City of Phoenix & Downtown Phoenix Partnership

Building a Vibrant Downtown: Education as a Driver for Downtown Development

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The Urban Heart of Arizona
Downtown Phoenix Then...
Downtown Phoenix 30 years later ...

- Rapid, low-density growth in suburbs
- Downtown was left behind
- High crime rate
- Sidewalks “rolled up at 5:00 pm”
- There was no reason to go to downtown

1979
Downtown Phoenix Now

2009

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So how did this transformation from a vibrant downtown in the 40’s, to a ghost town in the 70’s, back to a vibrant community today take place?
Downtown Redevelopment Area

- Established in 1979
- Approximately 1.5 sq. mi.
- Policy statement acknowledging issues
- Access to federal funds
- Redevelopment tools
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Enhanced Municipal Services District

Map courtesy of Downtown Phoenix Partnership

downtown PHOENIX
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Downtown Phx. Partnership Role

- Business Improvement District (BID) Services
  - Marketing/branding
  - Security/Hospitality (Ambassadors)
  - Transportation/Parking Coordination (DASH)
  - Streetscape/Urbán Design
  - Maintenance

- Business Development
  - Economic Development (Attraction and Retention)
  - Public Policy

- Community Development Corporation
Downtown Phoenix Ambassadors

- 25 Ambassadors
- On duty 365 days a year
  - 6:30 am-11 pm M-F
  - 8:00 am-11 pm S-S
- Deployed around heavy pedestrian & event activity
- Security: extra “eyes & ears” for police
- Primarily function as guest “concierges”
Downtown Strategic Vision and Blueprint

2005-2015 Timeframe

- 10,000 housing units
- 10,000 jobs
- 600,000 sq. ft. retail and entertainment
- Urban-oriented bioscience and education campuses
- Respect built environment
- Preserve/enhance arts
- Strong transit connections and pedestrian linkages
Downtown Vision

• Downtown planning process throughout 2004
• ASU and Biomedical campuses as knowledge anchors were key elements of the plan
• *Strategic Vision and Blueprint* adopted by City Dec. 2004
  – Connectivity and open spaces
  – Great neighborhoods
  – Housing and the arts
  – Historic preservation
Downtown Urban Form Project

• Urban zoning
• Design guidelines
• Circulation plan
• Public art plan
• Public spaces plan
• Implementation plan
Downtown Phoenix: Current

Downtown is in the midst of $4 billion in new investment, with many recent projects:

- Expanded Convention Center
- New 1,000 room Sheraton hotel
- Completion of phase II ASU Downtown Campus
- New Children’s Museum
- 2,500 new residential units
- Development of next phase of UA College of Medicine
- 32 new restaurants/bars
- Light Rail
ASU Downtown Campus

- Opened August '06
- Currently 7,000 students
- Includes: Nursing, Journalism, KAET, Public Programs, Criminology, etc.
- 1,300 dorm beds
- 15,000 students at full build-out in 2015
City’s Academic Initiative
ASU Downtown Phoenix Campus

City Commitments:
- Committed $230 M of General Obligation bonds
- Acquired property for campus
- Constructed academic facilities
- Lease property/improvements to ASU

ASU Commitments:
- Fund RR account for capital improvements
- Operate & maintain all facilities - $50M annually
- Fund the FF & E for all facilities
- Develop student housing & parking
- Transfer Mercado to City
ASU Downtown: Phase 2

- College of Nursing Expansion
  Fillmore & 3rd Street
  2nd bldg. opens 8/09

- Taylor Place Student Housing
  1st Street & Taylor
  2nd bldg opens 8/09
City’s Research Initiative
Phoenix Biomedical Campus (PBC)

- Acquired 28 acres land for creation of PBC
- Financed and constructed $51 M, 175,000 sq. ft. research facility for TGen/IGC Headquarters
- Leased/Sold property to universities for research and academic facilities
- Produced $7.5 M in bond funds for variety of projects
Current Facilities:
- U of A Med School
- TGEN
- Arizona Biomedical Collaborative I
- BioScience High School

