

# CONTEXT FOR THE PLAN

## PUBLIC SPACE MARKET ANALYSIS

Public spaces feel active and vibrant only when they attract enough people. The “right” user density for a public space is relative—what feels vibrant in New York or Hong Kong is much more dense than what feels vibrant in Tempe because the surrounding streets and nearby gathering places (like shopping centers) are busier. So, in order for downtown Tempe to feel “urban” and active, its public spaces need to attract more people on an average day than those in downtown Phoenix, Mesa, or Gilbert.

Analyzing the real estate of downtown Tempe, estimating the daily population of residents and office workers who are potential regular users of the spaces, and comparing that to the total number of people who would need to occupy downtown’s public spaces shows how easy or difficult it will be to achieve that target level of user density and activity. The number of people needed in the public spaces is divided by the total number of potential users to find the “target market share.” It is expressed as a percentage and is meant to capture a single “snapshot” in time: for example, a target market share of 1% means that 1 of every 100 potential visitors must be in a space simultaneously for it to feel vibrant.

A note on “regular” users: the market area for a public space is small. Most users of downtown parks and plazas live or work within about a quarter mile. On evenings and weekends, residents may walk a half mile to a programmed public space. The target market share analysis focuses on these people whom we can rely on to use a park or plaza on a daily basis. People living or working outside downtown Tempe, including ASU students, are intentionally excluded for this reason. The boundaries of the public space market area are shown in Figure 2.1.1.

This target public space market share analysis will also determine whether the population of downtown Tempe is able to support the amount of public space that exists—if the target market share is too high, downtown can only feel vibrant if it becomes more dense or if there is less public space (or both). Similarly, the target market share analysis can guide the City and the DTA by showing the impact of new development on existing public spaces, and suggest whether a project should have a public space component.

### Downtown Tempe Public Space Market Share Analysis: Today

Downtown Tempe has a total of approximately 18.8 acres of public space. This includes Tempe Beach Park and all of small public spaces in the downtown core (from Rio Salado to University and Farmer to College). These spaces are shown on Figure 2.1.1.

Within the boundaries shown in Figure 2.1.1, there are about 16,850 potential public space users. We calculated the total number of potential public space users by estimating the number of residents, office workers, and visitors within the market area.

Based on the usage of competing public spaces and gathering places, as well as the general level of street activity in Tempe, a good target density for the public spaces in downtown Tempe is 100 people per acre. The target number of visitors at a snapshot in time is calculated by multiplying the target density by the public space acreage:

Target Density	100 people per acre
Public Space Acreage	x 18.8 acres
Target Public Space Visitors	1,880 people

Dividing target number of public space visitors by the current downtown population results in the target “market share:”

Target Public Space Visitors	1,880 people
Total Potential Public Space Visitors	÷ 16,850 people
Target “Market Share”	11.2%

A market share of 11.2% will be impossible to achieve. For purposes of comparison, Bryant Park, after about 25 years of highly visible and positive publicity, as well as 25-50 discrete programs to draw people into the park, earns an estimated peak-hour market share of 4%; when he park first opened its market share was estimated at 1.5%.

Downtown Tempe has an extremely large amount of public space relative to its current population. Trying to activate all of it won’t work. Therefore, it makes sense to focus at first on a smaller and more realistic portion of downtown’s public spaces: the parks and plazas located closest to the largest concentrations of residents and office workers. Tempe Beach Park, Tempe Arts Park, and the rest of Tempe Town Lake are too far from the dense, pedestrian-friendly downtown core to draw lots of people. However, downtown Tempe has an unusual asset in a network of small public spaces that start at Rio Salado Parkway and extend south all the way to University Drive. Most of these spaces are on regular walking routes for downtown residents and employees. Of these spaces, the strategic planning team has identified ten spaces to strategically activate, and the “market share” needed to create vibrant spaces is achievable. The combined acreage of these public spaces is about 4 acres. The following calculation shows the market share for the ten strategic public spaces:

