



Village Planning Committee Meeting Summary Z-61-19-2

Date of VPC Meeting	June 1, 2020
Request From	C-2 PCD (Intermediate Commercial, Planned Community District) (2.41 acres)
Request To	PUD (Planned Unit Development) (2.41 acres)
Proposed Use	Multifamily and commercial uses
Location	Approximately 350 feet north of the northwest corner of Scottsdale Road and Tierra Buena Lan
VPC Recommendation	Denial
VPC Vote	8-5

VPC DISCUSSION & RECOMMENDATION:

Mr. David Simmons, staff, went provided an overview of the request to include the background, issues and analysis of the site. He displayed an aerial map, zoning map, General Plan designation map, proposed site plan, setback exhibit, landscape plan and elevations. Mr. Simmons also touched on the proposed projects features that go above and beyond traditional zoning including the pedestrian pathway going through the site. Mr. Simmons provided an overview of the recommended stipulations for the case and explained why they are important.

Mr. Robert Goodhue asked Mr. Simmons if the Lennar letter send just prior to the meeting was send to the members of the committee.

Mr. Simmons stated that it had not, but would be sent first thing in the morning.

Mr. Mathew Avrhami asked why the comparable development standards used for this residential development were commercial.

Mr. Simmons explained that the applicant opted to utilize C-2 standards for the comparable zoning district for the PUD. Multifamily is an allowed use in commercial districts. Also, all off eh recent multifamily cases have also utilized the C-2 standards as the comparable zoning district, so this is consistent with the character of the surrounding area.

Mr. Goodhue stated that parking requirements are of concern.

Applicant Presentation:

Mr. Nick Wood with Snell and Wilmer, shared that the developers of the Embrey project are headquartered in Dallas, Texas and they are a family owned business that takes pride in their projects. He went over the surrounding land uses and highlighted that the last seven rezoning cases in the area are also PUD's. He speculated what would happen along Scottsdale road in the future as many of the existing furniture stores are struggling. He went over the height analysis in the, which reflects a consistency in height with this proposal. He went over the exterior architectural design features and explained how they are superior to many other developments. He went over the enhanced street scape along the Scottsdale Road frontage. He shared the unit count for this proposal to be at 266 nits. He went over parking calculations and shared that this is the only new project proposed in the Kierland area that is over parked. He went over the loading area in the west side of the site and explained that this is where moving trucks would dock and where rise share companies will pick-up and drop-off customers. We went over the enhanced setbacks and amenity areas. He also shared a signage package and stated that this is of great interest to surrounding stakeholders.

Committee Comments:

Mr. Robert Goodhue brought to the applicant's attention that there seems to be a discrepancy between the parking calculations for the Optima project just presented and this proposal.

Mr. Joe Lesher asked what the setback is along Scottsdale Road for the existing building.

Mr. Nick Wood stated that he does not know what the existing setback is for eth Room Store building.

Mr. Lesher stated that this project, if approved, will set a precedent with all new development along Scottdale Road. He stated that he questions that the proposed setback is sufficient.

Mr. Wood stated that this project will set a president for all future development along this corridor and this is why it contains so many elements that are far more superior than other projects in the area.

Mr. Mathew Avrhami asked to go over the setbacks again.

Mr. Wood went back to the setback slides and explained each side highlighting the Scottsdale Road frontage.

Mr. Avrhami asked what the ceiling heights were.

Mr. Wood stated that he was unsure of the exact measurement.

Mr. Avrhami asked how big the windows were.

Mr. Wood stated that he was unsure of the exact measurements.

Mr. Avrhami asked Mr. Wood if he had a comparative table listing all other developments in the area.

Mr. Wood shared that he had no such comparison table available at this time.

Mr. Avrhami asked the applicant to speak to the community outreach he had conducted to date.

Mr. Wood explained that he and the development team did extensive outreach with surrounding stakeholders, property owners and businesses. He explained that he conducted courtesy presentation with many surrounding interested parties.

