

ARIZONA STATE LEGISLATURE
Forty-sixth Legislature – Second Regular Session

LEGISLATIVE GOVERNMENTAL MALL COMMISSION

Minutes of Meeting
Wednesday, December 15, 2004
Senate Hearing Room 109 -- 3:30 p.m.

Chairman Thomas Knapp called the meeting to order at 3:40 p.m. and attendance was noted by the secretary.

Members Present

Thomas Knapp, Chair	Thomas Chapman
Senator Jim Waring	Kevin DeMenna
Roger Berna (for Betsey Bayless)	Donald Keuth, Jr.
Heidi Birch	Joy Rich
LeRoy Brady	David Richert

Members Absent

Representative Bob Robson	Tom Smith
---------------------------	-----------

Speakers Present

Robert Smith, with Dick and Tritsche Design Group
Robert Heiser, DCSW Architects
Shannon Dubasik, representing the Capital Mall Association
John Saccoman, Board Member of the Capital Mall Association

Presentation of Grace Court Master Plan

Robert Smith, Dick and Tritsche Design Group, stated he is here today to update the Committee on the Grace Court School Site and the latest plans. He introduced several people present who are also involved in the project. Mr. Smith stated that approximately three years ago he presented the Committee with a concept plan for development of the project (Attachment 1) which involved four, 2-4 story office buildings, the historic school building, and a parking garage in the center of the site. Subsequently, market conditions have changed and NGP Capital has bought into the project. NGP Capital has a different vision of the project, and today will be showing a significant revision to the original plan, and will ask the Committee for assistance in developing the plan further.

Mr. Keuth states he doesn't believe the plan the Committee has (Attachment 1) is the last plan approved by the Committee. The approved plan had parking structure along 9th Ave with some residential units buffering it.

Chairman Knapp states he has a copy of what appears to be the previous approved revision (Attachment 2) and copies are provided to the Committee and speakers, and Mr. Smith is encouraged to continue with his presentation.

Mr. Smith made comments during a slide presentation of the Grace Court Master Plan (Attachment 3). He stated that the roof is being repaired on the historic school building. A couple of years ago they built Grace Court 2 which is occupied by the Federal Public Defender's Office on the upper portion and the lower portion is expected to be occupied shortly. The auto parts distributors will be moving out in June 2005 and a new Grace Court building will be constructed on that site. The Historic Armory Building will be retained and reutilized. The existing church building is currently used by a private agency, and there is only one house directly across the street from the parking garage.

Robert Heiser, with DCSW Architects, spoke regarding the Grace Court Proposed Site Plan – Alternate 6a (Attachment 4), explained the plan further, and continued to show slides from the Grace Court Master Plan. The proposal includes four new buildings, renovation of the existing historic school and a parking structure. He explained the buildings are designed to be proportionate in scale and went into detail as to the elevations of each planned structure. The main difference between this proposal and other proposals is NGP Capital Group is the new client and they work primarily in high quality office development for government agencies, whose rules have changed in the last few years because of required setbacks. He explained the approach to the parking structure was to design it with a module similar to townhouses. He and Mr. Smith further explained the slides (Attachment 3).

Mr. Smith said the intent is for an International Law School and Law Library to occupy Grace Court School and they will create a historic type of facade using similar materials to match the school and create a transition between the historic school and modern buildings. He stated they are making window repairs and now have a photograph of the original school so they can restore the doors to match the original. Once the school is completed, Phoenix International School of Law intends to move into the building which will be used as office space and for classrooms. They will also move into the ground floor of Grace Court 2 building. After two years, Phoenix International will need to build a law library and additional classrooms. They are forecasting as many as 500 students on this campus within five years of move-in.

Mr. Heiser explained he has worked on quite a number of historic buildings and his concept is to complement but not copy. The proposed eight story buildings are potential federal government buildings which require additional setbacks – buildings 5 and 6. The law school does not require setbacks.

Chairman Knapp opened the matter for discussion. He explained that the Committee's expectations are that the developers will take the Committee's planning standards and walk through their presentation as they relate to Committee standards. The standards/guidelines include a four story height limit, protection of historic neighborhoods and enhancement of same.

He said he respects the plan as to Grace Court School as presented but would be interested in studies that show the new buildings compared to the existing residences in context of the neighborhood as a whole. The plan presented includes some very serious changes to what is written. He explained that the guidelines can be changed only by approval of this Committee.

Mr. Smith apologized, stating that aside from the height waiver, he fully believes they complied with and exceeded the spirit of the guidelines.

Chairman Knapp stated the guidelines were intentionally written loose so they could be interpreted and not be dictated and that he respects Mr. Smith's opinion.

