

## Attachment F

Heidi Brake Smith  
7120 E Kierland Blvd, Unit 708  
Scottsdale, AZ 85254  
203-253-4944

Delivered – Via Email

December 22, 2020

Alan Stephenson, [Alan.Stephenson@phoenix.gov](mailto:Alan.Stephenson@phoenix.gov)  
David Simmons, [David.simmons@phoenix.gov](mailto:David.simmons@phoenix.gov)  
PV Village Planning Council, [ParadiseValleyVPC@phoenix.gov](mailto:ParadiseValleyVPC@phoenix.gov)  
Councilman Waring, [jimwaring@waring.com](mailto:jimwaring@waring.com), [council.district.2@phoenix.gov](mailto:council.district.2@phoenix.gov)

Re: Application –Z-33-20, aka 7190

Dear Mr. Stephenson, Councilman Waring, David Simmons, and the Members of the PV Village Planning Council,

On December 7<sup>th</sup>, the PVVPC heard the 2<sup>nd</sup> and final presentation of Z 33-20-2. The PVVPC affirmed the project and it will now move to the Council, where I expect it to be approved.

As I replay the meeting in my head and look at my notes, I would like to make a few points for the record and a few closing requests.

- 1) N Wood's, the applicant's attorney, stated at the beginning of the meeting that the applicant will move the western edge of the 7190 an additional 15 feet to the east. This is an improvement to the PUD third submittal and one that we welcome. This change would affect all 10 floors. The unit count of 288 was decreased to 270. All of this was presented at the meeting, verbally. There were a few presentation pages with revision marks. Since these materials were not circulated ahead of time and that they are important improvements, I request that the next reiteration of plans be circulated in writing and/or drawings, when they are available.
- 2) The 'density re-allocation' in the presentation materials and the calculation of 'units' is complicated because we are a mixed community with both condominium ownership and rental units. In the case of 7120, the

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permitted units have been decreased driven by owners' decisions. The square footage of the building has not changed; the height is the same. The ambiguity lies in the original PUD and its interpretation of units. What is a 'built' unit? What happens when units are combined or changed? Does the combination of separate units by a buyer/owner change revert back to the developer? If there is no change in the physical structure (outer walls of the multi-residential building) should that density be re-allocated? I suspect that this discussion will continue as the application moves forward through the building department. Will we be able to follow this discussion through the process?

- 3) Timelines and timing have been important throughout this application. Many of the letters received days before the 12/7 meeting were in direct response to the release of staff comments, discussions with staff, owners and others only days before the 12/7 meeting. It is important to remember that the PUD 3<sup>rd</sup> submittal (11/17), the staff comments (11/20), the Neighborhood Meeting (11/30) and the PVVPC (12/7) all occurred within 3 weeks and noticeably around the Thanksgiving holiday period.
- 4) We understand that there was a plethora of letters written days before the 12/7 meeting. These letters and emails should be added to 3<sup>rd</sup> Staff Report.
- 5) We heard from speakers regarding the Interests of other groups, i.e., over all height and relationships to residential communities, that was not in written form. When meaningful, written documents substantiating those verbal statements should be attached to the formal record. Discussion items that are 'verbal' should be identified and researched if necessary.

After attending many early neighborhood presentations and self-identified interest groups including our HOA, the KCA, and Protect 7120, I realized that each of them did not fully represent us or our interests. Whether there was a developer bias (we can trust them tagline), or a leadership decision to not get involved, or we will have no 'neutral', I understood that we (Scott and I) were on our own. Many of the stakeholders still do not comprehend the full impact of the 7190 building (and the 15615 building). We are just experiencing this season the impact of two new buildings.

As a student of Urban Planning (Columbia MS GSAPP 2014) I chose to communicate directly with the Phoenix Planning staff and the PVVPC to discuss

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the PUD process and to work within the regulatory process. As a participant of the process in another community, I respect the process. I have communicated **in writing**, taking the time to articulate our planning vision, our concerns, and our intent. I have offered my comments **in writing** as a professional speaking to professionals. I encourage the decision makers hereafter to re-read the points that were made **in writing**, as the application moves forward. These letters are written to improve the Optima Kierland community and the 71<sup>st</sup> area by focusing on design and livability within the approval process.

