



## Village Planning Committee Meeting Summary Z-26-20-7

<b>Date of VPC Meeting</b>	December 14, 2020
<b>Request From</b>	DTC-Warehouse HP
<b>Request To</b>	DTC-Warehouse
<b>Proposed Use</b>	Historic Preservation Overlay removal
<b>Location</b>	Southwest corner of 1st Street and Jackson Street
<b>VPC Recommendation</b>	Approval, with stipulations
<b>VPC Vote</b>	9-2

### **VPC DISCUSSION & RECOMMENDED STIPULATIONS:**

*Items #6 (Z-26-20-7) and #7 (Z-TA-5-20-7) are companion cases and were heard together. Committee member Chris Colyer declared a conflict of interest and Will Gaona left the meeting during this item, bringing the quorum to 11.*

*3 speaker cards were submitted in favor, wishing to speak.  
2 speaker cards were submitted in opposition, wishing to speak.*

**Sarah Stockham**, staff, clarified that Item #6, Z-26-20 is a request to rezone the site to remove the Historic Preservation Overlay, Item #7 is a text amendment request to amend the height map and a third request is to remove the conservation easement on site that will be voted on by the Historic Preservation Committee. Ms. Stockham displayed an aerial map, reviewed surrounding zoning and land uses, the applicant requests and the staff recommendation of denial.

**Patrick Panetta** asked for clarification on the FAA/Aviation Department findings. **Ms. Stockham** replied that while the applicant received a No Hazard Determination by the FAA, the Aviation Department commented that the FAA did not consider the request in relation to the critical safety surface (referred to as the one-engine inoperable departure surface) and this proposal will penetrate that critical safety surface and could result in the FAA changing certain flight paths over the downtown area and historic neighborhoods.

**Eva Olivas** asked what the Historic Preservation Committee thought of the request and why this committee is hearing the request first. **Ms. Stockham** replied that the Historic Preservation Committee is hearing the request next Monday since this committee meets prior to that meeting, and the applicant did present for information only to the Historic Preservation Committee.

**Veronyka Lockhart** asked for clarification on the requests. **Ms. Stockham** replied that Z-26-20 is a request to rezone from DTC-Warehouse HP to DTC-Warehouse to remove the Historic Preservation Overlay and Z-TA-5-20 is a request to amend the height map to allow a height of 285 feet on site.

**Nick Wood**, representing the applicant with Snell and Wilmer, introduced himself and reviewed the surrounding zoning and the history of OIC, displayed historic photographs and renderings of the proposed building, and explained that the proposed building will maintain the exterior facades and they are working with the Aviation Department to reduce the height of the building.

**Veronyka Lockhart** asked what the height of the building would come down to if they reduced it. **Mr. Wood** replied that the height of the building would come down around 17 feet.

**Michael Langley** commented that this request has mitigating stipulations if approved and asked if there were any stipulations that the applicant could not meet and what the timeline is to complete them. **Mr. Wood** responded that this is a unique situation and OIC is a special organization that needs to be saved, and they are comfortable with the stipulations and will comply with all of them, and they are ready to begin work on the site soon.

**Dana Johnson** recognized the work done by OIC and asked to hear from Michelle Dodds, Historic Preservation Officer. **Ms. Dodds** replied that staff is opposed to the rezoning request to remove the Historic Preservation Overlay and the request to remove the conservation easement and is concerned with the precedent it will set.

**Nate Sonoskey** commented that worst case scenario- the request is not approved and OIC will come into economic hardship and not exist, and asked that if approved, could a stipulation be added that OIC stays in building, and if the project doesn't get built that the Historic Preservation conservation easement stay in place. **Mr. Wood** shared that he would support a stipulation for a development agreement that would ensure OIC would stay in the buildings.

**Wayne Rainey** commented that there are always exceptions to historic preservation policies, and this could dissuade property owners to participate in the process, and that a roof and a wall do not deserve more consideration than OIC.

**Eva Olivas** shared an experience with Historic Preservation regarding a home that was offered as a donation that was barely standing, and that due to the demolition requirements for historic properties they were unable to receive the donation, and shared concern hearing this before the Historic Preservation Commission.

