

# TOWN OF GILBERT JOINT PLANNING COMMISSION AND REDEVELOPMENT COMMISSION Gilbert Municipal Center

50 E. Civic Center Drive, Heritage Room 300, Gilbert, AZ June 11, 2024

#### PLANNING COMMISSION PRESENT:

Noah Mundt, Chair Brian Andersen Leslie Davis Lisa Gage Jän Simon Tom Everett Louis DeGravina

### REDEVELOPMENT COMMISSION PRESENT:

Casey Kendel, Chair Cassandra Updike, Vice-Chair TJ Claassen Boe Bigelow

### PLANNING COMMISSION AND REDEVELOPMENT COMMISSION-Absent:

Adam Baugh, Redevelopment Commission Anthony Bianchi, Vice Chair, Planning Commission William "Bill" Fay, Planning Commission

#### PRESENTERS:

Ashlee MacDonald, Principal Planner
Veronica Gonzalez, Principal Planner
Amanda Elliott, Redevelopment Program Manager
Eva Cutro, Planning Manager
Sydney Bethel Price, Redevelopment Project Manager
Heather Worthington, Urban 3

#### **STAFF PRESENT:**

John Baird, Deputy Town Attorney (attended virtually)
Sydney Bethel Price, Redevelopment Project Manager, Office of Economic Development
Tom Condit, Development Engineering Manager, Development Services (attended virtually)
Eva Cutro, Planning Manager, Development Services
Amanda Elliott, Redevelopment Program Manager, Office of Economic Development
Veronica Gonzalez, Principal Planner, Development Services
Mary Goodman, Assistant Town Manager
Dan Henderson, Executive Director, Office of Economic Development

#### STAFF PRESENT - Continued:

Alena Jorquez, Assistant Town Attorney Senior Ashlee MacDonald, Principal Planner, Development Services Kyle Mieras, Executive Director, Development Services Scott Anderson, Council Liaison, Planning Commission Jim Torgeson, Council Liaison, Redevelopment Commission

#### **ADDITIONAL STAFF PRESENT:**

Jennifer Graves, Economic Development Deputy Director
Michael Martella, Economic Development Project Manager, Sr.
MaKenzie Wilson, Economic Development Project Manager
Michelle Streeter, Economic Development Project Manager, Sr.
Glenn Schlottman, Tourism Program Manager, Office of Economic Development
Jocelyn Smith, Administrative Assistant III, Office of Economic Development
Keith Newman, Senior Planner, Development Services
Sal DiSanto, Planner I, Development Services
Nicole Russell, Senior Planner, Development Services
Sandra Childers, Planner II, Development Services
Erica Prater, Planner I, Development Services
Clinton Emery, Assistant Town Traffic Engineer, Public Works

### CALL TO ORDER OF THE JOINT MEETING

Dan Henderson called the Jun 11, 2024, Joint Meeting of the Planning Commission and the Redevelopment Commission to order at 4:05 p.m.

### INTRODUCTION AND MEETING OVERVIEW

Dan Henderson, Director of Economic Development greeted the attendees, noting the presence of Vice Mayor Scott Anderson and Councilmember Jim Torgeson, and provided an overview of the meeting agenda. He noted that Gilbert hired consulting group Urban 3 in 2023 to help the Town visualize development, its economic impacts on the community, and what each parcel, particularly in the Heritage District, is doing and can do to help Gilbert remain fiscally sustainable.

Mr. Henderson provided an overview of the agenda, which began with a reorientation to the varying roles of the Redevelopment Commission and Planning Commission, followed by a facilitated dinner between the two Commissions to review a land use exercise completed with Council during a recent workshop. Urban 3's presentation would provide an overview of its findings about Gilbert's economic productivity and opportunities to optimize the return on investment in the built environment, followed by an update on Heritage District Parking Operations.

# 2. OVERVIEW OF ROLES OF PLANNING COMMISSION AND REDEVELOPMENT COMMISSION

Ashlee MacDonald and Veronica Gonzalez provided an overview of the Commissions' roles.

