



City of Scottsdale PROJECT NARRATIVE



- ☒ Rezoning ☐ Other
☐ Use Permit
☐ Development Review
☐ Master Sign Programs
☐ Variance

Case # _____ / 346 -PA- 02
Project Name Crossroads East
Location east of Scottsdale Road, north and south of Loop 101
Applicant Arizona State Land Department

SITE DETAILS

Proposed/Existing Zoning: varies/no change
Use: mixed use
Parcel Size: +/- 1,000 acres
☐ Gross Floor Area ☐ Total Units: per land use budget
☐ Floor Area Ratio ☐ Density: per land use budget
Parking Required: per amended development standards
Parking Provided: standards
Of Buildings: N/A
Height: per amended development
Setbacks: N- stds. S- "
E- " W- "

In the following space, please describe the project or the request

See attached project narrative.

ARIZONA STATE LAND DEPARTMENT

Crossroads East PCD Amendment

Project Narrative *August 6, 2002*

I. Project Overview

A. General Overview of Request

The purpose of this application is to amend a Planned Community District ("PCD") zoning on approximately 1,000 acres of Arizona State Land Department (the "ASLD") property known as "Crossroads East". The Crossroads East PCD Amendment consists of portions of the previously zoned Core North and Core South projects as described below in sub-section B. Crossroads East is located both north and south of the Loop 101, approximately bounded by Scottsdale Road to the west, Hayden Road alignment to the east, Thompson Peak Parkway to the north, and Princess Drive to the south (the "Property"). The Property is located within the City of Scottsdale (the "City") as depicted in Figure 1.

B. Historical Overview

The Property was the subject of two (2) zoning cases approved in 1986 and 1990, referred to as Core South and Core North, respectively. The combined Core North and Core South properties originally consisted of approximately 3,500 acres, which extended from Deer Valley Road to Bell Road and from Scottsdale Road to 96th Street. The original Core North area consisted of approximately 2,300 acres and primarily included land north of the Loop 101. Core South originally consisted of approximately 1,292 acres and generally includes the area south of the Loop 101. Much of the original Core North and Core South areas were auctioned and have subsequently been developed as the Grayhawk master planned community and the Perimeter Center. Zoning for Core South was approved in 1986 (Case 11-Z-86) with an amendment approved in 1988 (10-Z-88). Zoning for Core North was approved in 1990 (Case 46-Z-90) with an amendment approved in 1992 (Case 46-ZN-90#2).

C. General Overview of Area State Land Holdings

ASLD owns a significant amount of land in all four (4) quadrants created by the newly opened interchange of the Loop 101 with Scottsdale Road. ASLD is the Trustee of the Arizona State Land Trust (the "Trust") and as such, is the fiduciary for the beneficiaries of the Trust, which include public institutions

(primarily for educational) in Arizona. ASLD administers the Trust land under the direction of the State Land Commissioner.

Crossroads East is arguably the most visible and important undeveloped Trust property in the Phoenix Metropolitan area. Not only is Crossroads East conveniently located in proximity to key transportation routes, it is also located in an area that has and is continuing to develop with high quality and high end residential, commercial, office, light industrial and tourism uses. The Trust land is key in terms of its potential for economic development potential and job creation for the region.

ASLD, serving as the fiduciary for the Trust is required by the Arizona Constitution to receive maximum value for the sale or lease of Trust lands for the benefit of the Trust. Given this constitutional mandate, it is incumbent upon ASLD to carefully plan these properties to maximize their ultimate value. Accordingly, the ASLD is in the process of re-evaluating the existing development plans for Trust lands for both sides of Scottsdale Road to determine if such plans are appropriate to accommodate anticipated traffic and market conditions.

As part of this process, the ASLD has evaluated the existing entitlements for all of its holdings at the Scottsdale Road and Loop 101 interchange quadrant, which include the proposed Paradise Ridge development (west of Scottsdale Road) and portions of the Core North and Core South properties (east of Scottsdale Road). As part of this re-evaluation, a key component was to consider the overall transportation system and its ability to accommodate current and anticipated traffic generated external and internal to the project area. The traffic engineering firm, BRW, was contracted by ASLD to specifically study these impacts. BRW concluded that the existing and planned transportation system is less than adequate to accommodate entitled intensities and densities. Unless these deficiencies are addressed, severe traffic congestion is inevitable. There will be negative impacts to residential areas to the north and east. As a result of this analysis, an updated transportation plan was recommended to efficiently and effectively serve the land uses in all four (4) quadrants.

