

**Marked Agendas
Approved Minutes
Approved Reports**

Ordinance No. 3936

Resolution No. 8652

Official /Signed Resolution/Ordinance can
be found at:

<https://eservices.scottsdaleaz.gov/eServices/ClerkDocs/Default.aspx>

Planning Commission

2/23/2011

City Council Hearing 4/26/2011

2-ZN-2010

Pinnacle in the Perimeter

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Planning Commission

2/23/2011

City Council Hearing 4/26/2011

2-ZN-2010

Pinnacle in the Perimeter

CITY COUNCIL REPORT



Meeting Date: April 26, 2011
General Plan Element: *Land Use*
General Plan Goal: *Create a sense of community through land uses*

ACTION

Pinnacle in the Perimeter Center 2-ZN-2010

Request to consider the following:

1. Adopt Ordinance No. 3936 approving The Pinnacle in the Perimeter Center Development Plan, amending the development standards to allow building height up to sixty-five (65) feet, and finding that the Planned Community District have been met on a 25 ± acre site within the Perimeter Center located at 17851, 17821, 17799, 17791 and 17761 N. 85th Street, with Industrial Park District, Planned Community District (I-1 PCD) zoning.
2. Adopt Resolution No. 8652 declaring as a public record that certain document filed with the City Clerk of the City of Scottsdale and entitled "The Pinnacle in the Perimeter Center Development Plan."

Key Items for Consideration

- Planned Community District findings.
- Consistency with the General Plan and Greater Airpark Character Area Plan.
- FAA Determination on the proposed building height.
- Approximately 32% of the site as open space.
- View corridors between the buildings allowing visibility into and out of the Perimeter Center from the freeway.
- Consistency with previous height requests within the Perimeter Center.
- Proximity to the elevated freeway.
- Public comment received in support and opposition to the request.
- Planning Commission heard this case on February 23, 2011, and recommended approval subject to additional stipulations with a unanimous vote of 5-0.

OWNER

Scottsdale Perimeter 1 LLC
480-638-1100

APPLICANT CONTACT

Lynne A Lagarde
Earl, Curley & Lagarde
602-265-0094

LOCATION

17851, 17821, 17799, 17791, and 17761 N. 85th Street

BACKGROUND

Zoning

The site is zoned Planned Community District with an Industrial Park comparable zoning (I-1 PCD). The Industrial Park zoning district allows for office and medical office uses as well as manufacturing, storage and warehouse and related uses. The Perimeter Center PCD established I-1 and C-2 zoning categories (established by Cases 11-ZN-1986 and 10-ZN-1988 in 1986 and 1988), to provide for overall consistent planning and design standards for the 240-acre site, including development criteria, circulation, drainage, open space and community design policies as part of a large master planned area.

General Plan

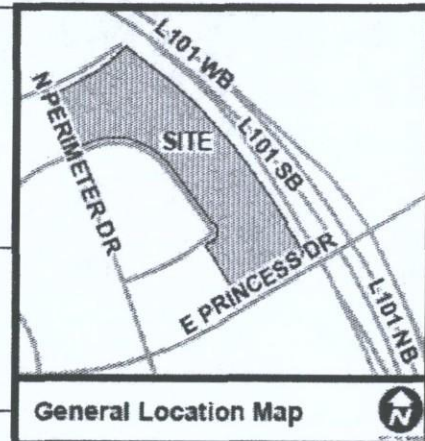
The General Plan Land Use Element designates the property as Employment with the Regional Use Overlay. This category includes a range of employment uses from light manufacturing to light industrial and office uses. Employment areas, as identified in the General Plan, are areas where impacts on residential neighborhoods are limited and access is available to labor pools and transportation facilities. The Regional Use Overlay designated the freeway corridor in this area as a major mixed-use employment, service and civic core of regional significance.