I am heartened that this project (and 15615) will incorporate some, if not all, of our suggestions. There are many stakeholders involved and we need to be mindful of all interests: the owners of 7120 and 7180, the renters of 7140 and 7160, the developers, the attorney's, the neighboring projects and fully built communities. We will only begin to build a better building and a stronger community with everyone's input.

I wish you a safe holiday season,

Sincerely,

*Heidi Brake Smith*

Heidi Brake Smith  
Owner – 7120 Kierland, Unit 708

# Optima Kierland

Market Analysis &  
Economic Impact Analysis



ELLIOTT D. POLLACK & COMPANY

# Discussion Items



**Kierland Condo Values**

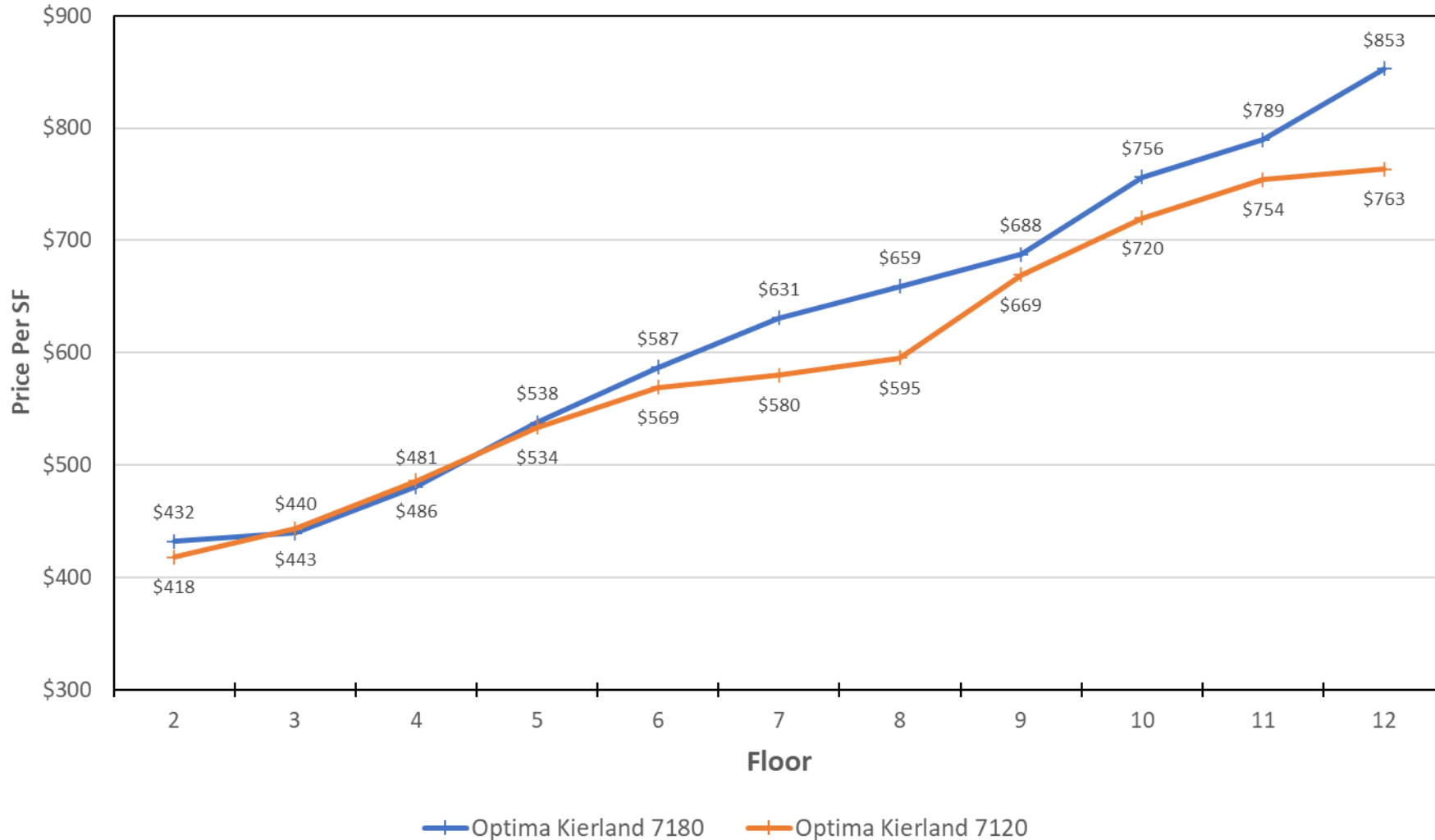


**Economic & Fiscal  
Impact of Kierland  
Optima 7190 Building**



# Comparison of Original Sale Prices Optima Kierland Buildings 7120 & 7180 Average Price Per Square Foot By Floor

Source: Optima Kierland, Maricopa County Assessor

