

ATTACHMENT B



City of Phoenix

PLANNING AND DEVELOPMENT DEPARTMENT

Staff Report: Z-45-23-1 The Shops at Norterra PUD January 11, 2024

Deer Valley Village Planning Committee Meeting Date: January 16, 2024

Planning Commission Hearing Date: February 1, 2024

Request From: C-2 M-R PCD (Intermediate Commercial, Mid-Rise District, Planned Community District) (46.45 acres).

Request To: PUD PCD (Planned Unit Development, Planned Community District) (46.45 acres)

Proposed Use: Planned Unit Development to allow shopping center (existing) with temporary/promotional events

Location: Northwest corner of Norterra Parkway and Happy Valley Road

Owner/Applicant: Yam Norterra, LLC

Representative: Jason Morris, Withey Morris Baugh, PLC

Staff Recommendation: Approval, subject to stipulations

<u>General Plan Conformity</u>			
<u>General Plan Land Use Map Designation</u>		Transportation and Mixed Use (Commercial / Commerce/Business Park)	
<u>Street Map Classification</u>	Norterra Parkway	Collector	55-foot west half street
	Happy Valley Road	Major Arterial	75-foot north half street
	I-17 Freeway	ADOT Right-of-Way	Width varies

General Plan Conformity

CELEBRATE OUR DIVERSE COMMUNITIES AND NEIGHBORHOODS CORE VALUE; CERTAINTY AND CHARACTER; LAND USE PRINCIPLE: *New development and expansion or redevelopment of existing development in or near residential areas should be compatible with existing uses and consistent with adopted plans.*

The proposal is within the Norterra Shopping Center, and it will provide the opportunity to allow temporary and promotional events with more flexibility to activate the center with experience-based programming. This will encourage a diverse mix of activities and entertainment options to the surrounding community to ensure its vibrancy.

The temporary uses are proposed in areas that are sufficiently spaced and buffered from residential uses.

STRENGTHEN OUR LOCAL ECONOMY CORE VALUE; JOB CREATION (EMPLOYERS); LAND USE PRINCIPLE: *Support General Plan Land Use Map and zoning changes that will facilitate the location of employment generating uses in each of the designated employment centers.*

The proposal will increase business activity for the existing shops and restaurants and provide employment opportunities for residents living nearby.

BUILD THE SUSTAINABLE DESERT CITY CORE VALUE; TREES & SHADE; DESIGN PRINCIPLE: *Integrate trees and shade into the design of new development and redevelopment projects throughout Phoenix.*

The proposed PUD sets forth development standards that require enhanced landscaping and shade for future development.

Applicable Plans, Overlays, and Initiatives

[Deer Valley Major Employment Center](#) – See Background Item No. 4.

[Tree and Shade Master Plan](#) – See Background Item No. 14.

[Complete Streets Guiding Principles](#) – See Background Item No. 15.

[Comprehensive Bicycle Master Plan](#) – See Background Item No. 16.

[Transportation Electrification Action Plan](#) – See Background Item No. 17.

[Zero Waste PHX](#) – See Background Item No. 18.

Surrounding Land Uses/Zoning		
	<u>Land Use</u>	<u>Zoning</u>
On Site	Shopping Center	C-2 M-R PCD
North (across Norterra Parkway and northwest of the site)	Offices	C-2 M-R PCD and CP/GCP M-R PCD
South (across Happy Valley Road)	Commercial development	C-2
East (across Norterra Parkway)	Multifamily residential and vacant	PUD
West	I-17 Freeway	RE-35