Character Area Plan

This site is located within the boundaries of the Greater Airpark Character Area Plan (GACAP), which was recently adopted by City Council. The GACAP designates this site as Employment, which includes an array of office, commercial, warehousing, and light industrial land uses that provide opportunities for business enterprises, as well as regional and local jobs.

The GACAP has identified this area for "Type C" development, which represents medium to higher scale development. Type C development is encouraged in areas with access to multiple modes of transportation, served by regional transportation networks, and where scale will be complimentary to the area's character.

The Economic Vitality Element of the GACAP encourages development strategies that will incentivize and encourage new development and redevelopment, retain and expand Greater Airpark businesses, and attract new high value business to the Greater Airpark area.



Other Related Policies, References:

- 11-ZN-1986: Rezoned the Perimeter Center from R1-35 to a variety of residential, commercial, and industrial zoning districts and established the Perimeter Center Planned Community District.
- 10-ZN-1988: Amended the Perimeter Center Planned Community District to shift locations of certain C-2 and I-1 parcels and modified the Master Circulation Plan.
- 15-DR-1988: Established the Perimeter Center Master Environmental Design Concept Plan.
- 53-DR-2004: Development Review Board approval for The Pinnacle in the Perimeter Center Phase I, which is the existing corporate office development at the north end of the subject site.
- 19-ZN-2002: Approval for a Planned Community District which establish various zoning districts and amend development standards allowing building heights from 36 – 60 feet. (Crossroads East)
- 18-ZN-2004: Approval for amended development standards increasing floor area ratio from 0.6 to 0.65 and allowing building height up to 56 feet at 8550 E Anderson Drive.
- 19-ZN-2004: Approval for amended development standards allowing building height up to 50 feet – 7 inches at 17600 N Perimeter Drive.
- 11-ZN-2005: Approval for amended development standards allowing building height up to 50 feet at the northeast corner of Perimeter Drive and Hartford Drive.

Context

The 25± acre site, comprising five (5) separate parcels, is located in the Perimeter Center along the west side of the Loop 101 bounded by the curve of the elevated freeway along its eastern side, N. 85th Street to the west, and E. Princess Drive to the south. The northern end of the site has already been developed as a corporate office. Other surrounding properties have developed mostly as business and medical offices, with a hotel located directly west of the subject site.

Adjacent Uses and Zoning

- North Vacant State land zoned Planned Community District (PCD).
- South Medical office uses zoned Industrial Park, Planned Community District (I-1 PCD).
- East Freeway, further east is vacant land zoned Industrial Park, Planned Community District (I-1 PCD)
- West Hotel and office uses zoned Central Business District Planned Community District (C-2 PCD) and Industrial Park, Planned Community District (I-1 PCD).

APPLICANTS PROPOSAL

Goal/Purpose of Request

The applicant is requesting amended development standards to allow for building height up to sixty-five (65) feet. The amended development standards will allow the development of a corporate office campus with four and five story buildings, in addition to the existing three story building at the north end of the site. The current entitlements allow maximum heights up to thirty-six (36) feet. All other development standards for the site will remain unchanged.

Development Information

- Existing Use: Mostly vacant (office north end)
- Proposed Use: Corporate offices
- Parcel Size: 25± Acres (5 parcels)
- Building Height Allowed: 36 Feet
- Building Height Proposed: 65 Feet (exclusive of mechanical, see dev. standards)
- Parking Required: 2,144 spaces
- Parking Provided: 2,144+ spaces
- Open Space Required: 32%
- Open Space Provided: 32%
- Floor Area: 642,945 square feet (max)

Conceptual Development Plan

The proposed conceptual development plan consists of two new corporate office buildings (four and five stories), a parking structure, and surface parking. The north 8.7 acres of the site have already been developed with a 3 story corporate office building. The request for building height includes this area in anticipation of possible additions or redevelopment of that site. The increase in building height on this site will translate to a possible reduction in overall building footprint and allow for the provision of more usable open space and site amenities, as well as increase visibility of the buildings from the elevated freeway. The 65 foot tall buildings are sited in a way to create view corridors between the buildings; thereby preserving visibility into the Perimeter Center from the freeway as well as views of the McDowell Mountains for the properties located further back in the Perimeter Center. A minimum of 20% - 35% of the average length of the site (north-south) will be preserved for view corridors.