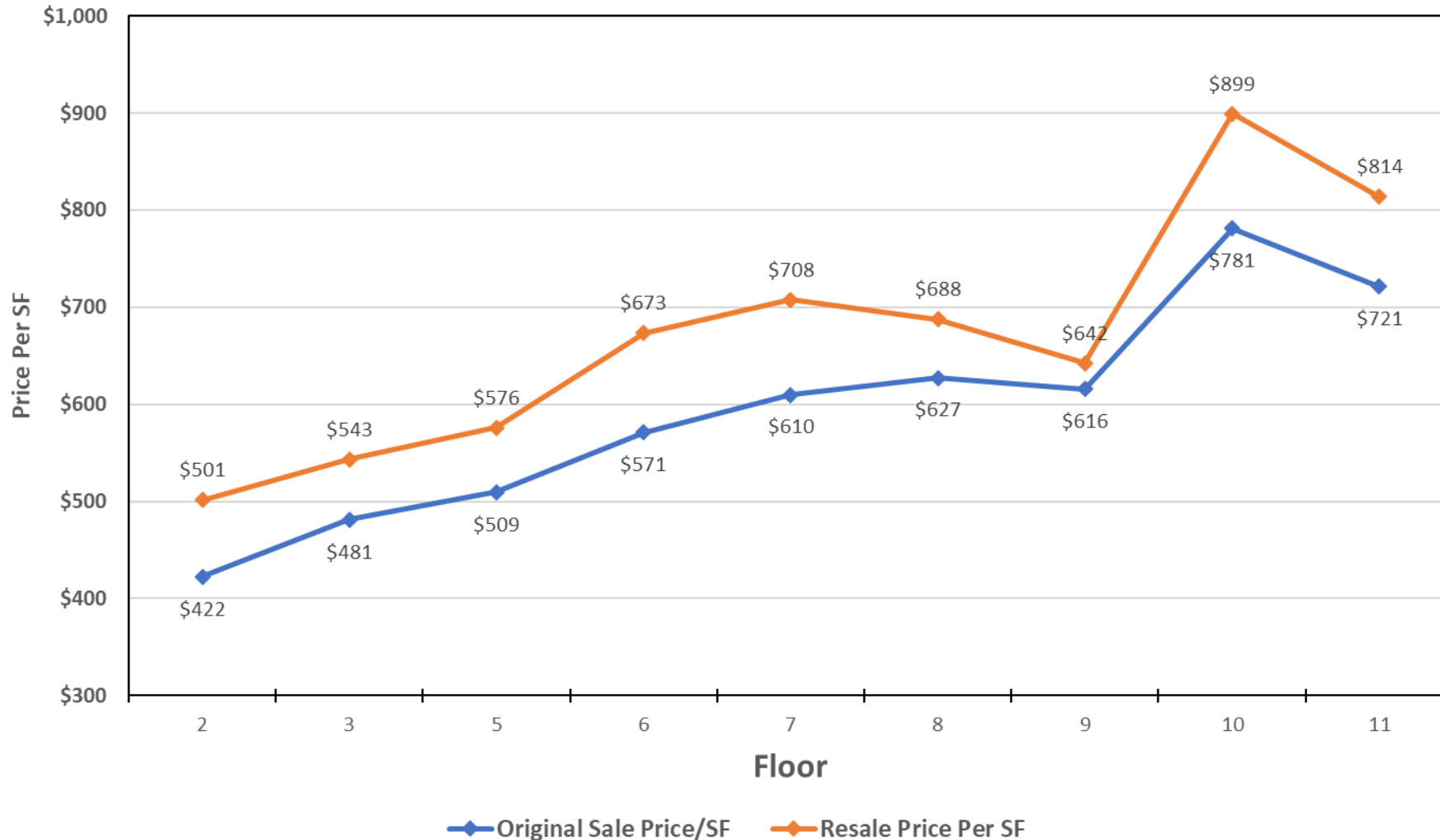


Prices averaged 3.5% higher for 7180 Building

For Floor 7+, prices for 7180 Building were 7.2% higher

# Comparison of Paired Sale Prices by Floor Optima Kierland Buildings 7120 Average Price Per Square Foot By Floor

Source: Optima Kierland, Maricopa County Assessor



## Paired Sales 7120 Building

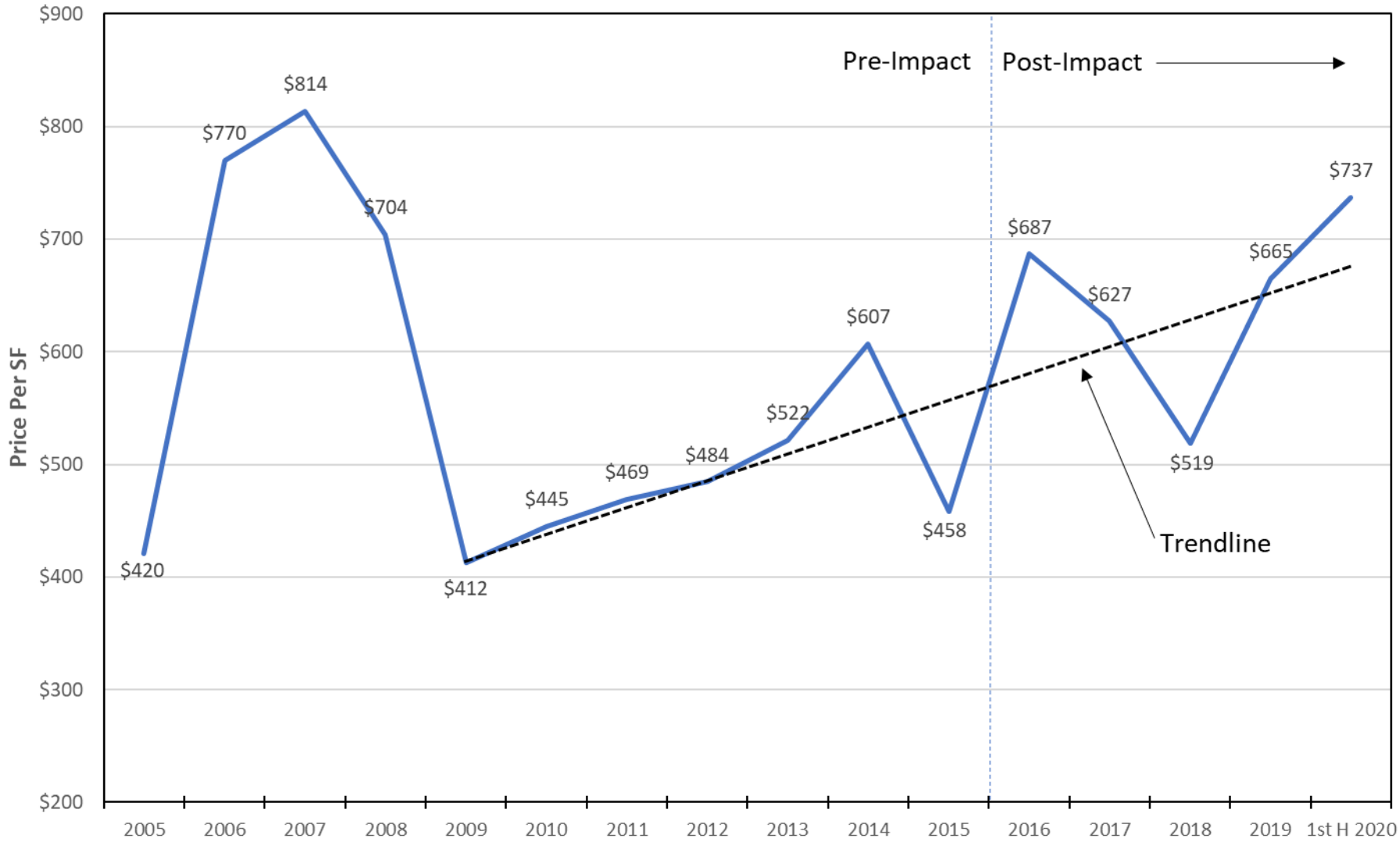
Average  
original sale  
price: \$607/sf

Average resale  
price: \$693/sf

Prices  
increased at  
an annual rate  
of 9.3%.