Background/Issues/Analysis

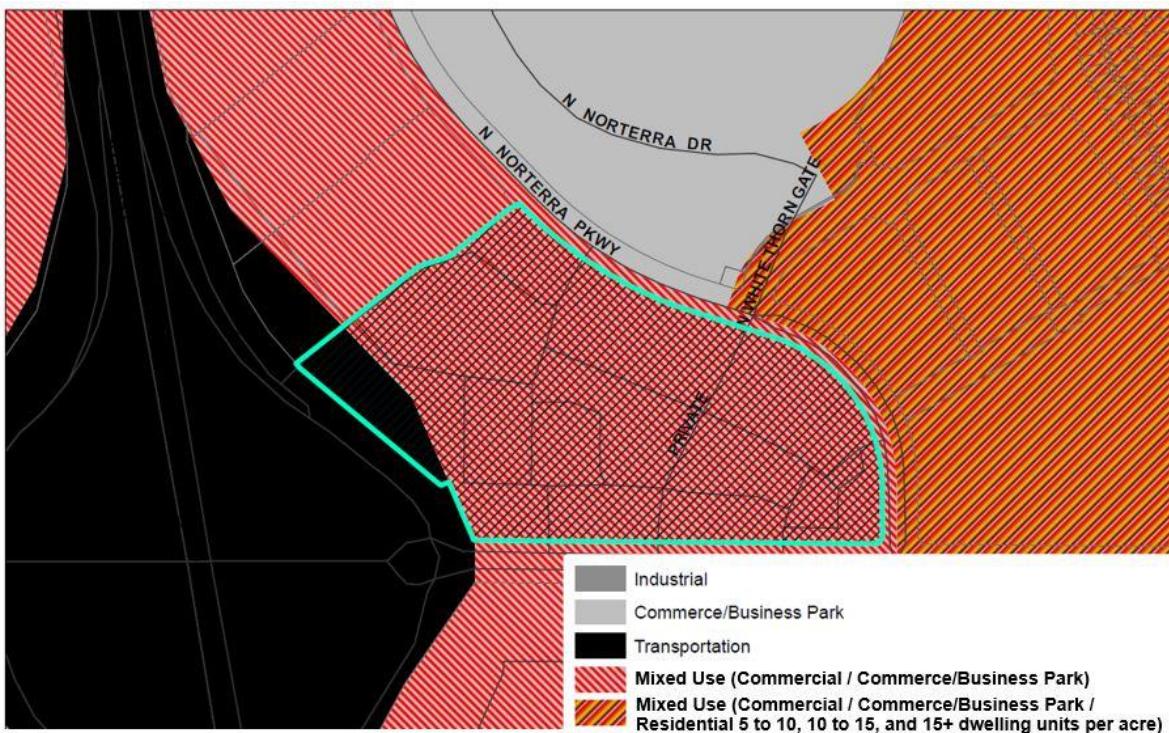
SUBJECT SITE

1. This request is to rezone a 46.45-acre site located at the northwest corner of Norterra Parkway and Happy Valley Road from C-2 M-R PCD (Intermediate Commercial, Mid-Rise District, Planned Community District) to PUD PCD (Planned Unit Development, Planned Community District) to allow the existing shopping center with temporary/promotional events.

The site is part of the existing USAA PCD which was established with Rezoning Case No. Z-153-99-1 which includes 576 acres located from Jomax Road to the north, Happy Valley Road to the south, I-17 Freeway to the west and 19th Avenue to the east. The proposed PUD PCD will carry over stipulations from the PCD rezoning case and Rezoning Case No. Z-74-02-1 which applies to 140.2 acres located from Jomax Road to the north, Happy Valley Road to the south, I-17 Freeway to the west and Norterra Parkway to the east.

The stipulations from the previous rezoning which will need to remain are in regard to general conformance with a site plan, maximum number of building pads, a pedestrian spine and access, landscaping, building setbacks, screening of loading and service areas, compliance with street landscaping standards, and design of parking structures. These are addressed in Stipulation Nos. 7 through 16.

2. The General Plan Land Use Map designation for the subject site is Mixed Use (Commercial / Commerce/Business Park). The area to the northwest is designated as Mixed Use (Commercial / Commerce/Business Park), to the north is Commerce/Business Park, and to the northeast and east is Mixed Use (Commercial / Commerce/Business Park / Residential 5 to 10, 10 to 15, and 15+ dwelling units per acre). To the west, which includes freeway right-of-way, is designated as Transportation and to the south across Happy Valley Road is designated as Mixed Use (Commercial / Commerce/Business Park). The proposed PUD is consistent with the General Plan Land Use Map designation.



