

Williams Gateway Airport Mesa, AZ

Urban Land Institute
Advisory Services Panel
September 2006





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- Mayor Steve Berman and the Town of Gilbert
- Mayor Art Sanders and the Town of Queen Creek
- Mayor Doug Coleman, City of Apache Junction
- Governor Richard Narcia, Gila River Indian Community



Acknowledgments

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- President Maria Hesse, Chandler-Gilbert Community College
- Williams Gateway Airport
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- The Arizona Republic



Acknowledgments

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Sponsors



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www.ci.gilbert.az.us



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www.phoenix.gov/AVIATION



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Introduction

- ULI—the Urban Land Institute is a nonprofit research and education organization
- Mission: Promote responsible leadership in the use of land to enhance the total environment





The Panel

- Chair
 - Alex Rose
- Market Potential
 - Dan Conway
- Development Strategies
 - Richard Perlmutter
 - Zane Segal
- Planning and Design
 - Allen Folks
 - Bob Kuhns
- Implementation
 - John Solomon
 - Tom Eitler



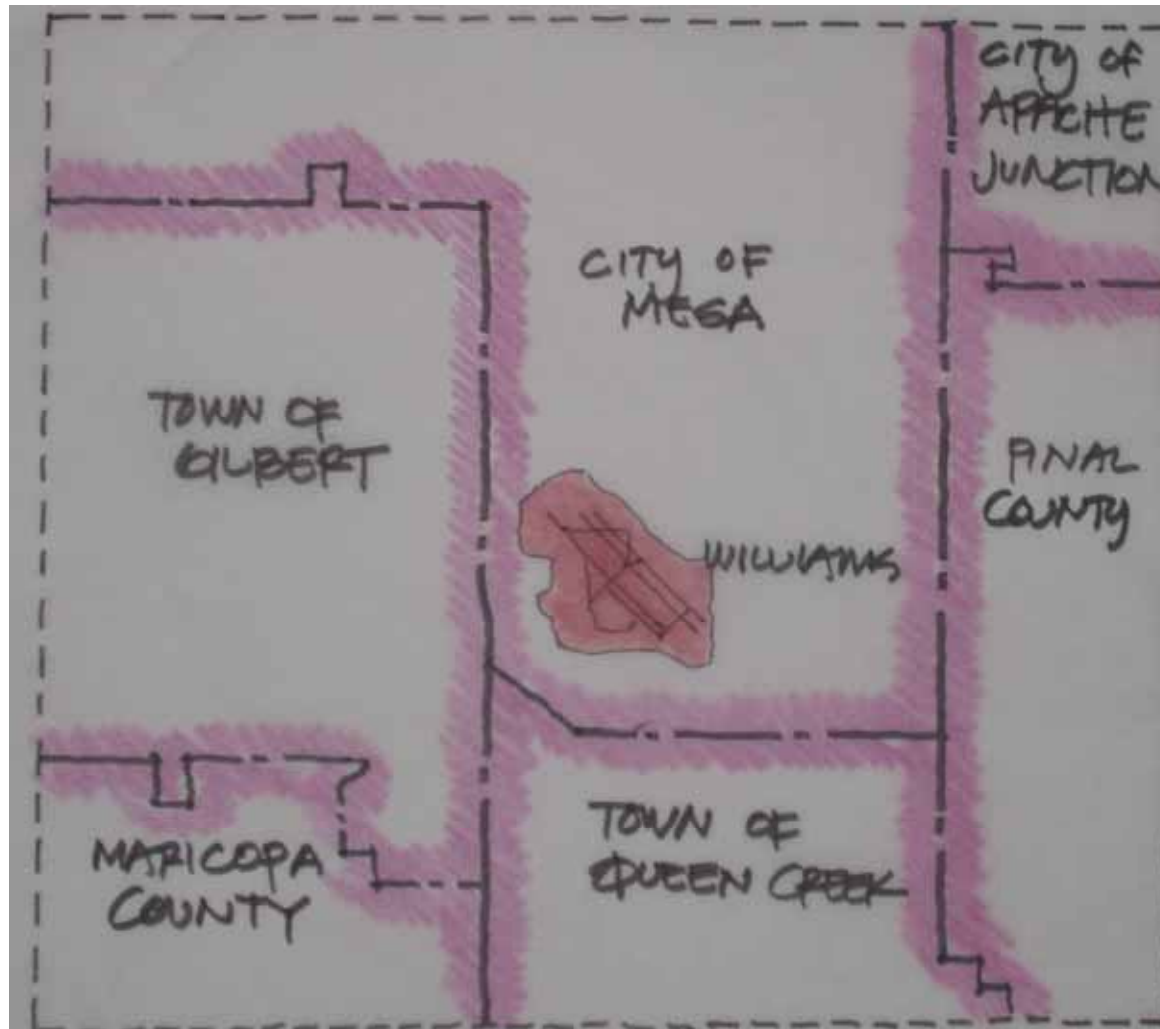


ULI

- Tom Eitler
- Carmen McCormick
- ULI Arizona
 - Greg Vogel
 - Terry Gilbert
 - George Bosworth

William Gateway

A Center of Jurisdictions





William Gateway Context

- Big Area / Long Time
- Explosive Growth
- Multiple Uses
- Infrastructure





-
- Planning
 - Discipline and Flexibility
 - Proven Examples

Market Potential

Dan Conway



Market

- The Williams Gateway primary trade area (PTA), an area within a 10-mile radius of the Williams Gateway Airport





Market

- 1980 PTA included just 76, 255 people – just 6.7% of the population of metro Phoenix.
- 2006 the Williams Gateway PTA has 497,944 people which represents 12.7% of the Phoenix regional population of 3.9 million people.



Market

- PTA will grow annually by 26,800 people in 9,740 households with second homes growing by 1,110 units per year



Industrial

- Today metropolitan Phoenix has almost 246 million square feet of industrial space
- Of this total 18% is in the Sky Harbor environs, 17 % is in Mesa/Gilbert and 16% is in Chandler
- Since 2002 metro Phoenix has averaged annually the construction of 4 million square feet of industrial space
- Through the next decade it is projected to average annually the construction of 4.2 million square feet



Industrial

- The Williams Gateway study area should capture 8% of the projected market demand for industrial space in metro Phoenix
- The study area should enjoy an average market for the construction of up to 640,000 square feet of industrial space per year
- The study area could expect annually to add up to 1,175 employees per year in industrial square footage and as many as and 63 acres per year



Office

- During our projection horizon of 25 years as many as 1,575 acres will urbanize
- The metropolitan Phoenix office market includes 62.9 million square feet
- 23% of the office space located in the central business district, 21% in Scottsdale and 12% in the Southeast Valley.
- Net office absorption exceeded 3 million square feet per year in 2005 and 2006 and is projected annually through the next decade to average 3.2 million square feet.



Office

- Annually the study area should average the construction of approximately 120,000 square feet of office space.
- Office employment annually should average the addition of 520 employees and 16 acres per year



Retail

- The retail commercial market in metro Phoenix includes 124 million square feet
- The retail commercial market in metro Phoenix is projected annually to average the construction of 3.1 million square feet during the next decade.
- The study area should capture annually 6% of this projected market demand and annually it should enjoy a market for 188,500 square feet of retail commercial space



Residential

- Metro Phoenix as a result of substantial job growth is projected during the next decade to have an annual market for 45,700 housing units including seasonal and second homes
- The study area should capture 5% of projected metro Phoenix demand and annually it will enjoy a market for 1,450 detached single family units, 450 town home and condominiums and 450 rental apartments



Hotel and Recreational

- Metro Phoenix today has 61,300 hotel rooms in 450 hotel and motel facilities
- The Phoenix hotel market is projected to grow at an annual pace of 2,140 rooms per year
- 210 of these rooms should be added annually to the study area.



Recreational Uses

- Today metro Phoenix has a need for approximately 195 golf courses
- During the next decade a need will be created for an additional 57 golf course. Of this total projected demand within the study area an 18 hole golf course needs to be added every 3.5 years
- 7 golf course of 18 holes could require as much as 1400 acres of real estate.



Higher Education

- Arizona State University at the Polytechnic Campus opened in 1996 with approximately 1,000 students
- It has been growing by 500 students per year. Today it has 6,500 students in 39 undergraduate and graduate degree programs
- The future academic platform projects that it will serve 15,000 students by 2015.



Higher Education

- Chandler-Gilbert Community College which currently serves approximately 2,000 credit students at the Williams Gateway Campus.
- This campus anticipates rapid but manageable growth to serve approximately 6,000 students annually by 2014 and 10,000 annually by 2024
- Total enrollment in the state is projected to grow to 882,500 students by 2030 an annual growth rate of 14,500 students per year.
- ASU at the Polytechnic Campus in combination with the Chandler-Gilbert Community College since 1996 have been capturing approximately 15% of the growth in students and this capture rate is projected by the university and college to grow to 10% over the next 25 years.