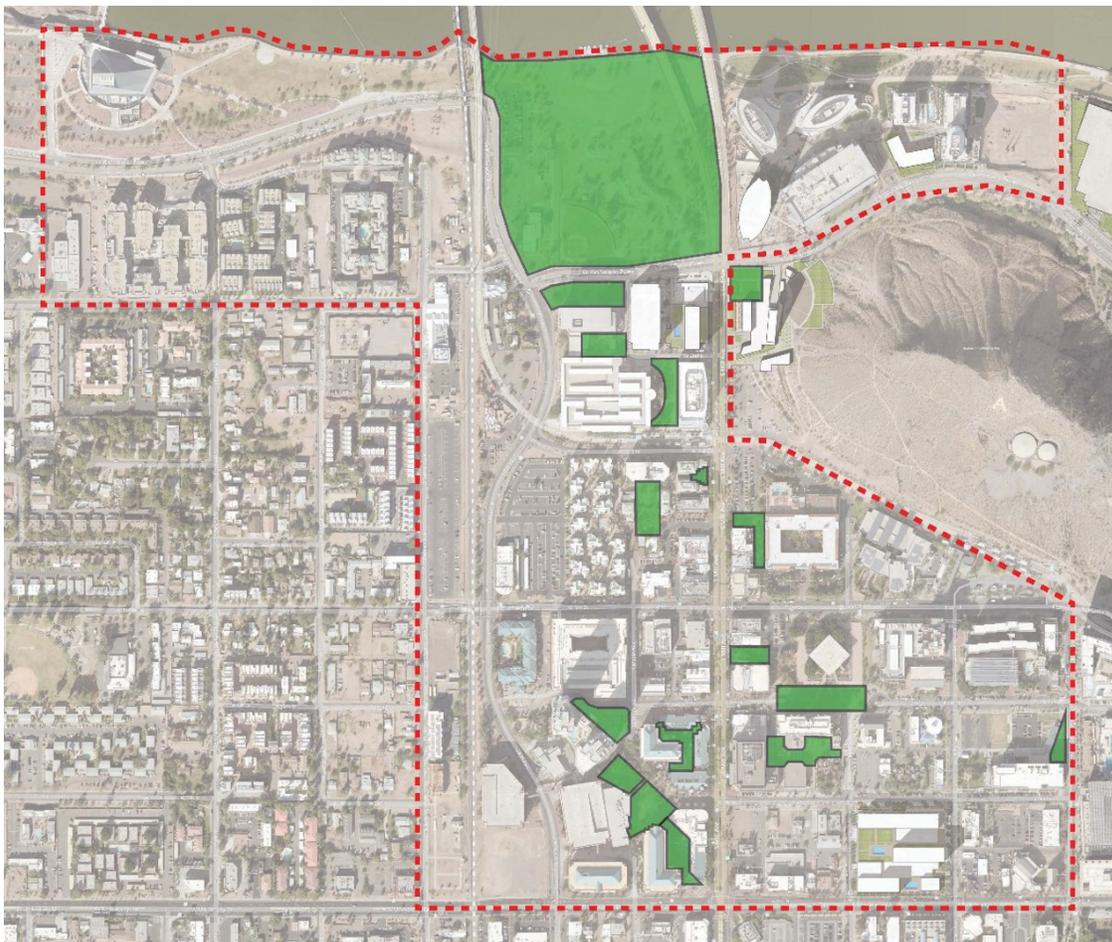


Figure 2.1.1- All of the small public spaces in the downtown core, including Tempe Beach Park.



Figure 2.1.2- The ten strategically chosen small public spaces in the downtown core.

Target Density		100 people per acre
Public Space Acreage	x	4 acres
Target Public Space Visitors		400 people
Target Public Space Visitors		400 people
Total Potential Public Space Visitors	÷	16,850 people
Target “Market Share”		2.4%

A target market share of 2.4% will still be very difficult to achieve, but it is a much more realistic goal than the 11.2% target market share.

### Downtown Tempe Public Space Market Share Analysis: With Projects in Development Pipeline

There are developments in the pipeline that will increase the population and decrease the necessary market share that public spaces will need to capture to be perceived as active (assuming the target user density remains constant, of course). The developments included in the estimated population increase are the Kimpton Hotel, the Mill

Avenue and 7<sup>th</sup> Street ASU project, the Hayden Flour Mill Hotel, AC Hotel by Marriott, Lofts at Hayden Ferry, 100 Mill, and Hayden Ferry #3.

These developments will increase the population by about 4,250 people, raising the population from 16,850 people to 21,100 people. Using the estimated population increase from the new development, a new target market share for the ten public spaces is:

Target Public Space Visitors	400 people
Total Potential Public Space Visitors	÷ 21,100 people
Target “Market Share”	1.9%

A market share of 1.9% will be difficult but not impossible to achieve. In order to draw enough visitors to these ten public space to make them feel active, downtown Tempe will need an array of programs that provide experiences unavailable anywhere the immediate area, as well as more traditional park programming. Specific program plans for each of these ten public spaces are outlined in the Urban Design and Placemaking Recommendations section of this document.