Ashlee MacDonald presented an overview of Gilbert's development standards and guidelines and the Town's role in the internal development process for applications before they are presented at a public hearing. She noted that the planning division receives, on average, 20 to 45 new cases every month and has approximately 200 active planning projects at any time divided amongst staff. Of these, there are typically only one or two active projects in the very small geographic area of the Heritage District, which are managed by one dedicated staff member, Kristen Devine.

Documents utilized in the planning process include visioning documents, guided by the voter-adopted general plan that applies across the Town and provides a 20-year vision for the entire Town, and high-level visioning for the Heritage District (HD). Implementation standards include the Land Development Code, the Gilbert Municipal Code, and specific design guidelines for the HD. Implementation guidance is also provided through other Town plans such as the Capital and Infrastructure Improvement Plan and the Shade and Streetscape Master Plan.

The current HD Redevelopment Plan is a 10-year vision document in its fourth iteration and outlines strategies for redevelopment, and short and long-term goals. The Land Development Code recognizes multiple HD-specific development standards and also regulates building standards, parking, and signage.

A short video provided an overview of Gilbert's adopted HD Design Guidelines, including what is included in the guideline document, the intent and purpose of the guidelines, and specific design standards that provide for an urban lifestyle while maintaining the historical, small-town feel of the area. Specific guidelines include a requirement for turn-of-the-century architecture on Main Street incorporating red brick design features, curbless streets around public spaces, and space for curbside mom-and-pop vendors. A recently approved \$300 million private development at the northern entrance of the District is an example of the application of the new HD Design Guidelines.

Ashlee MacDonald reviewed planning case types. Public hearing items include General Plan amendments, rezoning, design reviews, conditional use permits, preliminary plans, and heritage sign plans. Actions handled at the administrative level include administrative design reviews, in which a plan is refined after review at a hearing, and administrative use permit, which are items staff can handle without involving the Commission. The Redevelopment Commission (RDC) is authorized by Arizona's revised statutes and serves as Gilbert's Design Review Board for applications within the HD. The RDC also serves as a recommending board for General Plan amendments rezonings and use permits for projects in the District, and as HD advisers on capital improvement projects and HD plans and studies.

Before going to a public hearing, a plan must go through an internal review process with Town staff, which includes neighborhood meetings, pre-application meetings, staff review, and an RDC study session. Plans are often brought forth to the RDC early in the review process to obtain RDC feedback to inform applications of needed changes early in the process.

Veronica Gonzalez discussed rezoning and General Plan amendment case types which include requests to change the land use designation and/or zoning district, which are ultimately approved by the Town Council. The request begins with an applicant submitting a request, followed by a neighborhood meeting for all property owners within 300 feet of the site. After the neighborhood meeting, the applicant can submit their request for a formal review, which includes the staff review. For requests within or near the HD, the case is reviewed by the RDC for recommendation before they go to the Planning Commission and then eventually on to the Town Council for final approval. A planned area development (PAD) overlay is implemented to modify regulations and standards to achieve outstanding development that provides a unique product to benefit the community. The process for PAD rezoning is similar to conventional rezoning but also may consider phasing of the development, on and offsite improvements, and other design guidelines, but parking ratios, signage, fence, and wall regulations cannot be modified. Design review cases (RDC or DRB Decisions) consider the site plan, landscape plan, grading and drainage, lighting, building elevations, colors, and materials. They go directly to the preapplication step before formal submission for staff review and, for HD cases, a study session with the Redevelopment Commission is also scheduled.

Veronica Gonzalez reviewed specific projects that included a design review process in the HD, including the Heritage Park project pedestrian connection, and a bowling restaurant concept. She noted conditional use permits, which are required for uses that need special consideration to ensure they don't interfere with or harm surrounding properties. These are submitted for staff review before proceeding to the Redevelopment Commission for a recommendation before moving on to the Planning Commission for a final decision. Veronica Gonzalez discussed specific changes that qualify for an administrative design review process, including the addition of new structures or additions of less than 5,000 feet and permits for shared parking. Applicants who disagree with planning decisions can appeal to the hearing body within ten days, and a hearing will take place within 60 days of a request.

