer asked the City to sell its land if that includes the Gonzales-Martinez House site. Ms. Laughner stated that, yes, the City would look at getting a carve-out of the land where the house sits and ensure there is a façade and conservation easement. That is something the City would be requesting, yet those conversations have not taken place yet. Dr. Lechner agreed with Ms. Laughner that we should consider doing a carve-out of the land the house sits on to maintain ownership of the house. Vice Chair Fackler stated he would not be interested in a façade conservation easement. That is not what the Commission is looking for.

Ms. Laughner asked the Commission for its input, since the first meeting with the developer has not even taken place yet.

Vice Chair Fackler asked who the developer is and who their legal council is. Vice Chair Fackler stated that he heard Charles Huellmantel and Todd Marshall are behind First and Farmer LLC. They are looking to complete the Farmers Arts District. Ms. Laughner confirmed this information.

Commissioner Montero asked Ms. Laughner if she had said that the auction was restricted to only people with surrounding properties. Ms. Laughner stated that was only the RFQ was restricted to adjacent property owners. The auction was open to anyone. Commissioner Montero asked why the RFQ is done that way. Ms. Laughner explained that the site has 2 very long parcels, and it would be very hard to do something with just one of the parcels. If the City were to sell the parcel as is, it would restrict what could be built there. Selling it to an adjacent property owner and adding to their site would allow for greater development potential. It is something the City often does.

Chair Woodson asked Ms. Laughner if she listened to the discussion about the Gonzales-Martinez House that the Commission members had at the last HPC Meeting, or if she read the meeting minutes. Ms. Laughner stated that she skimmed the minutes and heard some of the discussion from Dr. Lechner. Chair Woodson asked if any of the other City commissions heard about the sale or RFQ before the last HPC meeting. Ms. Laughner stated no, it was very fast. Chair Woodson asked who with the City deals with the State Lands Department? Ms. Laughner stated that City Attorney was dealing with them, and she was equally surprised by the auction. Chair Woodson asked if there was any speculation into why land was auctioned. Ms. Laughner stated no. Chair Woodson objected to how the process was carried out, with an auction suddenly happening, and then within a week the City issuing an RFQ that only allows the owner of an adjacent property parcel to bid on the Gonzales-Martinez House parcel. From his point of view and that of the commissioners, this is one of the only properties left in the entire city that is from the vintage era of the 1880s. It is the 2nd oldest building right now. This should have been on everyone's radar in the City. Chair Woodson stated that he is far from comfortable on where this is headed. He has seen some potential good outcomes. But it does not appear that the Commission is being assured that this house or property is going to remain intact and accessible to the public. It is a very concerning issue. Chair Woodson stated that

he and the Commission would like to make sure the City does everything it can to preserve the house. Ms. Laughner stated that it came up very fast for the City too. Typically, someone approaches the City with an idea and the City issues an RFQ. Hopefully, this is an opportunity to help the City with the site. Ms. Laughner stated that Council is also very serious about the conservation and preservation of the home.

Chair Woodson asked Ms. Laughner if there are other state land parcels within city boundaries that could be up for auction. Ms. Laughner stated she did not know. Chair Woodson suggested that Ms. Laughner have the City Attorney send a letter to the State Lands Department to ask for a heads-up when there are other auctions for land in Tempe. Chair Woodson asked why the RFQ had to happen so fast. Is that normal? Ms. Laughner stated that the developer asked that the City move as quickly as possible. Chair Woodson asked who is in charge of doing RFQs for the City. Ms. Laughner stated that it is her department. Chair Woodson asked, if someone asked for an expedited RFQ, is it always done? Ms. Laughner stated that sometimes they do; it depends on the situation. In this instance, Council directed Economic Development to issue the RFQ as soon as possible, so they did. Chair Woodson asked if Council was involved before Economic Development. Ms. Laughner stated, yes, Economic Development cannot issue an RFQ until Council authorizes it. Chair Woodson asked Ms. Laughner if Council asked them to issue it right away. Ms. Laughner stated they were asked to issue it as soon as possible. Chair Woodson asked if Council knew about the house on the property. Ms. Laughner stated yes. Chair Woodson asked if anyone spoke up or had a conversation during executive session about possibly slowing down the process because the Gonzales-Martinez house was located on the property. Did anyone say anything to that extent? Vice Chair Fackler stated that by law Ms. Laughner was not able to speak about what happened during an executive session. Chair Woodson withdrew his question.