Design Guidelines

Accompanying this request for amended development standards, the applicant has provided design guidelines that will govern the design of the site as it continues through the development review process. The design guidelines address site planning, architectural design, landscape/hardscape, and site lighting, with the intent to supplement the City's Sensitive Design Principles, assure high quality architecture and site design, and provide usable open space and site amenities creating an

enhanced employment environment. The design guidelines are included in the Development Plan, which has been stipulated with this case (Exhibit A).

IMPACT ANALYSIS

Land Use

The proposed corporate office development meets the intent of the General Plan, Zoning Ordinance, as well as the Greater Airpark Character Area Plan, and is compatible with the existing mix of uses in the Perimeter Center.

Planned Community District (PCD) Findings

The PCD is designed and intended to enable and encourage the development of large tracts of land so as to achieve land development patterns that will maintain and enhance the physical, social and economic values of an area. The Development Plan is an integral part of the PCD. Before approval or modified approval of an application for a proposed PCD, the Planning Commission and the City Council must find:

- A. That the development proposed is in substantial harmony with the General Plan of the City of Scottsdale, and can be coordinated with existing and planned development of surrounding areas.

The Perimeter Center has been developed with mostly business, professional, and medical office uses along with some support services. Other sites within the center have been granted amended development standards for building height ranging from 42 to 60 feet. The proposed corporate office and increase in building height is consistent with the existing and planned development within the Perimeter Center. The proposed use and amended development standards are consistent with the goals and objectives set forth in the Employment land use designation in the General Plan, as well as the Greater Airpark Character Area Plan, which encourages development flexibility and higher scale development in this (Type C) area of the Airpark.

- B. That the streets and thoroughfares proposed are suitable and adequate to serve the proposed uses and the anticipated traffic which will be generated thereby.

The existing E. Princess Drive and N. 85th Street will provide direct access to the subject site. E. Princess Drive is classified as a Minor Arterial and N. 85th Street is classified as a Local Commercial street. This request does not include an increase in the allowable floor area and the proposed office is a permitted use. The request for increased building height will not create any increased traffic beyond what is already anticipated. The existing transportation network will support the level of intensity as proposed.

- C. The Planning Commission and City Council shall further find that the facts submitted with the application and presented at the hearing establish beyond reasonable doubt that:
1. In the case of proposed residential development, that such development will constitute a residential environment of sustained desirability and stability; that it will be in harmony with the character of the surrounding area; and that the sites proposed for public

facilities are adequate to serve the anticipated population.

No residential component is proposed as part of this office use and no residential development is established within the Perimeter Center.

2. In the case of proposed industrial or research uses, that such development will be appropriate in the area, location and overall planning to the purpose intended; and that the design and development standards are such as to create an industrial environment of sustained desirability and stability.

The current proposal does not include industrial or research uses, but these types of uses are permitted within the I-1 zoning district. The proposed building height is in harmony with the existing character of the surrounding areas, which include hotels and commercial and medical office buildings ranging in height from 42 to 60 feet.

3. In the case of proposed commercial, institutional, recreational and other non-residential uses, that such development will be appropriate in the area, location and overall planning to the purpose intended; and that such development will be in harmony with the character of the surrounding areas.

The proposed corporate offices are in an existing commercial setting with no change in use proposed. The proposed building height is in harmony with the existing character of the surrounding areas, which include hotels and commercial and medical office buildings ranging in height from 42 to 60 feet.