General Plan Land Use Map, Source: Planning and Development Department

EXISTING CONDITIONS & SURROUNDING ZONING

3. The subject site contains an existing shopping center and is zoned C-2 M-R PCD (Intermediate Commercial, Mid Rise District, Planned Community District). The surrounding area to the west, across the right-of-way for the I-17 Freeway, is vacant land zoned RE-35 (Single-Family Residence District). To the north, across Norterra Parkway, is an office complex zoned CP/GCP M-R PCD (Commerce Park, General Commerce Park option, Mid Rise, Planned Community District) and to the north, on the west side of Norterra Parkway, are office buildings zoned C-2 M-R PCD (Intermediate Commercial, Mid Rise District, Planned Community District). To the east is a multifamily residential development and vacant land zoned PUD (Planned Unit Development) and to the south across Happy Valley Road is a shopping center zoned C-2 (Intermediate Commercial).

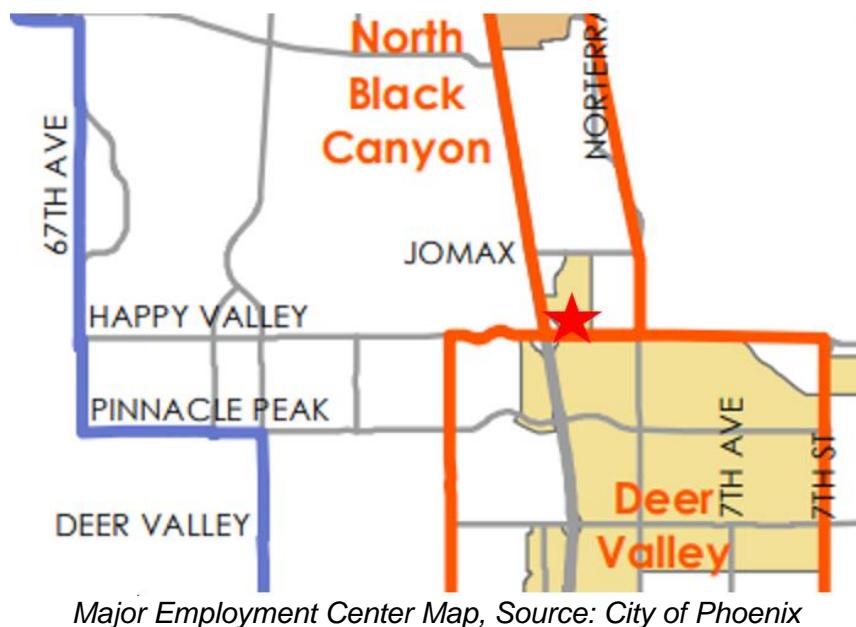


Zoning Sketch Map, Source: Planning and Development Department

4. Deer Valley Major Employment Center

The subject site is located within the MAG designated Deer Valley Major Employment Center and within the city designated Deer Valley Employment Center. The substantial size and diverse nature of the labor pool found in the Deer Valley area is a key factor contributing to the overall attractiveness of this employment center. Employers located within the area have access to nearly 450,000 workers within a 20-minute drive time, and within a 30-minute drive the number of workers increases to more than 850,000. The size of the labor force will continue to increase as additional development occurs in this area. The Deer Valley employment center boasts about 9.3 million square feet of office space, 3.0 million square feet of flex space, and over 11.9 million square feet of industrial space.

The proposal adds job-generating activities and uses that will contribute to the employment center. The proposed PUD will allow flexibility with temporary and promotional events which will further activate the shopping center and promote business and employment activities in the area.



Major Employment Center Map, Source: City of Phoenix

PROPOSAL

5. The proposal was developed utilizing the PUD zoning district. The Planned Unit Development (PUD) is intended to create a built environment that is superior to that produced by conventional zoning districts and design guidelines. Using a collaborative and comprehensive approach, an applicant authors and proposes standards and guidelines that are tailored to the context of a site on a case-by-case basis. Where the PUD Development Narrative is silent on a requirement, the applicable Zoning Ordinance provisions will be applied.
6. The applicant proposes to create more flexibility when conducting temporary and promotional events within the shopping center. Currently, the uses are allowed by right with an administrative temporary use permit, however, this proposal requests some variations to the conditions when approving these events. These variations include items such as adjusted times, durations, frequency, distance from a residential use, etc.

