

Scottsdale PROJECT NARRATIVE



□ Rezoning□ Use Permit□ Development Review□ Master Sign Programs□ Variance	Ø Other Infill Incentive District 4 Plan	Case # 1 - 11D-2003 Project Name <u>ScottsdaC</u> Location <u>SWC Camelbac</u> Applicant <u>Beus Gilbert</u>	e Waterfront ck & Scottsdale Rds
	SITE DET	AILS	
Paro □ Gross Floor Area □ Tot	Zoning:	Parking Provided: # Of Buildings: Height: Setbacks: <u>N-</u>	
In the follow	ing space, please des	cribe the project or the re	quest
see attached	Project Narrative	packet dated June	2, 2003

PROJECT NARRATIVE

The Scottsdale Waterfront Project application will result in the establishment of an Infill Incentive District and adoption of an Infill Incentive Plan under the provisions of Arizona Revised Statutes (A.R.S. Sec.9-499.10, discussed in detail later in this Narrative). Part of the 2000 Growing Smarter Plus legislation, Infill Incentive Districts provide cities with the authority to expedite processing of applications and plans, waive municipal fees and allow amendment of development standards in areas that meet specified criteria. The criteria are meant to stimulate private investment in areas where special incentives are needed – where, for example, there is a large number of vacant or underused parcels or an absence of development and investment activity compared to other areas in the city.

Over the past years, much discussion has focused on the "decline" of Downtown Scottsdale. Investment and new development have moved north. Competition from adjoining communities for new offices, employment centers, retail uses and resorts is fierce. There are vacancies in the Downtown area and concern about declining quality and property values. It is time to take decisive steps to turn things around. Through the Infill Incentive District, the Scottsdale Waterfront Project can provide a mechanism for stimulating new investment Downtown.

I. A BRIEF HISTORY

A. Approved Zoning

In early 1996, Cases 43-ZN-95 and 19-GP-95 were approved by the City Council. These cases included the expansion of Scottsdale Fashion Square south, across Camelback Road, and the first Nordstrom store in the Valley, with its above-grade parking structure. The Scottsdale Waterfront portion of this application was rezoned to create a mixed-use development that was widely hailed as the first step in Scottsdale's long-held dream of a vibrant urban waterfront environment that could help stimulate new investment throughout Downtown.

Approved zoning for the Scottsdale Waterfront site is Regional Commercial Office—Type 2 (D/RCO-Type 2) with a Planned Block Development (PBD) overlay. The Waterfront project was approved for approximately 1.1 million sq. ft. of gross floor area with a mix of retail, office, hotel, and entertainment uses (including a movie theater complex).

The plan envisioned an active and intense urban district that represented a transition in the scale and types of uses from the large, national chains found at the mall to the smaller, more unique shops, restaurants and galleries south of the Arizona Canal. As approved, an almost solid wall of 65-foot tall buildings were to line the canal. Among these was a vast movie theater complex with its back wall facing the canal. Less than one acre (0.9 acres) of open space was provided.

The zoning approval included modification of site development standards, as allowed under the Planned Block Development overlay. These modifications are addressed in Section VI of this Narrative. A comparison between the approved/entitled plan, the January, 2003 plan (reviewed extensively by the community) and the current plan is shown on page 10.

B. <u>Downtown Planning</u>

Development of the Scottsdale Waterfront property has long been viewed as critical to the long-term sustainability of Downtown Scottsdale as the commercial, cultural, and civic heart of the community. Over the years, the City has expended a massive amount of time, community energy and money in studies and planning work in the Downtown. More than 20 plans, policy documents and other studies have been published in attempts to pave the way for a healthy and unique downtown area. Among these are:

Downtown Plan – Guidelines, Implementation Program, Functional Use and Circulation Policy, 4/83

Scottsdale Downtown Area Study, JHK Associates, 10/83

Downtown Plan - Zoning Ordinance, 1/85

Downtown Plan – Urban Design and Architectural Guidelines, 7/86

Scottsdale Canal Bank Study – Final Report and Recommendation, 4/20/87

Historic Resources Preservation Task Force Scottsdale Preservation Plan 1990

Arizona Canal Master Development Plan, Sasaki Associates, 1990

Artscape – A Public Art Plan for Scottsdale, Drake & Associates, 7/90

Waterfront Area Redevelopment Plan - 6/7/94

City of Scottsdale Bicycle/Pedestrian Transportation Plan, 12/94

Downtown Plan - Land Use, 10/95

CityShape 2020 Comprehensive Report, 3/96

Scottsdale Transit Plan, Parsons Brinckerhoff, 6/97

The Other Plan for Scottsdale (TOPS), 1999

Sensitive Design Principles - 3/8/01

Scottsdale General Plan, 2002

Downtown Scottsdale Development Program and Action Strategies, ERA/Smith Group (undated)

Downtown Task Force - Final Report (undated)

Arizona Canal in Downtown Scottsdale Focus Group Report, 4/02

Arizona Canal in Downtown Scottsdale – Community Workshops Summary Report, 5/02

City of Scottsdale 2002-2004 Economic Vitality Strategic Plan DRAFT, 9/02

Downtown Plan - Summary, 12/86

Clearly, the downtown area has long been a high priority for the City...and within the Downtown, the land along the Arizona Canal has been seen as both as an exciting opportunity and a tremendous challenge.

The opportunity lies in the chance to create a great new urban place within Scottsdale's core — a place that expresses the history, culture and quality of the city. The canal has been described as symbolizing the prehistoric cultures and energizing water resources that led to cultivation and, eventually, urbanization in the Valley of the Sun. Water has symbolic, spiritual, historic, economic and aesthetic values important to Scottsdale life. Here, at Scottsdale Waterfront, lies the chance to express something unique about this desert city. The vacant land and resources are in place. Strong activity centers are located north and south of the site. The Waterfront can connect the north and south sides of the canal, making a strong contribution to Downtown as a whole.

