



Village Planning Committee Meeting Summary

Z-9-22-4

INFORMATION ONLY

Date of VPC Meeting	August 23, 2022
Request From	C-2 TOD-1
Request To	PUD
Proposed Use	PUD to allow mixed use multifamily
Location	Southwest corner of Central Avenue and Coolidge Street

VPC DISCUSSION

One virtual speaker card was received from an individual opposed and wishing to speak.

Mr. Nick Klimek, staff, provided an overview of the PUD process including the purpose of this information only hearing being to solicit directive input from the Alhambra Village Planning Committee.

APPLICANT PRESENTATION

Mr. Benjamin Tate introduced himself as the applicant's representative. The subject site is small with only 1.09 net acres located at the southwest corner of Central Avenue and Coolidge Street. The site is surrounded by multifamily to the north, west, and south across the Grand Canal. The request is for Transect 5:6 which would allow a height of 80 feet which is one step more intense than the Transect 5:5 which is identified in the Uptown TOD Policy Plan. While more intense than recommended, this additional intensity comes with enhancements that are aligned with the vision for canal adjacent development contained in the Uptown TOD Policy Plan.

The development team is proposing ground floor commercial and 150 residential units in a seven story configuration with a wrapped parking structure. The project activates the canal with a food/beverage suite, live/work units, and form with multiple elevated amenity decks oriented to the canal where the building steps back from the canal. The proposal contains all of its required parking within the parking structure which is accessed from Central Avenue only. The approach to vehicular circulation and parking is in response to concerns from the Pierson Place neighborhood regarding cut-through traffic. The proposal includes many sustainability elements and may even include geothermal energy.

The traffic impact statement and trip generation model show that the traffic impact for the site will be insignificant at approximately 67 per hour at peak times.

QUESTIONS FROM COMMITTEE

Committee Member Bonilla asked who is designing and constructing the project. **Mr. Tate** responded that Merge Architecture is the designer, and that RAS Development is the developer at this time. **Committee Member Bonilla** asked if RAS had done any projects of this scale and type before. **Mr. Tate** Responded that they have not. **Committee Member Bonilla** stated that the amenity deck above the food/beverage suite will allow the restaurant to be vented properly. He expressed support for the project.

Committee Member Keyser stated that it is nice to have an applicant come early. He expressed support by describing it as the right project, in the right place, at the right time.

Committee Member Adams asked if there was neighborhood support for the project, specifically to its height. **Mr. Tate** responded that Withey Morris also represented the applicant for Z-56-20-4 which was located west on Coolidge Street and, in that case, traffic was a central issue and the neighborhood was clear that height and intensity belongs along Central Avenue and key leaders have held to that position. He added that cut-through traffic and on-street parking are major issues in the Pierson Place neighborhood and that their design eliminates those as potential issues.

Committee Member Adams asked for how the 67 vehicles per hour at peak time was calculated. **Mr. Tate** responded by explaining the internationally accepted methodology and regularly updated ITE Trip Generation Manual.

Committee Member Adams asked why the canal is a central feature of the project because they are glamorized in the renderings and are not actually very nice. **Mr. Tate** responded that the Uptown TOD Policy Plan sets that vision for the canal.

Committee Member Harris expressed support for the project and stated that the architecture looks nice. She asked if the project will include detached sidewalks. She also asked if the parking for the commercial spaces will be located within the parking structure, noting that can be confusing for prospective customers. **Mr. Tate responded** that the sidewalks along Central Avenue will not be detached but will instead function as a wider pedestrian thoroughfare as required by the "Central Avenue Development Standards." He stated that all parking is located within the parking structure in order to respond to the concerns from the Pierson Place neighborhood.

Committee Member McCabe stated that he is a fan of the Canalscape Vision and feels this project can be a model for other projects. He stated that he was originally reluctant to have the only access from Central Avenue but sees that it is in response to neighborhood concerns.

Vice Chair Bryck stated that this site is rendered in the Uptown TOD Plan and recommended the developer incorporate elements to further align the project with that vision. **Mr. Tate** thanked Vice Chair Bryck for the comments and stated that the biggest alignment in the current proposal is the food/beverage suite along the canal that is envisioned as a destination for canal users.