Also, this process would simplify the requests for the applicant by not needing to submit administrative temporary use permit applications which will save them and staff time to review these applications.

Below is a site plan showing the two proposed locations of the event areas within the shopping center.



Site Plan, The Shops at Norterra PUD Narrative

7. Land Use

The PUD proposes two areas where promotional events may occur where there is flexibility added beyond the traditional administrative temporary use permit. The PUD seeks to activate complementary temporary and promotional event uses to draw patrons to the shopping center.

8. List of Uses

The PUD allows for commercial uses as permitted in the C-2 zoning district. In addition, temporary and promotional events are also permitted. The temporary events proposed include but are not limited to auto shows, holiday events, live entertainment, promotional events for commercial retail businesses and/or commercial service (i.e. restaurant/bar temporary extension of premises), or other analogous uses, as may be determined by the Zoning Administrator.

9. Development Standards

The PUD proposes development standards designed to accommodate the existing shopping center proposed temporary and promotional events, and any future expansion. The PUD proposed C-2 and M-R development standards, plus the following enhancements:

<u>Development Standards</u>	
Electrical Vehicle Parking	Minimum 17 EV Installed Spaces
Bicycle Parking Standards	Bicycle Parking Standards shall adhere to Section 1307.H of the Walkable Urban Code Section of the Zoning Ordinance

10. Landscape Standards

The PUD includes landscape standards to enhance the site with additional shade if there are future public sidewalks and walkways. A minimum 75 percent shade is proposed through either vegetative or structural shade.

11. Design Guidelines

The PUD proposes design guidelines to promote enhanced architectural features and an improved pedestrian environment. Any new buildings/structures shall incorporate consistent architectural styles, materials, forms, features, colors and compatible elements from the site.

12. Signs

The PUD proposes on-site signage in accordance with The Shops at Norterra Comprehensive Sign Plan. Off-premise signs (billboards) are also proposed per Section 705.2 of the Phoenix Zoning Ordinance. Staff has concerns about the reference to digital off-premise signs as these would require a use permit which includes a public hearing process separate from the rezoning process. This is addressed in Stipulation 1.b.

13. Sustainability

Required standards include enhanced shade over any new public sidewalks and walkways, the use of drought tolerant landscape material to conserve water, water efficient irrigation systems, and the use of recycling collection.

Additional sustainability items which will be considered include LED and energy efficient lighting technology, efficient drip irrigation technology for landscaping, the use of building materials and colors to reduce heat gain, and the use of high-performance windows, insulation, and HVAC systems.

AREA PLANS, OVERLAY DISTRICTS, AND INITIATIVES

14. Tree and Shade Master Plan

The Tree and Shade Master Plan encourages treating the urban forest as infrastructure to ensure the trees are an integral part of the City's planning and

development process. Sidewalks on the street frontages should be detached from the curbs to allow trees to be planted on both sides of the sidewalk to provide thermal comfort for pedestrians and to reduce the urban heat island effect. The PUD includes standards for new public sidewalks and walkways constructed after the adoption of this PUD to provide a minimum of 75 percent shade.

15. **Complete Streets Guiding Principles**

In 2014, the City of Phoenix City Council adopted the Complete Streets Guiding Principles. The principles are intended to promote improvements that provide an accessible, safe, connected transportation system to include all modes, such as bicycles, pedestrians, transit, and vehicles. The PUD proposes bicycle parking to promote use of alternative transportation options.

16. **Comprehensive Bicycle Master Plan**

The City of Phoenix adopted the Comprehensive Bicycle Master Plan in 2014 to guide the development of its bikeway system and supportive infrastructure. The Comprehensive Bicycle Master Plan supports options for both short- and long-term bicycle parking as a means of promoting bicyclist traffic to a variety of destinations. The proposal incorporates requirements for bicycle parking to encourage multi-modal transportation.