There were no questions or comments.

# 3. FACILITATED DINNER BETWEEN PLANNING COMMISSION AND REDEVELOPMENT COMMISSION

Amanda Elliott opened the session and invited attendees to introduce themselves.

Eva Cutro asked, in general, what is the most commonly occurring concern or issue you may have with a project, and do you have an example of a previous project in which your concern was addressed well?

Vice Chair Cassandra Updike noted that the Redevelopment Commission frequently get acoustic concerns and questions from persons who live near development sites. It was noted that in these cases, planners have requested noise mitigation plans to understand how noise concerns will be addressed, but there is no formalized process for this. Councilmember Jim Torgeson commented that the noise ordinance isn't up to date and isn't correct and needs to be reviewed. He noted, for example, that sound readings are different inside and outside of windows and may travel considerably through concrete. He stated that the sound ordinance is unique to this Town. Eva Cutro noted that the Town ordinance requires sound measurements from inside of the structure, whereas in many towns' measurements are taken from the property line, and there are also differences in the height at which measurements are taken. She stated that noise concerns will be taken into consideration in the pre-application phase so applicants are advised that these concerns will be addressed.

Commissioner Lesley Davis stated that more renderings of buildings would be helpful to better understand the push and the pull of the building. Eva Cutro agreed that the black and white line drawing do not capture the movement and all the design implications. She noted that renderings help the applicant sell a project and that this should be communicated as some applicants feel renderings are expensive and may not understand the full value of providing them to the ruling body early in the process and for study sessions.

Commissioner Boe Bigelow discussed plans with variations of plants and trees in the design guidelines where it specifically says what can be plant, and asked if a permit would be required if there were changes to the plants and if the exact plant types are required or if similar plants are acceptable. Sydney Bethel Price explained that personnel in the Building Department review the plans and make sure they are in compliance. She provided an example of a recent case in which the installed plants weren't part of the approved plan and were detected during inspection, so some areas had to be replanted. In cases where changes to the plant pallet are desired in the Heritage District, the request is presented at a study session to the RDC with an explanation of why there are deviations from the plant pallet. These changes would then be approved at the RDC level. She noted that staff can coach the applicants to explain why deviations may be requested.

Commissioner Lisa Gage asked if single-family residential design guidelines will be updated soon, noting that they are about 20 years old. Ashlee MacDonald stated that the issue has been raised more than once and there seems to be a desire from staff to review the guidelines. She noted that it is difficult to find the time to do it due to the heavy development schedule.

Commissioner TJ Claassen stated that for HD projects, water retention used to be permitted offsite, but in recent projects there has been encouragement to do all their water retention onsite. He noted reports and studies going back and forth on the issue and stated that for really tight or small sites it is extremely challenging to retain on site. He asked if a group was hired to do a report on retention offsite and how long offside retention would be allowed for private developments. Kyle Mieras stated that the study is nearly complete and that there were efforts to increase storage in the Heritage District to do more of a regional catch instead of trying to capture all of the water on site. Tom Condit added that the discussions around water

retention were prompted by a flood zone study through Maricopa County Flood Control District that is taking a detailed look at the northeast section of the community which includes the Heritage District. He noted that another consultant is working on a separate model through the Town of Gilbert for the Heritage District and there are some discrepancies between the models that need to be resolved to allow for downtown development to offsite retention to the new planned regional basin for the Heritage District.

### 4. LEGO EXERCISE

The teams split up into groups to complete a LEGO exercise of creating a mixed-use development for an assigned site within the Heritage District based on the provided standards for the activity. The different colors of LEGO represented different sizes in the development. Each team shared their Lego model and explained why they chose the designs and specifications of their projects.

Commissioner Brian Andersen presented for his team, which did a mixed-use wrap project with commercial on the bottom on the corner with the most visibility and a parking garage in the middle.

Vice Chair Cassandra Updike presented for her team, noting that their design maximized the buildable area and included two entrances to linear divide the lot in half, and above grade green space and residential. Their build was five stories to maximize the number of residences on the lot.

