



City of Phoenix

To: General Obligation Bond Executive Committee **Date:** September 25, 2022
From: Robin Reed, Chair, Economic Development and Education Subcommittee
Subject: ECONOMIC DEVELOPMENT AND EDUCATION SUBCOMMITTEE
RECOMMENDATIONS

The Executive Committee charged subcommittees with recommending a rank-ordered list of priorities, including funding levels, for the GO Bond program. The Executive Committee emphasized there is greater need than bond capacity and further instructed subcommittees to only recommend projects that cannot reasonably be deferred to a future bond program.

The Economic Development and Education Subcommittee held three (3) hybrid meetings on August 22, 2022, September 12, 2022, and September 22, 2022. The Subcommittee was provided detailed information about the prioritized capital needs identified by City staff, which totaled \$23.5 million.

The general public and stakeholders submitted oral and written comments on their priorities, which were considered by the Subcommittee in formulating its recommendations.

After considering the Executive Committee's instructions, information provided by staff, and comments from the public, the Subcommittee identified \$46,050,000 million in projects for Executive Committee consideration. A rank-ordered list of projects and recommended funding amounts is attached.

At the first public meeting, Arizona State University submitted a request to the Economic Development and Education Subcommittee requesting that the original request for two projects (the Advanced Nursing Facility and the Microelectronics Health Science & Technology Center) be combined into one project called the ASU Health Technology Center. They further requested that the amount for the one combined project (ASU Technology Center) be increased to \$15 million. The Subcommittee formally approved this change during its second meeting.

Prior to the third public meeting, University of Arizona submitted a letter to the Economic Development and Education Subcommittee related to the Center for Advanced Molecular and Immunological Therapies (CAMI). This letter requested that CAMI be moved to the Future Capital Needs Projects list so that CAMI could be considered in future City of Phoenix bond programs. CAMI's request in future bond programs is for an amount of \$35 million. The Subcommittee agreed with the request and voted to move CAMI to the list for Future Capital Need Projects.

Further, while the Economic Development and Education Subcommittee was presented with only one Prioritized Project from Staff, the Subcommittee determined that all of the projects identified as Future Capital Needs Projects on the original list provided by staff were worthy and should be moved into Prioritized Projects (See attached Priority Ranking List).

I will present at a future Executive Committee meeting the recommendations of the Subcommittee. Vice Chair Dr. Heather Carter will attend Executive Committee meetings in my absence as needed.

**FINAL PRIORITIZED PROJECTS, IN RANK ORDER, AS APPROVED BY THE
ECONOMIC DEVELOPMENT AND EDUCATION SUBCOMMITTEE**

RANK	PRIORITIZED PROJECT	AMOUNT	
1	Rio Reimagined Land Acquisition	\$23,500,000	Over 5 years
2	ASU Health Technology Center	\$15,000,000	In One year
3	Spark Area Land Acquisition	\$2,500,000	Over 5 years
4	Economic Development Public Infrastructure	\$5,050,000	Over 5 years

	FUTURE CAPITAL NEED PROJECTS	AMOUNT
	Center for Advanced Molecular and Immunological Therapies (CAMI)	\$35-\$40 million

**ORIGINAL LIST AS SUBMITTED TO THE SUBCOMMITTEE AT THE INITIAL
MEETING**

PRIORITIZED PROJECT	AMOUNT	
Rio Reimagined Land Acquisition	\$23,500,000	Over 5 years

FUTURE CAPITAL NEED PROJECTS	AMOUNT	
Advanced Nursing Facility	\$5,785,280	In One year
Microelectronics Health Science & Technology Center	\$5,785,280	In One year
Spark Area Land Acquisition	\$2,500,000	Over 5 years
Economic Development Public Infrastructure	\$5,050,000	Over 5 years

ECONOMIC DEVELOPMENT & EDUCATION SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee

Rank	Project Name	Total Cost	Other Funds	GO Bond Funds	<i>Ongoing Cost</i>
1	Rio Reimagined Land Acquisition Location: TBD District: 7, 8	23,500,000	0	23,500,000	0
2	ASU Health Technology Center Location: TBD District: Citywide	15,000,000	0	15,000,000	0
3	Spark Area Land Acquisition - Reuse and Redevelopment Strategy Implementation Location: Various District: 8	2,500,000	0	2,500,000	0
4	Economic Development Public Infrastructure Location: Citywide District: Citywide	5,050,000	0	5,050,000	0
Economic Development & Education Recommended Total		46,050,000	0	46,050,000	0

ECONOMIC DEVELOPMENT & EDUCATION SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Rio Reimagined Land Acquisition

Rank: 1

TBD (District: 7, 8)

TOTAL PROJECT COST

\$23,500,000

OTHER FUNDING

\$0

GO BOND FUNDING

\$23,500,000

SCOPE

Acquire land and perform predevelopment activities that may include environmental assessments and cleanup necessary to prepare economically attractive sites along the Rio Salado for development.