Mr. Alan Sparks stated that he had questions about the letter sent out from Lennar. He asked if representatives from Lennar reached out during the community outreach process. He also stated that commercial could not sustain itself at this location. He stated that there simply isn't enough foot traffic. He shared that he thinks a coffee shop or general purpose commercial use may be able to sustain itself here and should be considered due to the fact that there are a lot more residential units in the area than ever before.

Mr. Wood shared that they had not heard Lennar's request for retail at this location prior to this meeting. He stated that we are here at the 11th hour and 59th second and are just now hearing this. He shared that Lennar had ample time to address this prior to this meeting.

Mr. Avrhami asked about the drop off location and accessways.

Mr. Wood went over the shared access agreements between abutting parcels, the loading space area as well as the left turn lane on Scottsdale Road. He went over maneuvering in and around the site.

Public Comment:

Mr. Tom Stern started by thanking Mr. Wood for providing the signage plan. He stated that he has concerns with increased traffic. There is no way for residents to make a left hand turn out of the development onto Scottsdale road. The neighboring furniture store are concerned that they will see an increase in cut thru traffic.

Mr. Nathan Stum, competing developer, stated that he works across the street in Scottsdale. He shared that he has concerns with residential overrunning the area. He is concerned about multifamily development being built along the Scottsdale Road frontage with no ground level commercial uses. He stated that any project along Scottsdale Road should be mixed use. He stated that the subject site is viable for commercial as this is an incredible ground floor commercial opportunity. He stated that this has nothing to do with competition. This project is out of place on Scottsdale Road. He thinks that a minimum of

30,000 square feet of retail should be incorporated into the ground floor of the proposal to make it viable. He does not support the project as it stands now.

Mr. Jimmy McClusky, developer of Embrey, appreciates Nates comments. He stated that he is pleased with the public participation they received throughout the process and have incorporated many changes resulting from stakeholder concerns.

Ms. Dawn Cartier, traffic engineer for the project, shared that the parking study was holistic and includes all surrounding land uses and projects. She shared that a signal at the intersection of Tierra Buena is not ruled out by the City of Scottsdale at this time, it just isn't going to be installed now.

Mr. Wood shared that mixed use never came up during the course of public outreach and discussion. He stated that stakeholders had plenty of time to bring up this concern. He stated that it is outrageous that a competitor would spring this on him at the public meeting for the first time.

Committee Discussion:

Chair Woman Jennifer Hall asked staff what the City of Scottsdale standards are along Scottsdale Road.

Mr. David Simmons stated that the City of Scottsdale did not provide comment on this case and was not certain what Scottsdale's standards are within their municipal boundary. However, we will soon see when the Cracker Jax site is redeveloped.

Mr. Eric Cashman stated that he has heard a lot of double talk in this meeting. However, he like the proposal and will support a recommendation for approval.

Mr. Mathew Avrhami shared that he was in support of the project initially and knows that the development team has worked very hard on making this a good design for the area. He shared that he has two important talking points. The sales tax revenue and the use. He also stated that access is not great here.

Mr. Roy Wise shared that the development team put together a great package. He is supportive of the proposal.

Mr. Robert Goodhue stated that this project does not compare to a project located in the Central Core of Phoenix abutting light rail. This is a totally different environment. He shared that commercial uses are allowed in the PUD. He is supportive.

Mr. Alan Sparks shared that he appreciates Mr. Avrhami's comments. Generally supportive, but cannot compare with projects along 71st Street. He stated that he has noticed a disconnect in communication between the development team and stakeholders. He stated that he thinks the project is very well designed, but does not like that it does not include a mixed use component. He asked the applicant to consider retail on the ground level.

Mr. Bob Enright has concerns about the residential taking up the entire building. He stated that this is a last-minute opportunity to consider adding a retail component.