17. **Transportation Electrification Action Plan:**

In June 2022, the Phoenix City Council approved the Transportation Electrification Action Plan. The current market desire for the electrification of transportation is both a national and global phenomenon, fueled by a desire for better air quality, a reduction in carbon emissions, and a reduction in vehicle operating and maintenance costs. Businesses, governments and the public are signaling strong future demand for electric vehicles (EVs), and many automobile manufacturers have declared plans for a transition to fully electric offerings within the coming decade. This Plan contains policy initiatives to prepare the City for a future filled with more EVs, charging infrastructure and e-mobility equity, and outlines a roadmap for a five-step plan to prepare for the EV infrastructure needs of 280,000 EVs in Phoenix by 2030. One goal of the Plan to accelerate public adoption of electric vehicles through workplace, business, and multifamily charging infrastructure recommends a standard stipulation for rezoning cases to provide EV charging infrastructure. This PUD is requiring electric vehicle parking.

18. **Zero Waste PHX**

The City of Phoenix is committed to its waste diversion efforts and has set a goal to become a zero waste city, as part of the city's overall 2050 Environmental Sustainability Goals. One of the ways Phoenix can achieve this is to improve and Section 716 of the Phoenix Zoning Ordinance expand its recycling and other waste diversion programs. The PUD encourages the use of recycling collection.

COMMUNITY INPUT SUMMARY

19. At the time this staff report was written, staff has not received any letters in support or opposition to this request.

INTERDEPARTMENTAL COMMENTS

20. The Sign section of the Planning and Development Department commented that per the requirements of Section 705.2 of the Phoenix Zoning Ordinance, digital off-premise signs are subject to use permit approval. Modifications to the PUD language to address the comment is addressed in Stipulation No. 1.b.
21. The Aviation Department requests the airport disclosure stipulation. This is addressed in Stipulation No. 2.

OTHER

22. The site is located in a larger area identified as being archaeologically sensitive. If further review by the City of Phoenix Archaeology Office determines the site and immediate area to be archaeologically sensitive, and if no previous archaeological projects have been conducted within this project area, it is recommended that archaeological Phase I data testing of this area be conducted. Phase II archaeological data recovery excavations may be necessary based upon the results of the testing. A qualified archaeologist must make this determination in consultation with the City of Phoenix Archaeologist. In the event archaeological materials are encountered during construction, all ground disturbing activities must cease within a 33-foot radius of the discovery and the City of Phoenix Archaeology Office must be notified immediately and allowed time to properly assess the materials. This is addressed in Stipulation Nos. 3 through 5.
23. Staff has not received a completed form for the Waiver of Claims for Diminution in Value of Property under Proposition 207 (A.R.S. 12-1131 et seq.), as required by the rezoning application process. Therefore, a stipulation has been added to require the form be completed and submitted prior to either final site plan approval or permit issuance. This is addressed in Stipulation No. 6.
24. Development and use of the site is subject to all applicable codes and ordinances. Zoning approval does not negate other ordinance requirements. Other formal actions such as, but not limited to, zoning adjustments and abandonments, may be required.

Findings

1. The proposal is consistent with the General Plan Land Use Map and is compatible with the character of the surrounding area.
2. The proposal promotes employment-generating uses within a Major Employment Center at an appropriate location with access to an arterial street and near a freeway interchange.
3. The proposed PUD sets forth standards that enhance the existing shopping center with electric vehicle and bicycle parking and will provide improved pedestrian-oriented design elements with added shade if there is new development.

Stipulations

1. An updated Development Narrative for The Shops at Norterra PUD reflecting the changes approved through the request shall be submitted to the Planning and Development Department within 30 days of City Council approval of the request. The updated narrative shall be consistent with the Development Narrative date stamped January 3, 2024, as modified by the following stipulations:
 - a. Update the front cover page with the submittal date of the Hearing Draft.
 - b. Page 9: F. Signs, second bullet: Delete the word “digital”.
2. **Airport Disclosure:** The property owner shall record documents that disclose the existence, and operational characteristics of Deer Valley Airport to future owners or tenants of the property. The form and content of such documents shall be according to the templates and instructions provided which have been reviewed and approved by the City Attorney.
3. **Archeologically Sensitive:** If determined necessary by the Phoenix Archaeology Office, the applicant shall conduct Phase I data testing and submit an archaeological survey report of the development area for review and approval by the City Archaeologist prior to clearing and grubbing, landscape salvage, and/or grading approval.
4. **Archeologically Sensitive:** If Phase I data testing is required, and if, upon review of the results from the Phase I data testing, the City Archaeologist, in consultation with a qualified archaeologist, determines such data recovery excavations are necessary, the applicant shall conduct Phase II archaeological data recovery excavations.
5. **Archeologically Sensitive:** In the event archaeological materials are encountered during construction, the developer shall immediately cease all ground-disturbing activities within a 33-foot radius of the discovery, notify the City Archaeologist, and allow time for the Archaeology Office to properly assess the materials.
6. **Prop 207:** Prior to final site plan approval or the issuance of a permit, the landowner shall execute a Proposition 207 waiver of claims form. The waiver shall be recorded with the Maricopa County Recorder's Office and delivered to the City to be included in the rezoning application file for record.