At the same time, there have been challenges. The project approved in 1996 was not built, and was followed by a succession of development proposals and concepts that failed to gain much of a toehold. A major development proposal on the south side of the canal was rejected by voters. There has been continuing debate about the character, scale, quality and land uses appropriate for Downtown. To some, the Arizona Canal is seen as a barrier to circulation between Scottsdale Fashion Square and the historic Downtown districts to the south. It is seen as important in providing water and electrical services to the Valley, but as having a "utility"

corridor" character, lined with the backsides of buildings to the south and alleyways lined with dumpsters and other less-than-attractive features. Strong competition has emerged from new developments in the Highway 101 corridor to the north. Approval of large-scale, up-scale new retail, residential, restaurant and employment complexes in North Scottsdale and Phoenix has enticed some downtown shops and galleries into heading north. There is turnover in Downtown businesses, and many vacant storefronts. Downtown's character is changing in some areas. There is a growing sense of urgency about the need to do something positive Downtown. The Scottsdale Waterfront Project is in a good position to make a difference.

II. SCOTTSDALE WATERFRONT PROJECT - VISION

For almost 20 years, Scottsdale has been trying to do something to celebrate the Arizona Canal and to encourage creative, pedestrian-oriented development along it, with the notion that this development might be the catalyst for stimulating a downtown renaissance.

In a sense, it could take Scottsdale back to some semblance of the "good old days" when downtown was a mecca for shoppers, browsers, diners and a tourist "must see" attraction. Its collection of high-quality, one-of-a-kind shops made it a destination for many and a substantial contributor to the City's economy.

It had an enviable concentration of art galleries, artist studios and well-regarded dealers in authentic Native American art. Scottsdale's gallery district is still strong, the most distinctive feature of today's downtown.



where people could sample the latest trends in Southwestern design.

Downtown Scottsdale was – and could be again – on the cutting edge of art and retail culture, a "happening place" known for more than its nightlife.



At last, this dream of revitalization is going to become reality! Its centerpiece is the Scottsdale Waterfront Project, which is on track to break ground by the end of 2004, with City Council during October, 2003. The potential influence of this project can spread south to Scottsdale's historic heart – and north to serve as a vital connection between older parts of downtown and Scottsdale Fashion Square.

Historically, the downtown was also a fashion center

It can stimulate new investment in the historic downtown. It can help stem the tide of businesses migrating north to (allegedly) greener pastures. It can, in a very real sense, help Downtown return to those dearly remembered days of yesteryear when there was something unique and wonderful happening downtown.

The focus of the Scottsdale Waterfront is the Arizona Canal. The City and Scottsdale Waterfront, L.L.C. can work together to create not just a pleasant landscaped

canal path, but another new, great downtown place -- the equivalent of Civic Center Mall's open space and activities in the north part of downtown. As currently envisioned, the Scottsdale Waterfront will seamlessly blend its five-plus acres of open space with the City's canal improvement area.

<u>East of Marshall Way</u> will be an active pedestrian district with a central public gathering place, performance area, cafes and unique attractions. With the City's involvement, there will be art, events, festivals, things to do and see. Pedestrian bridges will make it easy to walk across the canal for lunch or shopping.

From Scottsdale Road and Camelback, passing motorists can get a sense of the canal environment looking across a large plaza towards the canal. Buildings at this intersection are set well back to open up corner views; and a symbolic downtown gateway can be created.

Along the canal <u>west of Marshall Way</u>, the tempo slows. Here is a zone for reflecting on Scottsdale's natural and cultural environment and for creating an appropriate transition to nearby neighborhoods. A park-like garden is envisioned at Goldwater Boulevard with quiet paths and an interpretive theme that speaks to history, nature and neighborhoods.

The Arizona Canal is truly the soul of Scottsdale Waterfront. Buildings and public open space within the project are sited to create views and access to it. Working with the City, its place in Scottsdale will be, at last, celebrated in style.

Marshall Way north of the canal will be dramatically changed. A new gateway to downtown will be located at Marshall Way and Camelback Road. Marshall Way will become an active pedestrian "Main Street" lined with shops and restaurants on both sides. Roadway lanes will be narrowed, sidewalks widened and angled parking provided.

From Nordstrom's east entrance, people will be drawn south along Marshall Way. With all the things to do and see, the walk south will be a breeze. If people shop to the Marshall Way bridge and then stop for coffee there, it's only a short stroll across the Village Square plaza to the many attractions of the historic downtown.

Perhaps most importantly, the Scottsdale Waterfront Project will bring approximately 1,000 new residents into the heart of downtown – people who will own lofts, condominiums and townhomes...people who will contribute greatly to the life, sustainability and future health of downtown. These residents will become involved as advocates for downtown improvement and play leading roles in stimulating new investment.

For these fortunate new downtown residents, art, cultural activities, great shopping and dining are only a short walk away. In walking, these folks can "learn" their downtown neighborhood, discover new shops and restaurants and appreciate the ambiance of the place. With more eyes on the street, there's a greater sense of security, too, and it's likely that someone will hear about it if issues arise with maintenance or undesirable activities.

For exercise, residents can glory in the great Arizona outdoors, walking right out of their homes to the canal bank paths and extending their walks south into the gallery district or north into Scottsdale Fashion Square. There are many options – all of which can contribute to the life and vitality of downtown.

All of this can be accomplished without disturbing any part of the environmentally sensitive Sonoran Desert. In fact, the Scottsdale Waterfront Project will generate significant sales tax revenues to benefit the City's desert preserve acquisition program.