Amended Development Standards

Modifications to development standards are permitted in the Planned Community District when the Planning Commission and City Council can determine that the modification will produce a living environment, landscape quality and lifestyle superior to that produced by the existing standards. This request for increased building height (without an increase in FAR) will result in a smaller overall building footprint on the site. The smaller building footprint allows flexibility for site planning and opportunities for meaningful open space with the provision of enhanced pedestrian walkways, shade structures, seating, connections between buildings and walkways, and site amenities that will provide destinations within these connections. The flexibility in site design will also allow the provision of view corridors between the buildings maintaining visibility for properties located west of the subject site.

Open Space

In accordance with Section 5.1804 of the Zoning Ordinance, open space requirements in the I-1 zoning district are based on a combination of net lot area and building height. As the height of the buildings on a site increase, the requirement for open space increases. The applicant is proposing 32% of the net lot area (7.87 acres) as open space, which is consistent with the ordinance requirements for a site with 65 foot tall buildings. Some of the open space on the site is spread around the perimeter creating a buffer between the freeway and adjacent land uses. The rest of the open space will be used for pedestrian amenities view corridors, and other usable open space as outlined by the proposed design guidelines.

The north 8.7 acres of the site that has been developed with corporate offices will remain in its current state, providing approximately 25% of the site as open space. If the property owner chooses to take advantage of the increased building height on this part of the site in the future, it will then be required that additional open space (32% total) be provided on the site.

Airport

As part of the development process within proximity to the airport, the applicant is required to submit for an FAA Determination (Form 7460-1) on any proposed structures to make sure they will not be a hazard for aircraft. Since the specific building locations and heights have not yet been established, the FAA Determination has not yet been obtained by the applicant. Airport staff has reviewed the application and indicated support of the proposal subject to the review and approval of the FAA. The applicant has been stipulated to obtain FAA approval, and has agreed to address any mitigation measures required by the FAA.

Water/Sewer

Existing Water and sewer facilities contain sufficient capacities for the proposed project. The proposed request is not anticipated to create significant impacts on existing infrastructure.

Public Safety

The nearest fire station (#11) is located approximately 1.8 miles from the site. The subject property is located within Police Patrol District 4. The proposed request for increased building height is not anticipated to generate any significant impacts on the existing emergency services.

Community Involvement

Surrounding property owners within 750 feet of the site as well as the City's interested parties list have been notified of the request by mail. The site was posted with a Project Under Consideration sign prior to the open house meeting, and the Public Hearing Signs have been posted.

An open house meeting was held by the applicant on April 15, 2010. The meeting was attended by representatives of the adjacent hotel property to the west, who expressed concern regarding blocked visibility from the freeway and cut through traffic across their site. The applicant has had two (2) follow-up meetings with property owners who attended the open house that had additional concerns.

The Perimeter Center Owner's Association (PCOA) was notified of the request for amended development standards. The applicant had two (2) meetings with the PCOA, one of which was also attended by representatives of the hotel property. The PCOA has provided a letter in support of the request.

City staff has received comments in opposition to this request.

Community Impact

Views of the McDowell Mountains and the freeway from within the Perimeter Center will be maintained through view corridors. The proposed amended development standards will continue to maintain the existing character in the Perimeter Center, and it is not anticipated that this project will create any significant infrastructure or service impacts.

OTHER BOARDS & COMMISSIONS

Planning Commission

Planning Commission heard this case on February 23, 2011. There was detailed discussion related to the height of mechanical equipment, view corridors, and visibility through the site for the adjacent hotel to the west. In response to concerns expressed by the hotel, the Planning Commission added a stipulation to the case removing the south parking lot area (southernmost 300 feet of the site) from any additional height. After discussion, the Planning Commission found that the Planned Community District (PCD) findings have been met and found that the proposed zoning map amendment was consistent with and conforms to the adopted General Plan, subject to the attached revised stipulations, with a unanimous vote of 5-0.

The applicant's current proposal includes the removal of only the southernmost 200' of the site from the amended standards, which is not consistent with the stipulation added by the Planning Commission.