Commissioner Jän Simon presented for his team which included a statement piece on the on the corner using the full elevation and a tiered back design with full drive aisles with multiple access points. They also included rooftop gardens and balconies.

# 5. PRESENTATION AND DIALOGUE ON HD RETURN ON INVESTMENT BY URBAN 3

Amanda Elliott introduced Heather Worthington, Principal at Urban 3. Heather has 25 years of leadership experience in local government organizations and most recently as Director of Long-Range Planning in Minneapolis. She was the first Deputy County Manager appointed in Ramsey County, Minnesota, where she led the economic growth and Community investment service team. She is also an adjunct faculty at Hamline University School of Business.

Heather Worthington introduced Urban 3's geoaccounting method, which she described as a mash up between finance and map visualization with the aim to take government practices government information and data and demystify it. She discussed the meaning of value per acre using an analogy of comparing vehicles on the basis of miles per full tank of fuel versus by miles per gallon. She referred to an economic MRI as a map of property color-coded by its value per acre. Urban 3's work analyses this data to see what type of land use are most potent when it comes to providing a community with revenue.

Heather Worthington reviewed tax revenue sources by state, graphed by the portion generated from property, sales, and other income. Many states are heavily dependent on property tax, but some have begun to diversify their revenue. Arizona has a significant amount of revenue from sales or privilege taxes. Heather provided an overview of how property taxes are calculated in Arizona and the 5% limitation on annual property tax increases. Many states tax commercial property at a higher rate, but in 2027 Arizona's Senate Bill 1093 will require the commercial assessment ratio to be lowered from 18% to 15%, impacting Arizona's income on commercial property.

Heather Worthington asked how many participants knew that 56 cents out of each dollar goes to the school district, noting that only 9 cents on the dollar goes to Gilbert making sales privilege a major part of Gilbert's revenue. A butterfly chart analysis of Gilbert's revenue versus expenditures by fund illustrated how much sales privilege income supports public safety and general government. Gilbert's economic MRI, in comparison to Phoenix's, has far fewer potent areas within the Metroplex that support a lot of property taxes in particular or sales tax at value per acre than Phoenix. While Gilbert's overall value per acre is relatively low, five areas of the city are driving a very high revenue source for sales tax and for property tax. The HD is particularly productive though it is not yet fully redeveloped. This creates opportunities for revenue growth. Currently, approximately 64% of Gilbert's land area is taxable and about 36% is non-taxable. In the HD, almost half is non-taxable. Gilbert's ratio of taxable area to value is approximately 1:1, which Heather noted is about as low as she sees in the United States. She highlighted the important opportunity in the HD to increase revenue through development.

As an example, Walmart's land parcels in the city are valued at about \$900,000 per acre. They typically have 10 to 14-acre parcels, mostly used for parking. By comparison, a typical suburban section and about six units per acre generate about the same as Walmart. Acres with garden apartments and four-story apartments generate about \$1.8 million and \$3.2 million, respectively. Gilbert has many townhomes and mixed-use developments earning up to \$61.5 million per acre for commercial stores with apartments. Heather reviewed several additional large stores and business properties and their approximate value per acre and the parking usage per parcel. She noted that those sites with underutilized parking could be developed more intensively. Historic buildings generate particularly high value per acre because people are drawn to these locations.

Another analysis, which Urban 3 performed for Marion Indiana, looked at the number of square feet of building, parking, and roads per person in the community. In Marian, taxation on parking is very high generating considerable revenue and incentive to better utilize the space. In Gilbert's HD, parcels generate up to \$ 12.8 million per acre for Building 313, and The Collab, which generates \$15.3 million per acre at four stories.