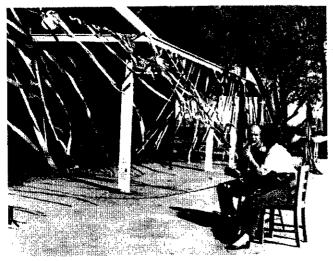
In summary – what is the vision for the Scottsdale Waterfront Project? The vision is that the Scottsdale Waterfront Project can trigger the renaissance of Downtown by:

- bringing 1,000 new resident advocates to Downtown to support downtown businesses and activity;
- creating great new public spaces in the north part of Downtown;
- celebrating the Arizona Canal and its significance;
- creating an amenity that can be enjoyed by residents of existing neighborhoods to the west;
- connecting existing districts north and south of the canal;
- encouraging walking and a pedestrian-oriented environment;
- setting a new, high, standard for architectural design with a landmark Arizona style; and
- developing art and cultural attractions that reflect Scottsdale's unique heritage and environment.

Finally the Scottsdale Waterfront Project will express the recurring themes evident in the 20plus Downtown planning and policy studies that have been published since the 1980s. These themes have been brought forth repeatedly in document after document. Major themes, mentioned in ten or more of these studies, include:

Pedestrian-friendly — encourage walking not driving
Reflect western heritage
Provide art and cultural attractions
Encourage transit use
Provide connections to all of downtown
High quality design
Create a unique sense of place
Improve parking

Appeal to both tourists and residents
Create an active, 24-hour place
Build unique streets, bridges
Provide pedestrian comfort and safety
Beautify the canal
Sense of nature
Oasis, celebrate water
Create major public gathering places
Create landmarks



The Scottsdale Waterfront Project is a beginning, not an end. With approval of this project, a critical stitch in the downtown fabric is put in place, but more can be expected. The Scottsdale Waterfront vision goes south of the canal and sees renovation of buildings along it to create a complementary district oriented toward the canal. It envisions new investment -- new shops, lofts, galleries and restaurants competing for scarce space in existing buildings. It sees renovation of buildings, upgrading of shops with one-of-a-kind tenants...a place, worth a special trip...a "must-see" attraction for residents and visitors alike

Sound familiar? In short, the Scottsdale Waterfront Project's vision describes a return to the quality, uniqueness and wonderful Southwestern flavor that people associate with Downtown Scottsdale – a benefit for <u>all</u> of Downtown and <u>all</u> of Scottsdale.

III. NATURE OF THIS APPLICATION

A. <u>Infill Incentive District</u>

With this application, Scottsdale Waterfront requests approval of the following:

- (1) Establishment of an Infill Incentive District that includes the Scottsdale Waterfront property
- (2) Approval of the Scottsdale Waterfront Infill Incentive Plan

Arizona Revised Statutes § 9-449.10 INFILL INCENTIVE DISTRICTS

- A. The governing body of a city or town may designate an infill incentive district in an area in the city or town that meets at least three of the following requirements:
 - 1. There is a large number of vacant older or dilapidated buildings or structures.
 - 2. There is a large number of vacant or underused parcels of property, obsolete or inappropriate lot or parcel sizes or environmentally contaminated sites.
 - 3. There is a large number of buildings or other places where nuisances exist or occur.
 - 4. There is an absence or development and investment activity compared to other areas in the city or town.
 - 5. There is a high occurrence of crime.
 - 6. There is a continuing decline in population.
- B. If the governing body establishes an infill incentive district, it shall adopt an infill incentive plan to encourage redevelopment in the district. The plan may include:
 - Expedited zoning or rezoning procedures.
 - 2. Expedited processing of plans and proposals.
 - 3. Waivers of municipal fees for development activities as long as the waivers are not funded by other development fees.
 - 4. Relief from development standards.

Under provisions of the June 17, 2002 Tolling Agreement between the City of Scottsdale and Scottsdale Waterfront, L.L.C. (Scottsdale Waterfront), must be submitted for City Council hearings by October 15, 2003. In accordance with this agreement, Scottsdale Waterfront is submitting a site plan for the property as part of this application, and other materials as required by the City.

Upon acceptance of this submittal, and review by City staff, Scottsdale Waterfront will proceed with preparation of a detailed site plan and architectural design concepts, traffic studies and engineering work as required for public outreach and for hearings at Planning Commission and City Council. A study session with the Development Review Board is to be held in August, followed by hearings at Planning Commission in September and City Council by October 15. Development Review Board hearings are anticipated in November, 2003.

It is important to emphasize that this application is <u>not</u> a request for rezoning. Zoning on the property will <u>not</u> be changed. The primary project-specific planning elements to be approved per the Infill Incentive District and Tolling Agreement include the site plan and amendment of certain development standards and design guidelines, including building height. In order to respond to comments received during the first round of community outreach and to build a community consensus of support for a site plan and design approach, Scottsdale Waterfront will proceed energetically with detailed design concept drawings.

Once conceptual architectural and open space character studies are prepared, another extensive program of community outreach will be initiated. To date, we have held made more than 20 presentations to City officials, community and homeowner organizations, property owners, retail business owners and interested individuals to get input and ideas about the Waterfront site. Hundreds of other meetings and conversations have been held with other Scottsdale citizens concerned about the future of Downtown.

After this submittal, additional meetings will be held, to include all groups and individuals previously contacted, the general public and additional interest groups. It is important that we work with the community to develop a project of the highest quality and character — one that responds to its unique urban desert environment and one that can be a significant catalyst for the renaissance of Downtown Scottsdale.

The Arizona Legislature approved the use of infill incentive districts in the 2000 *Growing Smarter Plus Act* (Arizona Revised Statutes § 9-449.10). Given concerns about growth occurring at the edges of large metropolitan areas in the state and the accompanying challenges to attracting new development to central cities, the Legislature agreed that a city or town should have the ability to create infill incentive districts under specified circumstances. Rather than expanding the use of tax increment financing, the Legislature and stakeholder groups preferred the infill incentive approach.

When examining the larger area in which the Waterfront Property is located, it is clear that more than three of the statutory requirements are satisfied, thus making the Property eligible for infill incentive district status. With use of the infill incentive district and its accompanying plan, the City may provide relief from development standards, such as those proposed in this Narrative. These relieved standards are applicable only to property within the Incentive Infill District and will not be applicable to other downtown development. The Infill Incentive District Plan allows the City to set boundaries and tailor approvals that it believes are appropriate for the Scottsdale Waterfront Project.