The updated transportation plan proposes to address the circulation needs of the area and includes a revised internal road network that will divert traffic from Thompson Peak Parkway and more efficiently move traffic to the Hayden Road interchange and to Scottsdale Road. A multi-layered transportation system, including revisions to the transportation routes will proactively address the anticipated transportation problems, which if unaddressed, will create significant traffic problems, not only at the Scottsdale Road/Loop 101 interchange, but also in the surrounding residential neighborhoods.

To accomplish the transportation system improvements, modifications to the existing ASLD entitlements are necessary. Portions of the Core North and

Core South properties that have not yet been developed are therefore proposed to be modified. This application seeks to make the required modifications to specific undeveloped portions of Core North and Core South by consolidating them into one application referenced as "Crossroads East". The overall purpose of the Crossroads East PCD Amendment is to implement the suggested transportation system and to transition existing entitlements to a flexible framework to best respond to market conditions and transportation demands in the area. No increases in density or intensity are proposed. Furthermore, the existing approved entitlements for the Core North and Core South parcels not part of the Crossroads East PCD will not change.

D. Purpose of Request

The purpose of the Crossroads East PCD Amendment is to create a unified entitlement plan for specific remaining development parcels in Core North and Core South that have not been developed and to modify the transportation system to better accommodate existing and anticipated traffic in the area.

The goal of the Crossroads East PCD Amendment is to update the circulation network approved over a decade ago as part of Core North and Core South by adding a new connection through adjacent property to Scottsdale Road. The ASLD is working cooperatively with the developer of adjacent property, specifically DMB Associates, Inc., relative to this critical roadway connection. Ultimately, it is intended that this reliever will continue west across Scottsdale Road through Trust land west of Scottsdale Road in the City of Phoenix.

While the primary purpose of the PCD Amendment request is to update and improve the transportation system, the approved land use allocations will be updated to better respond to development patterns in the area. No increases to dwelling units or commercial entitlements are being requested.

E. Overview of PCD

In addition to updating the transportation plan for Crossroads East, the amendment to the PCD will provide flexibility in the development of Crossroads East. There will not be a change in density or an increase in the intensity of uses, rather the Crossroads East PCD Amendment will provide for thoughtful development through planning units and character areas.

i. Planning Unit Master Plans.

It is anticipated that the infrastructure planning will occur at varying times and at varying levels of detail, depending on the nature and geographic scope of the planning objective. This will be accomplished for key public infrastructure, such as streets, drainage, water and wastewater facilities as well as environmental design planning via Planning Unit Master Plans. Prior to

development within each planning unit, the following Planning Unit Master Plans will be required: (a) Environmental Design Plan, (b) Circulation Plan, (c) Drainage Plan, (d) Wastewater Plan, and (e) Water Plan.

ii. Character Areas.

In addition to the infrastructure planning required through the Planning Unit master Plan process, seven (7) character areas have been established for Crossroads East. The character areas will provide for thoughtful and organized development of Crossroads East by establishing the types of uses allowed in specified areas. Through the use of character areas, intensity and densities of uses can be moved within the Crossroads East development to allow flexibility and thoughtful development but will be limited based on the existing entitlements for Crossroads East.

It is anticipated that a development agreement will be entered into between the City of Scottsdale and the ASLD incorporating the aforementioned four (4) planning units and seven (7) character areas.

II. Location

A. Description of Location

Crossroads East is located in one of the most valuable and highly visible areas in the City of Scottsdale. Crossroads East straddles the newly completed Loop 101 and has excellent visibility from this freeway. The soon to open interchange at Hayden and the Loop 101 will provide additional access to the site. Crossroads east also has approximately one and one-half (1 1/2) miles of frontage along the east side of Scottsdale Road, south of Mayo Boulevard (the future Union Hills alignment).