**Patrick Panetta** shared that this request is to adaptively reuse the building and if the request was to scrape the site, he would be opposed, and asked for clarification on requirements for properties with Historic Preservation designations. **Ms. Dodds** replied that when a property is on the National and Phoenix Historic Property Registers, there are standards from the Secretary of the Interior that must be followed and the request to build a structure and maintain the facades is called facadism, which is not an appropriate practice for historic properties, and there is a letter from Chris Cody, the deputy State Historic Preservation Officer stating that if approved this building would be de-listed.

**Nate Sonoskey** shared that he worked on a historic caretaker house on Wrigley Field where they were able to adaptively reuse the building for elevator equipment and asked if there were examples of other proposals like this. **Mr. Wood** showed examples of buildings that saved the facades in Austin and Philadelphia and shared that the developer for the building, Thunderbird Legacy, is an African American owned company.

**Nate Sonoskey** asked if the applicant had plans for the site if this request is not approved. **Mr. Wood** shared that if the request is not approved, the owner will wait for the conservation easement to expire and will demolish the building.

**Chair Rachel Frazier Johnson** asked if there were any examples of this in Phoenix. **Ms. Dodds** replied that this request is unprecedented, there has not been a situation where an HP overlay has been removed on a structure that is still standing, and the intent of the conservation overlay is to preserve buildings.

**Public Comment:**

**Pastor Warren Stewart** commented that if approved, this project will allow OIC, that has done so much for the community, to continue to have a long-term footprint and legacy in the sixth-largest city in the nation.

**Pastor Reginald Bolding** commented that historic preservation is also about the people inside the building and OIC has contributed greatly to the culture and city of Phoenix.

**Dr. Gene Blue**, CEO of Arizona OIC, thanked the committee for the opportunity to speak and shared that OIC provides employment and training to economically disadvantaged people with little to no hope. Dr. Blue continued that the training provided gives them a leg up and with this proposal OIC intends to stay in the building and continue to provide job opportunities and thanked the committee for their time.

**Tim LaSota**, representing Preserve Phoenix, shared that no one questions the work done by OIC but asked if this is an appropriate land use for the site, and that a conservation easement is an agreement that someone enters into and it protects the City, if the City was to walk away from the agreement it would be an unlawful gift and would violate the gift clause, and that the conservation easement provides valuable time to preserve the heritage of the building.

**Bill Scheel**, with the Historic Preservation Commission, shared that this is a unprecedented case and there is a clear process to demolish a historic building that gives the City time to seek solutions to try and save the building, and this request circumvents that process.

**Nick Wood**, in response, commented that the client will pay back the funds given for the roof repairs which will not violate the gift clause, and this process is not being rushed as it has been in the pipeline for two years, and that there is no money that could come from anywhere that could save OIC, and asked the committee to weigh the value of OIC vs. the value of a roof and a wall.

**Chair Rachel Frazier Johnson** asked staff to clarify that the committee can vote to recommend approval, denial or a continuance. **Ms. Stockham** replied affirmatively.

**Veronyka Lockhart** shared that the work done by OIC is unprecedented and we can do more than what we think we can and to give this proposal a try, since OIC needs a chance to survive.

**For Z-26-20:**

**Motion:**

**Veronyka Lockhart** motioned to recommend approval of Z-26-20, with the stipulations as written in the staff report. **Wayne Rainey** seconded the motion.

**Discussion:**

**Dana Johnson** clarified that this vote is for the rezone to remove the Historic Preservation Overlay.

**Michael Langley** shared that while he supports Historic Preservation, the National Association of Realtors apologized for policies such a redlining and it is long-past time that changes were made.

**Eva Olivas** commented that OIC is the history of the building. **Darlene Martinez** echoed Ms. Olivas' comment.

**Nate Sonoskey** shared that given the extensive stipulations it will take at least a year to demolish the building, and that this request is specific to the tenant and should not be used as a precedent.

**Chair Rachel Frazier Johnson** shared that she is concerned with the precedent of this case and with much consideration will be voting yes and hopes that OIC will be an outlier.

