

PLANNING COMMISSION REPORT



MEETING DATE: September 10, 2003 ITEM NO. _____ GOAL: Coordinate Planning to Balance Infrastructure

SUBJECT REQUEST

Scottsdale Waterfront

Request to qualify and to designate an infill incentive district and to adopt an infill incentive plan with amended development standards and establish new stipulations including site plan and elevations approval on a 11.3 +/- acre parcel located at the southwest corner of Scottsdale Road and Camelback Road in Downtown Scottsdale.

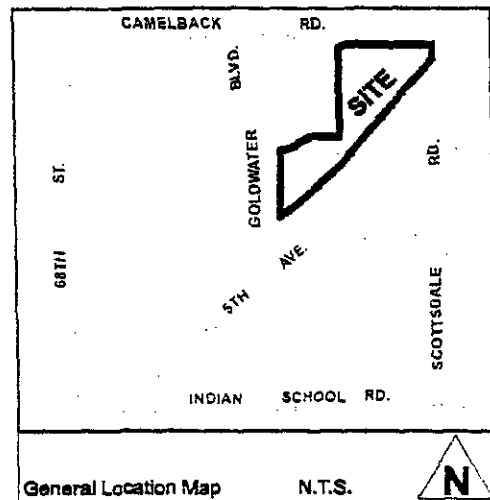
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Key Items for Consideration:

- Activate the Arizona Canal east-west as a regionally linked public amenity
- Activate Marshall Way through land use and design, as a pedestrian retail experience and connection to other downtown Scottsdale districts
- Urban design and architecture should embody upscale, southwestern character
- Site development contributes to building a positive sense of place downtown with the inclusion of art and cultural components; unique and pedestrian-oriented urban design and architecture; and public gathering or special event spaces that promote tourism and social gatherings
- Enhance mobility downtown by supporting alternate modes of transportation focusing on pedestrian-oriented urban design and advancing the downtown trolley
- Development should stand the test of time through the use of upscale, quality materials
- Meet the Downtown Vision Principles as adopted by the City Council (Attachment # 10)
- This is the first Infill Incentive District request in Scottsdale
- This Infill Incentive request meets four of the required number of state statute criteria: vacant/underutilized parcels; decline in population; vacant older buildings and absence of development
- The Infill Incentive Plan includes a phased development of mixed land uses, with amended standards including two-13 story, 160' high buildings

Previous Zoning

- 43-ZN-95 & 19-GP-95



OWNER Scottsdale Waterfront L L C
480-483-8338

APPLICANT CONTACT John Berry
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LOCATION Southwest Corner of Camelback & Scottsdale Roads in Downtown Scottsdale

BACKGROUND

Zoning.

The site is zoned Regional Commercial Office-Type 2 (D/RCO-Type 2) with a Planned Block Development (PBD) Overlay. This zoning district and PBD overlay approved approximately 1.1 million sq. ft. of gross floor area with a mix of retail, office, hotel, and entertainment uses.

General Plan.

The General Plan Land Use Element designates the property as a mixed-use neighborhood. Mixed-use neighborhoods are located in areas with strong access to multiple modes of transportation and major regional access and services, and have a focus on human scale development. These areas could accommodate higher density housing combined with complimentary office or retail uses. The General Plan specifically states that the Downtown Scottsdale area is most suitable for mixed-use neighborhoods.

Context.

The surrounding properties are zoned: D/RCO-2/PBD (Scottsdale Fashion Square & Nordstroms) to the north; R-4 (Villa Adrian Neighborhood) to the west; D-RS-1 to the south (5th Ave./Stetson specialty retail shops, dining & entertainment); and C-2 to the east (office).

APPLICANT'S PROPOSAL

Goal/Purpose of Request.

The purpose of the request is two fold. Scottsdale Waterfront requests approval of:

- 1) Establishment of an Infill Incentive District that includes the Scottsdale Waterfront property, and
- 2) Approval of the Scottsdale Waterfront Infill Incentive Plan, amended development standards and project stipulations for the development of a mixed-use residential, retail and office project on an 11.3 +/- acre site located at the southwest corner of Scottsdale and Camelback Roads
 - a. 2-13 story residential buildings – 135 to the roof of highest floor; 160' to the top of mechanical screening.
 - b. One 8-story residential/retail building – 85' to the roof of highest floor; approximately 105' to top of mechanical screening

The project also includes the development of six (6) two to three-story retail and office condo buildings along the east side of Marshall Way and south side of Camelback Road; and Two (2) three-story residential and/or office buildings fronting the east side of Goldwater Boulevard.