B. Access to the site

Crossroads East is directly accessed by the future Loop 101 and Hayden Road interchange and from Union Hills Road and future Hayden Road connections. The proposed update to the circulation network also provides access to the Property through DMB's project at a point approximately 1/2 mile north of the Loop 101 on Scottsdale Road.

III. Property Characteristics

Crossroads East is currently undeveloped. The majority of the site is characterized as flat terrain with a gentle slope to the south. The site is sparsely vegetated with typical desert flora and fauna found in the region.

IV. Compatibility with Surrounding Properties

A. Surrounding Adjacent Land Uses, Ownership and Zoning

Crossroads East is surrounded by a variety of uses as well as undeveloped land as reflected in Table 1 below. To the north of the site is the Grayhawk master planned community, which is developed with a variety of residential and commercial uses. Land north of the 101 along Scottsdale Road is being planned by DMB for mixed-use development. East of the site is the Perimeter Center with employment uses as well as a variety of residential uses. Land to the south is developed with the Fairmont Princess Resort and related uses and residential uses of varying densities. To the immediate west of the site, across Scottsdale Road and in unincorporated Maricopa County is a relatively new development of luxury automobile dealerships. West of Crossroads East within the City of Phoenix is undeveloped Trust Lands (Paradise Ridge).

The surrounding property has various zoning designations and is located within Scottsdale, Phoenix or in unincorporated Maricopa County.

Table 1

| Property | Ownership Status | Jurisdiction | Existing Use | Existing Zoning |
|--------------------------|--------------------------------|----------------|---|---|
| Subject Property | ASLD | Scottsdale | Undeveloped | I-1, R-5, CO, C-2, C-3, PRC, PCC and PCoC, all with a PCD overlay |
| North of Property | Private Ownerships, State Land | Scottsdale | Condominium Development, undeveloped area, residential subdivisions | R-5 PCD, OS PCD, R1-5 RCD, ESL, OS PCD ESL |
| East of Property | Private Ownerships | Scottsdale | Undeveloped, Residential Subdivisions, Office Development | OS PCD, ESL, I-1, OS PCD |
| South of Property | Private Ownerships | Scottsdale | Princess Hotel Residential Uses, Residential Uses | PCP/PCD, R-4 PCD, R-5, R1-35, C-2 PCD, OS |
| West of | Privately | Unincorporated | Automobile | C-2 PD |

| | | | | |
|-------------------------|-------|-----------------|-------------|-----|
| Property | Owned | Maricopa County | dealerships | |
| West of Property | ASLD | Phoenix | Undeveloped | S-1 |

B. Description of Uses in General Area

North Scottsdale has been developing since the late 1970s. Older uses further north but in the sub-region include Rawhide and the Pinnacle Peak Country Club and surrounding residential areas along Pinnacle Peak Road between Scottsdale and Pima Roads. The 1980s saw increasing residential development in various forms including large lots, lot splits and smaller subdivisions. The Fairmont Princess Hotel and golf course was constructed in the 1980s along with single-family residential uses and higher density residential uses in the vicinity of the Princess, all of which were originally State Trust land. In the 1990s, the area saw the master planned communities of Grayhawk (originally part of Core North), DC Ranch, and McDowell Mountain Ranch develop along with new commercial and office uses in the Perimeter Center. Since the late 1990s, additional commercial development along Scottsdale Road south and north of Crossroads East has occurred, influenced in part by the completion of the Loop 101. At this time, the only north-south transportation corridors are Scottsdale and Pima Roads and the only existing east-west transportation corridors are Pinnacle Peak Road approximately two (2) miles north, Thompson Peak Parkway approximately ¼ mile north of the Property and the recently opened Loop 101.

V. Impact on School District

Crossroads East is located within the Paradise Valley School District ("School District"). The proposed plan does not propose any increases in residential density, but allows reallocation of existing entitlements. Therefore, it is not anticipated that the proposal will have any additional impact on the School District as previous student generation rates were already taken into consideration. In spite of this, a ten (10) acre (net) usable site will be provided for use by the School District at a location to be mutually determined by the ASLD and the School District within Character Area C-1, depicted on the Character Areas map included with this application.