Health Care Facilities

- The need for hospital beds will grow annually by 290 beds per year over the current count of 10,500 hospital beds in the metropolis
- annually in metro Phoenix there will be a demand for 650 nursing beds, 465 assisted living units and 25 hospice beds
- The study area is projected to capture 5% of this activity and over a 25 year projection period 350 hospital beds at 2 hospital sites will be needed along with 800 nursing beds, 575 assisted living units and 50 hospice beds.



Summary

- Over a 25 year planning horizon there will be a need in the study area for 1,575 acres of industrial land, 400 acres of office space and 500 acres of retail space.
- Additionally 5,250 hotel rooms at 34 sites on 105 acres and 7 golf courses on 1400 acres should be included in the plans.
- Higher educational facility demands are twice what now is planned for 320 acres and two hospital sites with 175 beds each are need along with other medical facilities.
- The study area build out would have 165,000 residents, nearly 70,000 students at institutions of higher education and jobs for 94,000 people

Development Strategies

Richard Perlmutter

Zane Segal



Study Area Vision

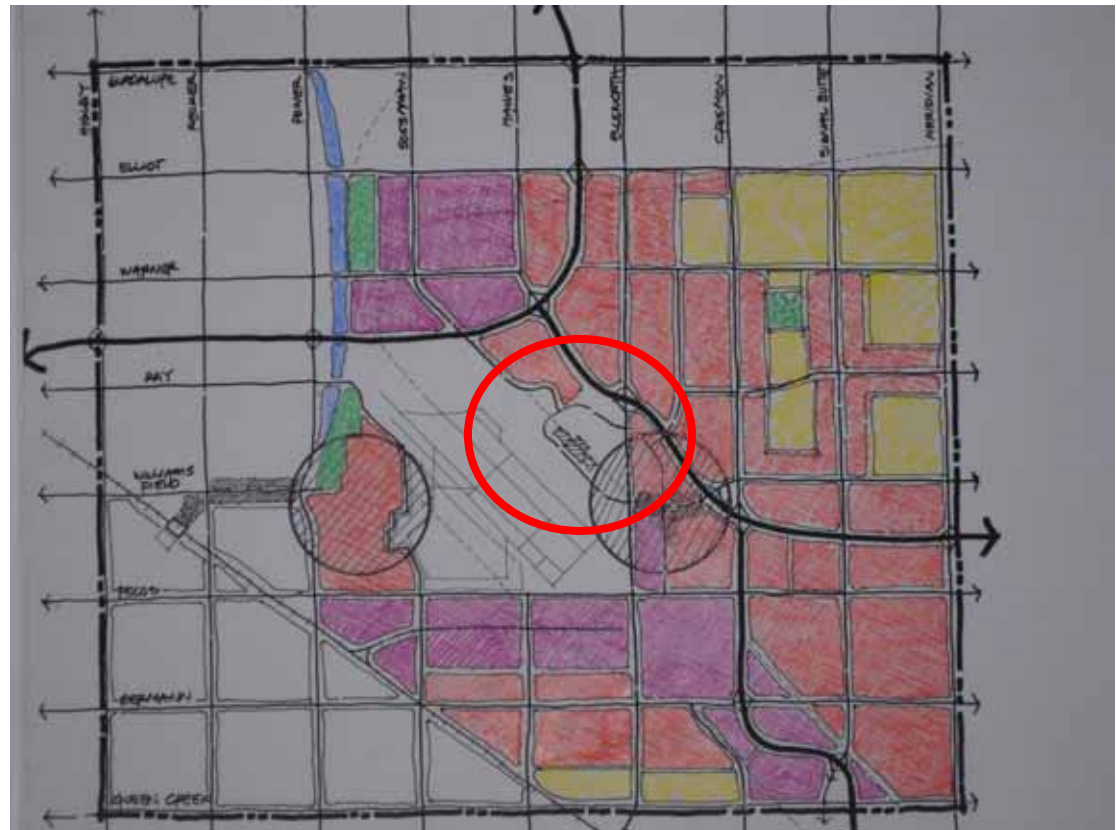
- Strong Brand Identity
 - High density, mixed-use
 - Business
 - Research
 - Academic
 - Transportation
 - Hospitality
 - Retail
 - Residential



Study Area Vision

- Models
 - Alliance Airport
 - Reston Town Center
 - Crystal City
 - Las Colinas
- Walkable neighborhoods
- Open space

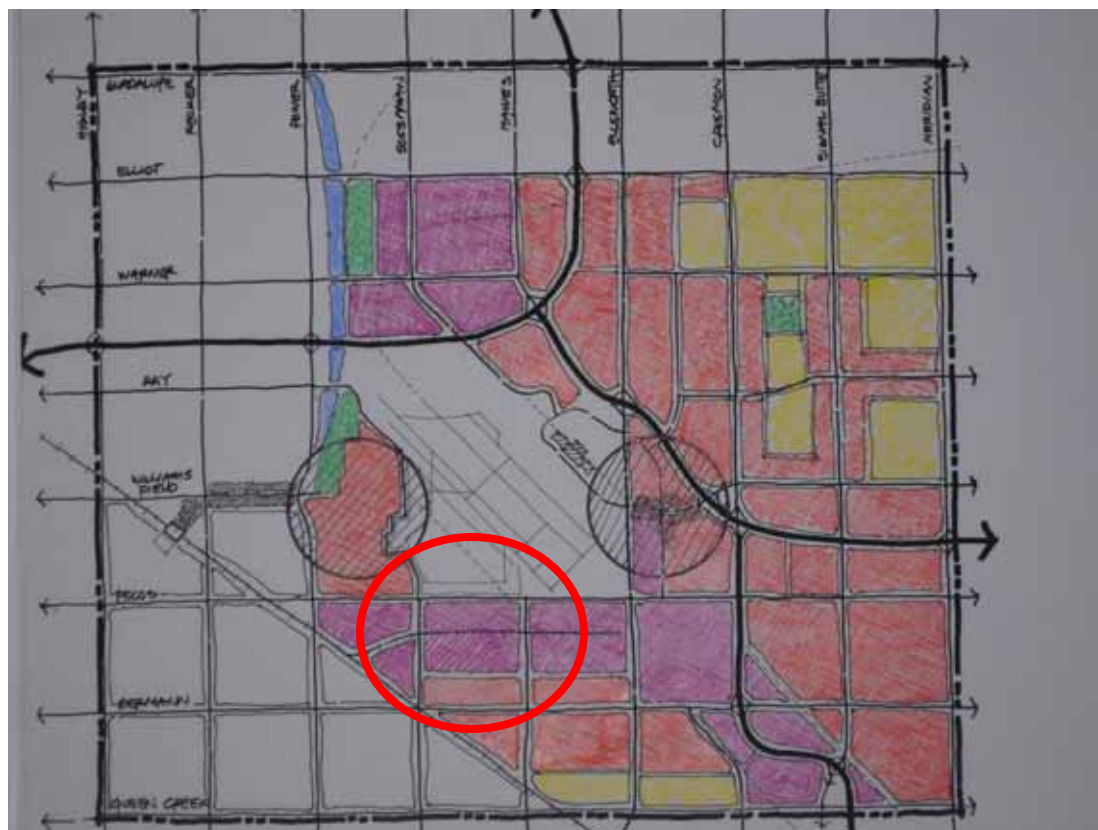
- Passenger Terminal
 - 10 million passengers
 - Hotels
 - Restaurants
 - Mid-rise office
 - Mid-rise residential





Study Area Vision

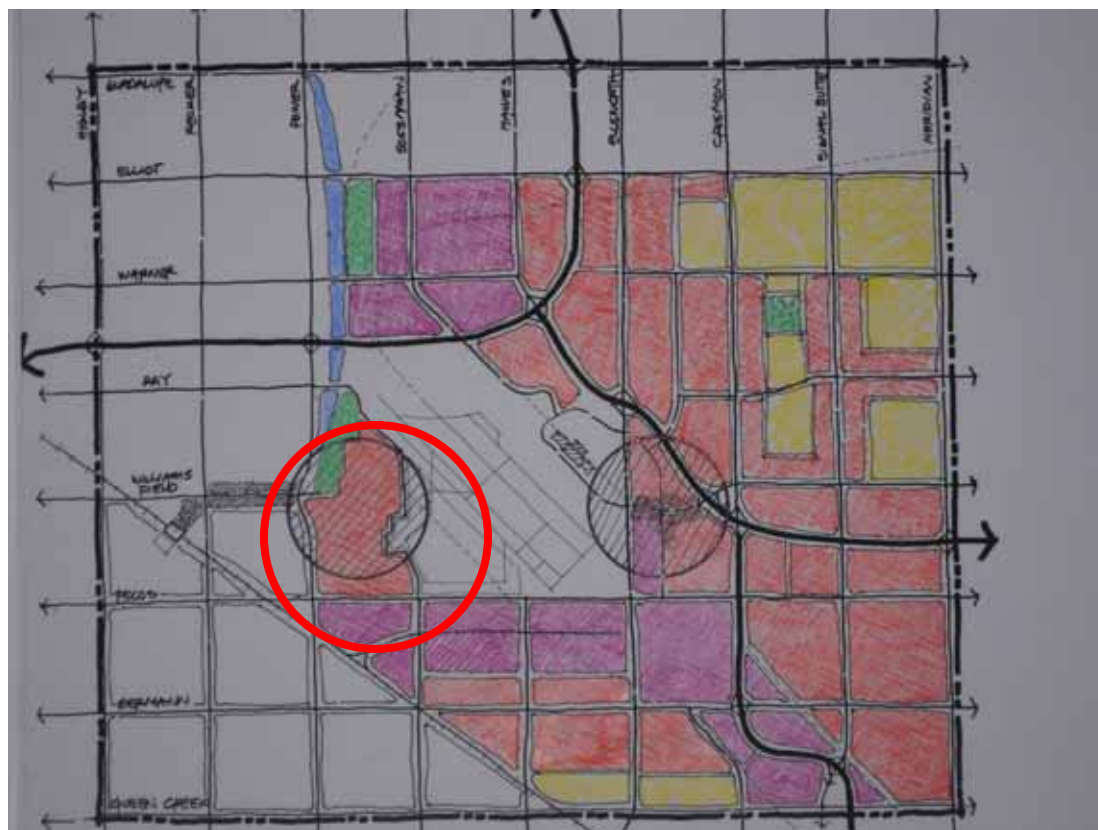
- Cargo Facility on South Side of Airport
 - Alliance Airport
 - Falcon Field
 - Scottsdale Airpark
 - Rail Connection