The infill incentive district is the right tool to address development of the Scottsdale Waterfront property. The City is interested in encouraging use of the property, which was first underutilized and then vacant for many years. Development of the north side of the Arizona Canal will help foster renewal of the south bank with the City's proposed canal improvements serving as the virtual and actual bridge between these two sections of downtown.

B. <u>Team Overview</u>

The Scottsdale waterfront site is owned by Scottsdale Waterfront, LLC, a joint venture between Starwood Capital Group and Golub and Company. Starwood Capital is a privately-held real estate investment and management firm specializing in global real estate acquisition and development. Its diversified real estate investments have included the Scottsdale Waterfront property since August, 1997.

Golub and Company is a leader in luxury residential development and mixed use projects. Golub's quality reputation has been gained through the development of standard-setting buildings in Chicago and around the world.

Together, these two entities have pulled together an architectural and design team that includes SCB & Associates, located in Chicago (specializing in multi-family residential, corpo-

rate office, and retail projects)

H & S International, located in Scottsdale (a Taliesin-inspired holistic architecture practice with an emphasis on environmental respect and exterior-interior awareness).

Drake & Associates, located in Scottsdale (a national firm designing public spaces, public art programs, livable streets and "people places").

The project team represents expertise in large-scale development of the type proposed, exceptional design experience and proven sensitivity to the planning, design and development context of Scottsdale.

IV. SCOTTSDALE WATERFRONT PROJECT - SITE PLAN

A. <u>Objectives</u>

The site plan focuses on three primary planning objectives:

(1) Creating vital, high-quality residential options in the heart of Downtown;

(2) Creating a strong linkage between Scottsdale Fashion Square and Downtown south of the canal through activation of Marshall Way; and

(3) Creating an amenity-rich environment that supports the City's canal bank improvement efforts and is an important, distinctive destination compatible with adjoining residential uses.

B. The Site Plan: A Response to Community Outreach

An important first step in assessing the feasibility of the Scottsdale Waterfront development concept has been to conduct extensive community outreach at a very early stage of the project. Well before site plan concepts were finalized, preliminary designs were taken to the community to get comments. The intention was to use community comment in shaping the next level of site planning and design – the level represented by this application.

Since January, 2003, more than 20 meetings were conducted with community groups and organizations. Additional meetings were held with City officials and interested individuals. Some groups and individuals were contacted multiple times; and a constructive dialogue resulted. Many good ideas, critical input and other feedback resulted. Meetings held included, among others, the following:

Whitwood, Villa D'Este, Villa Adrian neighborhood leaders
Scottsdale Focus
Downtown Scottsdale Partnership Board
Norman, Alan and Roland Tang
Greg Thompson
Chris Vinger
Fred Unger, Spring Creek Development
Fifth Avenue Merchants Association Board
of Directors

Barbara Espinoza, Save Old Scottsdale
Tom Giller
JEMB Realty
Sam West and TOPS
Scottsdale Chamber of Commerce
Scottsdale Gallery Association
Greater Pinnacle Peak Homeowners Association
Coalition of Pinnacle Peak
Scottsdale Board of Realtors

In addition, more than 275 business and property owners south of the canal were contacted individually, resulting in petition signatures in support of the Waterfront Project. The project team will revisit all of these organizations and individuals over the summer, to present and obtain feedback on the site plan and development proposal that is the subject of this application. Presentations will again be made to major community groups, including merchants, property owners, and neighborhood groups close to the site.

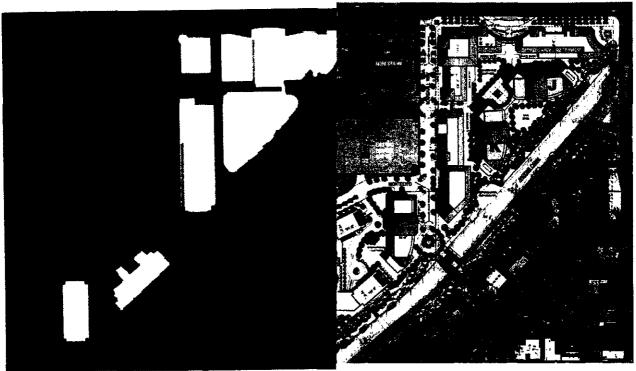
1. Changes Made

The site plan responds to input received at the community outreach meetings. As a direct result of this input from Scottsdale's citizens, downtown activists, community organizations, business groups, City staff and decision-makers, many changes have been made. Among these are:

- The two 13-story residential buildings have moved away from the neighborhoods west of Goldwater, to the eastern portion of the site.
- The height of these two residential buildings will be stepped-down along the canal.
- The footprints of the two buildings have been reduced in size from those in previous plans.

- The mass of the two buildings is visually reduced by stepping the building forms, with greater articulation.
- Buildings have been pulled away from the southwest corner of Camelback and Scottsdale Road, creating a large area of open space at this important corner.
- The two 75-foot office buildings, shown in the earlier site plan as paralleling Camelback Road, have been eliminated.
- The percentage of residential uses has increased substantially.
- Traffic to be generated by the project will be substantially less than that of the entitled plan.
- Over five acres of open space are included in the current plan, compared to 0.9 acres in the entitled plan.
- Buildings along Camelback Road are set back a minimum of 25 feet, creating a generous area for pedestrian movement, retail activity and landscaping than previous plans.
- Buildings H and I, along Camelback Road, are at heights of 36 to 45 feet (compared to 65 feet in the entitled plan). With the greater setbacks, height reduction and siting of the residential buildings, the "canyon effect" along Camelback Road has been eliminated.
- The width of auto travel lanes on Marshall Way has been reduced and the street re-designed to create an active, pedestrian-oriented environment. This creates a window for the downtown retail district on Camelback Road and will encourage movement south, across the canal and into the historic downtown.
- The height of Buildings A and B is 40 feet (compared to 65 feet in the "entitled" plan). The buildings have been moved farther away from Goldwater Boulevard, creating a wide landscaped buffer between the Waterfront Project and existing neighborhoods.
- With the exception of the immediate Marshall Way frontage, all uses west of Marshall Way will be residential or office. The character of open space areas west of Marshall way is passive, quiet, oriented to lower-intensity uses.
- All active public uses are located along and east of Marshall Way.
- The City's canal bank improvement plans are incorporated into plans for the Waterfront Project. The Waterfront Project has been designed to respect and enhance the City's investment in the canal banks.
- Buildings along the canal are sited to create a sequence of small open space areas and to reduce apparent building mass, as viewed from public areas.