### Amount of Development Needed to Support Current Public Space

Downtown Tempe has more public space than its population can currently support. To put this in perspective, we calculated how many people, in addition to the population growth predicted above, are needed to achieve a user density of 100 people per acre, assuming a market share of 1.5%—a sensible target that is what a clean, safe, and attractive public space can expect to draw:

- For the ten public spaces to be strategically activated in the short term, an additional 5,581 people are needed downtown.
- For all the public space in the downtown core (from Rio Salado to University, and Forest to College), an additional 16,247 people are needed.
- For all of the public space in downtown Tempe, including Tempe Beach Park, Tempe Arts Park, and the park running east along the south shore of Tempe Town Lake to Rural Road, an additional 104,247 people. This is almost ten times the current Downtown population of Tempe.

There are three major conclusions from this analysis:

1. Downtown Tempe’s public realm can support a tremendous amount of additional development.
2. Dense development should be targeted for sites in close proximity to existing public spaces, especially around Tempe Beach Park and Tempe Town Lake.
3. Tempe should start its efforts to activate its public realm in the “downtown core” between 3<sup>rd</sup> Street and University Drive, and then expand northward and southward as development continues.

## ANTICIPATED DEVELOPMENT

Given the evolving real estate market in Tempe, this report must assess the future market conditions that contribute to successful public spaces in downtown Tempe. The following section outlines the market-forward view of how specific growth and development patterns in Tempe change the sense of place and the long-term viability of active urban open spaces.

In order to properly analyze how market demand will affect downtown Tempe specifically, we need to understand the dynamics in play throughout the north Tempe market area (defined as ZIP codes 85281, 85282, 25257, 85008, and 85287). Potential employers and residents looking to relocate to downtown Tempe often find themselves evaluating between alternatives in the downtown core and in other nearby sections of Tempe. This larger section of Tempe, which includes downtown, is the “competitive market area” for downtown Tempe: the geographic source of competitive supply for all of the real estate product types discussed below.

### Current and Future Market Opportunity for Public Space Activation

The north Tempe “competitive market area” is currently home to approximately 197,000 people, including Arizona State University students who live in Tempe. There are 208,000 jobs located in the north Tempe competitive market area, 8% of which are held by people who live and work within northern Tempe; the remaining 92% commute from other valley locations into the market area. These commuting dynamics offer an opportunity for downtown Tempe to activate its open spaces by drawing from a large in-commuter daytime workforce population. As Tempe evolves into a more attractive residential market, a large in-commuting population creates the opportunity to integrate new residents into the “live/work” environment, allowing them to take part in both day and evening public space programming.

Given the pipeline of likely development to be built and additional development opportunities present in the market, the northern Tempe competitive market area will add about 113,800 new residents and 24,000 new jobs over the next ten years. The new jobs and population additions offer an opportunity to create a denser, more urban public environment.

However, as the public space market analysis in this report shows, in order for downtown Tempe’s public spaces to become active and vibrant, much of this development must be directed into the downtown core. Densifying the downtown core will also relieve development pressure on the less dense, more suburban areas of Tempe. Employers and residents who would prefer to be in the downtown core are already locating to other areas of Tempe due to a lack of supply.

Figure 2.2.1 contains further detail on the market area’s growth potential to 2027.