Next Phase:
$376 M has been budgeted for expansion of med school classrooms plus next research building

Build Out:
6 - 7 M sq. ft. academic, research and clinical development
University of Arizona- College of Medicine

- Collaboration of U of A and ASU
- Includes U of A Colleges of Medicine and Pharmacy and ASU College of Nursing
- Public health/clinical facilities
- Opened July 2006; initial class of 24
- Currently have 144 students
Downtown Civic Space

- Public park in the heart of Downtown and ASU campus
- 2.7 acres
- Large public art piece by international artist Janet Echelman
- Historic building renovation
- Grand Opening April 2009
- City acquired historic US Post Office for ASU student union

Central-1st Avenue, Fillmore-Van Buren
METRO Light Rail

- Construction began summer 2005
- 20 mile starter segment opened December 2008
- 27 additional miles funded
- Initial ridership is exceeding expectations by about 30%
Phoenix Convention Center Expansion

- $600 million project
- Tripled size of the old facility (300k sq. ft. to 880k sq. ft.)
- West building opened July 2006
- North building opened January 2009
- Now able to accommodate about 85% of all conventions
Sheraton Downtown Phoenix

31-stories
1,000 rooms - largest in AZ
$350 million project
City owned and financed
Opened Oct. 2008
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Children’s Museum of Phoenix

- Voter approved in ‘01 bond program
- $22.8 M cost
- Former Monroe School
- 55,000 sq. ft.
- 350-450,000 visitors annually
- Opened June 2008

7th Street & Monroe

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Summit at Copper Square

- 22-story mixed-use project
- 157 luxury condo and loft units
- 7,000 sq. ft. of retail space
- Approximately 65% sold
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44 Monroe

- 201 luxury condominiums incl. penthouses
- Ground-level retail space
- 34-stories, tallest residential building in AZ
- Move-in began summer 2008

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1st Avenue & Monroe
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Cityscape

• $950 M mixed-use project, 2.5 M sq. ft.
• Phase I to be completed Jan. 2010
• 500,000 office tower, 150,000 sq. ft. retail, 1,000 below grade parking structure
• Retail includes first grocery and pharmacy for downtown core

mid-2009
Central and Washington

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Central Park East

- $160 M, 26-story Class A office tower with about 475,000 sq. ft.
- Currently Under Construction; Opening Nov. 2009

Central and Van Buren

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Alta Phoenix Apartments

3rd St. and Fillmore

- Mixed-use project
- 328 market-rate rentals
- Ground-level retail
- Phase 1 completed April 2009
- Phase 2 complete this fall

summer 2009
County Courts Building

- $340 M project
- Site work started 4/09; expected completion to be late 2011
- 32 courtrooms
- Largest building project in Maricopa County’s history

1st Ave. and Madison
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Economic Tools

- Property Tax Abatement Program – GPLET
- General Obligation Bonds
- Revolving lease revenues
- Off-site infrastructure reimbursement
- Land Write Down
- Dedicated Sales Tax/Excise Taxes
- New Market Tax Credit
Downtown Phoenix: 2009 Trends

- Currently, over 1 mil. sq. ft. is under construction
- Class A Office vacancy rate is at 10.3% (lowest in metro) vs. 23.6% overall in metro Phoenix
- Downtown sales tax receipts for 2009 year to date are up by 13%
- Light rail ridership is running 30% over projections
- Crime rate has dropped 53% in 10 years
- Convention attendees are up 60% this year
Current/Future Issues

- State legislature supporting university expansion (mainly medical school)
- Recession – slowdown in development, plus City financial issues
- Parking – availability and cost
- Homelessness/panhandling
- Need for additional retail and services
- Encourage variety of residential types/prices
- Streetscape improvements – esp. shade
Focus in Future

• Creating a true, walkable, livable downtown – attract more services and retail, street level ambiance and experience, more shade, etc.
• Continued expansion of light rail – downtown hub – plus potential for commuter rail
• Continue to get the word out about the positive changes in downtown – come on down and experience the “Urban Heart of AZ”!
Thank You for This Opportunity!

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