Mr. Eric Cashman thanked Mr. Goodhue for his comments and is glad that commercial is an allowed use in the PUD. He stated that lower level units can be converted to commercial if they are found to be undesirable by tenants due to traffic noise and other things.

Mr. Paul Severs asked staff if the applicant would have to go back through a rezoning process to include retail on the ground floor.

Mr. David Simmons shared that they would not. The PUD allows commercial uses on this site, if approved.

Mr. Avrhami stated that transforming ground floor units into retail would be cost prohibitive as the building is designed now due to building code requirements, loading, etc.

Mr. Jimmy McClousky, developer, stated that the first floor and top floor units are the most desirable units in the building. They are high end. He and his team have studied trends. He shared that the Room Store building has been vacant for five years. He also shared that due to high land values, a higher density project is required in order to make a profit here.

Chairwoman Jennifer Hall stated that the Village Planning Committee members are custodians of the Kierland area. If we make a bad decision, the future of the Kierland corridor could go very bad. She shared that she has asked the developer to incorporate stepbacks at the very beginning of the process, so Scottsdale Road would not have a canyon effect as this is not acceptable. She stated that this project will set a precedent for future development along Scottsdale Road. This is a main road. We must think about these things.

Mr. Avrhami shared that another multifamily project along Scottsdale Road has setbacks of approximately 38 feet. This Embrey proposal is nowhere close to this. He shared that he is not supportive of the proposal.

MOTION:

Mr. Mathew Avrhami made a motion to recommend denial of Rezoning Case No. Z-61-19-2.

Mr. Joe Leshner seconded the motion.

VOTE:

8-5 with committee members Hall, Avrhami, Balderrama, Cantor, Enright, Leshner, Severs and Sparks in favor. Committee members Cashman, Goodhue, Mazza, Ulibarri and Wise not in favor. Mr. Robert Gubser abstained due to a conflict of interest.

STIPULATIONS

Stipulations

1. An updated Development Narrative for the Embrey Kierland PUD reflecting the changes approved through this request shall be submitted to the Planning and Development Department within 30 days of City Council approval of this request. The updated Development Narrative shall be consistent with the Development Narrative date stamped May 6, 2020, as modified by the following stipulations:
 - a. Front Cover: Remove "HEARING DRAFT" and revise submittal date information on bottom of the cover page as follows:
1st Submittal: November 12, 2019
2nd Submittal: February 14, 2020
Hearing Draft: May 6, 2020
City Council adopted: TBD
2. The developer shall construct all streets within and adjacent to the development with paving, curb, gutter, sidewalk, curb ramps, streetlights, median islands, landscaping and other incidentals, as per plans approved by the Planning and Development Department. All improvements shall comply with all ADA accessibility standards.
3. The applicant shall submit a Traffic Impact Study/Statement to the City for this development. No preliminary approval of plans shall be granted until the study is reviewed and approved by the City. Upon completion of the TIS the developer shall submit the completed TIS to the Planning and Development Department counter with instruction to forward the study to the Street Transportation Department, Design Section.
4. The property owner shall record documents that disclose the existence, and operational characteristics of Scottsdale Municipal Airport (SDL) 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.
5. The developer shall provide documentation to the City of Phoenix prior to final site plan approval that Form 7460-1 has been filed for the development and that the development received a "No Hazard Determination" from the FAA. If temporary equipment used during construction exceeds the height of the permanent structure a separate Form 7460-1 shall be submitted to the FAA and a "No Hazard Determination" obtained prior to the construction start date.
6. 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.
7. Prior to preliminary site plan approval, the landowner shall execute a Proposition 207 waiver of claims in a form approved by the City Attorney's Office. 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.

STAFF COMMENTS REGARDING VPC RECOMMENDATION:

Committee Member Cashman, Goodhue, Mazza, Ulibarri and Wise opposed the motion as they believe the project is good. Staff has no concerns.