Planned Community District Stipulations

Overall Site Plan

7. That, as a portion of a larger Planned Community District, the following stipulations shall apply per Z-74-02-1 and Z-153-99-1.

8. The development shall be in general conformance with the site plan date stamped May 11, 2007, with regards to the pedestrian spine, phasing, and general development intensities.
9. A maximum of 5 building pads less than 10,000 square feet in size shall be allowed throughout the 140.2 acre site.

Amenities

10. The pedestrian spine extending from Jomax to Happy Valley Road as illustrated on the conceptual plan date stamped May 11, 2007 shall be visually identified with a combination of similar hardscape improvements and a consistent landscape theme, with the inclusion of a pedestrian gate so the employees can access the retail parcel to the south.

Visual Impacts

11. The below minimum building setbacks shall apply along the following street frontages, as approved by the Planning and Development Department. The landscape setback along the street frontages shall include a mix of a minimum of 3 and 4 inch caliper trees planted approximately 20-feet on center to screen the buildings.
 - a. Happy Valley Road (west of Norterra Parkway) shall be a minimum of 60 feet (with a 75-foot average).
12. The applicant shall provide a minimum 30-foot, undulating landscape setback, with a maximum average landscape setback not to exceed 35 feet, as measured from the right-of-way prior to any trail dedication, planted with drought tolerant vegetation in the Sonoran Boulevard Standards, and meandering sidewalk (where required) adjacent to perimeter street, except along Happy Valley Road; where the landscape setback and sidewalk shall be per the Sonoran Boulevard Standards, as measured from the right-of way prior to any trail dedication.
13. Any loading, maneuvering and other service areas shall be located interior within the campus and screened so they are not visible from the perimeter rights-of-way.
14. The development along Happy Valley Road shall comply with the Sonoran Boulevard Standards.

Parking

15. Individual parking structures shall not be arranged such that they create a linear walled effect at the perimeter of the property.
16. Parking structures shall be designed, to the greatest extent possible; to minimize the mass of parking structures with adjacent residential properties. In addition, the

parking structures shall be so designed as to prevent vehicular headlights and the interior lights of the parking structures from shining directly onto residential properties.