Shannon Dubasik, Capital Mall Association, stated The Association had been working with developer in the past, but has not been consulted on the plans presented today. The Capital Mall was supportive of the project under the agreement with the City of Phoenix that required a residential component. However, the residents are not interested in peering into an eight story parking garage from their homes. Also, in terms of the agreement, the project was supposed to include: pedestrian friendly options, multi-use, and a 24 hour environment, and none of the proposed changes meet these criteria. The height requirements were designed to protect the neighborhood. She said the Association does understand that setbacks do create a problem for the designers.

John Saccoman, Member of the Board, Capital Mall Association, stated he lives nearby this development and his major objection is the garage structure which could never be a good neighbor in terms of interaction with the neighborhood. This property basically turns its back to the neighborhood, gives no transition and gives nothing back to the neighborhood. This plan was not presented to the Board. The Capital Mall Association is opposed to the plan presented today. They do like the idea of a law school on the site but the height of the parking garage is unacceptable.

Chairman Knapp asked if the parking garage capacity is 1500, and if the building design will accommodate over 2100 people. Mr. Smith replied the garage was designed according to City of Phoenix standards for parking spaces.

Chairman Knapp asked what is the planned occupancy, and Mr. Smith said they have some planned retail sites which would accommodate the law school's night classes.

Mr. Chapman noted the developers have been working on Grace Court for three years and asked when it is expected to be completed. Mr. Smith replied the law school is anticipated to move within the next two years and would like to be into the taller building within four years – they are currently in leased space at Scottsdale Airpark.

Mr. Chapman asked if they had made any contact with the neighborhood, and Mr. Smith replied they had not, that the plan was just formulated over the last three weeks.

Mr. Heiser said the warehouse should be torn down by June of this year and construction of the Social Security Administration building would begin within weeks after that.

Mr. Keuth said the previous plan is consistent with current requirements, and he understands the dilemma of the new federal requirement regarding setbacks, but he is mainly concerned with height. He said he especially liked the masking of the parking garage in the previous plan and losing this concept is unacceptable. The developers and Capital Mall Association need to get together. The structures in this new plan would isolate the neighborhood.

Mr. Richert stated the part that needs to be rezoned is the northern portion for which there are no tenants at this time.

Mr. Smith agreed and stated the Carter amendment that requires cities to look for downtown office sites for federal projects is tough to meet these days.

Mr. Richert stated that because the area has been devoid of anything, the plan looks good in some areas but the parking garage kills the deal. He said he likes Grace Court School and the concept of a law school to be included in the government complex, but we need a good example of a parking garage next to this neighborhood.

Chairman Knapp asked what buildings are currently leased and Mr. Smith replied we currently have people on this site.

Mr. DeMenna said he is excited about the project plan but the developers need to work with the neighborhood.

Ms. Rich said the parking garage bothers her.

Mr. Smith clarified that they had an earlier scheme with residences wrapped around the project but some of the users were concerned about having residences so close.

Mr. Keuth stated there needs to be much more concern about parking structures so people who are neighbors aren't looking into a big empty box at night.

Mr. Richert asked why the parking structure couldn't go down instead of up, and Mr. Smith answered they are going down one level, but from an economic standpoint, above surface parking runs \$10,000 to \$15,000 per space and when you start going down, it gets more expensive per level: the first level down would be \$20,000 per space, and the third would be about \$30,000 per space, and continue to increase at each level.

Chairman Knapp said his concern has to do with density more than physical height. A lot of cars will be emptied in a short period of time and a traffic plan is needed. The guidelines were written intentionally open to speak to philosophy and not dictate style and this committee can change the guidelines as they desire.

Mr. DeMenna agrees there is a potential traffic bottleneck with this plan.

Mr. Richert said as part of the rezoning process, those types of things would be required.

Mr. Smith said they could do their homework, look at the parking structure, meet with the neighborhood, and come back to the Committee with a new look when those tasks are accomplished.

Chairman Knapp said the relationship between this body and City Planning requires that certain actions can't even begin at the City without a letter of approval from the Committee Chairman saying it's okay to move forward. So the Committee must agree with the concept. A traffic study would be part of rezoning.

Mr. Keuth stated the developers have several issues to deal with including a timeframe: they need to have a meeting with the Capital Mall Association and to establish a pre-application meeting with the City, which he could expedite, and then come back to this Committee in February saying whether or not they are ready to run. We don't want to miss the opportunity of a good thing.

Mr. Smith and Heiser agreed with Mr. Keuth.

Without objection, the meeting adjourned at 4:35 p.m.

Yvette O'Connor, Committee Secretary
December 15, 2004

(Original minutes, attachments and tape are on file in the Office of the Chief Clerk.)