



**Minutes
Enhanced Services Commission
April 12, 2022**

Minutes of the Enhanced Services Commission held on April 12, 2022, at 9:30 AM by virtual meeting through Microsoft Teams.

Members Present:

Patrick Panetta, Chairman, ASU Member
Marilyn DeRosa, President, Director - Eng/Trans
Will Creyer, Vice President Commission/Area 1 Rep
Tom Duensing, Treasurer, Financial Svcs Director
Shelly Seyler, Sec. of the Commission/CD Director Interim
Keith Burke, Community Services Deputy Director
Lori Foster, Downtown Tempe Authority Member
Gordon Cresswell, Public Member

City Staff Present:

Ryan Levesque, Dep. Comm. Dev. Dir. of Planning
Donna Sullivan-Hancock, Dep. Comm Dev BS Dir., Interim
Roger Hallsted, Rio Salado Fin. Analyst Comm. Dev.
Shawn Wagner, Dep. Com. Svcs. Dir Parks & Rec
Craig Hayton, Dep. Com Svcs. Dir Parks & Rec
Sarah Adame, Executive Assistant, Comm. Dev.

Members Absent:

Ted Rabban, Landowner Member/Area 3 Rep
Derek Flottum, Landowner Member 2
Mark Clouch, At-Large Residential Property Owner

Guests Present:

Maria Laughner, Dep. Economic Development Director
Heidi Kimball, Sunbelt Holdings
Lorenzo Perez, Venue Projects
Garren Echols, MC Construction
Robert Lane, Gammage & Bumham Attorneys

Meeting convened at 9:30 am.

Agenda Item 1 – Consideration of Meeting Minutes:

Regular meeting minutes from January 11, 2022

Mr. Patrick Panetta called for a motion to vote on approval of the regular meeting minutes.

- MOTION:** Marilyn DeRosa, President, Director - Eng/Trans, motioned to approve and seconded by Shelly Seyler, Sec. of the Commission/CD Director Interim
- AYES:** Patrick Panetta, Chairman, ASU Member, Tom Duensing, Treasurer, Financial Svcs Director, Shelly Seyler, Secretary of the Commission/CD Director; Marilyn DeRosa, President, Director - Eng/Trans; Keith Burke, Community Services Deputy Director, Will Creyer, Vice President Commission/Area 1 Rep; and Gordon Cresswell, Public Member,
- NAYS:** None
- ABSTAIN:** None
- ABSENT:** 2 Absent, Ted Rabban, Landowner Member/Area 3 Rep and Derek Flottum, Landowner Member 2
- VOTE:** Approved 7-0, 2 absent

Agenda Item 2 – Public Appearances

None.

Agenda Item 3 – Venue/Sunbelt Presentation – Hayden Flour Mill - Maria Laughner, Dep. Economic Development Dir. – Heidi Kimball, Sunbelt Holdings and Lorenzo Perez, Venue Projects

This project was awarded by Council back in February 2022. The Venue/ Sunbelt presentation gave a vision of commercial Mixed-Use Campus and to call it Tempe's Millenium Park. This project would be the Gateway Icon for Downtown Tempe. The Developers would take a sensitive approach to the site and the structures (that would include the 1918 Mill and 1950's Silos) which are the Stars of the Campus. An indoor/outdoor program of interconnected terraces and spaces would create a proactive community outreach as well as an informed design and development process. This would be a place to educate, enlighten, nurture, entertain, and nourishe the community. Overall, this will be an inclusive and welcoming facility for all of Tempe's Residents and Visitors.