VI. Transportation

As noted previously, the transportation aspect of the proposed plan is the major component of this request, not only for Crossroads East, but also for surrounding properties including State Trust Land to the west of Scottsdale Road. At this time, north-south access is limited to Scottsdale and Pima Roads. Although Hayden Road has a built interchange at the Loop 101, Hayden north of the Loop is not yet constructed. The major east-west routes are Thompson Peak

Parkway through Grayhawk and DC Ranch and the Loop 101 that functions as the primary regional east-west route in this area. Unfortunately, anticipated traffic volumes in this area, based on existing entitlements, are in excess of what these transportation routes can effectively carry. Unless updated circulation system plans are approved, increased traffic volumes will be forced to Thompson Peak and through existing residential neighborhoods. Crossroads East has specifically been designed in concert with the DMB Stacked 40s Property to the west to include a loop road system between Scottsdale and Hayden Roads. This loop road will function as an additional east-west route to remove a significant portion of anticipated future traffic from Thompson Peak Parkway for the benefit of residential areas in the area.

VII. Conformance with the General Plan

The proposed PCD zoning is consistent with the City of Scottsdale General Plan Land Use designations for Crossroads East. The Property is designated as Mixed Use Neighborhoods with a Regional Use District overlay. Mixed-Use Neighborhoods are areas with access to major regional transportation and services and have a focus on human scale development. These areas can accommodate higher density housing with office, retail or mixed-use structures with residential above commercial. The Regional Use District overlay is intended to provide "...flexibility for land uses when it can be demonstrated that new land uses are viable in serving a regional market. Regional uses include, but are not limited to, corporate office, region serving retail, major medical, education campus, community service facilities, tourism and destination attraction uses." Additionally, Crossroads East is located within the Freeway Corridor/Regional Core and Employment Character Types and within the Sonoran Regional Core/Airpark Character Area.

The proposed PCD zoning, uses and, specifically, the land use distribution, are consistent with the General Plan and represents a refinement to existing zoning. Furthermore, the proposed changes are consistent with the recent voter approved General Plan including many vision statements, values and goals contained in the Plan. Furthermore, the proposed PCD represents a better response to the unique character and development pattern of Scottsdale it represents the very type of development encouraged and promoted within the General Plan. The proposed PCD is in concert with principles to promote development that provide a balance of land uses that integrate residential, retail office and other uses. The Crossroads East plan is also consistent with policies intended to locate higher intensity uses at major transportation routes and to create circulation patterns that are sensitive to surrounding neighborhoods. Ultimately, the Crossroads East PCD proposes to redistribute existing entitlements and does not propose any increases or changes in land use intensity. The Property therefore not only remains consistent with the existing General Plan land use designations, but also represents a more thoughtful and market responsive plan that will implement visions and strategies contained in

the General Plan that will help to create a development that incorporates the unique Scottsdale character.

VIII. Project Justification

The proposed request will not change the existing zoning but rather will update the entitlements to create flexibility and establish a new circulation system for the Property. This request is appropriate for the following reasons:

- A. The approved uses are consistent with and compatible with adjacent and surrounding land uses. No new uses are proposed.
- B. The proposed amendment does not include any increases in density or intensity but rather allows flexibility of existing entitlements.
- C. The request conforms to the City of Scottsdale General Plan.
- D. The request will provide transportation benefits to the area by creating a new circulation plan to better accommodate existing entitlements, and which will reduce traffic along existing transportation routes.

IX. Summary

In summary, the proposal for an update to the existing zoning is appropriate for a variety of reasons. The most compelling reason for the update is to solve a circulation system problem, which if not addressed could severely impair transportation movements in the immediate area and spill over into the adjoining residential area. If approved, the Crossroads East PCD Amendment will set forth a transportation system that will help to relieve the anticipated congestion. The proposed transportation linkages are being coordinated with surrounding private land including the DMB property to the west. Additionally, ASLD will seek similar modifications on Trust Land west of Scottsdale Road in the City of Phoenix with the goal of ensuring overall improvement in the regional transportation system.