As work proceeds more detailed plans and architectural design concepts will be developed and presented to the community for additional comment. All groups previously contacted will be included in this effort as well as others identified during preliminary community outreach work.



ENTITLED PLAN

(per Cases 43-ZN-95 and 19-GP-95)

DENSITY:

1,086,000 SF (square feet)

30% 323,000 SF RETAIL: 30% 323,000 SF OFFICE: 20% 220,000 SF HOTEL: 20% 220,000 SF RESIDENTIAL: 100% **TOTAL GBA*** 1,086,000 SF

*Gross Building Area

RESIDENTIAL UNITS: 110 Units

24,295 Daily Trips TRAFFIC IMPACT:

OPEN SPACE:

0.9 Acres

OTTSDALE WATERFRONT VISED SITE PLAN August, 2003

SITY:

+/-932,500 SF

SITY REDUCTION:

+/-14.1%

AIL:

+/-110,900 SF 12%

IDENTIAL/LOFT:

10% +/-94,400 SF

EL:

0 SF 0%

100%

IDENTIAL:

+/-727,200 SF 78%

AL GBA*

+/-932,500 SF

Gross Building Area

.FFIC IMPACT: Traffic study in progress

IDENTIAL UNITS: +/-366 Units

5.2 Acres

LDINGS J and K:

135 ft. height

:N SPACE:

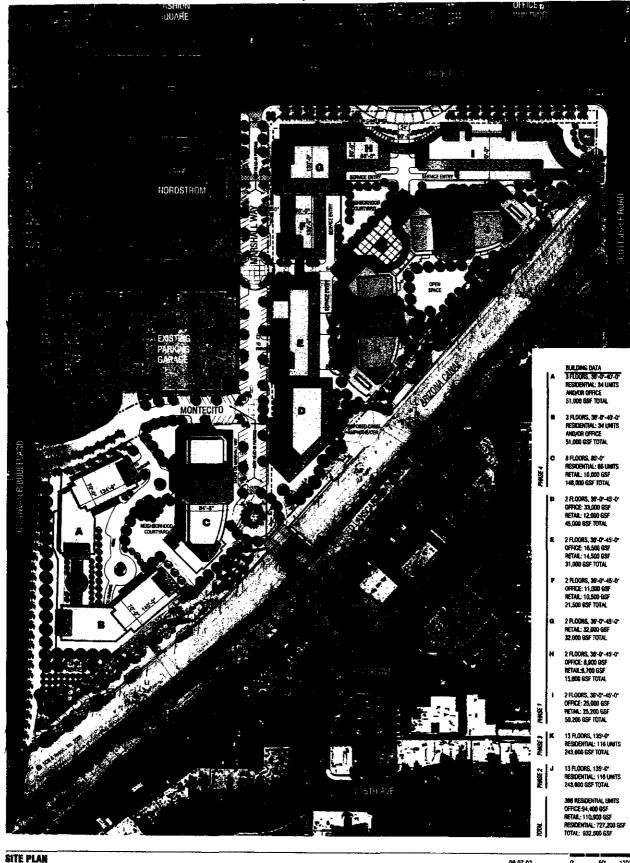
243,600 SF, each building Average floor plate 18,900 SF

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acominate Nategrands

Site Plan Description C.

SCOTTSDALE WATERFRONT, L.L.C. SITE PLAN



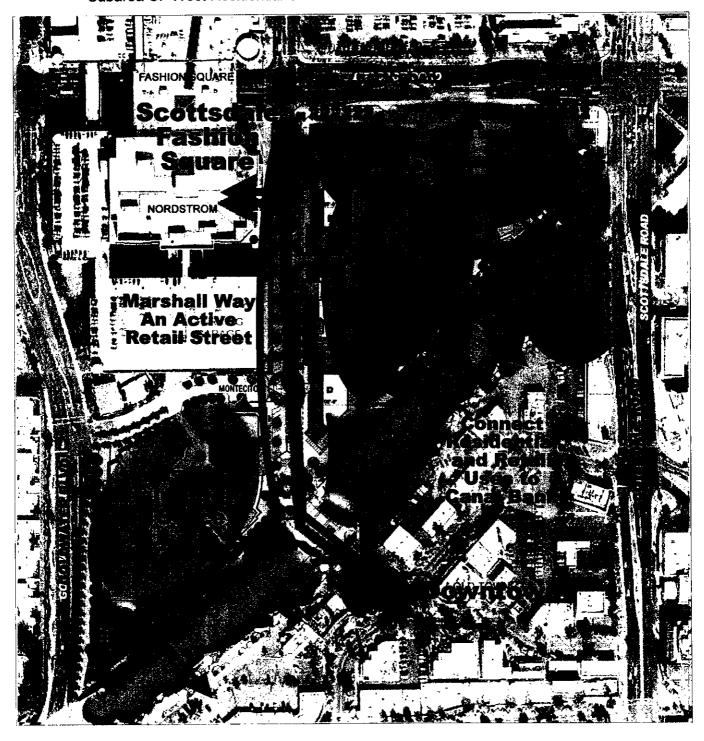
Scottsdale Waterfront Scottsdale Waterfront, L.L.C. 08.07.03

60'

The site plan includes three major sub-areas:

Subarea A. Marshall Way Subarea B. East Residential Area

Subarea C. West Residential/Office Area



1. Subarea A. Marshall Way

The Waterfront Project provides new life for this stretch of Marshall Way. It becomes an important gateway to the downtown area, with a presence on Camelback Road.