Looking at an overview of Gilbert's sales privilege, which comprises 59% of Gilbert's income, the largest contributors to this income are construction, and retail, which is by far the largest contributor. The Gateway, Banner and Heritage areas generate the most of this income and provide the greatest opportunity for increased revenue. Heather advised also monitoring daily committing patterns to best target development to areas that people move through each day to reduce retail leakage, which occurs when shoppers move out of Gilbert to neighboring

Town of Gilbert Joint Planning Commission and Redevelopment Commission

communities to shop. Another consideration is the roadway system and its associated infrastructure costs, which can be controlled by increasing investment in inner city areas. She noted that roads are a major liability with ongoing maintenance costs that cannot be sold or made profitable. In particular, the cost of roadways soars when old roads must be replaced. Ultimately, all privately owned roads held by developers will become additional liabilities for the city. Urban 3's analysis shows that roadway costs are major capital investments consuming a large portion of the City's annual revenue and that current revenue is not sufficient to offset the lifecycle costs of the City's roads.

Commissioner Boe Bigelow noted that Gilbert was not generating much revenue until downtown Gilbert began to develop with the opening of the San Tan Mall. Until that time, a large portion of revenue was going to Mesa.

Heather Worthington stated that in summary, half of Gilbert's systems are affordable and about half are unaffordable. Part of the challenge of envisioning where the city should be headed is to know what's happening today and, if the City makes incremental changes, what could happen tomorrow. The HD's tax revenue is \$3.8 million and underdeveloped City-owned parcels in the area put Gilbert into a position to control greatly increase revenue. Heather reviewed several specific parcels with excellent development and income potential.

Jim Torgeson noted Heather's projection of an additional \$317 million in income by developing currently vacant parcels in the HD and asked if this would balance the City's road deficit. Heather clarified that her estimate was on the land value increase, for which tax income would be just enough to balance out the road deficit.

Additional steps Gilbert can take to optimize revenue include Geoaccounting, which Heather notes is a very powerful tool in providing visualizations to communicate economic data in a relatable way using an apples-to-apples comparison. The City can also focus on its more productive areas including the Heritage, Banner, and Gateway areas, and think about existing investments, including roads, and how to best utilize them. Considering opportunities for infills and gentle density can make a significant difference. The HD is Gilbert's golden goose, which can be further developed for greatly increased revenue.

Heather Worthington strongly recommended reading Strong Towns, A Bottom-Up Revolution to Rebuild American Prosperity by Charles L Marohn Jr., which was provided to the attendees before the meeting.

Councilmember Jim Torgeson noted Heather's finding that Gilbert's ratio of taxable area to value is approximately 1:1, approaching 1:2, and asked if the ideal ratio was not closer to 1:5. Heather agreed that 1:5 is ideal and noted that redeveloping the HD provides a means to reach this goal. She noted that city-wide many other opportunities exist which can be thought of as savings bonds to be invested. The HD, however, can put the city on a path to becoming more economically sustainable. She noted that even just a small increase in density can greatly increase income.

Amanda Elliott commented that Urban 3 had been provided with Gilbert's master redevelopment plan to inform their analysis.

Commissioner Boe Bigelow summarized that the goal is to maximize not density but the use in the HD to get to a 1:5 to pay for the infrastructure for the rest of the Town, then for the rest of the Town focus on developing other pockets and projects within the town to essentially stabilize the future of Gilbert to where the Town can pick and choose which projects to participate in. Heather responded that this is a good synopsis, noting that people don't deficit spend on their own houses and should think of the Town the same way.

Mary Goodman provided the context that the HD is 0.3 square miles out of 72 square miles, so the value is that insulating development through things like mixed-use and other products that bring about different types of uses to increase that value per acre proposition can solve for the HD and then that model could be applied to other projects.

Chair Casey Kendel asked if it should not be staff steering the developers this way.

Chair Noah Mundt replied that they are doing this, but the biggest question is how do we translate this theory to citizens given that multifamily development is millions of dollars per acre.

Councilmember Jim Torgeson stated that the point would be that as a commissioner you could ask that everybody take a step back and look at what they like, what they want personally, and say as a whole, who do we do something that is not overly impactful to a particular neighborhood. So, you do not need to have a four-story apartment, but the world's changing. At some point we're going to have to recognize that and relay in each one of our individual positions that to continue the life people moved here for, we're going to have to give up something.

