

**SPECIAL STUDY SESSION  
JUNE 17, 2002**

The Board of Supervisors of Maricopa County, Arizona convened at 12:00 p.m., June 17, 2002, in the Sullivan Conference Room, Tenth Floor, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Chairman; Andy Kunasek, Max W. Wilson, and Mary Rose Wilcox. Absent: Fulton Brock. Also present: Fran McCarroll, Clerk of the Board; Alma Hernandez, Administrative Coordinator; David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney.

**PRESENTATION OF THE STRATEGIC OCCUPANCY PLAN**

Item: Results to-date of the downtown Phoenix space needs analysis known as the Strategic Occupancy Plan. Various strategic scenarios will be presented, along with the advantages, disadvantages and costs of each option. (ADM 807)

Norm Hintz, Director of Facilities Management, reported that two space requirement issues for County departments are in review:

1. Due diligence of purchasing the former Bank of America building at 101 N. 1<sup>st</sup> Avenue in downtown Phoenix, and
2. Strategies for the overall space needs in downtown Phoenix

Mr. Hintz introduced Bob Coletta, the local vice president of the Smith Group, a national architectural firm, who presented six options for the Strategic Occupancy Plan.

Mr. Coletta reviewed six potential, 10-year occupancy options for the County departments currently housed in downtown Phoenix. The focus of these options was the feasibility of purchasing the Bank of America building (also known as the "101 Building") and strategic adjacencies of County departments. The Board's task was to select the best options out of the six presented, all of which were relatively in the same scale of total cost.

Maps identifying the current and proposed locations of county departments were distributed.

**Option 1**

This option involves the purchase of the 101 Building to house the Maricopa County Attorney's Office (MCAO) and court-related services that currently lease space, and allows for potential growth of the administration offices in the 301 W. Jefferson building (also known as the "301 Building"). The Public Defender's Office would move into the Security Building and shift the Maricopa County Sheriff's Office (MCSO) functions to the Durango Complex. Vacating the 1<sup>st</sup> Avenue jail site would allow for a future court building tower. Although this option meets the objective of quickly eliminating some leases, both the County Attorney and Public Defender's Offices dislike the lack of adjacency to the Court Complex.

**Option 2**

In Option 2, funds that would have been used to purchase the 101 Building would instead be used to construct a new, smaller administration building on a vacant lot between 5<sup>th</sup> and 7<sup>th</sup> Avenues. The 301 Building would then be occupied by MCAO and other court support departments. Preliminary cost estimates for new construction appear to be no different than purchasing the 101 Building. This option would also place the Public Defender's Office in the Security Building, again freeing them from leased

space. The best long-term location for the Public Defender's Office would be near the Court Complex, but this option would meet immediate needs with a 5-year growth potential.

Chairman Stapley asked for a square foot comparison between new construction and the 101 Building. Mr. Coletta explained that, even though a newly constructed building would be smaller, the 318,000 usable square feet would be about the same in both buildings because the floor plate model for the new building would be more efficient.

### **Option 3**

This option is similar to Option 2, except that it features the purchase of the 101 Building rather than constructing a new administration building for a 1:1 comparison of the two options.

Chairman Stapley requested further explanation why the costs were similar between new construction and the 101 Building. Mr. Coletta explained that costs for the 101 Building would include the parking inventory and tenant improvement costs for inefficient floor plates. Newer buildings have much larger floor plates, and are 85% efficient compared to the 101 Building, which is 80% efficient. The comparison of the usable square feet between the older Bank of America building and the new Phelps Dodge building is 11,600 versus 27,000 square feet per floor, respectively.

Another issue that has not been addressed is the Board of Supervisors Auditorium; it either remains in place but remote from the Administration Building or is rebuilt at the new location. A benefit of relocating the auditorium is that it would allow for expansion of the courts. Costs for a new auditorium have not been included in the cost estimates.

Supervisor Wilson inquired about the time factors between construction of a new building versus renovations of an existing structure, and the flexibility of leases. Mr. Coletta responded that if the 101 Building were purchased, the anticipated move-in date would be in the fourth quarter of next year. If a new building were constructed, the move-in would occur in the third quarter of the following year, requiring that certain leases would remain in effect another nine months. Since lease agreements differ, a review of leases will be conducted to determine termination stipulations.

Supervisor Wilcox requested that the costs for a new auditorium be included in the options, and consideration should be given to its public accessibility.

### **Option 4**

This option diverges from the previous three and focuses on courtroom needs. It would move MCSO to the Durango Complex and free space to build a courtroom tower to include justice courts. However, in order to construct courtrooms in the downtown area, existing structures would have to be demolished and, to do that, offices would have to be vacated. The design team has since decided that this option was not as beneficial as the other plans. Chairman Stapley agreed that it would be logical to eliminate this option.