- The new Marshall Way is designed to encourage pedestrian travel between Scottsdale Fashion Square and areas of downtown south of the Arizona Canal. It does this by providing a beautiful, distinctive and active street, ideal for strolling, shopping, having lunch or coffee, people-watching and enjoying Scottsdale's downtown ambiance. It draws people to the City's proposed "Village Square" and substantially reduces the perceived distance between Nordstrom's and the canal.
- Retail uses and restaurants are concentrated along sides of Marshall Way from Camelback to the canal. Approximately 115,000 square feet of restaurant and retail uses are planned along Marshall Way and Camelback Road..
- The City is encouraged to modify the Nordstrom's parking garage to incorporate retail and/or restaurant uses at ground level and additional width for the sidewalk area.
- Traffic on Marshall Way is "calmed" by narrowing the street to two travel lanes, adding diagonal parking, prominently marked pedestrian crossings and street amenities.
- A gateway or other feature is to be located at the Marshall Way/Camelback Road intersection.
- The Waterfront Project's 700 to 900 new downtown residents will lend strong support to Marshall Way businesses, activity and sense of security.
- Space above Marshall Way retail spaces will be developed in condominium office uses, providing added vitality and a substantial daytime population of Downtown employees.
- Marshall Way's "Main Street" design approach lends itself to allowing full or
 partial closure for street fairs, farmer's markets and other special events in
 conjunction with programming on the canal banks and Town Square. With a
 Marshall Way closure, parking access can be provided from Montecito and
 Camelback Road.

2. Subarea B. East Residential Area

The East Residential Area is the core of the Waterfront Project. Approximately 700 people will live here, in condominiums with sweeping views of the McDowell Mountains and Camelback Mountain or in artistic loft units over shops and restaurants. These new downtown residents will actively support downtown revitalization efforts...as they shop, work, eat, collect art, reside, attend cultural events and participate as part of the downtown community.

- Building D (three stories) is currently planned for retail, office and restaurant uses with frontage along the Arizona Canal.
- Building K will house 13 stories of luxury condominiums. The building steps down in height as it approaches the canal. These units will average approximately 1,600 square feet to 2,000 square feet and will sell for prices from

\$250 per square foot to over \$650 per square foot. The building will have a resident drop-off area on the north, secure garage access and an outdoor rooftop pool/common area.

- Building J will be similar in concept to Building K. This residential building is oriented to take full advantage of McDowell and Camelback Mountain views.
 Building J is set far back from the intersection of Scottsdale Road and Camelback Road, creating an open space area.
- The Camelback Road/Scottsdale Road open space area can be linked to the City's park planned on the south side of the canal. This would be an ideal site for a sculptural public art installation in a garden that could serve as the venue for arts events. It is a very high-visibility site at one of Scottsdale's most significant intersections.
- Buildings F, G and H will include retail and restaurant uses at ground level, with offices above. These office units can take advantage of the active street environment of Marshall Way and, at the same time, views of the quiet residential park planned to the southeast.
- The large open space area fronting on the canal and bordered by Buildings K, and J will include a public park.

3. Subarea C. West Residential/Office Area

The West Residential Area represents a transition in scale, character and intensity of uses between Marshall Way and the existing neighborhoods to the west. Buildings are scaled down in height and mass and a substantial open space buffer is provided along Goldwater Boulevard. Approximately 300 people will live in this area.

- Buildings A and B are 40 feet in height, with residential or office uses. They are set back over 100 feet from the nearest homes west of Goldwater.
- Building C, at 85 feet high, includes retail and/or restaurant uses (but no nightclub uses) at ground level. This building creates an orientation point at the Marshall Way bridge. It also represents a transition from the condominium buildings and active retail areas and to quiet, lower-scale residential areas west of the bridge.
- The buildings and underground parking are accessed from an interior open space courtyard area.
- Along Goldwater Boulevard, a generous landscaped buffer and open space area are proposed. At the canal, an interpretive garden is suggested – a fragrance garden, hummingbird or butterfly garden, a garden of historic Arizona plants or a similar concept. The overall goal is to create a place of beauty, a park-like setting compatible with residential uses where people can stroll, sit and enjoy the canal area.

V. PLANNING ISSUES TO BE ADDRESSED

During the next phase of planning and design work, steps will be taken to address the many issues that may arise during community outreach and discussions with the City. Documentation will be filed as part of the *Master Design Concept Plan* showing the Waterfront Project's response to the issues. Among these issues are:

A. Relationship to City canal bank project

- Integration of landscape palettes between City and Waterfront project areas.
- Definition of active and passive areas.
- Location of amenities and interpretive facilities.

B. Orientation to Marshall Way

- Possible retail uses in Nordstrom's parking garage
- Creating wider pedestrian walkway along Marshall Way at Nordstrom's garage
- Geometrics of Marshall Way cross section.
- Design of pedestrian crossings, intersections
- Configuration of "cul-de-sac" area
- Relocating the Arcadia Water Company well, or working around it
- Providing continuous ground-level uses and activity of interest to pedestrians
- Creating a gateway to Downtown at Camelback Road

C. Connecting the Mall with Downtown - moving people south

- Orienting residents and visitors to "south-of-the-canal" attractions
- Encouraging people to park once and walk
- Uses and attractions that make walking along Marshall Way a pleasure
- An anchor use, destination or attraction near the canal bridge that can help draw people south along Marshall Way
- Interface with trolleys, transit

D. Canal bridges/Town Square/art bridges

- Location of bridges
- Possible vehicular use of Marshall Way bridge except during special events
- Artist involvement in bridge design
- Bridge access and connections north and south
- Linkages to open space, event venues, activity areas

E. Downtown residential infill/saving the desert

- North side of canal appropriate for taller buildings, transitioning from Scottsdale Fashion Square and other tall buildings in area
- Downtown residential uses should be strongly encouraged
- Creates an alternative, desirable Scottsdale lifestyle
- Increased downtown residential population encourages infill rather than sprawl
- Downtown residents will support restaurants, galleries, shops
- Downtown residents will create a new voice to support downtown

F. Sun Circle Trail

- National Recreation Trail, must be accommodated along south bank.
- Users include bicyclists, hikers/pedestrians, equestrians.
- Trail routed north of canal at Scottsdale Road, to cross intersection at the Camelback/Scottsdale Road traffic signal unless an acceptable alternative route can be found.
- Possible re-design of intersection to accommodate equestrian use.