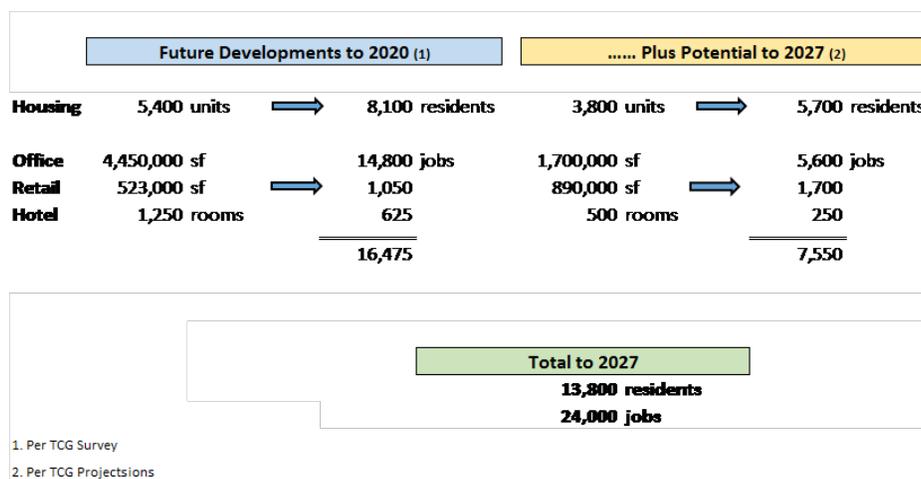


Figure 2.2.1- Downtown Future Development Potential to 2027 Table

## Macroeconomic Context

Maricopa County experienced deep job loss during the Great Recession: approximately 225,000 jobs between 2008 and 2010. Recovery has been relatively sluggish and uneven, with a return to prior employment peak projected for early 2016. Importantly, future growth projections are strong, averaging over 3.5% annually over the next 4 years. Professional and business services, education, health services, and financial activities are projected to be the largest contributors to future growth. Sector growth bodes well for continued office and residential additions in the local market, which will serve as key activators for open spaces.

## Apartment Market

Inventory is well occupied, averaging 94% across all institutional communities. While new communities have experienced successful lease-up periods (approximately 20 units/month absorbed on average), rental rates have been relatively flat across the market. Downtown Tempe communities achieve an average rent range of \$1.54 to \$2.11 per square foot.

There are over 7,300 units of market rate rental product in various stages of the development pipeline. Assessing projects based on construction timeline, entitlement status, and availability of financing, this report projects a total of 5,200 new rental units will be delivered by 2020. Additionally, the TCG projects household growth driven demand will support delivery of an additional 2,200 units of market rate rental product over the next ten years.

Given the current development pipeline and future demand driven additional development capacity, the northern Tempe market area will add approximately 7,400 market rate rental units by 2027. These developments will add approximately 11,110 new residents to the market. Current and future development should largely center on the downtown core and along Tempe Town Lake, creating a large influx of potential public space users. That said, it is unclear if the political environment will allow these units to be developed; if they are not, these units will go to markets similar to downtown Tempe (probably a combination of Scottsdale and Phoenix).

## For-Sale Housing Market

The for-sale housing market has seen very few new units delivered across the entire Phoenix metropolitan area. Home prices were deeply hit by the economic downturn, and home price recovery has been sluggish and remains about 40% below peak pricing. Key resale communities' pricing ranges from \$217 to \$290 per square foot on average.

There are only 189 units of attached for-sale product in any stage of the development pipeline. Based on construction timeline, entitlement status, and availability of financing, this report projects a total of 171 units will be delivered by 2020. Additionally, current projections show household growth-driven demand will support delivery of an additional 1,548 units of attached for-sale product over the next ten years, in the price range of \$465,000 to \$550,000.

The attached for-sale market is significantly undersupplied relative to future demand. Given the current development pipeline and future demand-driven additional development capacity, the northern Tempe market area will add approximately 1,700 for-sale attached units by 2027. These developments will add approximately 2,700 new residents to the market. Current and future development will largely center on greater downtown and Tempe Town Lake, and create a large influx of potential public space users.

## Retail Market

Tempe is largely made up of smaller scale strip, convenience, and local-serving retail tenants. Core retail clusters within northern Tempe are well occupied (Mill Ave at 96%, Rural Corridor 93%, etc.). The majority of retail developments were built before 2000, with the only major contemporary project being Tempe Town Marketplace.

Monthly rental rates range from \$7 per square foot (triple net) to \$24 per square foot (triple net). There is over 500,000 square feet of retail product in the development pipeline, of which this report projects approximately 412,000 square feet will be delivered by 2020. Additionally, our analysis projects consumer spending-driven demand will support delivery of an additional 891,000 square feet of retail development by 2027. The majority of retail will be in strip centers and the ground floors of mixed-use developments, attached to larger office and residential development.

Given the development pipeline and additional carrying capacity for retail development, our analysis concludes over 1.4 million square feet of new retail will be added to the downtown Tempe market by 2027. These new developments will bring approximately 2,750 new jobs to the local market. Also, mixed-use retail additions will be daytime activators to office and residential spaces, and adjacent open spaces and parks.

