

[https://www.themesatribune.com/news/mcc-fiesta-site-could-host-billboards/article\\_ef1242f0-6f93-11ee-b43b-c77580be979b.html](https://www.themesatribune.com/news/mcc-fiesta-site-could-host-billboards/article_ef1242f0-6f93-11ee-b43b-c77580be979b.html)

TOP STORY

## MCC, Fiesta site could host billboards

By Scott Shumaker, Tribune Staff Writer  
Oct 23, 2023



Drivers on the westbound Loop 202 at the Country Club Drive exit encounter three digital billboards that sit on state land and overlook the freeway. *(David Minton/Staff Photographer)*

Mesa officials are planning to reconsider the city's billboard ban next year, with an eye toward allowing the outdoor advertising at Mesa Community College and the nearby Fiesta Mall site.

Last week city staff presented council with a draft set of guidelines for allowing billboards on large parcels next to freeways within certain zoning.

Under the proposed rules, only the Fiesta Mall site and Mesa Community College campus would meet all the requirements for the billboards.

But Assistant Planning Director Rachel Nettles said her department calculated an additional 12 or so properties had the potential to become eligible in the future under the proposed rules if owners obtained a zone change or annexation.

According to a staff report, Apache Junction, Chandler, Gilbert, Scottsdale and Queen Creek currently ban billboards, while Phoenix, Tempe, Maricopa County and Pinal County allow them.

Though Mesa does not allow billboards, there are some that appear next to city roads because they are situated on Maricopa County islands or were grandfathered in during annexation.

Nettles said the tentatively proposed guidelines for Mesa were modeled after Maricopa County's rules.

One of the potential benefits of allowing billboards, staff said, is the city could partner with private organizations on messaging for city activities and public service announcements.

Key features of the draft plan include a requirement that parcels with billboards be 50 acres or larger and have at least 1,500 feet of freeway frontage.

Sites could have a maximum of two billboards, and all billboards would have to be spaced at least 1,500 feet apart.

The large acreage and frontage requirements in the draft winnow out many Mesa properties from billboard eligibility.

Additionally, billboards would have to be 500 feet from a residential zone and within 250 feet of a freeway. Digital billboards would have to be dimmed from sunset to 11 p.m., then shut off between 11 p.m. and sunrise.

Council members did not offer any opposition to planning staff continuing to work on the billboard proposal for possible action next year, but Councilwoman Julie Spilsbury said she wanted to know "what prompted this."

Mayor John Giles and Vice Mayor Francisco Heredia requested staff to look at options for allowing billboards on the two sites following discussions in recent years with the Fiesta Mall ownership and Mesa Community College, which occupies a large parcel to the west of the Fiesta Mall site.

“Heredia and I have been in meetings with the owners of Fiesta Mall about the redevelopment of that site,” Giles said during the study session, “and the first issue on the agenda when we have those meetings is ‘we have to have digital billboards on this site for this to be lucrative enough for us to undertake developing this piece of property.’”

The prospect of a swift redevelopment of the abandoned mall is enticing, as city leaders are keen to see the 80-acre site return to its former status as an economic engine that would support the revitalization of the Southern Avenue corridor.

“I think the overall conversation of (the Fiesta Mall site) being a center for entertainment and housing and kind of a more lively place than it’s been for while,” Heredia said. “I think having a billboard support the things that are happening there, I think I see that as a potential (suitable use).”

But Heredia said “the devil’s in the details,” and he’ll be looking closely at the specific proposal that emerges.

Mall owner Verde Investments is controlled by billionaire Ernie Garcia II, who founded and owns DriveTime Automotive and is the largest shareholder in online car seller Carvana.

More recently, Garcia has taken an interest in “out-of-home” advertising, an industry term that encompasses billboards and other outdoor advertising.

In 2021, he founded billboard company Verde Outdoor and investment firm Verde Outdoor Capital, which invests funds in out-of-home advertising projects.

In July, Garcia purchased 3.8 million shares in billboard company Clear Channel, Forbes and Billboard Insider reported. That investment is currently worth \$4.5 million.

Another Mesa landowner, Arte Moreno, bought an even larger stake – 16 million shares – in Clear Channel in July.

Moreno owns the Los Angeles Angels and is a partner in Pacific Proving LLC, which purchased the southern 1,800 acres of the former GM Proving Grounds in 2004.

Moreno and Pacific Proving partner William Levine made fortunes in billboards, partnering on Outdoor Systems in the 1980s. Infinity Broadcasting bought the company in 1998 for \$8 billion.

Several parcels owned by Pacific Proving around State Route 24 and the southeast corner of the Loop 202 San Tan are among the dozen parcels staff said have the potential to become eligible under the proposed rules.

A spokesman for Verde Investments said the firm requested billboards for the Fiesta Mall site in early conversations with the city but was told they were banned and Verde accepted that.

“If the city was to change the law and allow billboards in some circumstances, Verde might then revisit the issue,” he said.

Billboards would help the mall redevelopment “pencil out,” he said, but the issue is “not a deal breaker. ... There’s no secret plan to get billboards.”

In explaining his support for exploring the billboard amendments, Giles said redeveloping Fiesta Mall is a priority for the city.

He said he doesn’t think allowing billboards on a limited number of properties would represent a meaningful change, since many county islands have already added billboards to the landscape.

“If we were to do this, it wouldn’t be, ‘Oh, my gosh, something changed in Mesa.’ I mean, the billboards are there already,” he said.

Giles said he is also interested in the potential for billboards to provide Mesa Community College with a revenue stream that could go toward full scholarships for Mesa high school graduates.

Under the Mesa College Promise program, Mesa grads with financial need can qualify for two years of free tuition and fee waivers at Mesa Community College.

The college has over 3,000 feet of U.S. 60 frontage and may be eligible for two billboards under the conditions floated by city staff.

“If there were a billboard kicking out \$800,000 a year to the Mesa Community College fund, that would be a big deal,” he said. “We wouldn’t have to worry about how low-income kids are going to college in Mesa anymore.”

Giles did not say at the meeting where the \$800,000 example came from. Industry estimates for digital board revenue were not readily available.

District 1 Councilman Mark Freeman seconded Giles' point that billboards to some extent are already in Mesa despite the ban.

He referenced emails from constituents about the brightness of a digital billboard near Country Club Road and Loop 202 Red Mountain located on county land.

He said that issue needs to be addressed, but not being within Mesa, city officials have limited options.

Of the potential Fiesta Mall and Mesa Community College billboard sites, Freeman said "having a billboard there for that use is appropriate, and if they meet the criteria, I don't see any reason why not to move forward."