Supervisor Kunasek asked about the status of building courts in the outlying areas. Mr. Coletta suggested that civil courtrooms could be built in outlying regions to open up space in the existing court building and allow for major renovations on a floor-by-floor basis. This would be an interim solution until a courtroom tower could be built.

Supervisor Wilcox stated that this would be a policy decision and should not be driven by construction needs.

**Option 5**

Option 5 features building the tower portion of Plaza de Maricopa to accommodate departments, although this plan would exceed the current available funds. The tower consists of 672,000 square feet of which 80% is usable. In terms of immediate needs, only 374,000 square feet are required, therefore this option would accommodate a 10-year growth plan. MCAO would remain in the 301 Building, and MCSO would eventually move to the Durango Complex to make room for other expansions.

A question was raised about the space needs required by MCAO in the 301 Building. MCAO would require only a portion of the building, allowing for growth by other court functions such as Civil Court Administration and Automation and perhaps moving some justice courts out of leased space.

Supervisor Wilcox requested a differentiation between Options 2 and 5. Mr. Coletta responded that the building to be constructed in Option 5 would be larger than required for immediate needs and would accommodate 10-year growth; however, there would be empty floors for a time. In Option 2, two smaller buildings would be built: one built immediately with current available funds, then another built later with anticipated capital. The decision would be whether to build a smaller building now with currently available capital or secure more capital to build a larger building that would accommodate growth.

**Option 6**

This option refines Option 2 and features the construction of a smaller administration building (less square footage than the 101 Building). This option also features a new location proposed for the Public Defender's Office rather than the Security Building, and would require the demolition of a portion of the Madison Street Garage in order to construct an office tower and parking structure. During construction, the Public Defender's Office would move from leased space in the Luhr's Building and into the Security Building, which would then be sold once construction of the tower was completed.

Mr. Coletta reported that over a 10-year span, costs for the different options are relatively the same. Option 6 expends the capital at a faster pace than the others, but Board members should consider the value, in terms of time and money, on adjacency and parking issues.

Mr. Coletta clarified that neither Option 5 nor 6 included the purchase of the 101 Building, only Option 1 and 3 do. Option 1 has the disadvantage of placing MCAO away from the courts, but that problem is solved in Option 3 by having them remain in the 301 Building.

Supervisor Wilcox asked whether funds from the sale of Security Building could be used for the new construction and if Option 6 could be implemented without moving the Public Defender twice. Mr. Coletta responded that proceeds from the sale of the Security Building could be used for construction costs or the Public Defender's office could remain in that building as in Option 2.

Supervisor Wilson requested Mr. Smith's input regarding rumored objections from some departments about the floor plans for Plaza de Maricopa. Mr. Smith confirmed that interviews and meetings are being conducted to define those objections.

Supervisor Kunasek requested the anticipated growth potential for the different options. Mr. Coletta explained that Option 2 allows for 10-year growth as opposed to Option 6, which proposes the

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construction of a smaller building with a 5-year growth potential. Option 5 has a 10-year growth potential; however, more departments would be moved in Option 5 than in Option 2.

There was discussion about where "public access" departments, such as the Recorder, Assessor, Treasurer and the Elections Department, should be housed and speculation that those offices could be separated from the administrative offices for at least for a short time. It was also noted that demolition costs for the various sites would differ according to their location, the type of departments impacted, and the tenant improvements. For instance, the 911 department or the MSCO transportation hub would be costlier to recreate than office space.

Chairman Stapley asked where MCSO would be located. Mr. Coletta answered that most of the functions would move to the Durango Complex, but the MCSO functions that remain support court transportation.

Mr. Coletta stated that an alternative to selling the Security Building in Option 6 would be to relocate Planning/Development, Environmental Services, and Public Health Services in that building.

**~ Supervisor Wilcox left the meeting ~**

Mr. Hintz, suggested that the Board keep in mind the need for the MCSO transportation hub and sally port when considering options.

Chairman Stapley remarked that Maricopa County is not in a position to build the entire Plaza de Maricopa at this time, therefore, suggested that Option 5 remain pending until further financial analysis. He also anticipates resistance from the County Attorney's Office if they were to move from the 301 Building into the 101 Building, farther away from the court complex. Mr. Coletta concurred, stating that the 101 Building is better suited for administration than court-related functions.

Chairman Stapley stated that Options 1 and 4 should be eliminated and further consideration should be made to Options 2, 3, 5 and 6. Mr. Hintz and Mr. Coletta agreed to provide a briefing to the other elected officials whose offices would be impacted by these plans.

**MEETING ADJOURNED**

There being no further business to come before the Board, the meeting was adjourned.

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Don Stapley, Chairman of the Board

ATTEST:

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Fran McCarroll, Clerk of the Board