# Plaza Lofts at Kierland Price Per Square Foot 2005-2020

Source: RL Brown, Maricopa County Assessor



**Plaza Lofts units  
are still among  
the highest  
priced condo  
units in the  
Valley**



# What Makes Kierland Condos So Valuable?

- ▶ Walkable Environment
- ▶ Shopping
- ▶ Restaurants
- ▶ Jobs – both Office and Industrial
- ▶ More jobs planned for Loop 101 frontage
- ▶ Scottsdale's Brand

# Construction Economic Impact

## Economic Impact of Construction Optima Kierland Building 7190 Greater Phoenix (2020 Dollars)

Impact Type	Person Years of Employment	Wages	Economic Output
Direct	668	\$42,933,000	\$81,390,000
Indirect	95	\$5,587,000	\$16,537,000
Induced	287	\$15,370,000	\$47,442,000
<b>Total</b>	<b>1,050</b>	<b>\$63,890,000</b>	<b>\$145,369,000</b>

1/ The total may not equal the sum of the impacts due to rounding. All dollar figures are in constant dollars. Inflation has not been included in these figures.

Source: Optima, Inc.; Elliott D. Pollack & Company; IMPLAN



# Fiscal Impact to City of Phoenix

<b>Fiscal Impact</b>	
<b>Optima Kierland Building 7190</b>	
<b>City of Phoenix</b>	
<b>(2020 Dollars)</b>	
<b>Type of Impact</b>	<b>Impact</b>
<b>Construction Impact (One-time Revenue)</b>	<b>\$1,752,100</b>
<b>Operations Impact (on-Going Impact)</b>	
Property Tax	\$113,100
Lease tax	\$265,300
Sales tax	\$183,400
Utility Tax	\$10,300
State Shared Revenue	\$183,500
Secondary Revenue	\$99,900
<b>Total Operations Revenue</b>	<b>\$855,500</b>
Source: Optima, Inc.; Elliott D. Pollack & Company; IMPLAN	

**7190 Building is expected to create 171 jobs each year from its operations and spending of its residents**

# LUMATURE

15620 North Scottsdale Road • Scottsdale Arizona 85254

DeSanti Properties LLC  
6203 N Hogahn Circle  
Paradise Valley Az 85253

November 13, 2020

Mr. David Simmons, MA  
Planner II\* Village Planner  
200 West Washington Street  
3<sup>rd</sup> Floor  
Phoenix, AZ 85003

RE: Nearby Business Owners Letter of Support for Optima 15615 (Z-6-20-2) and Optima Kierland Center Phase II (Z-33-20-2)

Dear Mr. Simmons,

We are the owners of the furniture stores located at 15600-15610 (Bassett/DeSanti) and 15620 N Scottsdale Road (Lumature), which are abutting properties located immediately east and north of the two (2) Optima properties that are requesting zoning changes: rezoning cases Z-6-20-2 and Z-33-20-2.

Our prior letters of February 27 contained several concerns we both had regarding these projects at first impression. Since then, we have had an opportunity to discuss these projects with the Optima team and to review the respective PUD's proposed. Our concerns have been satisfactorily addressed and therefore we both respectfully withdraw our prior letters and request that the City note that we are both supporters of these applications.

We believe the redevelopment of both of these properties into luxury multi-family residential communities with 100% underground parking as well as quality architecture that Optima provides will enhance and benefit the Kierland area.

Sincerely,



Rod DeSanti  
Property Owner (Bassett)  
DeSanti Properties  
602-421-7589  
roddesanti@icloud.com



Mark Kerzner  
President/Owner (Lumature)  
Lumature  
602-421-7589  
mark@lumature.com

CC: Jim Waring, Phoenix City Councilman – District 2