Mary Goodman stated that it's important to understand where density makes sense and where usage can be balanced.

Councilmember Jim Torgeson noted that the amount of money brought in from The Collab building is eye-opening about the possibilities for mixed-use.

Commissioner Boe Bigelow asked if the team was thinking of going denser in the HD. Mary Goodman noted that this is the big question.

Chair Casey Kendel noted that the Collab is not dense and brings in a lot of revenue.

Commissioner Jän Simon noted that the amount of money brought in from The Collab building is eye-opening about the possibilities for mixed use.

Commissioner Boe Bigelow wondered if it is possible to look at The Collab and project if they did go one floor higher and added apartments up there, how much that would have affected revenue. He noted that running these types of scenarios could be a useful tool.

Heather Worthington referred to a tool in development that she is calling a municipal proforma tool to perform these projections and bring community revenue into the conversation.

Heather Worthington noted that the HD won't bail the city out, but it's going to be an important pivot point for the community.

Commissioner Louis DeGravina said what he was hearing was that to sustain the Town long term it has to go high density.

Heather Worthington clarified that this is not the case, but the Town has to consider some density, more of it, in some areas. She noted that high density, such as 30-story buildings, are not necessary.

Commissioner Louis DeGravina agreed and stated that it more clear why more apartments are going up in Tempe, Chandler, and Mesa.

Heather noted that Tempe had moved into this strategy gradually.

Commissioner Louis DeGravina noted that a major drive in Tempe's development is promoting increased attendance, and the higher density construction supports that.

Chair Noah Mundt noted that many buildings in Tempe are owned by ASU and generate no income for Tempe.

An example Mary Goodman found compelling was a development in another city that included Whole Foods, which emphasized the value of mixed-use development. She noted that there are a multitude of factors that play into whether or not the market supports multi-family, it's always weighted in terms of impact, use of surrounding spaces, and other factors.

Heather Worthington noted that a lot of talk in America about the value of a comprehensive plan, but we very infrequently exercise or execute a good comprehensive plan. She noted that the Geoaccounting tool offers another layer of data to inform planning.

Amanda Elliott stated that these tools are useful for planning in Gilbert to answer questions such as what assets we need to include in something such as a parking structure to offset the costs.

Heather Worthington noted that a big question in transportation is the potential impact of autonomous vehicles such as what the demand side of that look will like for layover parking.

Commissioner Lisa Gage asked if you took a development such as the Whole Foods example in Tempe, what would the value of the land be if parking were included. She noted that there is a struggle in Gilbert to create density because there is a minimum amount of parking required per building.

Heather Worthington noted that Whole Foods had built similar structures in other locales and usually incorporated a parking component that's either partially underground or fully underground.

Commissioner Boe Bigelow summarized his take on the conversation that the fastest ROI that the Town has on investment for infrastructure and getting people to come is the HD because the Town owns a lot of the real estate.

Heather Worthington stated that they do not know today what kind of momentum that will create in the market, noting someone who said he doesn't like to come to the HD because he likes to ride his bike and there's never a place to park. She noted it is hard to estimate the duplicative effect on surrounding properties so it's hard to measure.

Commissioner TJ Claassen found the information very enlightening and noted his takeaway is that density is positive, and it would be super helpful and obviously the HD is low hanging fruit, but taking it past the line of then dictating use types to the developers is not going to help. He stated that no one is building suburban offices right now as there's no demand and Whole Foods will not go to downtown Gilbert because the demographics do not support it. Developers will inform on what the demand side is.

Dan Henderson noted that you can push things like FAR.

Commissioner TJ Claassen agreed that giving developers a more creative box to work in may be more successful.

Commissioner Boe Bigelow noted that in the grand scheme of things, a lot of the developers aim for one thing for simplicity with working with the municipalities and don't want the complexity of having to go through every single phase for restaurant, for retail, for single family use. They want to build something simple and quick and then move on to the next one.