G. Neighbors to the west

- Minimize visibility of project from neighborhood
- Minimize traffic on Goldwater
- Provide pedestrian access between project and neighborhoods
- Adjoining Waterfront Project uses to be residential, quiet open space, no latenight, noisy public uses

H. Parking and service

- Most parking to be below-grade (least visually obtrusive but high cost)
- Locate parking garage ramps to minimize conflicts with pedestrian movement
- Servicing restaurant and retail uses from below-grade or from public street to be determined
- Define method for resident deliveries, loading, guest parking
- Potential impacts on residents from restaurant/food service uses

I. Traffic

- Overall traffic volumes to be substantially reduced over entitled plan
- How do residents access areas south of canal if driving?
- Feasibility of allowing limited private vehicular use of Marshall Way bridge
- Trolley and transit stops
- Provision for bicycle access and parking
- Determine projected trip distribution

J. Attractions and amenities

- Explore costs and feasibility of major attractions. Select attractions to be sited in the Scottsdale Waterfront Project. Among those suggested to date are:
 - an artist-designed carousel with the theme of cowboys, Native Americans and desert critters
 - a Frank Lloyd Wright Usonian House
 - a Frank Lloyd Wright visitor center
 - other visitor center
 - large-scale water feature, possibly interactive
 - amphitheater, major events/program venue
 - sculpture garden
 - interpretive features showcasing Scottsdale history, environment
 - major public art works
- Develop concepts for pedestrian amenities along Marshall Way and other street frontages, including shade, seating, water, way-finding information.
- As the site plan evolves, explore potential for creating one or more pedestrian plazas with water features, special design themes

K. "Uniquely Scottsdale" architecture

- Of great importance to all concerned
- Architectural design to be of "highest quality"
- Architecture to be direct response to Arizona climate, environment, heritage, lifestyle, character
- Architecture to be distinctive, non-generic, wonderful
- Architecture to address Scottsdale Sensitive Design Guidelines and Downtown Design Guidelines

L. Gateways to downtown

- Create a sense of the larger downtown area
- Key "gateways" at Camelback/Marshall Way and Camelback/Scottsdale Rd.

- Both areas include plazas/open space suitable for special treatment
- Determine character of gateway elements public art, special landscaping, signage, streetscape theme, water feature, etc.

M. Open space character/venues

- Relationship of potential public gathering places to larger scope of Downtown improvements/uses
- General types of uses, activities, events to be accommodated
- Consolidate open space into single major space or provide a scattering of smaller open spaces and plazas?
- Management, maintenance and security considerations
- Impact of uses on residents

VI. Infill Incentive District Development Standards

Following is description of requested development standards for the Waterfront Infill Incentive District. As the specifics of architecture, pedestrian plazas and open space areas take shape, this description may need to be updated.

Zoning for the Scottsdale Waterfront property is Downtown RCO-PBD Type 2, as approved in zoning cases 43-ZN-95 and 06-ZN-89 #2. It should be noted that the proposed Infill Incentive District Development Standards apply only to the Scottsdale Waterfront property as represented in this application. Other properties addressed in zoning cases 43-ZN-95 and 06-ZN-89#2 (including Nordstroms and Scottsdale Fashion Square bridge sites) remain subject to amended property development standards and other stipulations as approved previously.

A. <u>Property Development Standards</u>

Approval of the following property development standards is requested.

Type of Standard	Requested Property Development Standard
Floor Area Ratio	2.0
Gross Floor Area	1,100,000 sq. ft.maximum
Front Yard Setback – Camelback Road	25 ft. except for 25% of frontage which may be reduced to 10 ft.
Front Yard Setback – Marshall Way and Montecito	0 ft.
Spacing Between Buildings-Minimum	Except for areas where connections for bridges, loading docks, mechanical rooms, etc. are required (which will result in no minimum spacing between buildings) provide a minimum spacing of thirty feet (30') between buildings (Sec. 5.3060, Schedule B, III, #4, Scottsdale Zoning Ordinance).
Large Walls-Vertical Dimension	Waive requirement for limits of the "vertical dimension" of large walls for all buildings on the site (Section 5.3061 F-2).

Type of Standard	Requested Property Development Standard
Large Walis-Horizontal Dimension	Waive requirement for limits of the horizontal dimension of large walls for all internal building facades and buildings facing Marshall Way and facades of buildings facing the Arizona canal (Section 5.3061 F-1). Waive requirements for interior side walls within 100 feet of front setback (Section 5.3061).
Required Parking	Allow a 20% reduction in total required parking. NOTE: As the land use mix is finalized, the submitted parking analysis will be updated, if necessary.
Building Lines	(Sec. 5.3060, Schedule B, III, 8.) Waive the requirement that 25% of front building face to be at the front building setback on Marshall Way, Camelback Road and Goldwater Boulevard.
Building Size Maximum	(Section 5.3060, Schedule B, III, #3). Waive the requirements of Section 5.3061 D-1, D-2, and D-3 for the entire site area in this application. No maximum building size stipulations will be required for any residential, retail, office, hotel or parking structures.
Building Envelope	(Sec. 5.3060, Schedule B, III 6). Waive the required building envelope requirements for all locations on the site where encroachments beyond the inclined stepback plane occur.
Encroachments Beyond Inclined Step- back Plane	(Sec. 5.3060, Schedule B, III, 7). Allow the vertical encroachment to exceed 15 feet on a maximum of 100% of the length of an elevation of an individual building. Encroachment, however, shall not exceed 50% of the total street frontage.
Maximum Building Heights	(Sec. 5.3060, Schedule B, III, 2b and 2c.) Allowable maximum building height and number of floor levels shall be 135' to the building roof and 13 levels. The 135-foot building height does not include mechanical and elevator machinery enclosures and architectural elements. Building height shall be measured from lowest finished floor elevation.