Vice Chair Fackler asked if the auction was held on November 22, 2022. Ms. Laughner stated yes. Vice Chair Fackler asked when it was advertised. Ms. Laughner said she was not sure. Economic Development found out about it during the first week of November. Vice Chair Fackler asked if there was any discussion by the City of putting in a bid for the property. Ms. Laughner stated that there was not enough time to respond and when they saw the starting bid, there were not enough funds available. Vice Chair Fackler suggested checking on whether any rights-of-way in the City are still owned by the State. He agreed with Chair Woodson's criticism about the timing of RFP, but also noted that during his tenure with the City he never put out on RFP or RFQ for which he didn't know at least one entity was interested. He said it left a bad taste in the mouth when HPC and City staff, especially, have been trying for years to try to acquire the state-owned parcel, and now the whole view of how the property will be developed, and by whom, and what buildings will and will not get saved has been decided. Vice Chair asked to see deal points before a development agreement is reached. Ms. Laughner agreed. Vice Chair Fackler said that the Gonzales-Martinez House needs to be accessible. He's bothered that it's not clear whether 400 units and 700-800 parking spaces would be possible on the site or how it would affect the historic building. Ms. Laughner stated that they will come back to the Commission when they receive more information. This project should follow the same timeline as the Flour Mill.

Chair Woodson asked what Farmer Arts is and how it fits into this project. Ms. Laughner stated that it is an area along Farmer from University to 1st Street. It is the same development team that did Farmers Arts. This project would be the endcap for their project. Chair Woodson asked if the City would entertain splitting the parcel. Ms. Laughner stated that would be the ultimate goal. Through a new survey, the City could replat the land and retain ownership of the property where the house is.

6) Chair / Staff Updates

Chair Woodson stated that Hayden's Ferry Days Festival was a successful event and a useful exercise. Feedback was equal parts compliments and complaints.

Dr. Lechner updated the Commission on the Historic Properties Treatment Plan and Cultural Resource Inventory that is being completed for the City by Logan Simpson. A draft has been finished, and Dr. Lechner has reviewed it. It was also reviewed by Salt River Pima Maricopa Indian Community and Gila River Indian Community. They requested some revisions. Logan Simpson just completed those revisions today. Once

Dr. Lechner has a new draft from Logan Simpson he will make sure he adds it as an agenda item for HPC to review.

Dr. Lechner stated that the City did not receive any nominations for the Historic Preservation Award category, so that award will not be given out this year.

Dr. Lechner stated that the 2023 Neighborhood Celebration Event is set for Saturday, April 1. The event will go from 8:30 am-10:30 am. Commissioners are encouraged to attend the event.

Dr. Lechner thanked Commissioners Gilbert, Garrison, and Garraty for serving on the Commission. Their terms will be expiring at the end of March.

Dr. Lechner stated that at its March 2nd City Council Meeting, Council approved Dr. Lechner's resolution to stagger the terms of the new at-large HPC members. He said the change would result in only 3 members' terms expiring each year. The nominations of three new members are pending approval from Council. The new members' first HPC meeting will be April 19.

7) Current Events / Announcements / Future Agenda Items

Member Announcements

Staff Announcements

Commissioner Montero stated that Pueblo Grande Museum has been working closely with the Tribes and talking about renaming the museum to better reflect its cultural connections with the O'odham people. The name will go before the board one more time. The proposed name is S'edav Va'aki, meaning central house or platform.

Dr. Lechner stated that the April meeting has 2 items so far. One will be consideration of whether HPC should recommend a zoning map amendment for a historic overlay for 135 E. Bonita Way. The second item will be discussion of a proposed redevelopment project that involves the First Congregational Church as well as the Walker House. A developer wants to redevelop the land. Economic Development will also be attending.

Meeting adjourned by Chair Woodson.

Hearing adjourned at 7:36 PM.

Prepared by: Jennifer Daniels, Administrative Assistant

Reviewed by: Zachary Lechner, Historic Preservation Officer

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