## **Office Market**

The majority of the office space in both the local and analogue office markets was built between 1970 and 1990 and is one to three stories. There have been very few Class A office deliveries in Phoenix since 2005. Tempe has largely led the way in new office development, with over 450,000 square feet of new office product deliveries in 2014 and 2015. The majority of new office developments have been in mid- and high-rise buildings, several of which make up State Farm's new corporate campus. Major office clusters and new buildings boast high occupancies (over 90%). High-rise product in the local Tempe Market (Tempe Gateway, Hayden Ferry) is well-occupied and earns top region rents at over \$40 per square foot (full service gross) per year.

There is over 5 million square feet of office product in the development pipeline, of which our analysis projects approximately 4.5 million square feet will deliver by 2020. The office pipeline in Tempe is over five times that of any other market in the Phoenix metro area, including the Scottsdale and Central Phoenix submarkets. Additionally, our analysis projects employment driven demand will support delivery of an additional 1.7 million square feet of office development by 2027. Encouraging mid- and high-rise office space in and around the downtown core will help activate downtown's public spaces and streets and build on Tempe's existing competitive advantages in the market.

## **Hotel Market**

Tempe's existing hotels mostly serve a weekday business travelers, with low occupancies and average daily rates on weekends. The current inventory, on average, is approximately 70% occupied. Average daily rates range from \$169 per night to \$200 per night. Occupancy and average daily rates generally plummet during the summer months and peak from January through March.

With approximately 1,200 rooms projected to deliver by 2020, there is a relatively robust hotel pipeline. Given moderate current occupancy rates and limited demand, our analysis projects an additional 500 hotel rooms can successfully be delivered by 2027.

The current hotel development pipeline, in conjunction with additional demand-driven development opportunities will add approximately 1,700 hotel rooms to the downtown Tempe market. These developments will add approximately 875 new jobs to the economy. Given that the hotel market demonstrates sluggish demand potential, these developments are likely to come late in the development cycle and will complement additional activators to many of the smaller open spaces.

## **Projects in the Pipeline**

The following planned projects in the development pipeline were taken into consideration when developing the recommendations in this report:

### One Hundred Mill

One Hundred Mill is a planned office, retail, and hotel development, which will be located at the corner of Mill Avenue and Rio Salado Parkway. Located on a 2.51-acre parcel, the development will contain a 15-story hotel tower, 269,000 square feet of Class-A office space, and 20,000 square feet of retail space.

### 7<sup>th</sup> Street Mixed Use Development

This planned mixed-use high-rise development was submitted to ASU by the Opus Group and The Sundt Companies. Its north and south borders are 7<sup>th</sup> Street and University Drive, while its west and east borders are South Myrtle Avenue and South Forest Avenue. The plans include a 20-story residential tower, a 12-story residential tower, and a 14-story hotel. Additionally, 20,000 square feet of retail space, 10,000 square feet of restaurant space, and a 1,000 space parking garage are planned.

### Hayden Flour Mill

Submitted by the Baum Group, this is a planned redevelopment of the historic Hayden Flour Mill. The existing flour mill sits on five acres of Tempe owned land, which is located at the corner of Mill Avenue and Rio Salado Parkway. The concept includes a hotel, restaurant/retail space, and an outdoor music amphitheater that seats 4,000 people.

### Marina Heights

This development sits on a 20-acre parcel located on East Rio Salado Parkway. The new development will ultimately include 2 million square feet of office space and 60,000 square feet of retail space. The development will serve as a corporate campus for State Farm, which will bring in an estimated 8,000 employees to Tempe. Marina Heights was under construction when this project began and received its first occupants as the project completed.

### Hayden Ferry Lakeside

This mixed-use development is located at 60 East Rio Salado Parkway. The development is comprised of 1.6 million square feet of Class-A office space, retail, and residential space. Additionally, Marriott will add a 159-room AC Hotel to the Hayden Ferry Lakeside complex. Hayden Ferry Lakeside was nearly finished, with most of its buildings occupied, by the time this project was nearing its end.

### Tempe Streetcar

The City of Tempe, in partnership with Valley Metro, is working on a planned streetcar system in Tempe. The city has planned a 3-mile route that runs along Rio Salado, from Marina Heights to Mill Avenue, makes a downtown loop on Mill Avenue and Ash Avenue, heads south towards Apache Boulevard, and east to Dorsey Lane. The streetcar system will connect with Valley Metro's existing light rail system, increasing accessibility to downtown Tempe from the neighborhoods south and east of the downtown core.