Infill Incentive Statute

The applicant is proposing to establish an Infill Incentive District on the vacant site in order to develop the property into a mixed-use project that provides the Downtown with the necessary connections from the Fashion Square area and the north bank of the canal to the 5th Avenue District and the south bank. The purpose of utilizing the Infill Incentive District is to enable the city to provide incentives for redevelopment and consider use of amended development standards to create a unique project that benefits the entire Downtown.

The state statute, ARS. 9-449.10, states (See Applicants narrative for entire statute language) that the City Council may designate an infill incentive district in an area in the city that meets at least three of the criteria listed in the statute. This proposal meets four including; a large number of vacant older buildings or structures, a large number of vacant or underused parcels of property, an absence of development and investment activity compared to other areas in the city and there is a continuing decline in population within that area.

The statute further provides “incentives” to encourage redevelopment in the district. These incentives include, expedited zoning or rezoning procedures; expedited processing of plans and proposals; waivers of municipal fees for development activities as long as the waivers are not funded by other development fees; and relief from development standards.

With regards to this proposal, the “area” used to meet this criteria was the area bounded by Camelback Road on the north, Scottsdale Road on the east, Indian School Road on the south and 68th Street on the west, excluding the Nordstrom’s store and garage. This area is seen as the link between the smaller scale 5th Avenue District and the larger scale Fashion Square District (See Attachment #8 for Area and Infill Incentive District).

Development Information.

- *Parking:*
 - 1188 spaces are required, 1486 are provided
 - Requested 20% reduction for non-residential uses
 - Public parking spaces include full-time and part-time shared parking

- *Existing Use:* Vacant Land
- *Buildings/Description:* Six (6) two to three-story retail and office condo buildings east side of Marshall Way and south side of Camelback Road; Two (2), thirteen-story, residential buildings just north of the Arizona Canal and west of Scottsdale Road; Two (2) three-story residential and/or office buildings fronting the east side of Goldwater Boulevard; and One (1) eight-story retail/residential building on the west side of Marshall Way.

- *Parcel Size:* 11.3 +/- acres
- *Entitled Building Height:* Hotel 72'; Residential 50'; Office/Other 65' (Additional height for mechanical screening allowed by ordinance)
- *Building Heights Proposed:* 6 buildings at 36' - 45'; 2 buildings at 36'; 2 buildings at 135' to roof of top floor - 160' to top of mechanical screening; 1 building at 85' to roof of top floor - 105' to top of mechanical screening
- *Floor Area:* 932,500 +/- GFA proposed; 1,100,000 GFA maximum allowed
- *Other:* 366 +/- Residential Units
Marshall Way retail focus

IMPACT ANALYSIS

Traffic.

The streets adjacent to the site include Camelback Road to the north, Scottsdale Road to the east, and Goldwater Boulevard to the west. Access to the site will be at two primary points of ingress/egress, one at Goldwater Boulevard and Montecito Avenue, the other at Camelback Road and Marshall Way. An additional right in/right out site access point is located on Camelback Road between Marshall Way and Scottsdale Road.

The approval of the proposed development plan under the Infill Incentive District will generate an estimated 8,991 trips per day, with approximately 420 trips generated in the a.m. peak hour and 890 trips generated in the p.m. peak hour. This represents over a 50 percent reduction in daily and p.m. peak hour site-generated traffic from the previously approved development plan. This reduction is primarily the result of a significant decrease in the amount of retail and restaurant square footage planned for the site.

The proposed mixture of residential, office, and retail land uses will encourage the use of alternative modes of transportation for people traveling to the site and for residents who live on the site. A pedestrian and trolley bridge is planned to connect this site to the downtown area by extending Marshall Way over the Arizona Canal. The development is also providing transit stops on Camelback Road and Scottsdale Road directly adjacent to the site.

Site traffic will be distributed primarily to Camelback Road and Goldwater Boulevard via the existing signalized intersections of Marshall Way (on Camelback Road) and Montecito Avenue (on Goldwater Boulevard). Both Camelback Road and Goldwater Boulevard are under capacity for current and projected traffic volumes.