Commissioner Jän Simon said he did not disagree but stated that where the Town gets stuck is developers wanting to develop 50,000, 100,000, 200,000 square feet and then lease the entire thing out to one tenant versus coming in and going like a Collab which is more parceled out. So, encouraging the development the Town wants such as smaller office development might be helpful, to get the walkability of a condensed area.

Commissioner TJ Claassen agreed as someone who works with many developers but countered that the underwriting significantly changes like their ability to pencil certain numbers if you're you know if you're budgeting or planning for an average office size of 2,200 feet versus a corporate HQ.

Heather Worthington noted that parking requirements are also a big part of that, and strategic thinking is needed.

Commissioner Lisa Gage stated that she does not like doing projects in Gilbert as they're unnecessarily difficult, which was her motivation to get on the Planning Commission. She noted opportunities to create change to make developers want to come to the table. She stated that some of Gilbert's development standards are old and the Town's ability to adjust or be able to look at something as a whole and not just say it doesn't fit within this table in the zoning code and so now you have to go through this cumbersome process that can prompt developers to walk away from the table. Increased flexibility would help encourage development.

Heather Worthington thanked the guests for their questions and closed the session.

Amanda Elliott summarized that Urban 3 was brought in to help shift the way the Town thinks about being a fiscally sustainable community in the long term, and these conversations and ideas would be revisited.

# 6. PRESENTATION AND DIALOGUE ON HERITAGE DISTRICT SHARED PARKING OPERATIONS

Amanda Elliott opened the discussion on HD parking operations, noting that the Planning Commission does not always oversee projects within the HD but does review rezoning plans where shared parking questions come up. She reviewed best practices for downtowns, commenting that parking is the first and last impression of a visitor. Gilbert's shared model provides a more walkable urban environment where you can park once and go to multiple places. It maximizes sales tax revenue generation, the opportunity to utilize valuable development space, and creates efficiencies through shared uses by reducing the amount of structured parking necessary.

Gilbert's shared parking model was instituted in 2005 when the Village Center zoning was instituted. Two comprehensive Master Plans have been completed, one in 2015 and one in 2021. The shared model allows for an administrative use permit. The parking plan was developed in 2021 and it shows the existing parking supply numbers. There are approximately 5,400 parking spaces in total between private and public spaces. The Heritage Park project removed 584 spaces from the vacant lot. In the meantime, about 255 parking spaces were added. Approximately 600 stalls are not currently committed to a project, and it is anticipated that upcoming projects would reduce that to 300 stalls.

Amanda Elliott noted that Gilbert has an interactive parking map. In Tempe, the planning team is working with Google to help map people to parking locations downtown, which is a project that Gilbert could mirror.

Looking at the Redevelopment Plan and anticipated land uses, then applying that to how many parking stalls would need to be built for the main core portion of the District to be sustainable, about 2,100 stalls will be required. These can be developed by Gilbert in collaboration with the development community. The parking Master Plan looks at supply and adequacy and parking management strategies. Amanda Elliott noted that in the last year, there were approximately 5.5 million visits downtown and to understand the impact on parking Walker Consultants was asked to create an update to the parking conditions report. They visited the area in March to take direct parking counts on a Friday night and a Saturday morning when the farmers' market was open to understand parking inventory and adequacy, which is a measure of how long it takes a person to park.

The plan also reviews parking management strategies, including enforcement, time limits, special events, signage, funding strategies and curbside management. The report found that the average time people were parking in prime spots was a minimum of four hours and likely

represented people who worked in the business. If these people can be parked in a different location, the prime spaces would open up to creative turnover and generate more revenue for the HD. Curbside management must also be considered for delivery drivers and curbside loading. Signage and wayfinding are vital to ensure people can find their way to parking where it is needed. Special Events are of great value to downtown, but visitors must have a place to park. Enforcing these requirements entails ensuring there are adequate staff for enforcement.

A future parking strategy would include a third parking structure which must be right sized to the area and additional temporary lots. Staff are hyper focused on how projects are phased to ensure parking adequacy. Strategies are also being considered to improve congestion caused by commercial loading.

The floor was opened to questions.