PUBLIC COMMENTS

Mr. Jeremy Thacker expressed concern that the project will send traffic south on Central Avenue will cut-through traffic going westbound on Campbell Avenue which has more than 600 pedestrian crossings per day. The placement of all driveways on Central Avenue advantage Pierson Place and disadvantage the Carnation Neighborhood to the south. He alleged that Committee Member Jones has conflicts of interest on both Z-56-20-4 at the southwest corner of 3rd Avenue and Coolidge Street and on the Forty600 PUD as a former owner. He expressed concern over the proposed 100 percent lot coverage as being inconsistent with the Uptown TOD Policy Plan. He stated that the developer should engage with the Carnation Neighborhood regarding the project because it will impact them most severely. He added that he obtained review comments from the City of Phoenix which identify the many problems with the project.

Committee Member Jones responded by stating that he had divested himself of the parcel and that there is no conflict of interest. He stated that there was a complaint filed for conflict of interest for Z-56-20-4 but that he was quickly cleared by the City of Phoenix.

Committee Member Malkoon stated that there should be engagement to the Carnation Neighborhood.

Committee discussion regarding traffic in Central Phoenix.

APPLICANT RESPONSE

Mr. Tate reiterated that the projected traffic impact of this project is negligible and that the project is located within the Pierson Place neighborhood and those residents have therefore been prioritized to reduce impact on their neighborhood.

FLOOR/PUBLIC DISCUSSION CLOSED: COMMITTEE DISCUSSION

Committee discussion regarding traffic in Central Phoenix.



Village Planning Committee Meeting Summary Z-9-22-4

Date of VPC Meeting	June 27, 2023
Request From	C-2 TOD-1
Request To	PUD
Proposal	PUD to allow mixed use multifamily
Location	Southwest corner of Central Avenue and Coolidge Street
VPC Recommendation	Approval, per the staff recommendation
VPC Vote	8-5

VPC DISCUSSION & RECOMMENDED STIPULATIONS:

Three members of the public registered to speak on the item.

STAFF PRESENTATION

Samuel Rogers, staff, reviewed the surrounding land uses, zoning designations, and site context. Mr. Rogers displayed the proposed site plan, elevations, recommended stipulations, and concluded with staff findings.

APPLICANT PRESENTATION

Benjamin Tate, with Withey Morris Baugh, PLC, described the subject site location and surrounding land uses, details about the proposal, and presented the elevation renderings, site plan, and landscape plan. Mr. Tate described the project's features, how the project would make enhancements to the Grand Canalscape, a \$250,000 donation to the City of Phoenix for canalscape improvements, how the proposal is incorporating sustainability, and concluded with a summary of the proposal.

QUESTIONS FROM THE COMMITTEE

Committee Member Adams asked how the development addresses shaded sidewalks, what the species of milkweed shrubs will be required, and how the development will mitigate the negative impact of the canal when it is drained and cleaned. **Mr. Tate**

explained that the PUD requires the sidewalks on Coolidge Street and Central Avenue be 75% shaded at tree maturity and 50% shaded along the Grand Canal. Mr. Tate explained that the shading along the Grand Canal is limited by only being able to provide trees and shade structures within the development's property lines. **Mr. Rogers** stated he would follow up with the milkweed species names. Mr. Tate explained that the Grand Canal must be cleaned once a year and it is something that the development will need to deal with.

Committee Member Christian Solorio stated that the City of Phoenix is in an affordable housing crisis, and he is happy to hear Councilperson Pastor brought up housing affordability as one of her top priorities. Committee Member Solorio explained that in the 2023 Low Income Housing Tax Credit awards the average cost of an affordable housing unit was \$380,000 and stated that there seems to be a disconnect between the amount that would have been donated for affordable housing and the \$250,000 that will be donated for improvements to the Grand Canal. **Mr. Tate** explained that the donation amount was calculated by using a previous zoning case in 2018 where an in-lieu housing contribution was calculated on a square foot basis. Mr. Tate stated that the inflation adjusted donation amount for the in-lieu housing contribution would have been \$237,000 for this project, so the \$250,000 canalscape donation is greater than the amount the in-lieu fee would have been. Committee Member Solorio stated that a better precedent should be set.