Study Area Vision

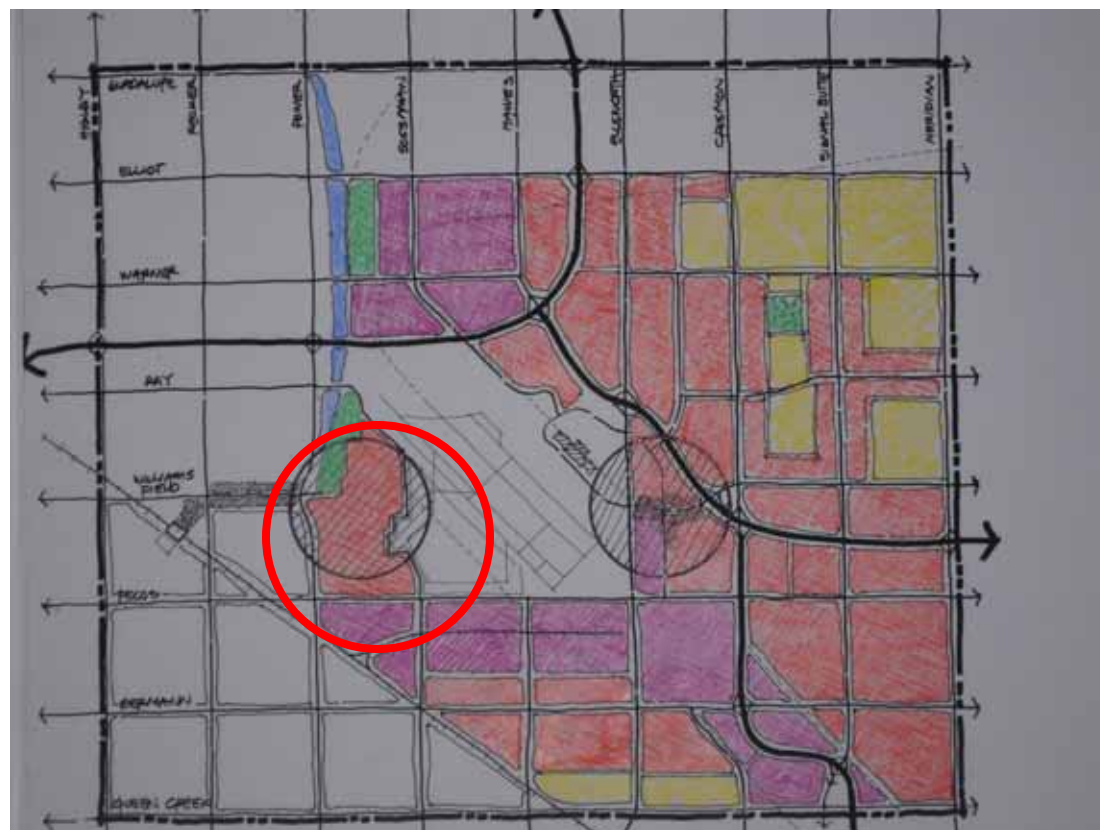
- Education Facilities
 - ASU at Polytechnic
 - Chandler Gilbert Community College
 - K-12
 - Technical





Study Area Vision

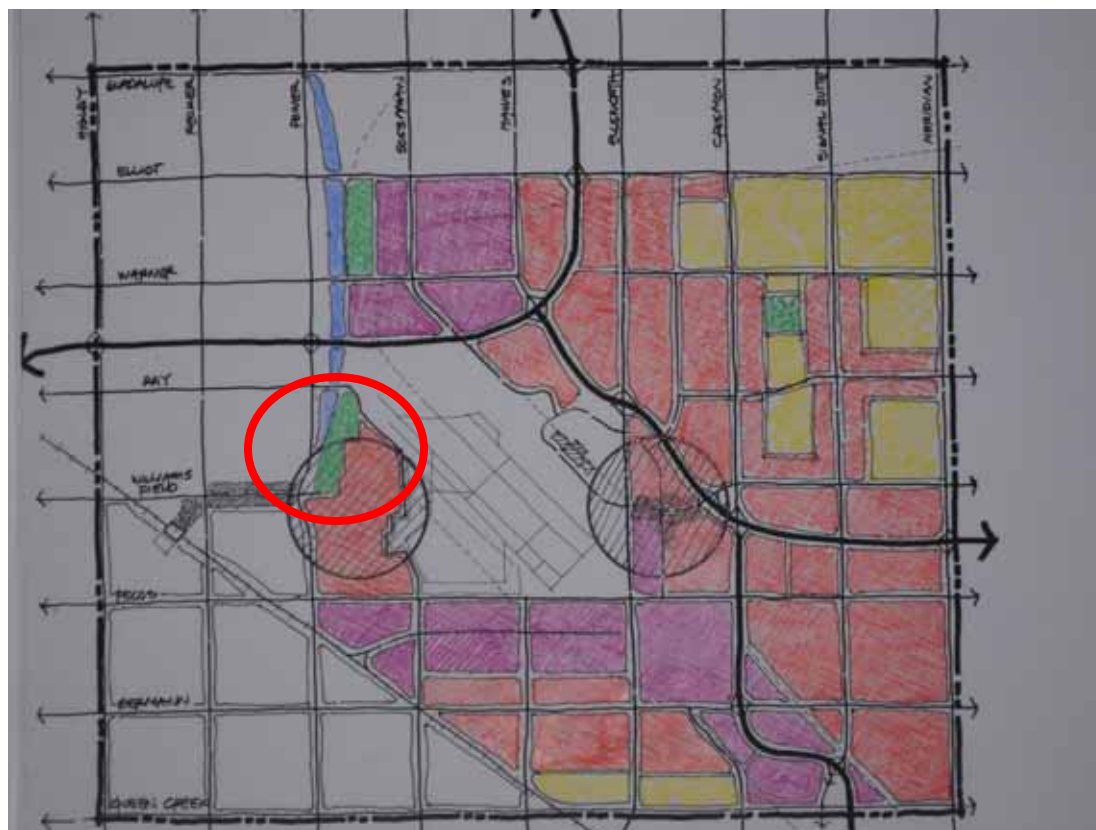
- Mixed-Use Research and Development
 - Public-private partnerships
 - Incubator space
 - Medical school



