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Plans firm up for Mesa proving ground

DMB seeks to turn area surrounding Gateway into urban center

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For years, Valley planners have talked about the vast economic potential of the area surrounding Phoenix-Mesa Gateway Airport in southeast Mesa.

Someday, they have said, there will be a new urban center, tens of thousands of jobs and perhaps even a destination of international fame.

But the talk has always had a futuristic air to it. Someday was always out there, somewhere.

Now, Scottsdale-based DMB Associates has set a date.

John Bradley, a DMB vice president in charge of developing 3,200 acres now occupied by General Motors' Desert Proving Ground, said Friday that work could begin there in mid-2009.

It could be sooner than that, or later, depending on when GM transfers its operations to Yuma. But Bradley said DMB will begin moving dirt the day after GM leaves, and it's the first time anyone has put a date on any of the massive new projects expected to transform what used to be an isolated part of the southeast Valley.

Bradley thinks a major hospitality destination could be first out of the ground.

"We truly hope there will be major hotel operations here early and resort hotel opportunities early," he said, adding that negotiations with hotel operators are under way.

A resort would pave the way for other components of DMB's project, including Class A office space, retail and various kinds of housing, including high-end executive homes.

"You have to give them something, some reason to be there," Bradley said. "You can't generate jobs just by allocating acreage. If you start with some great stuff, the Class A can follow."

DMB bought the northernmost portion of the GM property late last year for \$265 million. Phoenix businessman William Levine spent \$45 million in 2004 for 1,800 acres on the southern end.

The property sits just east of the airport, which until 1993 was Williams Air Force Base. Mesa has been trying since then to turn the airport into an economic engine, but it has been slow going until now.

General Motors' decision to close its testing facility, announced in 2000, at first seemed another blow to the region's economy.

But Mesa Vice Mayor Claudia Walters said losing the air base and GM may only have paved the way for something better.

"I did not like to see 'Willie' closed," Walters said, "but you have to take what life gives you and turn it into something wonderful. I think we're doing that."

DMB has developed more than 20 high-end projects in four states, including DC Ranch in Scottsdale and Verrado in Buckeye.

Walters said the company's approach is different from most developers'.

"They take the long view in their planning," she said, whereas other companies may walk away less than five years after breaking ground.

Walters said she has been in some areas where "the day (the developer) left, you knew that neighborhood was already in trouble. That is not DMB's approach."

Bradley said DMB is, indeed, in Gateway for the long haul, looking perhaps 50 years down the road to projected buildout of 275 square miles of state trust land called Superstition Vistas in northeastern Pinal County.

Some projections now call for up to 1.3 million residents there over the next few decades.

If that happens, the Mesa Gateway area will be right in the middle of older southeast Valley cities and the newer ones to the southeast. An Urban Land Institute study said in 2006 that the area could generate 100,000 jobs over the next few decades, but HDR Engineering, hired by Mesa to help plan the area, said last week that number could surpass 250,000 under various development scenarios.

DMB and Levine are applying for annexation into Mesa, and the city expects to have zoning and general-plan amendments in place by the end of 2008 for their projects.

John Wesley, Mesa's planning director, said the city expects to begin seeing definite development proposals for the land early in the year.

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