## **Conclusions**

Given the current development pipeline and additional development opportunity, northern Tempe should add about 24,000 new jobs and 113,800 new residents to the market by 2027. It is to Tempe's advantage to direct much of this development in and around the downtown core for a number of reasons. The current development pipeline and the predicted growth in Tempe present the opportunity to create greater urban density in downtown Tempe, building on its strengths and strengthening Tempe's appeal to employers and residents. High urban density creates dynamic and lively environments that spur economic development.

While it is dense for the Phoenix metro area, downtown Tempe is not very dense at all when it is compared to its peers at the national level. It's an area that can significantly benefit from a higher urban density. Clustering the

planned developments in northern Tempe along Mill Avenue and Tempe Town Lake will concentrate activity in downtown Tempe, resulting in greater economic development and also preserving the more suburban character of other parts of the city.

Development and population density create a more vibrant and lively downtown, making it more attractive to businesses, residents, and visitors. We recommend using placemaking strategies, such as streetscape improvements and public space activation to create a walkable and exciting environment that will attract people to live and work downtown. Much of the remainder of this report outlines these strategies in great detail.

The combination of increasing the density in downtown and implementing placemaking strategies will establish an urban environment that does not exist elsewhere in the Phoenix metro area, giving it a competitive advantage in the market and allowing it to compete for desirable employers with cities like Austin, Texas; Cambridge, Massachusetts; and Ann Arbor, Michigan

# URBAN MANAGEMENT OBSTACLES AND OPPORTUNITIES

## Downtown Events

Downtown Tempe is home to a large number of large events for a city of its size. These events are important to the Tempe community: residents and students have an attachment to them, and the business community benefits from many of them. They bring media attention to downtown Tempe every year and help Tempe maintain a high profile relative to its size. For all of these reasons, large-scale events should continue to be part of downtown Tempe.

However, large-scale events do not result in sustained and increased daily activity. Small-scale, recurring daily and weekly programming will draw more people to downtown Tempe on a regular basis for a variety of reasons: to attend fitness classes, musical performances, lectures, movie screenings and dozens of other activities. Further, during downtown placemaking workshops, participants almost universally expressed a desire for more small-scale and medium-scale events, especially family-oriented events on weekends and programs for young professionals and the arts community on weekday evenings.

In addition, large-scale events lean heavily toward concerts. While we don't recommend eliminating any of the existing large-scale events or concerts, Tempe could draw more people and different types of people (not just college students and young singles) by adding different types of events, such as literary programs, dance performances, and children's programs.

Finally, in addition to revisiting the sizes and types of events in downtown Tempe, the City and the Downtown Tempe Authority should relocate and redistribute events throughout downtown. While it is understandable why so many events are at Tempe Beach Park—it's got tons of room and Tempe Town Lake provides a nice backdrop—events shut the public out of large portions of the park during most of the year, and Tempe Beach Park is so far from the core of downtown that most events don't have any positive impact on downtown businesses. Downtown Tempe has a number of dead-end streets that can be repurposed as event venues during certain days and times, and events that are compatible with the sizes and locations of these streets should be moved to them. In addition, downtown Tempe has many parks and public spaces that will work for small and medium-sized events; several of them will require coordination with private property owners.

Put simply: downtown needs more events (but not more large events), more types of events, and to spread them more evenly throughout downtown. The Downtown Tempe Authority should diversify the types and sizes of events to draw from a broader population of Tempe residents and those who live in surrounding communities. The City and DTA should coordinate to activate more streets and spaces throughout downtown, instead of concentrating events at Tempe Beach Park.

## Noise

The single greatest obstacle to activating downtown Tempe's streets and small public spaces is the noise generated by bars and restaurants. Mill Avenue and its sidestreets consistently register noise levels around 90 decibels, the level at which the Occupational Safety and Health Administration requires workplaces to monitor noise, and the level at which sustained exposure may cause permanent hearing loss. It is no wonder that very few people who are not drinking at a bar would want to be in downtown Tempe in the evening.

Mill Avenue's noise is comparable to the loudest urban areas in the United States, including Bourbon Street in New Orleans and New York's Coney Island. Most of the bars blast music onto the street from speakers that face the sidewalks, and not into their businesses. Because many of the bars have open windows or none at all, noise from indoor speakers also bleeds out onto the streets. The problem is so bad that music can be heard and vibrations felt from the rooms of the Mission Palms hotel facing 5<sup>th</sup> Street.

The noise contributes to downtown Tempe's image as exclusively for college-age drinkers and an environment that is unfriendly to families. This came up again and again in the placemaking workshops conducted by the planning team. Many participants said they would not consider going to eat on or near Mill Avenue for dinner because of the noise.