Committee Member Pamela Fitzgerald asked if any restaurants are currently interested in occupying the canal-oriented restaurant. **Mr. Tate** stated that the developer is in talks with a user but that information has not been made public. Committee Member Fitzgerald asked how optimistic the development team is about cooperation with the Salt River Project (SRP). Mr. Tate stated he is somewhat optimistic because the south side of the canal has a service road which should satisfy SRP's maintenance needs and because SRP has worked with Scottsdale and allowed them to make canalscape improvements.

Committee Member Jim DeGraffenreid asked about traffic that will cut through neighborhoods, asked if there is sufficient light rail capacity, and stated he would like the committee to consider having the \$250,000 donation go directly to low-income housing now rather than to affordable housing in five years if an agreement between the City of Phoenix and SRP cannot be made regarding canalscape improvements. **Mr. Tate** stated that traffic impact analysis found that 150 additional units will not have a significant impact on an arterial street such as Central Avenue and stated there is sufficient light rail capacity.

Committee Member Jak Keyser stated that traffic along Central Avenue will get better once the area reaches a critical mass of mixed-use development and residents have the ability to live, work, and play in the area. Committee Member Keyser stated he worked on affordable housing between 2006 and 2016 in his area around 27th Avenue and had also worked with the Bureau of Reclamation and SRP to do canalscape improvements.

Committee Member Keyser stated that some of the fees the City of Phoenix will charge the development will go towards art.

Committee Member Elizabeth Sanchez asked for confirmation that no affordable housing is proposed as part of the development and stated that some of the development surrounding light rail and transit should be affordable. **Mr. Tate** stated that the absence of affordable housing is a result of high land cost and construction costs, not because the development team does not want to build affordable units.

Committee Member Pamela Fitzgerald stated that there are many affordable housing complexes along Camelback Road from Central to 19th and up 17th and 18th.

Committee Member Melisa Camp asked how many luxury multifamily developments are in the area, asked what type of construction will be used, will water be recaptured, and is there enough water. **Mr. Tate** stated that land cost, construction costs, and interest rates cause developers to have to build luxury developments, explained that development would be concrete on the first two stories and wood frame construction on the upper five stories and stated that water recapturing has not been discussed, but sustainability is important to the developer and the development team is open to continuing the conversation after the meeting. **Mr. Tate** stated that there is enough water to supply the development and stated that multifamily is the most water efficient form of housing. **Committee Member Camp** asked how and if the development will use solar and geothermal energy and asked how many basic needs will be provided in the commercial spaces. **Lorne Wallace**, the developer, explained he has had difficulty researching geothermal power because there is not much precedent for geothermal power in Arizona, and stated he is looking into solar power, but the development is restricted by the amount of available roof space. **Mr. Tate** explained that the commercial spaces have not been leased, but any use allowed in the Walkable Urban Code would be allowed. **Committee Member Camp** asked if the live/work units and leasing office are included in the 7,100 square feet of commercial space and if the developer is planning to sell or hold the property. **Mr. Tate** stated that the first floor of live/work units and the leasing office are counted toward the total square footage of commercial space. **Mr. Wallace** stated that he is planning to hold the property.

Committee Member Keyser stated that affordable housing does not make sense on Central Avenue because of the price per square foot and because the State of Arizona does not provide subsidies for the construction of affordable housing. **Committee Member Keyser** stated the development will also have to pay impact fees and asked about the fee amount that will go towards art and the total project cost. **Mr. Tate** stated that he does not know the exact amount, but stated it is a lot of money.

Committee Member Jamaar Williams asked how large the area is where the \$250,000 donation towards canalscape improvements will be spent. **Mr. Tate** stated that the decision of where the \$250,000 donation is spent will be up to the City of Phoenix and added that it is in the development's best interest to have the funds spent along the stipulated stretch of canal frontage rather than only in front of the

development's frontage. Committee Member Williams asked how hopeful the development team is that SRP will allow the City of Phoenix to make improvements along the Grand Canal and asked if any other Council Members other than Councilperson Pastor had been involved in discussion with SRP. Mr. Tate stated that he thought SRP was interested in working with the City on the canalscape improvements, but SRP was not incentivized to move quickly. Mr. Tate explained that the donation funds will be spent in Councilperson Pastor's district between 7th Street and 7th Avenue, so only Councilperson Pastor had been involved in discussions with SRP.