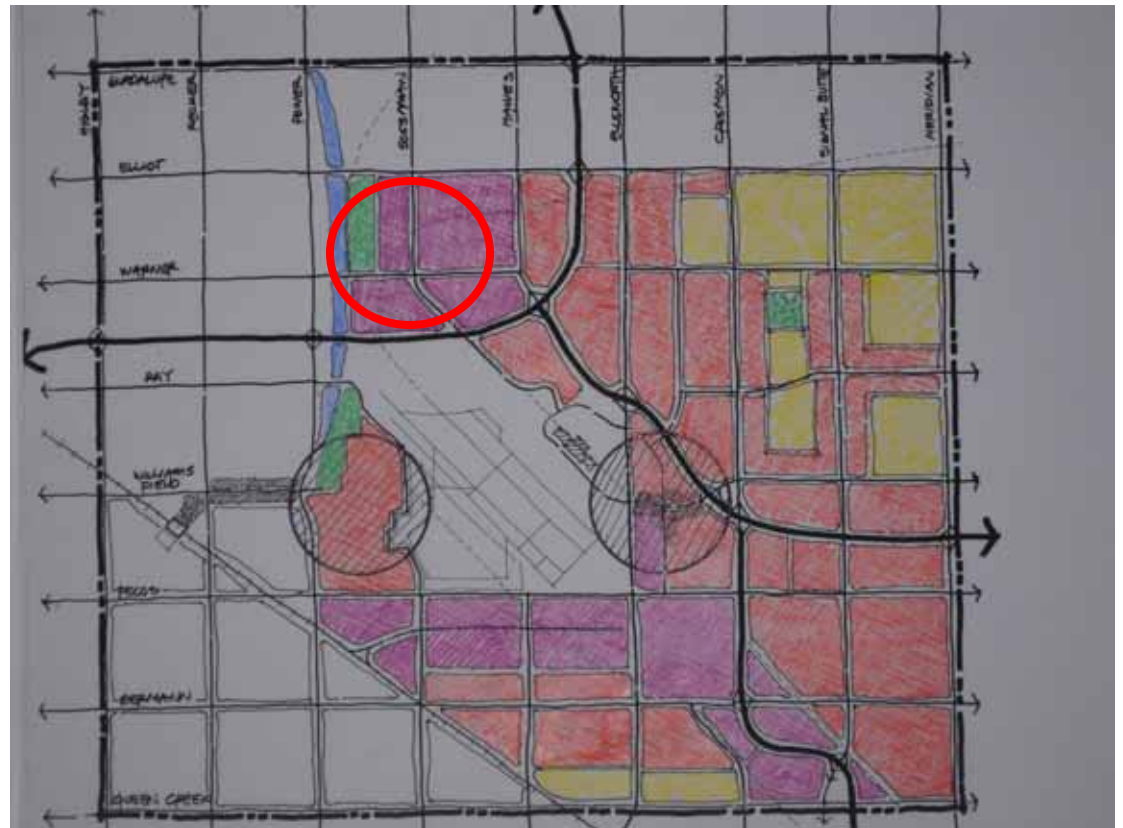


Study Area Vision

- Golf Course
- Resort



- Industrial Facilities on North Side of Airport
 - Light assembly
 - Buffer
 - Regional distribution



- Industrial Rail
- Passenger Rail
- Freeway Spur
- Shuttle Service
- Fiber Optic





Land Use

- Planning
 - Long-Range
 - Comprehensive Master Planning
 - State-chartered planning commission
- Zoning
 - Overlay Zones
 - General planning parameters
 - Land use criteria
 - Urban design standards



DESIRED EMPLOYMENT

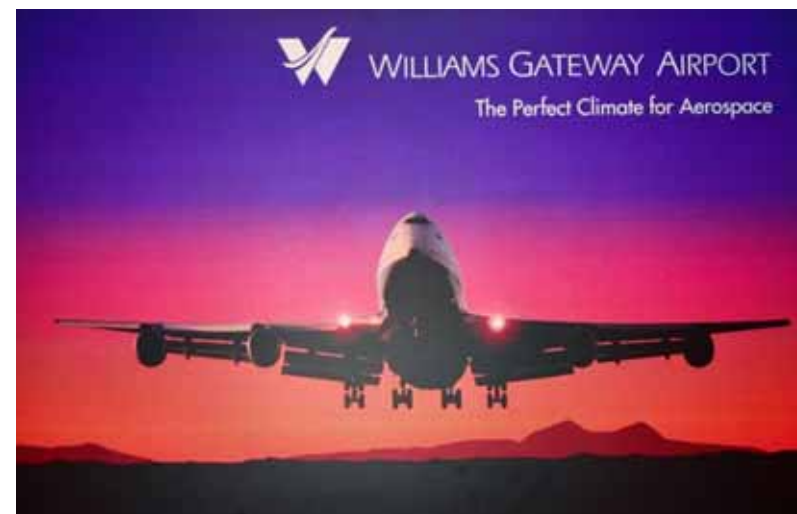
- Medical and professional
- Executive and managerial
- Academic and research





DESIRED EMPLOYMENT

- Aviation and high-tech manufacturing
- Air cargo and logistics





BUSINESS GENRES

- Avoid over-reliance on high-tech
- Bio-tech hot but competitive
- Medical needs growing
- Startups and entrepreneurs
- Manufacturing and assembly



RESIDENTIAL / JOBS BALANCE



- Residential dominant in SE Valley
- Housing recession nationwide
- Work spaces not only in Study Area
- Economic development cooperation
- New branding and marketing
- Planning to create a balance





QUALITY OF LIFE

- Positive attributes of the area
- Little place making
- Attraction of the creative class
- Detriments to high quality of life



GENERAL MOTORS PROVING GROUND



- A rare commodity
- Opportunity for progressive development
- No time to waste
- Williams Gateway Center proposal





MARKET FORCES

- Real estate is cyclical
- Large, growing supply of land
- Migration from California
- Free market can lead to sprawl