Simply put, if Tempe is going to achieve its long-term economic development goals, the business community and the City of Tempe must address this issue. Fortunately, there are a number of steps that can be taken to address it:

1. Change the City of Tempe noise ordinance to an absolute standard. Currently, the Tempe Police Department has limited ability to address noise because the ordinance is framed in terms of “reasonable” amounts of noise. Police told us that the ordinance used to have objective standards that allowed an officer to stand at a certain distance, record a sound reading, and determine whether an individual or business was violating the ordinance. Paradoxically, because all of the bars on Mill Avenue play extremely loud music, none of them are in violation of the current ordinance. A reasonable, objective standard that still allows the bars to have a “party atmosphere”—say, a maximum of 85 decibels at 50 feet—should be created.
2. Modify the noise ordinance to create a separate “zone” for downtown Tempe. It is unrealistic and even undesirable to completely eliminate loud music at downtown bars. Mill Avenue has become an important part of the social life of Arizona State University, integrating students more into daily life in Tempe, which is a good thing for both the school and the city. It’s also clear that the noise regulations for downtown should not be the same as they are for a residential area; the existing noise ordinance makes no distinction between them.
3. Make loud music permissible only after 10 PM. The main difference between how the noise ordinance should treat the residential and commercial zones is the time when noise is permitted. While noise in a residential area should be severely restricted after 10 PM, noise downtown should be restricted during the day and through dinner hours in order to encourage more people to eat at downtown restaurants and shop at downtown stores. Loud music should be permitted during prime drinking hours, perhaps 10 PM to 1 AM.
4. Forbid bars from facing speakers directly into the street. This is a simple fix that will have a huge impact. The bars clearly believe that loud music will draw attention and customers to their businesses, ending in a self-perpetuating cycle of increasing noise. This specific issue must be dealt with universally and all at once.
5. Enlist the restaurants and bars with significant food business to lead the effort from the business community. Prior to any changes to regulations, the Downtown Tempe Authority should begin discussions with business owners who may have a vested interest in promoting their lunch and dinner business. DTA should help them convene a meeting of downtown bar operators with the goal of voluntarily placing some reasonable restrictions on themselves in order to avoid harsher restrictions imposed by the City. Ending the practice of facing speakers toward the street, and agreeing to keep music at a reasonable volume before 9 or 10 PM would go a long way toward solving the problem.

We recommend attempting to get business owners to voluntarily curb the noise and at the same time working with the City of Tempe to change the noise ordinance to an objective standard, and with the Tempe Police Department on enforcing the existing ordinance to the best of their abilities.

## **Homelessness and Panhandling**

Downtown Tempe is perceived as having a large homeless and transient population. Anecdotally, we heard from many stakeholders that this perception causes potential visitors, and especially families, from coming to downtown Tempe, opting instead for Gilbert or Chandler. While it is outside the scope of this plan as well as outside the scope of the Downtown Tempe Authority to address social services available to the homeless, there are a number of steps that DTA can take to combat this perception.

The number of homeless and transient individuals, as well as those who look homeless but in fact are not, in downtown Tempe at any given time is not overwhelming. However, their impact is disproportionate to their numbers. That’s because they are extremely visible, congregate in groups, panhandle aggressively, and block sidewalks.

The homeless and homeless-looking appear to dominate certain intersections and blocks of downtown Tempe not because there are so many of them, but because there aren't enough Tempe residents, downtown workers, and ASU students populating the streets at most times. Outside of the peak evening periods for dinner and bar business, the ratio of non-homeless-looking to homeless-looking people is ten to one or even five to one. Streets and public spaces where this ratio surpasses fifty to one will not feel like they have a large homeless presence, so Downtown Tempe Authority should make it a goal to have five times as many people walking the streets than there are currently (e.g. increasing the ratio to 25:1 or 50:1).

Of course, this is much easier said than done, and a successful effort will take years to develop. Programming downtown's small public spaces will help grow the number of pedestrians downtown over time. Promoting bicycling and public transit use will also result in more pedestrians. Making downtown more attractive to professionals and families during dinner—as opposed to just college students—by limiting noise will also help. In the long term, future real estate development, combined with these other efforts, will make a big difference. However, in the short term, public space programming is not enough.