Writer

Matteo Moric

January 11, 2024

Team Leader

Racelle Escolar

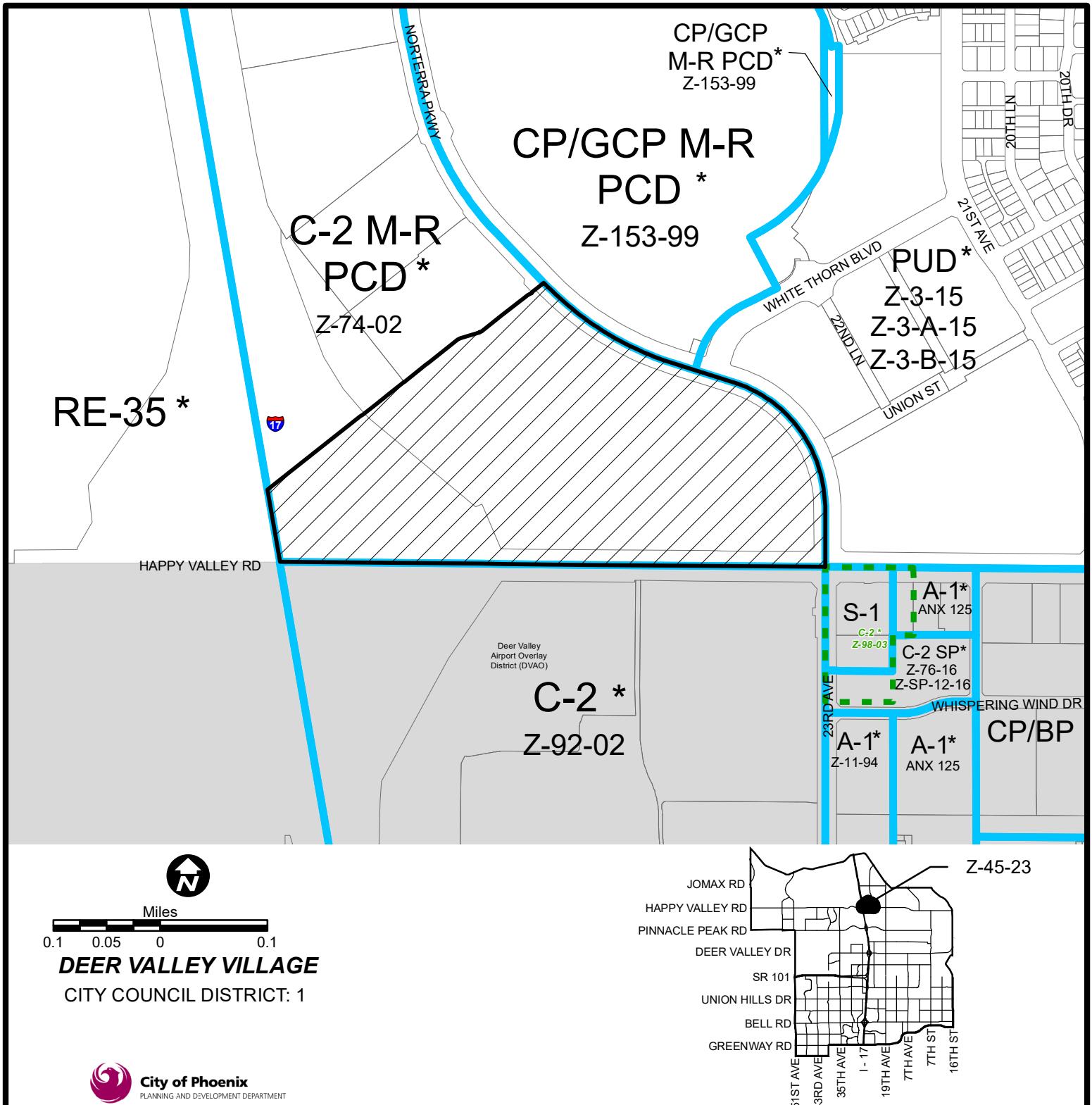
Exhibits

Sketch Map

Aerial

Site Plan

[The Shops at Norterra PUD Narrative](#) date stamped January 3, 2024



APPLICANT'S NAME: Yam Norterra LLC

APPLICATION NO. Z-45-23

GROSS AREA INCLUDING 1/2 STREET
AND ALLEY DEDICATION IS APPROX.

46.45 Acres

DATE: 7/20/2023

REVISION DATES:

12/28/2023

AERIAL PHOTO &
QUARTER SEC. NO.
QS 47-23

ZONING MAP

O-7

REQUESTED CHANGE:

FROM: C-2 M-R PCD (46.45 a.c.)

TO: PUD PCD (46.45 a.c.)