Agenda Item 4 – South Pier Development Presentation - Garren Echols, MC Construction and Robert Lane, Gammage & Burnham Attorneys

This development is active and has been in a state of construction for the last 2 years. This project consists of seven lots. Lots 1 and 6 are owned by the developer while lots 2,4,7,8 and 9 are owned by the city. The master count for the entire project is comprised of thirteen (13) towers of varying heights on seven (7) development lots and two (2) tracts totaling 18.4 acres in size. There will be 2,182 apartments, 160 condominiums, 250 senior/assisted living units, 120,000 sf of retail/restaurant use space, 520 hotel rooms and associated meeting space, 610,000 sf of commercial office space, structured parking, landscape, and open space improvements. The development agreement is in place and their final PAD vote will come within the next 2 weeks. The developer plans to start submitting for permits in May 2022. Phase 1 consists of 3 residential towers ranging in the height from 236 ft. to 259 ft. with 724 multifamily residential units (129 studios, 391 one-bedrooms, 146 two-bedrooms and 58 three-bedrooms); 16,213 sf. of ground-level restaurant space; 9,962 sf of ground-level retail space; 3,968 sf of outdoor dining/patio space, indoor and outdoor amenity spaces; 37% landscape coverage (29% required by current PAD); 21,000 sf central green/promenade, substantial landscape and hardscape enhancements provided along Town Lake embankment; and 836 structured vehicle parking spaces, seven (7) on-street vehicle parking spaces, and 750 bicycle parking spaces. The crown jewel of this entire project is the future Lot 7 development with a continuous connection with the Tempe pedestrian bridge. There will be a new deck on this connection with a Ferris Wheel. This project is aimed at creating a building every two (2) years over the span of 10 to 15 years depending on the market absorption.

Agenda Item 5 – Budget Update – Roger Hallsted, Community Development Admin Mgr.

Request for CFD Action: to adopt a resolution authorizing the Rio Salado Community Facilities District Modified Finance Plan for Lake Development, dated April 28, 2022. **Background:** the CFD Board formally adopted the CFD budget for 2013-14 on June 27, 2013 (No. R2013.1). This action included change to the Cost Index Factor (CIF) for vacant land from 5% per year to the annual CPI rate. Discussions at the Rio Salado Enhanced Services Commission meeting on April 10, 2013, included the use of the cap on the annual CPI rate. The cap was to be ceiling of 5% and floor of 0%. These caps were never formalized through a CFD Board action. The CIF rate change and the caps on the CPI were intended to encourage economic growth within the area around Tempe Town Lake and to have growth reflect current economic conditions instead of using the flat 5% growth rate. This action is to formally adopt the rates, including a cap and floor for future collection of fees. Approved by the commission and recommended to the CFD Board.

- MOTION:** Shelly Seyler, Sec. of the Commission/CD Director Interim motioned to recommend approval to the CFD Board and seconded by Marilyn DeRosa, President, Director - Eng/Trans,
- AYES:** Patrick Panetta, Chairman, ASU Member, Tom Duensing, Treasurer, Financial Svcs Director, Shelly Seyler, Secretary of the Commission/CD Director; Marilyn DeRosa, President, Director - Eng/Trans; Keith Burke, Community Services Deputy Director, Will Creyer, Vice President Commission/Area 1 Rep; and Gorden Cresswell, Public Member,
- NAYS:** None
- ABSTAIN:** None
- ABSENT:** 2 Absent (Ted Rabban, Landowner Member/Area 3 Rep and Derek Flottum, Landowner Member 2
- VOTE:** Approved 7-0, 2 absent

The proposed CFD budget for the 2022-23 fiscal year is \$3,138,500. Overall, this is a 0.2% increase over the previous year's budget. This budget includes a 38% increase in the revenue estimate (to \$184,275) and a 6.6% increase to the

Capital Replacement portion of the budget (to \$717,800). Approved by the commission and recommended to the CFD Board.

MOTION: Shelly Seyler, Sec. of the Commission/CD Director Interim, motioned to recommend approval to the CRD Board and seconded by Tom Duensing, Treasurer, Financial Svcs Director,
AYES: Patrick Panetta, Chairman, ASU Member, Shelly Seyler, Sec. of the Commission/CD Director Interim, Tom Duensing, Treasurer, Financial Svcs Director, Marilyn DeRosa, President, Director - Eng/Trans; Keith Burke, Community Services Deputy Director, Will Creyer, Vice President Commission/Area 1 Rep; and Gordon Cresswell, Public Member
NAYS: None
ABSTAIN: None
ABSENT: 2 Absent Ted Rabban, Landowner Member/Area 3 Rep and Derek Flottum, Landowner Member 2
VOTE: Approved 7-0, 2 absent

Agenda Item 6 – Community Services & Special Events – Keith Burke, Community Services Dir., Craig Hayton, Dep. Com. Services Dir. – Parks and Rec., and Shawn Wagner, Dep. Com Services Dir. – Parks & Rec.