BENEFIT

Establish development-ready sites along the Rio Salado which have been positioned to facilitate the City's long term vision of this area.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	0	0	0	0	0	0
REAL PROPERTY	4,750,000	4,750,000	4,750,000	4,750,000	4,500,000	23,500,000
DESIGN / ENGINEERING	0	0	0	0	0	0
CONSTRUCTION / DEMO	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
MOVE-IN EXPENSES	0	0	0	0	0	0
<i>PERCENT FOR ART</i>						0
TOTAL PROJECT COST	4,750,000	4,750,000	4,750,000	4,750,000	4,500,000	23,500,000

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0

ECONOMIC DEVELOPMENT & EDUCATION SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

ASU Health Technology Center

Rank: 2

TBD (District: Citywide)

TOTAL PROJECT COST
\$15,000,000

OTHER FUNDING
\$0

GO BOND FUNDING
\$15,000,000

SCOPE

In partnership with Arizona State University, invest in infrastructure and public building improvements related to the development of a \$75 million to \$130 million Health Technology Center.

BENEFIT

Develop a new set of programs in Public Health Technology, including advanced training and degree programs (including advanced nursing) and retraining of existing workforce.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	0	0	0	0	0	0
REAL PROPERTY	0	0	0	0	0	0
DESIGN / ENGINEERING	0	0	0	0	0	0
CONSTRUCTION / DEMO	0	0	14,851,485	0	0	14,851,485
EQUIPMENT	0	0	0	0	0	0
MOVE-IN EXPENSES	0	0	0	0	0	0
<i>PERCENT FOR ART</i>						148,515
TOTAL PROJECT COST	0	0	14,851,485	0	0	15,000,000

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0

ECONOMIC DEVELOPMENT & EDUCATION SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Spark Area Land Acquisition - Reuse and Redevelopment Strategy Implementation

Rank: 3

Various (District: 8)

TOTAL PROJECT COST	OTHER FUNDING	GO BOND FUNDING
\$2,500,000	\$0	\$2,500,000

SCOPE

The Land Reuse Strategy Planning Area Plan was developed in 2017 to address the reuse and redevelopment of fragmented City-owned parcels located roughly between 7th and 16th Streets, Washington Street and University Drive. This program will fund the acquisition of private parcels, as they become available, to fill in ownership gaps and facilitate redevelopment in these areas.

BENEFIT

This program would help implement the City's long-term vision for Spark areas. Consolidating small fragmented parcels will improve marketability and facilitate the reuse and redevelopment of these parcels to help reactivate commercial areas with strong potential.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	0	0	0	0	0	0
REAL PROPERTY	500,000	500,000	500,000	500,000	500,000	2,500,000
DESIGN / ENGINEERING	0	0	0	0	0	0
CONSTRUCTION / DEMO	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
MOVE-IN EXPENSES	0	0	0	0	0	0
PERCENT FOR ART						0
TOTAL PROJECT COST	500,000	500,000	500,000	500,000	500,000	2,500,000

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0

ECONOMIC DEVELOPMENT & EDUCATION SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Economic Development Public Infrastructure

Rank: 4

Citywide (District: Citywide)

TOTAL PROJECT COST
\$5,050,000

OTHER FUNDING
\$0

GO BOND FUNDING
\$5,050,000

SCOPE

Offset private investment in public infrastructure such as road improvements, traffic signals, streetlights, signage and wayfinding, parking, water, sewer, and other publicly owned facilities where strategic economic development needs have been identified.

BENEFIT

Attract business investments that have a positive net fiscal impact for the City.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	0	0	0	0	0	0
REAL PROPERTY	0	0	0	0	0	0
DESIGN / ENGINEERING	0	0	0	0	0	0
CONSTRUCTION / DEMO	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
EQUIPMENT	0	0	0	0	0	0
MOVE-IN EXPENSES	0	0	0	0	0	0
PERCENT FOR ART						50,000
TOTAL PROJECT COST	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,050,000

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0