Committee Member DeGraffenreid reiterated that he believed that the donation funds should be used for affordable housing now, rather than for canalscape improvements and explained that with land prices rising, \$250,000 will not be much money for affordable housing in five years.

Committee Member Keyser stated he does not think the citywide burden of funding affordable housing should be placed on one developer and explained that the City of Phoenix needs fund from everywhere. Mr. Keyser added that wealthy people need places to live as well, stated that wealthy people coming to Phoenix is good for the economy, and explained that if there is more money in the economy, there will be higher tax revenues that can be spent of affordable housing.

PUBLIC COMMENTS

Jeremy Thacker explained that the half mile between Central to 7th and between Indian School to Camelback will triple in population to become the densest neighborhood in the City of Phoenix with 4,500 multifamily luxury units coming into the area. Mr. Thacker explained that in these new developments there is 0% affordable-housing, 1% commercial, and 2,000 parking spaces. Mr. Thacker explained that the light rail causes all traffic leaving the development to turn south onto Central Avenue towards Mr. Thacker's neighborhood, the Carnation Neighborhood. Mr. Thacker asked why all traffic is being directed away from Coolidge Street and towards his neighborhood. Mr. Thacker stated that 2,500 square feet of commercial is not enough and explained that the restaurant space should be where the commercial is indoors, and the proposed location of the restaurant should be a patio. Mr. Thacker stated the policy framework provides height incentives if 30% of open space or affordable housing is provided and explained that to receive the height incentive the development should have to donate the equivalent cost of providing 30% open space towards improving the canalscape. Mr. Thacker stated that 30% of the \$2.5 million land cost is \$750,000, so \$750,000 should have been donated to improve the canalscape for the development to receive the height incentive. Mr. Thacker stated that paid parking should be implemented to reduce rents and encourage transit usage.

Ken Waters stated that the Uptown TOD Policy Plan states that this site calls for Transect T5, while the proposal is for Transect T6 to get an additional 24 feet in height. Mr. Waters stated that this is a good project but proposed three items that should be different. First, there should be more patio space, second the live/work units should be

converted to commercial, and third the leasing office should be moved off Central Avenue.

Ron Szematowicz stated he would be in favor of the project if the traffic stays on Central Avenue, explained multifamily developments are causing traffic issues in the area, and stated it is dangerous to turn onto Central Avenue from Coolidge Street due to the abundance of cars parked along Coolidge Street.

APPLICANT RESPONSE

Mr. Tate thanked members of the public for their comments and stated that he hopes members of the committee and the public can see the thought, effort, and patience that went into addressing community concerns. Mr. Tate stated that there are trade off with shuffling the first-floor commercial space and explained that if the restaurant is moved inside, commercial space will be lost. Mr. Tate referenced concerns about approximately 4,000 new units coming into the area and stated that the staff report references the Uptown TOD Policy Plan which projects a shortfall of approximately 10,000 housing units in the Central corridor alone. Mr. Tate asked where density should go if not near light rail and in a location designated for density in City of Phoenix policy plans. Mr. Tate stated that the Traffic Impact Analysis showed that the development will not have a significant impact on surrounding neighborhoods such as the Carnation Neighborhood. Mr. Tate stated that Mr. Waters had expressed a desire for the entirety of the project frontage along the Grand Canal to be commercial and explained that the developer is already taking a great risk by providing a restaurant with no street frontage.

FLOOR/PUBLIC DISCUSSION CLOSED: MOTION, DISCUSSION, AND VOTE

Committee Member Maurita Harris asked if the committee is able to alter the amount of the donation. **Mr. Rogers** stated that the committee may make a motion to alter any of the stipulations. Committee Member Harris stated that she would like to make a motion to increase the donation amount to \$500,000 and reduce the time frame before funds are transferred to the Housing Department to three years.

Committee Member Solorio stated that the time limit for the City of Phoenix and the Salt River Project to reach an agreement before funds are transferred to the Housing Department should be decreased to zero years.