MULTIPLES PERMITTED

C-2 M-R PCD

PUD PCD

CONVENTIONAL OPTION

673

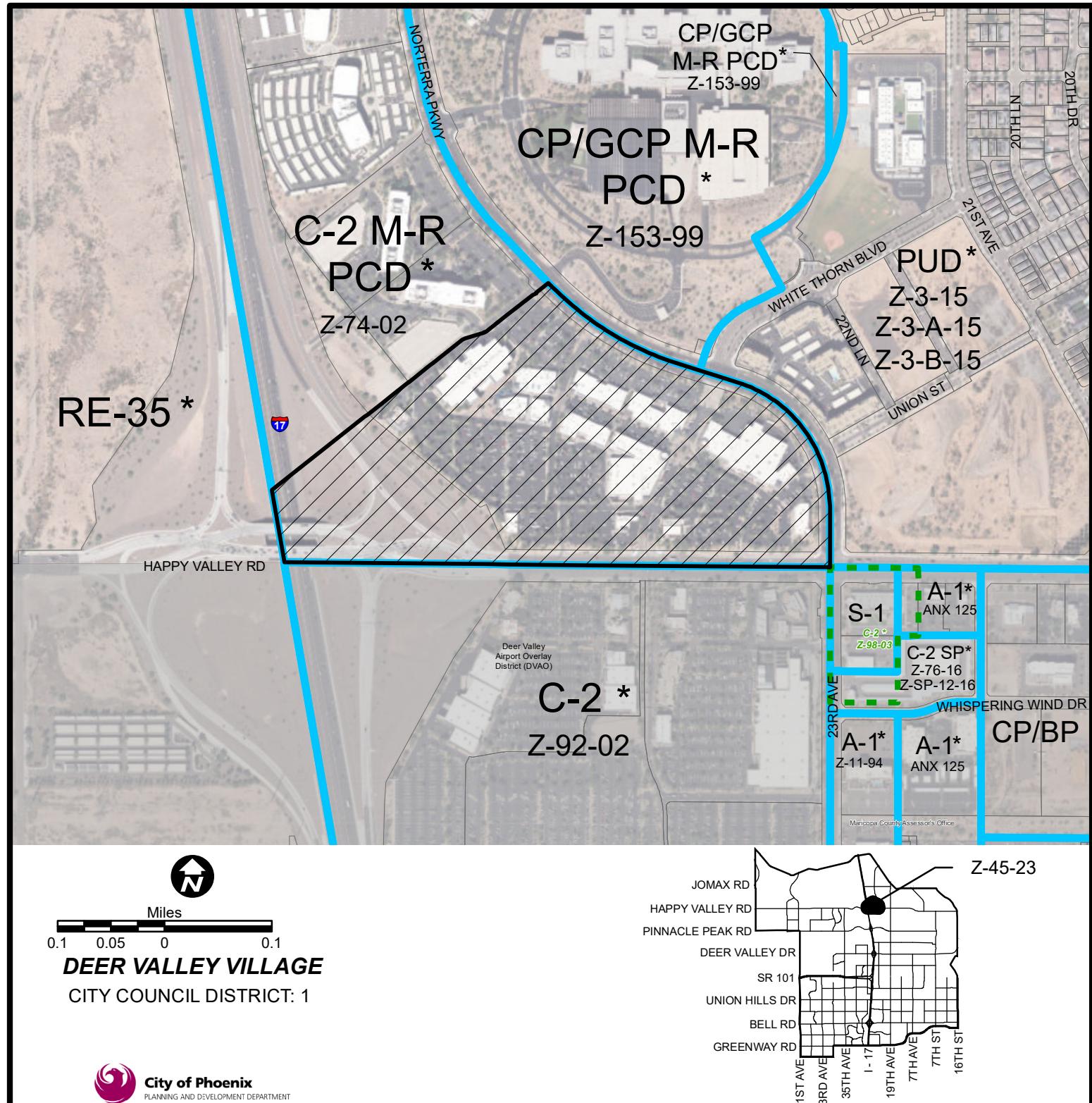
673

* UNITS P.R.D. OPTION

808

808

* Maximum Units Allowed with P.R.D. Bonus



APPLICANT'S NAME: Yam Norterra LLC		REQUESTED CHANGE:	
		FROM: C-2 M-R PCD (46.45 a.c.)	
APPLICATION NO. Z-45-23	DATE: 7/20/2023 REVISION DATES: 12/28/2023		
GROSS AREA INCLUDING 1/2 STREET AND ALLEY DEDICATION IS APPROX. 46.45 Acres	AERIAL PHOTO & QUARTER SEC. NO. QS 47-23	ZONING MAP O-7	TO: PUD PCD (46.45 a.c.)
MULTIPLES PERMITTED		CONVENTIONAL OPTION	
C-2 M-R PCD		673	
PUD PCD		673	
		* UNITS P.R.D. OPTION	
		808	
		808	

*** Maximum Units Allowed with P.R.D. Bonus**



Figure 3: Site Plan