AIRPORT GOVERNANCE

- Potential as a moneymaker
- Long-term viability
- Value beyond profitability



Planning and Design

Allen Folks

Bob Kuhns







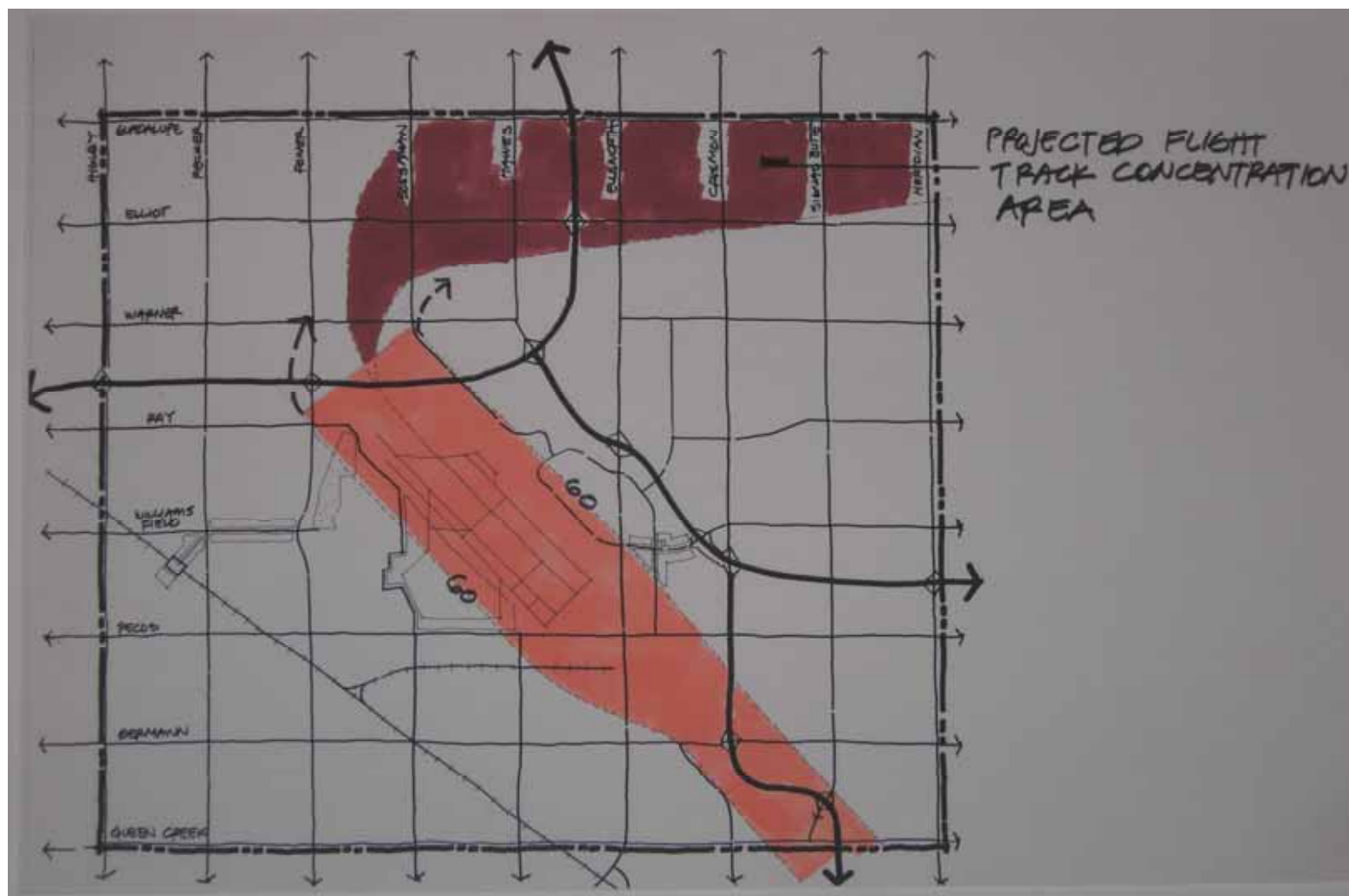


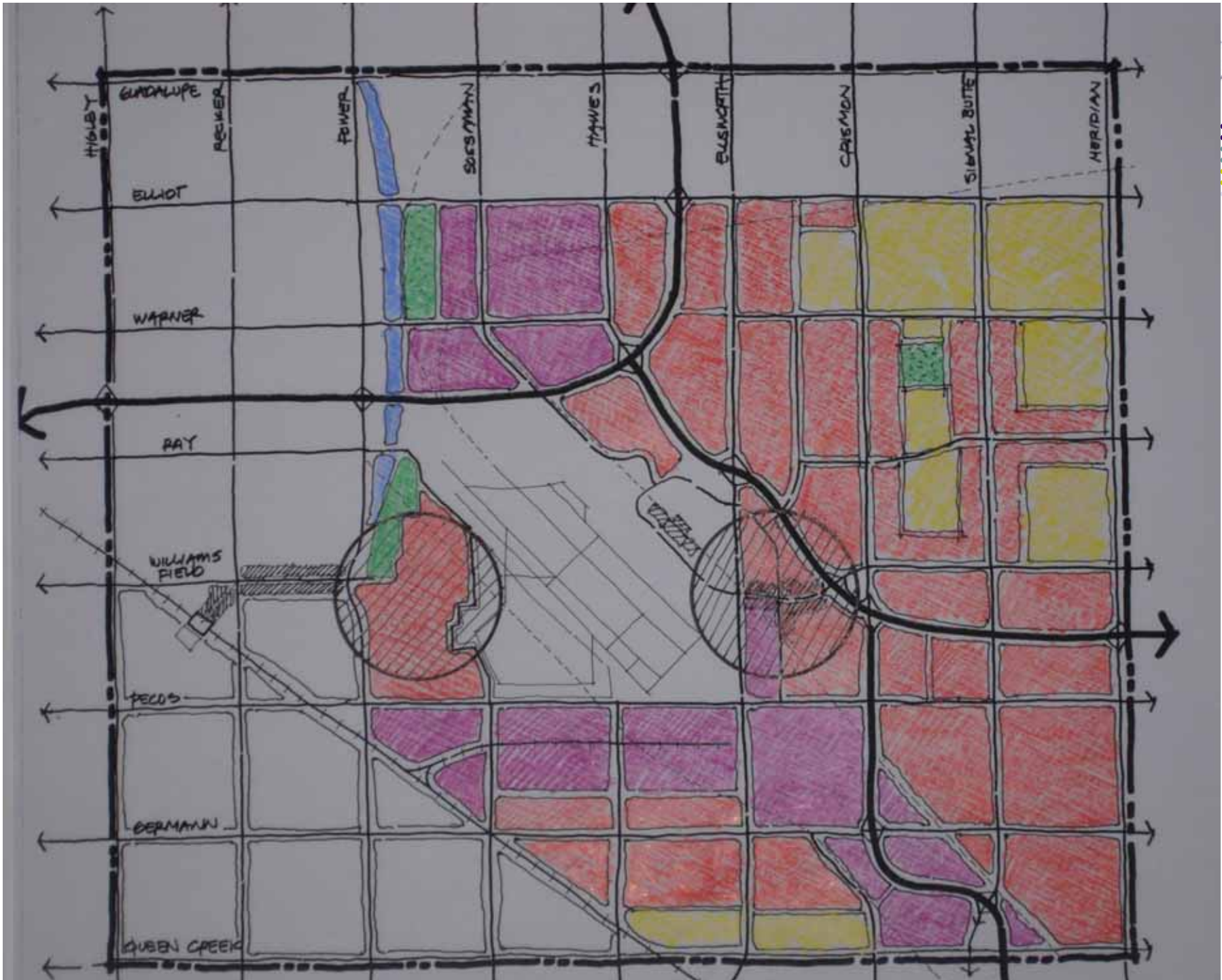


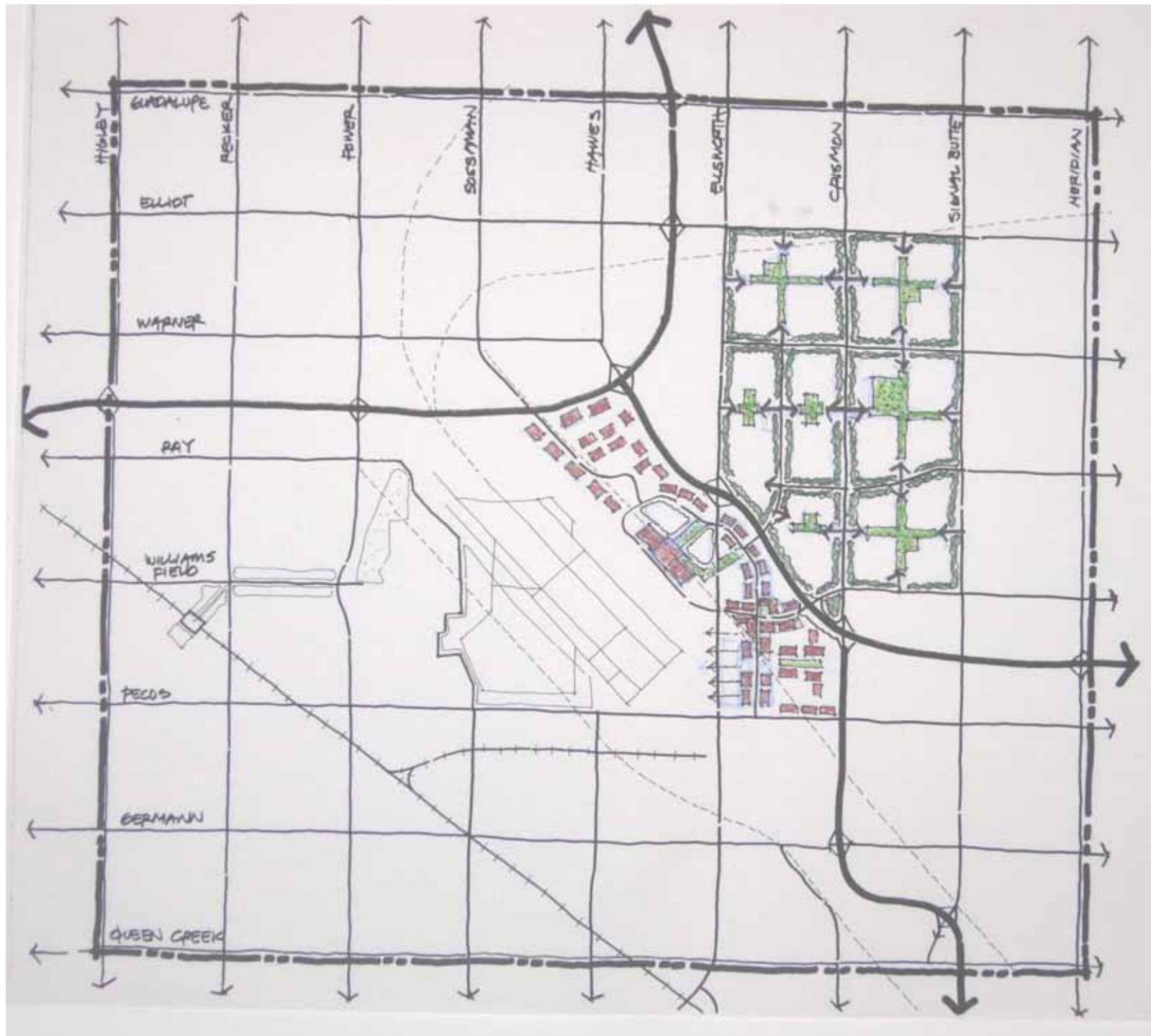


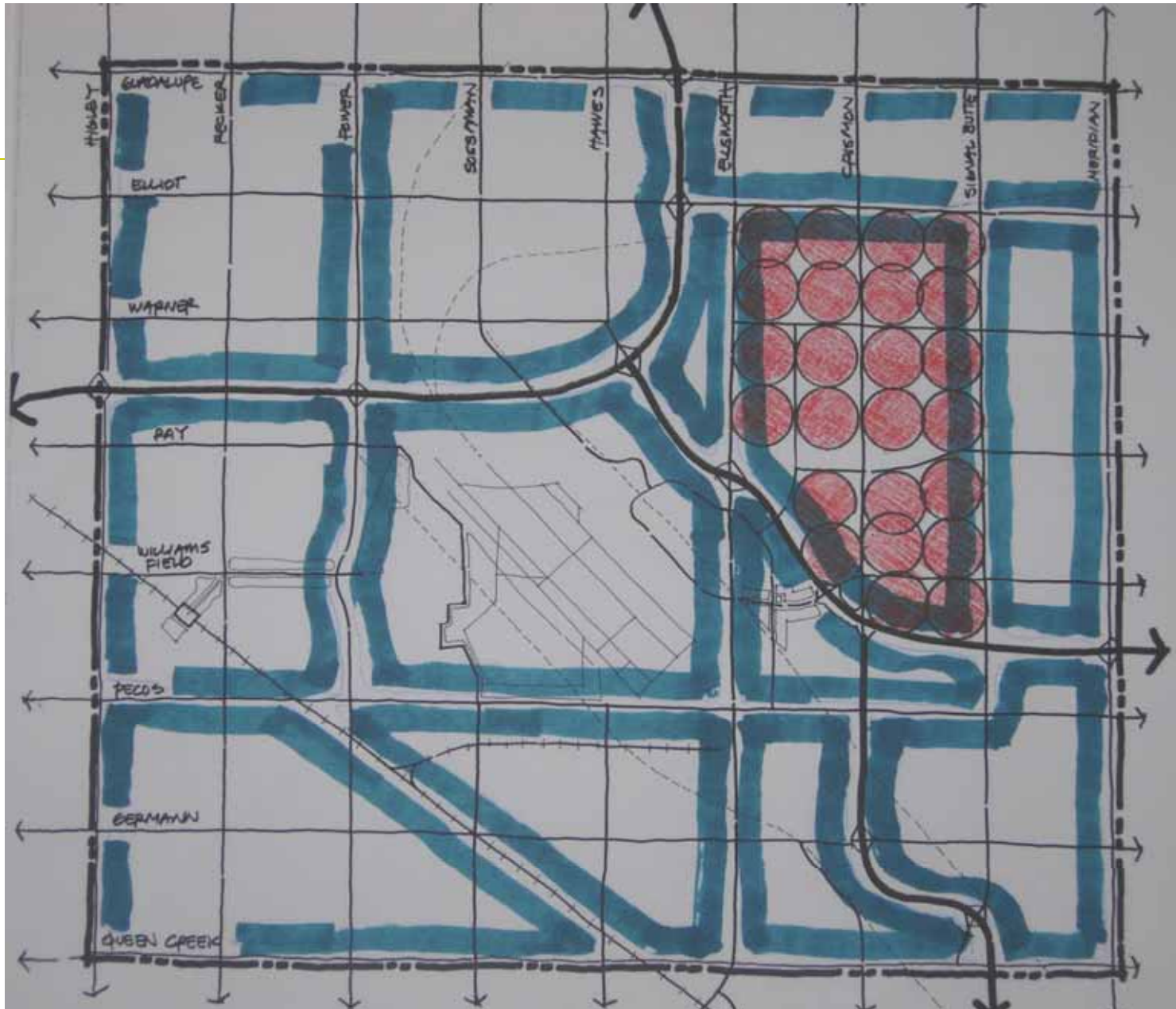


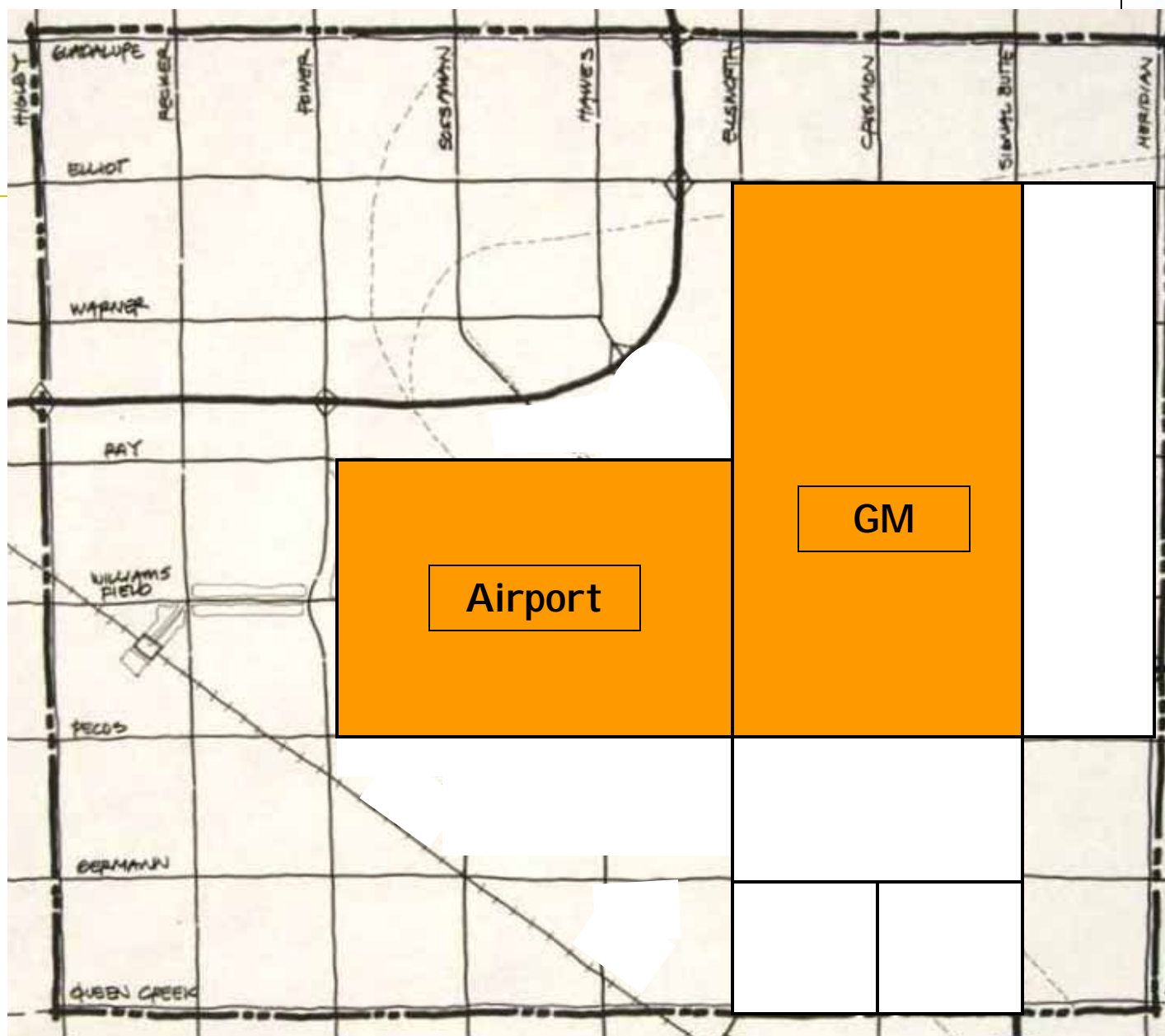




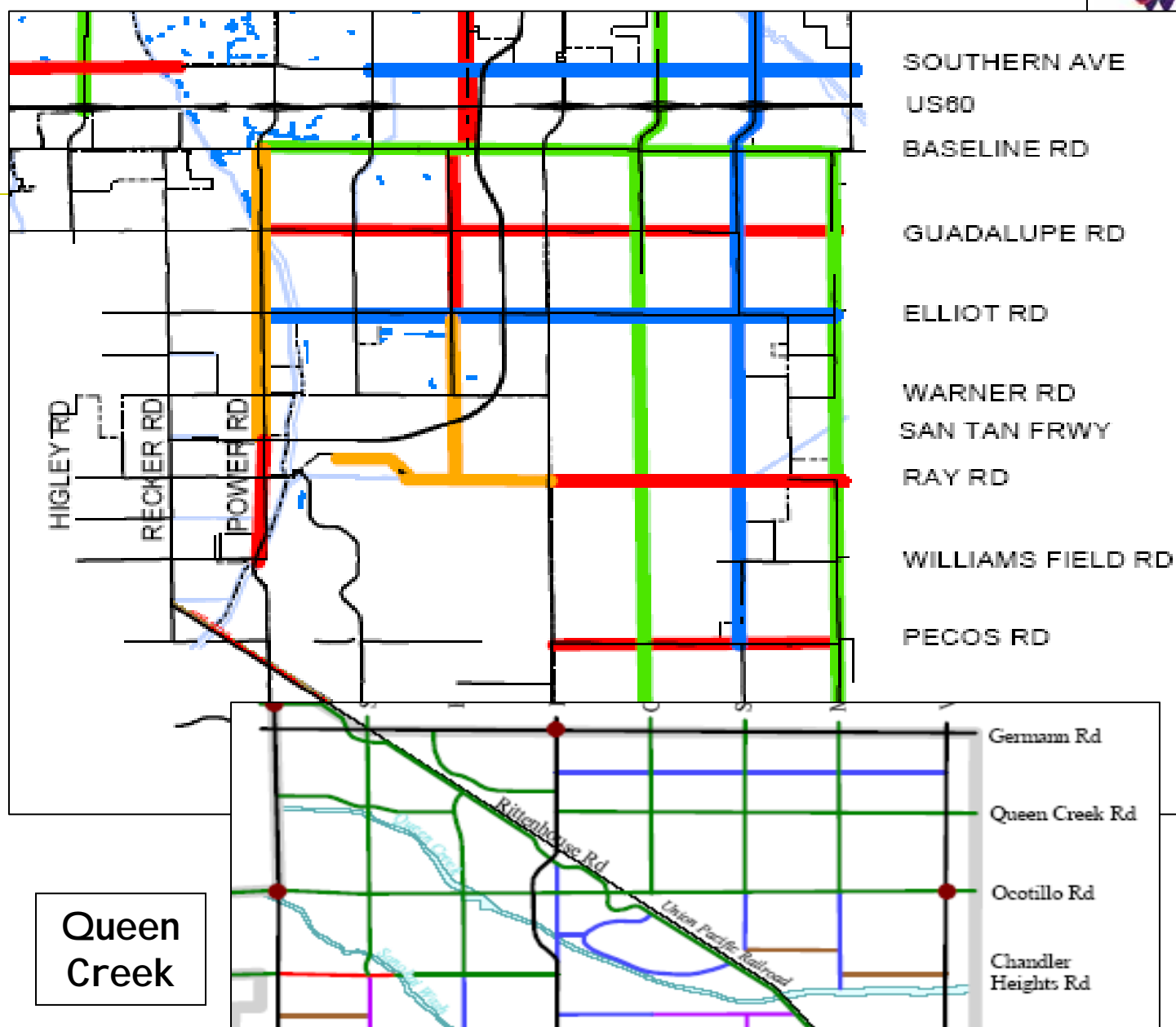


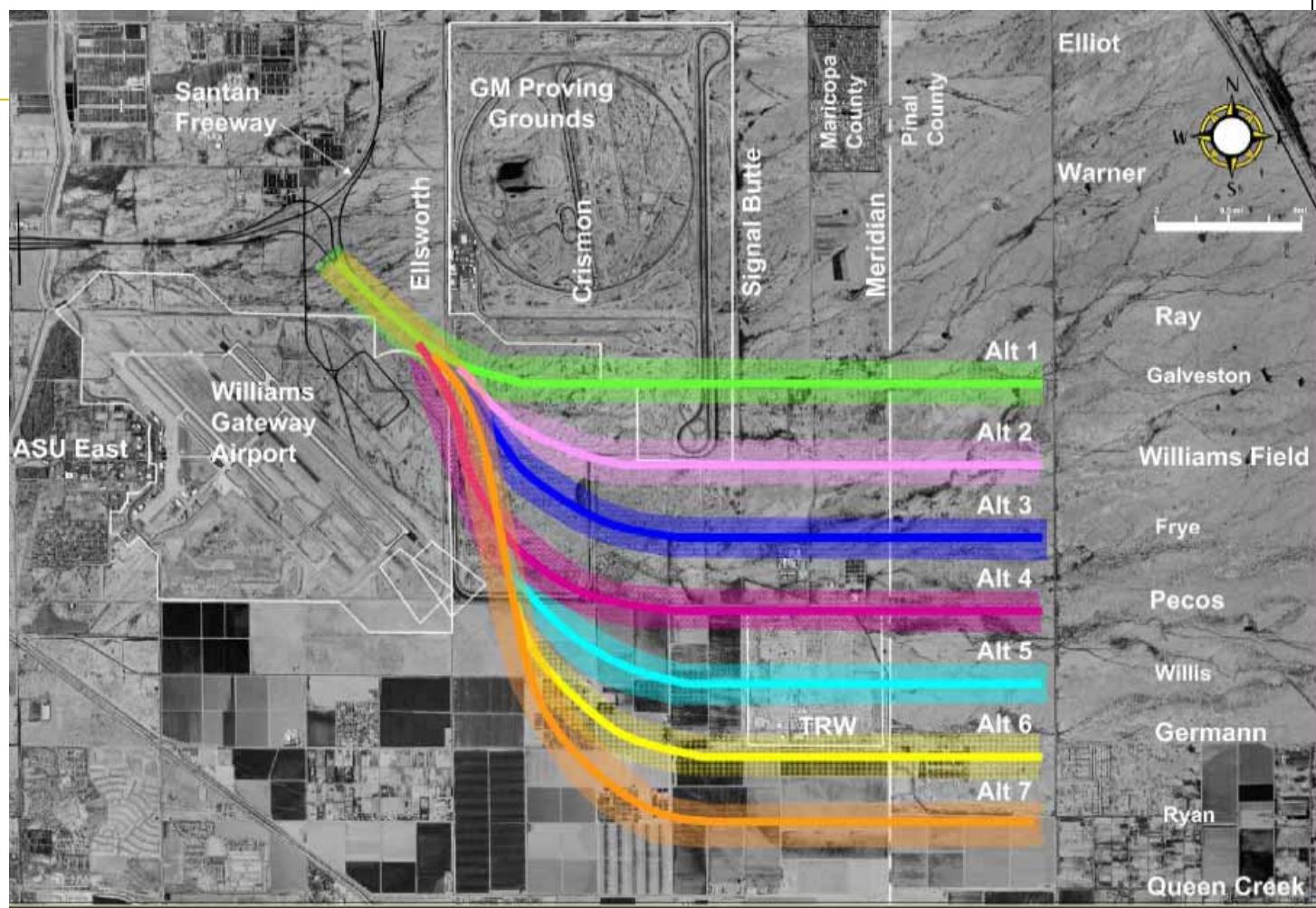


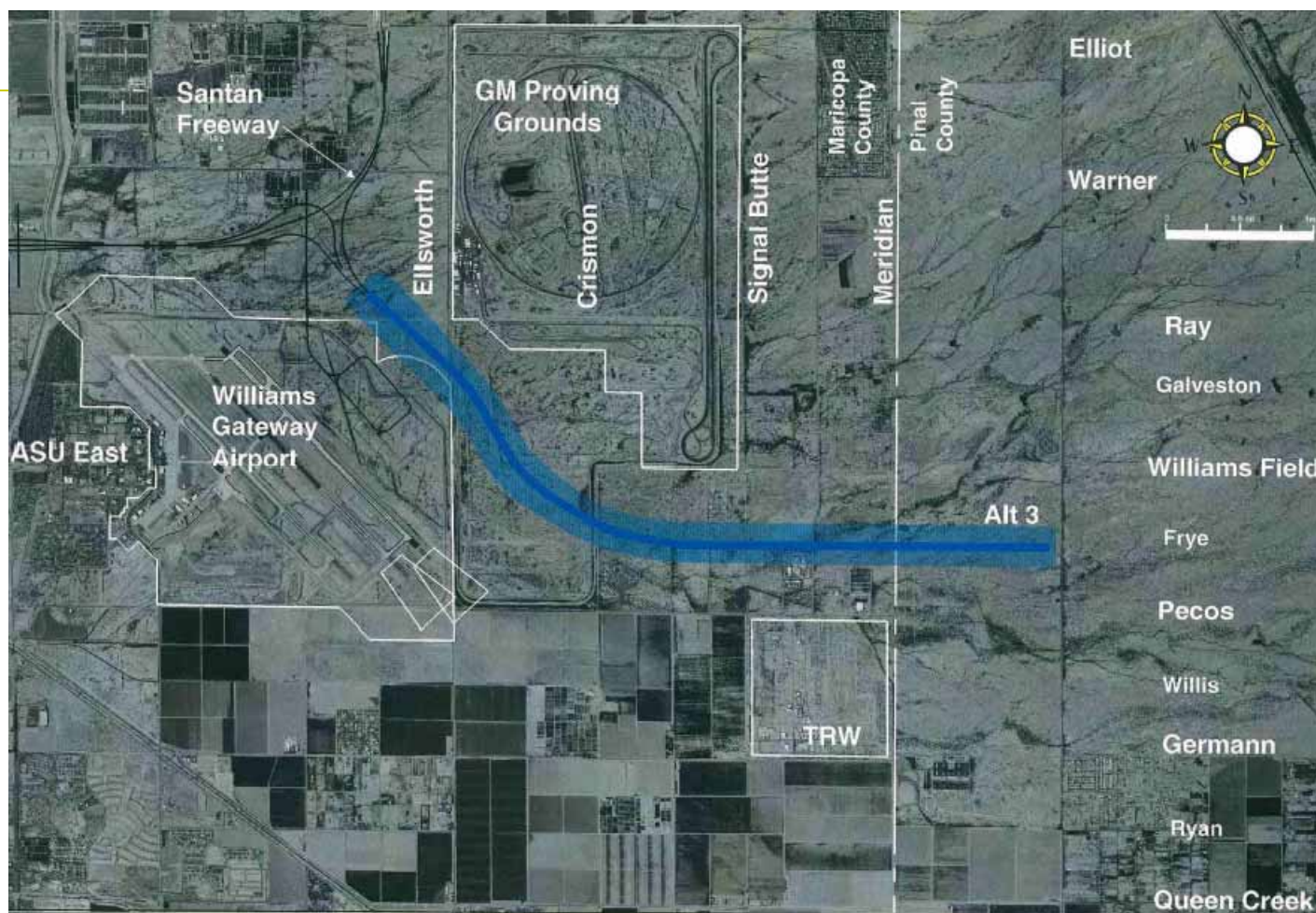




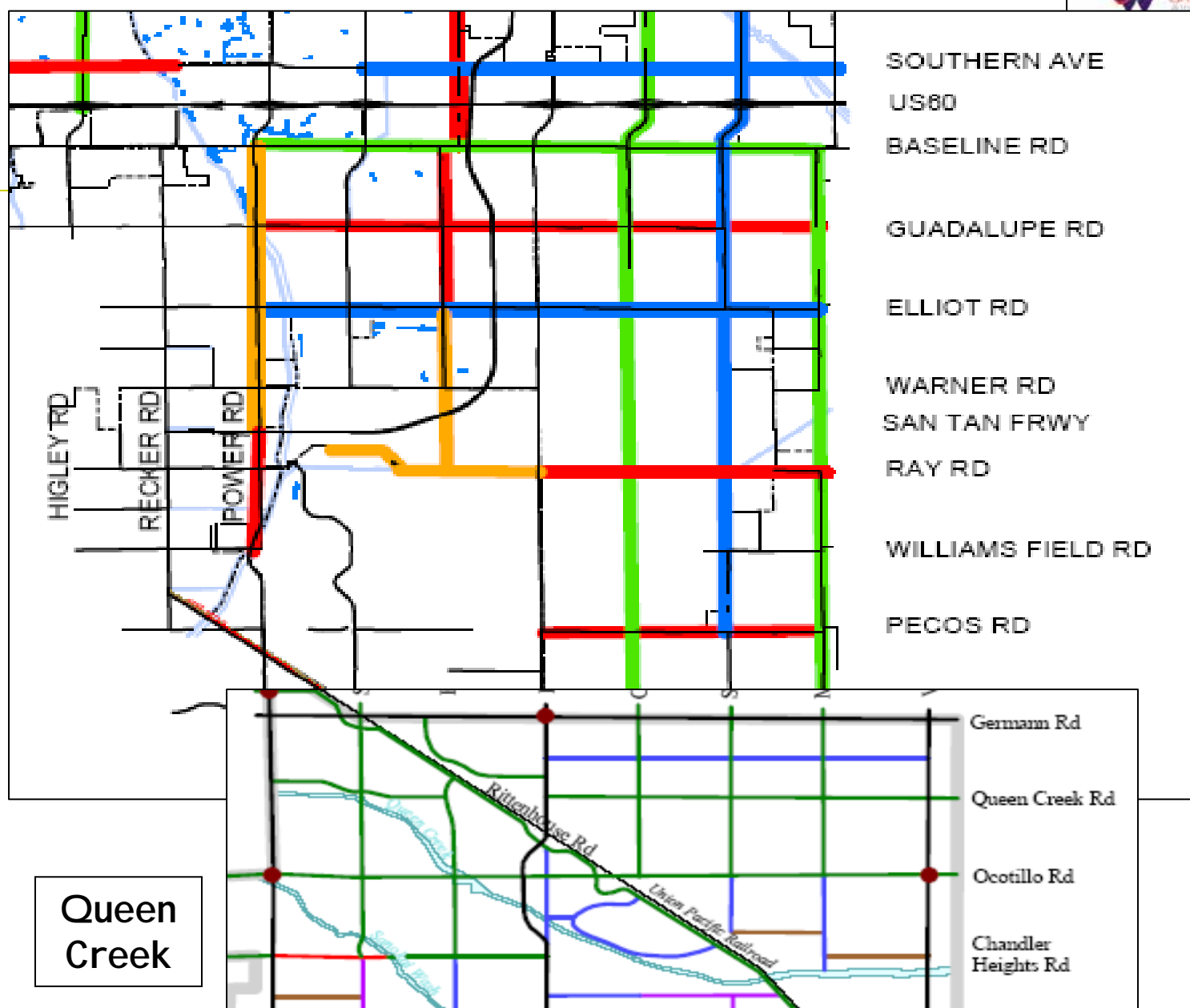
Mesa







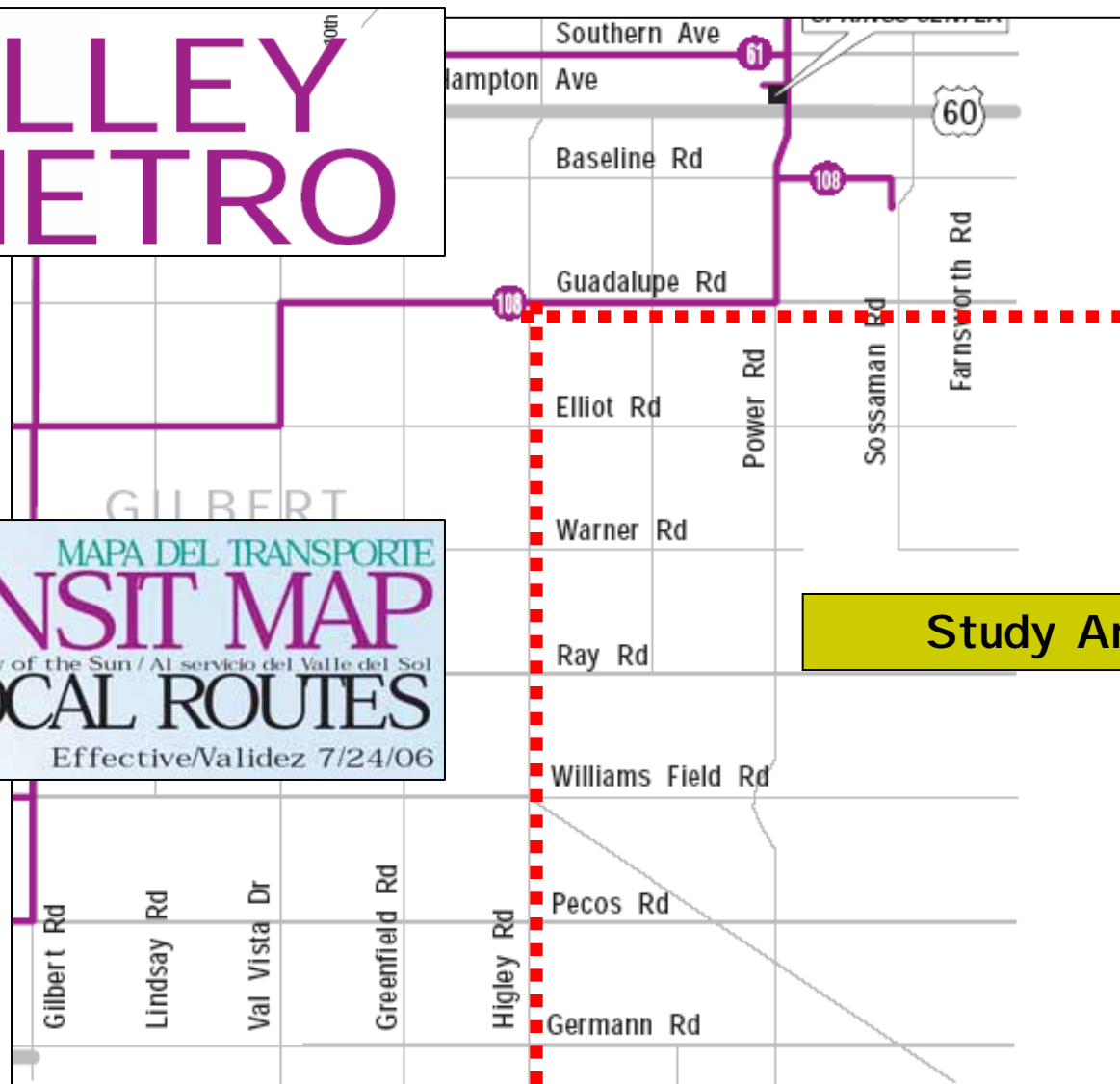
Mesa



Queen
Creek

VALLEY METRO

MAPA DEL TRANSPORTE
TRANSIT MAP
Serving the Valley of the Sun / Al servicio del Valle del Sol
LOCAL ROUTES