**Vote:**

**9-2**, Motion to recommend approval of Z-26-20 passed, with Committee Members R. Johnson, Burns, Langley, Lockhart, Martinez, Olivas, Panetta, Rainey, and Sonoskey in favor with committee members Dubasik and Johnson opposed.

**For Z-TA-5-20:**

**Motion:**

**Michael Langley** motioned to recommend approval of Z-TA-5-20. **Darlene Martinez** seconded the motion.

**Discussion:**

**Patrick Panetta** advised the applicant to continue to work with the Aviation Department regarding the height of the building and impact to flight paths.

**Chair Rachel Frazier Johnson** echoed the concerns stated about the proposed height.

**Darlene Martinez** thanked OIC for the work they do in the community.

**Vote:**

**7-4**, motion to recommend approval of Z-TA-5-20 passed, with Committee Members Burns, Langley, Lockhart, Olivas, Panetta, Rainey, and Sonoskey in favor with committee members R. Johnson, Dubasik, Johnson, and Martinez opposed.

**STAFF COMMENTS REGARDING VPC RECOMMENDATION & STIPULATIONS:**

The committee voted to recommend approval with stipulations. Those stipulations were listed in the staff report in the event the request was approved. As such, staff has no comment on the stipulations.

1. Prior to submitting an application for a demolition permit to demolish any portion of the building existing before July 1, 2020, the property owner shall obtain a \$5 million performance bond for the purpose of restoring the existing building if no certificate of occupancy is issued within 3 years after demolition of the roof

and/or walls. The property owner shall submit a proof of the performance bond to the Planning and Development Department.

2. No demolition permit shall be issued for any portion of the building existing before July 1, 2020, until a building permit is issued for the construction of the proposed high-rise building.
3. Parallel parking stalls along Jackson Street shall remain public metered parking spaces, as approved by the Street Transportation Department. The developer shall coordinate with the Traffic Services division regarding any modification to the existing parking meters.
4. Proposed privatized use of parallel parking spaces shall be restricted to 1st Street, as approved by the Street Transportation Department.
5. Operations extending from the façade of the building such as outdoor dining space and other similar uses shall not result in the reduction of the Downtown Code required sidewalk width standards on Jackson Street (8 feet minimum) or 1st Street (6 feet minimum), as approved by the Street Transportation Department.
6. The developer shall provide an enhanced bulb-out at the southwest corner of 1st Street and Jackson Street to reduce the length of the pedestrian crossing, as approved by the Street Transportation Department.
7. The developer shall construct street and pedestrian light poles along Jackson Street and 1st Street per the City of Phoenix Jackson Street Standard Detail, as approved by the Street Transportation Department.
8. The applicant shall submit a Traffic Impact Study to the City for this development. No preliminary approval of plans shall be granted until the study is reviewed and approved by the City. Contact Mr. Matthew Wilson, Traffic Engineer III, (602) 262-7580, to set up a meeting to discuss the requirements of the study. The developer shall be responsible for the cost of improvements as required by the approved Traffic Impact study. The TIS shall include a signal warrant analysis for the intersection of 1st Street and Jackson Street. Development shall be responsible for funding of improvements as identified in the approved traffic study.
9. The developer shall construct all streets adjacent to the development with paving, curb, gutter, sidewalk, curb ramps, streetlights, landscaping and other incidentals as per plans approved by the Planning and Development Department. All improvements shall comply with all ADA accessibility standards.

10. The developer shall provide clearly defined, accessible pathways, constructed of decorative pavers, stamped or colored concrete, or other pavement treatment that visually contrasts with the adjacent parking and drive aisle surfaces, as approved by the Planning and Development Department.
11. The developer shall provide a No Hazard Determination for the proposed development from the FAA pursuant to the FAA's Form-7460 obstruction analysis review process, prior to construction permit approval, as per plans approved by the Planning and Development Department.
12. The property owner shall record documents that disclose the existence, and operational characteristics of Phoenix Sky Harbor 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.
13. The developer shall grant and record an aviation easement to the City of Phoenix for the site, per the content and form prescribed by the City Attorney prior to final site plan approval.
14. 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.
15. 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.
16. 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.