Committee Member Harris asked if the funds are given to the Housing Department will the developer still make improvements along the Grand Canal. **Chair Bryck** asked Mr. Tate to respond to Committee Member Harris' question. **Mr. Wallace** stated that donating to the Housing Department and making canalcape improvements had not been discussed. **Mr. Tate** stated that the canal is owned by SRP and not by the developer, so improvements should be made by the City of Phoenix through cooperation with SRP. Chair Bryck summarized Mr. Tate's comment that in the current proposal either affordable housing will be funded or canal improvements somewhere

along the Grand Canal. **Mr. Rogers** clarified that, per Stipulation No. 2, canalscape improvements are required to be made between Central Avenue and 3rd Avenue.

Committee Member Harris asked where the money will go if it is given for affordable housing. **Mr. Rogers** stated that funds are required to be spent on affordable housing within Council District 4.

MOTION

Committee Member Harris made a motion to recommend approval of Z-9-22-4 per the staff recommendation with modifications to Stipulation No. 2 to increase the donation amount from \$250,000 to \$500,000 and to decrease the time limit for the City of Phoenix and the Salt River Project to reach an agreement before funds are transferred to the Housing Department from five years to zero years. **Committee Member DeGraffenreid** seconded the motion.

DISCUSSION

Committee Member Keyser stated that the proposed motion will not get past Planning Commission or City Council and stated that the committee is looking a gift horse in the mouth as the developer is offering \$250,000. **Committee Member Keyser** stated that the proper way to provide affordable housing should be a City Ordinance that requires a fee to be assessed on new developments that shall be used for affordable housing.

Committee Member Harris stated that she thinks the committee should still try to pass the motion even if it will not get past Planning Commission and City Council.

Committee Member Solorio stated that **Committee Member Keyser** was describing Mandatory Inclusionary Zoning which is illegal in Arizona. **Committee Member DeGraffenreid** stated that whether the proposed motion will get past Planning Commission and City Council, it is the responsibility of the committee to push on the City of Phoenix.

Committee Member Dina Smith asked how to the Housing Department can spend the funds if they receive them. **Mr. Rogers** stated that the fund must be used for affordable housing in Council District 4.

Committee Member Keyser stated that improving the canalscape will be good for the City and stated he would like to increase the donation amount and reduce the time frame before funds are transferred to the Housing Department to three years.

Chair Bryck stated that he was excited for the project as a former member of the ReinventPhx committee where there was a huge push towards canalscape improvements. **Chair Bryck** explained that this project represents a test case for canal development and stated he was hopeful that this project would catalyze canal development across the City.

Committee Member Keith Ender asked who funded other improvements along the Grand Canal. **Committee Member Keyser** stated that in Scottsdale the City of Scottsdale and the Maricopa Association of Governments funded canalscape

improvements. Committee Member Keyser echoed Chair Bryck's hopes that this development will catalyze canalscape improvements in other developments.

Committee Member Harris asked if the committee could require a total donation of \$500,000 with \$250,000 going towards canalscape improvements and \$250,000 for affordable housing. **Mr. Rogers** stated that the committee can modify or add stipulations as they see fit.

Committee Member Harris stated that she would like to make a friendly amendment to her motion to modify Stipulation No. 2 to reduce the time frame before funds are transferred to the Housing Department to three years and to require an additional \$250,000 to be donated directly to housing department. **Committee Member DeGraffenreid** accepted the friendly amendment.

Committee Member Ender stated that the developer's donation of \$250,000 is generous and stated this is not the right venue to be debating for affordable housing.

Committee Member Adams stated that increased landscaping along the canal will draw in more development that can potentially fund affordable housing.

Committee Member Solorio stated that the developer is receiving height allowances for providing the donation, so the Village Planning Committee is where the stipulations should be debated.

VOTE

4-9, motion to recommend approval of Z-9-22-4 per the staff recommendation with modifications fails with committee members DeGraffenreid, Harris, Solorio, and Williams in favor and committee members Adams, Camp, Ender, Fitzgerald, Keyser, Sanchez, Smith, Shore, and Bryck opposed.

MOTION

Committee Member Adams made a motion to recommend approval of Z-9-22-4 per the staff recommendation. **Committee Member Fitzgerald** seconded the motion.

VOTE

8-5, motion to recommend approval of Z-9-22-4 per the staff recommendation passes with committee members Adams, Ender, Fitzgerald, Keyser, Smith, Solorio, Shore, and Bryck in favor and committee members Camp, DeGraffenreid, Harris, Sanchez, and Williams opposed.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

Staff has no comment.