Chair Noah Mundt commented that the most important aspect is an educating component for people which may include signage as you're entering the District with perhaps a colored map showing where parking can be found. He stated that most people are fine with parking further away and walking if they can find parking. Implementing technology that shows in a parking garage where spaces are open would be helpful even if not everyone would use it.

Councilmember Jim Torgeson referenced the Glendale Galleria in California which has a parking system with signage that indicates specifically how many stalls are open in each section of the parking area, which helps people move in and out quickly despite being an insanely busy site.

Amanda Elliott stated that additional technologies are being investigated, including sensor technologies that can be installed in stalls to tell you if there's a car there or not. She noted that there are tradeoffs in costs for implementing these technologies.

Commissioner Louis DeGravina commented that it sounds like parking meters or paid parking are being considered.

Amanda Elliott noted that this is a policy level question, but she did not recall conversations about metering. She explained that there are many ways to fund parking, including a parking management district that enacts a tax.

Chair Noah Mundt stated that it is important to create a financial incentive for people to turn parking spots over and it's simple to do.

Chair Casey Kendal stated that the guidelines say that you can't charge for parking.

Amanda Elliott clarified that the guidelines do not prohibit charging for parking, but in some of development agreements there are stipulations that the developers can't charge for parking.

Commissioner Boe Bigelow stated that no on-site parking is required for retail but for residential or multi-family it is required.

Amanda Elliott confirmed this is the case.

Commissioner Boe Bigelow noted that he was shocked at how cheap it is to build basements and that not every home in Arizona has one. He asked if the Town had hard numbers on how much it costs to go underground.

Amanda Elliott stated that she was not aware of any numbers on this.

Chair Noah Mundt commented that saying basements are cheap as a builder building 300 houses is not going to do this if they are not required to.

Vice Chair Cassandra Updike stated that it's been several years since she did a garage, and it was about \$35,000 a stall. However, she has had to pay to park on downtown Phoenix and Scottsdale and had to pay to park which became normal.

Commissioner TJ Claassen suggested the Town could take it to an extreme and ask if it could potentially not be a town problem to build a new garage as there are a lot of equity groups that are purchasing parking structures because they want to manage them and charge and what they will.

Commissioner Brian Andersen stated that these companies are thinking about the bottom line and will increase prices as much as they can.

Commissioner TJ Claassen suggested that the market may force them to moderate rates but noted that people may not have a choice to use expensive lots. He referenced the Urban 3 presentation and stated it would be interesting to see an analysis of the underlying values of parking structures that do charge for parking. He discussed parking structures that had been converted into retail in other locales and noted that if the Town were to plan garages with retail on the main floor, the retail space may pay for the costs of the structure.

Amanda Elliott commented that the [Hearne Way garage was built to a standard in which the first level could eventually be transitioned into retail.

Councilmember Jim Torgeson stated that the previous town Council said they did not want to be landlords, though the current Council may not feel the same. A discussion ensued about the opportunities for hybrid buildings incorporating parking and retail, and funding from developers.

Commissioner Brian Andersen referenced ride-share spots that were placed around the District and asked if those spots had been beneficial and had helped with traffic around the HD. He also asked exactly how they work, and how drivers know where to park.

Sydney Bethel Price explained that they worked with companies like Uber and Lift to designate those spots because they had individuals stopping on Gilbert Road and just letting people out on Main Street. The ride-share spots designate five locations for drop off and pick up. Data from Uber and Lift suggested that approximately 5,000 pick-ups and drop-offs at locations were occurring per month as of 2022, and the number of tickets issued for drop-offs in the district had dropped to zero.

Commissioner Brian Anderson asked if these numbers were an incentive to create more stops around the District.

Sydney Bethel Price noted a phase two of the project is in the Capital Improvement plan so at that time the Town would reassess those sites.

Amanda Elliott closed the session and invited further feedback and questions.

## **ADJOURNMENT**

Amanda Elliott adjourned the meeting at 8:00 p.m.

Planning Commission

Planning Commission Noah Mundt, Chair

Redevelopment Commission Casey Kendel, Chair