Type of Standard	Requested Property Development Standard
Exceptions to Height Limits	Sec. 5.3063, C: The maximum allowable percentage of necessary structures above the roof shall be 30% of the building footprint. These structures may located at the edge of the roof (not set back from the edge) and be up to 24 ft above the adjacent roof height.
Screening and landscaping	Section 5.3062, B. The minimum number of mature trees shall be 1 per 5,000 s.f. of landscape area.
Private outdoor living spaces	Sec. 5.3060, Schedule B, III, 9. Ground floor outdoor living space minimum dimension shall be 5 ft.
Section 5.3030. Land Use Standards	Within the Regional Commercial Office sub- district of the Downtown zoning district, Schedule A, <i>Land Use Regulation for Sub-</i> <i>divisions of the (D) Downtown District</i> allow Cultural Institutions as a permitted use.
ARTICLE VIII. SIGN REQUIREMENTS	Modified sign requirements may be requested based on further analysis, design studies and discussions with City staff.

B. <u>Design and Architectural Guidelines</u>

The Scottsdale Waterfront Project falls within a "Type 2 (Intermediate)" Downtown Development Area. Urban Design goals for Type 2 areas include:

- Development of unified street spaces with consistent design principles for the building setback zone.
- Development of pedestrian and vehicular linkages between adjacent large projects.
- Consistent planting design principles to achieve visual structure on important arterial streets.
- Careful handling of architectural form to reduce the apparent size and bulk of larger buildings.

The Scottsdale Waterfront Project strongly supports these goals. The *Downtown Plan*, however, was approved in 1986, when a project of this complexity on the north side of the canal was not anticipated. Most of the guidelines are <u>primarily</u> designed to address the type of development found south of the canal – lower-scale, less intense, on small parcels.

Recognizing the changes that have occurred over the past 17 years, the scale of this project and its potential to create a unique and significant pedestrian-oriented urban place within the Downtown, the following urban design and architectural guidelines are proposed.

1. Site Development

a. The Continuity of Street Spaces (Type 2 Development Areas)

Allow siting of buildings at oblique angles along Camelback Road and Scottsdale Road where community input has stressed avoiding the "canyon effect" on these street frontages.

Allow building front elevations to be located <u>behind</u> the front setback line, providing a generous pedestrian walkway and landscape buffer along adjoining streets.

On Camelback Road: Buildings may be sited at oblique angles and behind the front setback line to create a desirable pedestrian environment and streetscape and to allow views toward interior plazas and the canal.

On Scottsdale Road; Buildings may be sited at oblique angles and/or behind the front setback line to open up this important corner, visually, creating a new public open space area with views to the canal.

On Marshall Way: A minimum of 25% of the building front elevations will be placed no more than 20 ft. behind the front setback line when provided with covered pedestrian walkways at the building facade and 25 feet in locations without covered walkways. This recognizes the planned character of Marshall Way as a pedestrian-oriented retail street.

On Goldwater Boulevard: Buildings may be located behind the front setback line to create a buffer for neighborhoods to the west.

b. The Building Setback Zone

On major arterials there should be a buffer between the pedestrian and street.

2. Building Form

a. Reduction of Apparent Size and Bulk

The building base should be incorporate an element using a covered walkway, architectural details, building articulation, landscaping or other means to establish a strong connection to the ground and site.

b. Covered Walkways

Provide a covered walkway, landscaping, awning, trellis or other form of shading on street-facing elevations to provide shade and reduce apparent building mass. This guideline may be waived on north- and east-facing elevations or other locations where sun protection is not required.

3. Architectural Guidelines

a. Streets: Downtown Street Trees

Street tree and planter types shall not be restricted, except as mandated by the Arizona Department of Water Resources, allowing creative flexibility in design of landscaping, plazas and open space areas.

b. Streets: Setback Area Repaving

Setback area paving materials shall not be restricted, allowing creative flexibility in design of landscaping, plazas and open space areas.

c. Site Spaces

Flexibility is requested, allowing use of turf at the proposed performance space/amphitheater, in residential open space areas and other parts of the site. All use of turf is subject to Development Review Board approval and will be limited to areas for outdoor use and activities.

d The Couplet

Buildings facing Goldwater Boulevard are not required to orient their primary elevations toward the Couplet frontage. Buildings proposed along the Couplet as part of this project are planned as residential or office uses, with primary elevations oriented either toward the canal or to an internal open space/entry court.

4. Plant Selection Guide and Street Tree Guidelines

Street tree and landscape materials shall not be restricted, except as mandated by the Arizona Department of Water Resources, allowing creative flexibility in design of landscaping, plazas and open space areas.

C. Staff Approval of Additional Modifications

<u>Property Development Standards:</u> It is requested that the General Manager of Planning and Development Services be given authority to approve additional modifications to the property development standards within the Waterfront Infill Incentive District, so long as the modifications do not exceed 25% of the approved standard.

<u>Downtown Design Guidelines</u>: It is requested that the General Manager of Planning and Development Services be given authority to approve additional modifications to the Downtown Design Guidelines within the Waterfront Infill Incentive District, so long as the modifications are consistent with stated Goals for Type 2 Uses.

<u>Distribution and Types of Uses:</u> Flexibility is also requested with regard to distribution and types of uses within the project. It is requested that the General Manager of Planning and Development Services be given authority to approve additional modifications to the approved number of residential units and non-residential square footages within the Waterfront Infill Incentive District, so long as the modifications do not exceed 25%.