Attachment F



June 1, 2020

Paradise Valley Village Planning Committee City of Phoenix Planning and Development Department 200 West Washington Street 3rd Floor Phoenix, AZ 85003

RE: Rezoning Case Z-61-19-2 - Embrey PUD Proposal

Committee Members,

This letter is concerning the rezoning Case Z-61-19-2 (Embrey Project), which proposes to rezone the parcel located at 15826 N. Scottsdale Road. Lennar Multifamily Communities (LMC) is in general support of the redevelopment of the subject parcel but not in support of the Embrey Project PUD as currently proposed. We hope that the Paradise Valley Village Planning Committee will not provide a positive recommendation to the Planning Commission for the requested rezone.

As some of you may be aware, LMC owns 3.8 acres that is currently under construction to the immediate West of the subject parcel. We are proud to be a part of the evolution that is taking place in Kierland and understand that the redevelopment of other properties in the area is an important part of maintaining Kierland's status as a relevant and upscale urban area.

As a significant stakeholder in Kierland, LMC is committed to supporting future development of all types that bring value to the area, including high-end residential development. We believe there is sufficient demand in the submarket to accommodate more high-end residential, but that additional residential development should be of the right quality and in the right location to maintain the integrity of the Kierland brand.

During the zoning case for our Kierland project in 2018, there were many who voiced concerns that residential development would overrun much of the commercial/retail uses in Kierland – especially north of Tierra Buena Lane. Our response was a sincere and reasonable one. High-end residential along 71st Street is a sensible use but there would be little to fear of the City allowing property to be rezoned for residential along the Scottsdale Road frontage which is prime for *commercial* use and redevelopment. This seemed to help assuage concerns at the time.

We are as disappointed, as you may be, to see a proposal that eliminates commercial along this stretch of Scottsdale Road. The notion that commercial is not viable at this site because the existing furniture store has sat vacant for several years is untenable. Common sense should lead any of us to this conclusion given its prime Scottsdale Road frontage just blocks north of two of the most popular and successful shopping malls in the state. Furthermore, the furniture stores along Scottsdale Road (Copenhagen, Ladlows, and La-Z-Boy) do very well. In fact, the adjacent La-Z-Boy store consistently ranks as the 2nd highest grossing store out of over 200 nationwide. While it is likely that the existing furniture stores in this area will eventually give way to future redevelopment, there is no reason to forever eliminate some of the best commercial/retail redevelopment property in the City of Phoenix to accommodate the proposed project. Eliminating commercial on this parcel will also make future commercial/retail redevelopment of the adjacent parcels more challenging as well.

If a rezone is granted for this property to accommodate a residential use, it should be for a true mixed-use project that replaces the approximate 30,000 SF of existing commercial space that would be eliminated. We are seeing this done downtown with success even in locations that are genuinely challenging. LMC accomplished this at Central & McDowell in a mixed-use project that incorporates restaurant and retail space that truly activates the ground level. While many properties in the city that are zoned commercial could warrant a rezone to high density residential without mixed-use, this is not one of them.

As a residential mixed-use developer, we are put in an uncomfortable position having to oppose this project. Our intentions are to see the applicant proceed with a high-quality development that is accretive to the Kierland brand and appropriate for the site. What is best for LMC is also the best for the Kierland area and the City - a high-quality mixed-use project.

While our primary concern with the rezone is with the proposed use, other items should be of concern to the committee.

- The proposed setback along Scottsdale Road is far from sufficient for any redevelopment. Setbacks for projects along 71st Street should not be compared to appropriate setbacks for Scottsdale Road frontage. The proposed setbacks should be increased significantly.
- The proposed density of 128 du/ac for a wood-framed product under 70ft. is problematic for this area. At this density, this building will appear from any onlooker as way too dense and will not be perceived as high-end as a result. This density can be contrasted with LMC's adjacent project with 78 du/ac. In addition to including a meaningful amount of functional retail space at the ground level, a maximum residential density of 80 du/ac should be required.

Lastly, please see the attached images of a mixed-use development LMC recently completed across the street at Scottsdale Quarter. This mixed-use project includes 300 units and 38,000 SF of retail on 3.5 acres. Phoenix can get a high-quality mixed-use project of this caliper at this location. Many developers will consider it a bargain to bring you something that looks like this in exchange for the zoning to accommodate it.

Sincerely,

Nate Stum

Vice President, Development Lennar Multifamily Communities









David O Simmons

From: Dan Roark <jdr@ladlows.com>
Sent: Monday, June 1, 2020 4:45 PM

To: David O Simmons

Subject: Property located at 15826 N Scottsdale Road

Hello David,

I'm writing to express my thoughts regarding the proposed project at 15826 N Scottsdale Road. Our family owns the 5.6 acre parcel at 16000 N Scottsdale Rd. which is just a few hundred feet north of the subject location and houses the Ladlow's furniture business which has operated successfully for over 20 years.

Our primary concerns are the general lack of compatibility with neighboring retail buildings along Scottsdale Road, set-backs, and losing valuable circulation between the properties.

To begin, it seems inappropriate to squeeze a mediocre 68-foot apartment building in between two single-story retail furniture buildings. Kierland is a high-end business area and, If this plan is allowed as submitted, it is will look very strange and likely raise some eyebrows! There isn't another apartment building on Scottsdale Road for hundreds of feet to the south and well over a mile to the north. In regard to set-backs the proposed structure sits less than 25 feet from Scottsdale Road. Not only does the density crowd the site but existing retail furniture businesses will lose some visibility and a lot of important retail synergy. In addition the proposed minimal set-back on Scottsdale Rd. takes away internal circulation that has allowed consumers to drive or walk from Paradise Lane all the way to Optima, a distance of nearly one-half mile. This internal circulation not only benefits consumers and the retail stores but it also contributes to traffic safety by reducing ingress and egress along that section of Scottsdale Road.

We want to go on record that we're not opposed to the general concept of redevelopment. However, we cannot support the current proposal without significant modifications that would result in an improvement for the Kierland community. Modifications that would help would be a greater set-back on Scottsdale Rd. and some retail components on the ground level.

Thank you for your consideration of these comments.

Respectfully,

Dan Roark

David O Simmons

From: George Melara <gmelara@nelsenpartners.com>

Sent: Monday, June 1, 2020 9:56 PM

To: David O Simmons

Subject: Embryo Project PUD submittal

David,

I hope your doing well. I am the architect for Kierland Commons and Scottsdale Quarter. I also do the architectural reviews for the Kierland Master Association. Our office is at Kierland Commons and we have also done several studies across the street on the Cracker Jax site. I am very familiar with the area and have seen the transformation and the overall design strategy that has made this area a significant and successful core for not only the City of Phoenix, but the Valley as a whole. I would like to speak on this case. I have some serious concerns with this proposal. This proposal creates a terrible precedent that is not to the benefit of the City of Phoenix, nor does it enhance the Kierland community, many of us have worked very hard to preserve and create something special and valuable and this project undermines many of those values.

Best, George A. Melara, AIA, Vice President/ Managing Director

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