Hayden House dedication event went well with all those who attended.

Sexual Awareness Walk 2k – April 16th

Pat's Run – April 23rd

Splash & Dash – April 27th

Cactus Man Triathlon – May 1st

DTA Foodie Fri-Yays – May 6th

DTA Foodie Fri-Yays – May 13th

ZOYO FroY o 5K – May 14th

Arizona Road Racers Summer Series #1 – May 15th

DTA Foodie Fri-Yays – May 20th

DTA Foodie Fri-Yays – May 27th

DTA Park After Dark Series

The Rio Salado Master Plan is currently in process, and there is coordination between Community Services and Engineering departments to identify challenges and needed improvements prior to the RFP going out.

Agenda Item 7 – Town Lake Operation – Marilyn DeRosa, Eng & Transportation Director

Calendar year 2021 Annual Dam inspection has been completed; no significant issues were discovered, which has been the case in all previous inspections since the dam began operating. Early in 2016 work was completed to evaluate dam related components to better understand the lifespan of components are difficult to determine through visual inspections. This included laboratory analysis and engineering evaluations of hydraulic cylinder components and other aspects of the hydraulic system. No significant concerns were found. Water quality through 2022 has been stable, with testing indicating no concerns for upcoming special events requiring full body contact certification. January through June is typically when evaporation requires the most water be delivered to the lake to make up for evaporation. To date, the lake has received approximately 340 acre-feet of make-up water; 1,500 acre-foot of make-up is considered average. Despite on-going drought and challenges to the Colorado River system, Tempe continues to have sufficient supplies to meet the demands of the water service area, including Tempe Town Lake.

Agenda Item 8 – Downtown Tempe Update – Lori Foster, Chief Strategy Officer, Downtown Tempe Authority

Downtown Tempe has been alight with activity lately during the spring event season. Recently, the Tempe Festival of the Arts was held with great attendance. Finishing up the season is Second Sundays on Mill Ave, which has been slowing growing in attendance from when it first started in the fall of 2021. A new event at Tempe Beach Park call Foodie Fri-Yays will be held in May in the evenings. June through September will be Park After Dark on the 2nd and 4th Saturdays of each month. The market overview of business in the downtown for the first quarter of 2022 found that there are 173 street level businesses, of which 24 are new businesses and one business has closed. Dining-in is the dominant niche for these businesses. The vacancy report shows that at the street level there are 22 vacant locations, of which 14 are vacant from pre-covid days. There are several locations with signed leases which are just waiting for renovations to be completed.

Agenda Item 9 – Engineering and Transportation Update – Marilyn DeRosa, Eng & Transportation Director

The Streetcar will be opening soon in late April. Engineering and Transportation is working on an opening day event to celebrate. The first year of the Streetcar is free, and Valley Metro is working on a fee for the future.

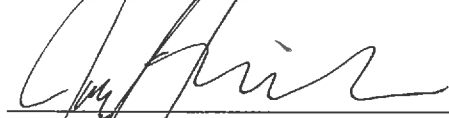
Agenda Item 10 - Public and Private Development Update – Ryan Levesque, Dep. Community Development Dir. – Planning, and Patrick Panetta, Dir. Project Management, University Real Estate Development, ASU

250 Rio project will be moving towards public hearings starting in May and June.

The Omini project is underway and is scheduled for opening in May 2023. The parking structure that is associated with the Omini is in review for permits. The goal is to demo the Tempe Center after this semester and start construction of this new project during the summer.

The next meeting will be on August 9, 2022.

Meeting adjourned at 10:50 am.



Jeff Tamulevich
Community Development Director
Secretary of the Commission

Prepared by Sarah Adame-Alcala, Executive Assistant, Community Development Director

Reviewed by: Roger Hallsted, Community Development Admin Mgr.