Capacity analyses for the Year 2010 indicate that the major signalized intersections in the vicinity of the site will continue to operate at an acceptable level of service. These study intersections include Camelback Road and Scottsdale Road, Camelback Road and Marshall Way, Camelback Road and Goldwater Boulevard, and Goldwater Boulevard and Montecito Avenue. These capacity calculations are based on existing street improvements except

at the signalized intersection of Camelback Road and Scottsdale Road; the capacity calculations for this intersection assume the provision of a dual-left turn lane for eastbound Camelback Road (See Attachment # 6 for a complete Traffic Impact Summary).

Water/Sewer.

The applicant is responsible for new water and sewer infrastructure to service the site. Water and wastewater lines located within rights-of-way will be owned and maintained by the City of Scottsdale. On-site water and wastewater lines will be privately owned and maintained. A water and wastewater master plan will be required to ensure on-site and off-site systems are unaffected by the proposal. At this time, preliminary master plans do not anticipate any impacts to the existing and surrounding water and wastewater systems.

Police/Fire.

The Police Department and Rural/Metro Staff have reviewed the proposed Infill Incentive Plan. The proposal does not impact the level of service of either department. Additionally, stipulations address the unique height and emergency response requirements for this project.

Schools District review.

Scottsdale Unified School District has been notified of this application. At the time of drafting this report, the school district has not responded to proposed residential component of this application. The applicant has met with the district and shown them their plans.

Open space.

There are three main types of open space areas indicated in the application. Public open space, private open space, and private open space with public access. The project's open space compliments the adjacent proposed City project - the Arizona Canal at Scottsdale -, which will develop the Arizona Canal between Scottsdale Road and Goldwater Boulevard as a major open space corridor with a regional trail along with public gathering and special event venue areas.

Amended Development Standards Request.

The application proposes to utilize several amended development standards to create a mixed-use proposal that promotes pedestrian activity and open space plazas. The amended standards enable the two thirteen-story buildings and one eight-story building to be incorporated into the site plan by amending the overall height of the district. Some of the amendments include front yard setbacks, spacing between buildings, large walls, both vertical and horizontal dimensions, building size, building envelope, and land use standards. The overall intent of the amended standards (See Applicants Narrative for specific amended standards) is to create a pedestrian streetscape along Marshall Way similar to the pedestrian experience that exists south of the Canal in the 5th Avenue District. This includes angled parking, wider sidewalks, buildings that engage the streets, etc.

The development standards propose to modify the height of three buildings (Building C, J and K) within the project. In order to accurately decide on the proposed height, the application, the architecture, including materials, colors and other site and building design details, normally approved by the Development Review Board, will be approved by the City Council. This approach enables the City Council to determine how the final project will ultimately be designed.

Policy Implications.

This is the first Infill Incentive District and Infill Incentive Plan request made in the City of Scottsdale. The proposed project is in keeping with the Scottsdale General Plan designation for a mixed-use neighborhood in the downtown area. The addition of residential units, a retail focus along Marshall Way, public open space, public art and pedestrian amenities proposed for development as part of this project, make this prominent but currently vacant and underutilized corner a positive addition to the downtown area.

Community Involvement.

The applicant has held two public open houses with regards to their proposed project along with various community meetings with the following organizations: Downtown Scottsdale Partnership, TOPS group, Villa Adrian & Villa d'Este Neighborhood Associations and other numerous interested citizens and Downtown property owners (See Attached Citizen Involvement Plan and Report, Attachment #9).

Community Impact.

This site has approval for 1,100,000 square feet of mixed-uses through previous zoning actions and redevelopment agreements. This proposal intends to utilize similar square footages and through the use of the amended development standards, provide for greater pedestrian connections, open space areas and enhance the Downtown experience. The proposal, via the pedestrian retail experience of Marshall Way, connects the Fashion Square area and north bank to the south bank and 5th Avenue District. The proposal will compliment the City's Canal Bank project by enhancing this corridor with additional pedestrian bridges across the canal, providing an amphitheater for future public events, and creating signature uses on the retail corners to further activate the canal. The signature 13-story residential buildings will create a significant skyline to the Camelback Road Corridor that has existing tall buildings. The provision of public parking and angled street parking on Marshall Way will enhance parking in the Downtown. The design of the proposal with its open space plazas and sidewalk enhancements will be a benchmark for further redevelopment in the Downtown. This approval of not only the amended standards, which provide height flexibility but the detail behind this application with regards to the architecture, is intended to provide a quality development proposal that meets the goals set forth for this area and City Council's Downtown Vision Principles.