Existing city ordinances must be enforced to combat the worst behaviors of the transient and homeless-looking population, many of whom are not homeless and sell drugs on Mill Avenue. The Tempe Police Department has put resources into fighting the drug trade on Mill Avenue, but unless an officer witnesses a drug transaction, he or she cannot make an arrest.

The City of Tempe needs to heavily enforce panhandling ordinances. Reinstating the ban on sitting on the sidewalk is a great first step. Mill Avenue at 6<sup>th</sup> Street, and to a lesser extent at 5<sup>th</sup> Street, can be a threatening experience. A next step would be to enforce the existing panhandling ordinances which prohibit soliciting donations

- Within a reasonable distance of an ATM or bank entrance (ten to twenty feet is used elsewhere).
- From someone sitting at an outdoor table of a restaurant or café.
- On public transit or at a designated public transit stop.
- By following someone and repeatedly asking for a donation.
- While blocking the intended path of the person being solicited.

The consultant team witnessed all of the above behaviors during our observations. In addition, the panhandling ordinance must be amended to prohibit soliciting donations from someone in a parked car or sitting on a public bench, or someone waiting at a traffic light.

All of these are situations in which the person being solicited would feel intimidated or be in a situation where they cannot walk away from the solicitor (i.e. waiting for a light rail train).

Diligent enforcement of restrictions on panhandling is critical. The DTA and TPD must coordinate a strategy where DTA security can be the 'eyes and ears' for TPD officers assigned to a Mill Avenue post.

Together, an ordinance prohibiting sitting on sidewalks without good reason and enforcement of existing aggressive panhandling ordinances should make a substantial difference in the perception of downtown Tempe as being dominated by the homeless. Combining these legislative acts with strategies to encourage more pedestrians, and the ongoing and future real estate development, should have a big impact on this problem over the long term.

### **Entertainment District Ordinance**

Downtown Tempe has a complicated relationship with the consumption of alcohol. As we discovered during the community engagement process, downtown is not perceived as being very family-friendly because of its reputation as the nucleus of a large college drinking scene. However, we also discovered that this drinking scene is limited to specific days and hours: most of the time, downtown Tempe is not filled with college students drinking.

Many participants in placemaking workshops thought there was a demand for more sophisticated drinking options not aimed at college students, but young professionals, parents, and empty nesters. The success of casual, very different, but decidedly non-student oriented restaurants like La Bocca Pizzeria and The Handlebar seems to confirm this. The new Pedal Haus Brewery suggests that local entrepreneurs agree.

The challenge for Tempe is to provide a non-student-focused food and beverage experience that will be distinct from anything else in the Phoenix area. Fortunately, there is a model: the classic German or Czech beer garden. These beer gardens are family-friendly during the day (often with a focus on food and live music), and become less so at night. Businesses based on this model have cropped up in various cities across the United States over the last ten years, often as temporary or seasonal installations, and especially in the northeast and in California.

Tempe can create this environment by taking advantage of existing resources—bars in close proximity, often organized around plazas and small public spaces—and passing an “entertainment district” ordinance that allows pedestrians to carry open containers of alcoholic beverages, based on the model found in Birmingham, Alabama. The key features of this law are:

- A district with hard boundaries defined by a map, no larger than one-half mile by one-half mile.
- Signs are posted at key locations at the edges of the designated district.
- Alcoholic beverages must be purchased inside a business in the entertainment district (not brought in from outside).
- Alcoholic beverages must be dispensed in a paper or transparent cup (not glass) with the commercially printed logo of the restaurant or bar where it was purchased—and not in closed containers, either.
- The days and hours when open containers are permitted are limited (for example, it could be impermissible after 8 PM on Thursdays, Fridays, Saturdays, and Sundays—the times when the college drinking scene is busiest).
- Participation by bars and restaurants is voluntary.
- Consumption of alcoholic beverages is not permitted in parking lots or garages, even if they are within the boundaries of the entertainment district.
- All other regulations regarding the sale and consumption of alcohol remain in effect.

There are two other pieces of the ordinance that are extremely relevant to Tempe. First, all special events within the entertainment district must be coordinated through a designated merchants’ association or other organization responsible for the operations of the district—in Tempe’s case, that would be the Downtown Tempe Authority. This would allow the DTA to prevent any conflicts between restaurants and bars.

Second, and even more critical, is that businesses taking advantage of this opportunity must abide by the city noise ordinance. Tempe should use the entertainment district opportunity as a “carrot” to entice downtown bar owners to agree to a stronger noise ordinance.