Effective/Validez 7/24/06



Implementation

John Solomon

Tom Eitler



Implementation

This final section describes specific steps for implementing the panel's recommendations

- Governance
 - Infrastructure plan,
 - Financial techniques
 - Land use tools
 - Marketing.
 - Educational Leadership
-
- The panel expects that many of the steps will be undertaken concurrently



Governance

- The Authority has been a successful vehicle to unite the communities' which surround the airport.
- To meet the aggressive growth goals, it is now necessary to take a more aggressive approach
 - Operations
 - Marketing
 - Financing
 - Strategic planning and development.



Governance

- Privatization
 - Request for Proposal (RFP), seek a private company to run all management functions and development of the airport properties.
 - Permits the Authority, through the contractor, to seek out prospective tenants, determine their needs and build to suit those needs at an accelerated pace.
 - The Authority through the terms of the agreement, share revenues which can, over a reasonable time, change the financial picture.





Consolidated Infrastructure Plan

- The consolidated infrastructure plan should be a long term blueprint for the provision of infrastructure with details on locations and alignments of the various “trunk” components for water, sewer, fiber optic and electricity.
- Transportation



Financing

- The panel recommends that, in conjunction with the preparation of the consolidated infrastructure plan, the cities, county and airport hire a firm with specialized expertise to bring about the creation of a CFD or a series of CFDs that implement the plan.



Regulatory Tools

- Enhance the Airport Overflight Area II to prohibit single family and improve attenuation for multi-family
- Sustainability - Superstition Vistas



Marketing

- Where in the world is William Gateway?
- What is the “Big Idea”
- Who is behind it?
- What is the product?
- What is the Brand?



Educational Stakeholders Role

- Leverage University and College programs
- Consider a medical school
- Strengthen medical technology, nursing and medical administration programs



Recap

- Planning
- Patience
- Persistence
- Cooperation
- Dynamic