ARCHITECTURAL CHARACTER

The desired architectural character of the project has been directed by the City Council and borrows primarily from Mission Style and Spanish Colonial Revival/Santa Barbara architectural traditions.

**DRB/PC JOINT
STUDY SESSION**

On August 27, 2003 the Scottsdale Development Review Board (DRB) and the Scottsdale Planning Commission (PC) held a joint study session on the proposed Scottsdale Waterfront Infill Incentive Plan. Some of the items listed below were a general consensus of opinions from the two boards while other comments represented individual ideas. The following is a synopsis of the discussion at the study session:

Site Plan:

- There was a general positive consensus that the location and massing of buildings on the site plan are appropriate.
- It was suggested that stronger connections between the project and the Arizona Canal need to be created and more activity along the canal should be encouraged.

Architectural Character:

- The character of the project is predominantly defined by the retail along Marshall Way and Camelback Road.
- Some board and commission members expressed that the project seems to be a nostalgic interpretation of architecture seen in other national locations (Florida and California), others had a positive response to the nostalgic architecture.
- A suggestion was made that the project architecture needs to consider and reflect its surrounding context more than it does currently.

Marshall Way/Camelback Road Discussion:

- The building along the west side of Marshall Way (building C) will need to provide the same attention to detail at the pedestrian level as is provided along the east side of Marshall Way.
- The pueblo architectural element in the Marshall Way elevation is out of place and needs to be redesigned to better fit with the remainder of the architecture along this elevation.
- The rhythm of the architecture along the Camelback Road and Marshall Way elevations appears too uniform especially the matching roof lines and tile roofing materials.
- Overall retail, massing and pedestrian scale is positive

Residential Tower Buildings:

- The residential tower architecture attempts to break down the massing of the buildings. The vertical massing needs more break down than what is proposed currently.
- The project needs to respond more to the desert sun environment – include more recessing on the buildings, mature shade trees on the site and covered walkways at the pedestrian levels.
- Need to specifically define where and how the building heights will be measured from.

**STAFF
RECOMMENDATION**

Recommended Approach:

Staff recommends approval, subject to the attached stipulations. Staff established a set of goals and objectives that encompass the first seven bullet

points under Key Items for Consideration on page 1 of this Staff report.

1. The application is a key component to the success of the Arizona Canal pedestrian corridor by providing residents directly along its frontage along with providing a public amphitheater and gathering space along the canal.
2. The proposal connects the retail strength of Fashion Square to Downtown Scottsdale's established 5th Avenue District by providing for retail corridor along Marshall Way.
3. As the design of this project is also subject to approval with this process, the design character will be set with a mix of architectural influences present within Scottsdale.
4. With the mixture of uses, open space plazas, pedestrian oriented urban design, arts and cultural components, the proposal will enhance not only the Downtown experience, but continue to support Downtown as tourist destination and gathering place.
5. The provision of transit stops, pedestrian alternatives, trolley stops, and location within the Downtown demonstrates the projects access to alternate modes of transportation.
6. The proposal includes approval of colors and materials by the City Council so as to ensure quality materials be used in the overall development of this project.
7. Finally, as the City Council set forth their Downtown Vision Principles, this application, through the use of the Infill Incentive District, created a plan, development standards, stipulations and process to meet these principles.

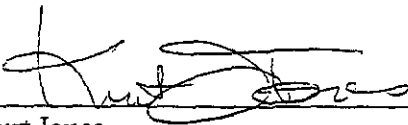
**RESPONSIBLE
DEPT(S)**

Planning and Development Services Department
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APPROVED BY



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9/5/07
Date

ATTACHMENTS

1. Applicant's Narrative
2. Context Aerial
- 2A. Aerial Close-Up
3. Land Use Map
4. Zoning Map
5. Stipulations
6. Traffic Impact Summary
7. Draft Infill Incentive Ordinance Language
8. Economic Focus Area and Infill Incentive District Graphic
9. Citizen Involvement
10. City Council's Downtown Vision Principles
11. Project Support Graphic
12. Site Plan and Supporting Graphics