Staff Recommendation to Planning Commission

Staff recommended that the Planning Commission find that the Planned Community District findings have been met, and determine that the proposed request for amended development standards allowing building height up to 65 feet is consistent and conforms to the adopted General Plan, and make a recommendation to City Council for approval per the attached stipulations.

OPTIONS & STAFF RECOMMENDATION

Recommended Approach:

1. Adopt Ordinance No. 3936 approving The Pinnacle in the Perimeter Center Development Plan, amending the development standards to allow building height up to sixty-five (65) feet, and finding that the Planned Community District have been met on a 25 ± acre site within the Perimeter Center located at 17851, 17821, 17799, 17791 and 17761 N. 85th Street, with Industrial Park District, Planned Community District (I-1 PCD) zoning.
2. Adopt Resolution No. 8652 declaring as a public record that certain document filed with the City Clerk of the City of Scottsdale and entitled "The Pinnacle in the Perimeter Center Development Plan."

RESPONSIBLE DEPARTMENT(S)

Planning, Neighborhood and Transportation

Current Planning Services

STAFF CONTACT(S)

Bryan Cluff

Planner

480-312-2258

E-mail: bcluff@ScottsdaleAZ.gov

APPROVED BY




Bryan Cluff, Report Author

4/11/11
Date



Tim Curtis, AICP, Current Planning Director
480-312-4210, tcurtis@scottsdaleaz.gov

4/11/2011
Date



Connie Padian, Administrator
Planning, Neighborhood and Transportation
480-312-2664, cpadian@scottsdaleaz.gov

4/11/11
Date

ATTACHMENTS

1. Ordinance No. 3936
 - Exhibit 1. Stipulations
 - Exhibit 2. Zoning Map
2. Resolution No. 8652
 - Exhibit 1: The Pinnacle in the Perimeter Center Development Plan
3. Additional Information
4. Context Aerial
- 4A. Aerial Close-Up
5. General Plan Map
6. Citizen Involvement
7. City Notification Map
8. February 23, 2011 Planning Commission minutes

ORDINANCE NO. 3936

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE MARICOPA COUNTY, ARIZONA, AMENDING ORDINANCE NO. 455, THE ZONING ORDINANCE OF THE CITY OF SCOTTSDALE, BY AND FOR THE PURPOSE OF AMENDING THE DEVELOPMENT STANDARDS ALLOWING BUILDING HEIGHT UP TO 65 FEET ON A 25 +/- ACRE SITE WITHIN THE PERIMETER CENTER LOCATED AT 17851, 17821, 17799, 17791 AND 17761 N. 85TH STREET, WITH INDUSTRIAL PARK DISTRICT, PLANNED COMMUNITY DISTRICT (I-1 PCD) ZONING.

WHEREAS, the Planning Commission held a hearing on February 23, 2011; and

WHEREAS, the City Council held a hearing on April 26, 2011; and

WHEREAS, the City Council finds that the proposed development is in substantial harmony with the General Plan of the City of Scottsdale and will be coordinated with existing and planned development; and

WHEREAS, it is now necessary that the comprehensive zoning map of the City of Scottsdale ("District Map") be amended to conform with the decision of the Scottsdale City Council in Case No. 2-ZN-2010; and

WHEREAS, that certain document entitled "The Pinnacle in the Perimeter Center Development Plan," three copies of which are on file in the office of the City Clerk, was declared to be a public record by Resolution No. 8652.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Scottsdale, as follows:

Section 1. The Planning Commission has made findings in conformance with the requirements of the PCD district and the council now also finds the following:

- a) That the proposed development is in substantial harmony with the General Plan and can be coordinated with existing and planned development for the surrounding area;
- b) That the streets and thoroughfares proposed are suitable and adequate to serve the proposed uses and the anticipated traffic which will be generated thereby;
- c) The facts submitted with the application and presented at the hearing establish beyond a reasonable doubt that in the case of the proposed industrial or research uses, the development will be appropriate in area, location and overall planning to the purpose intended; and that the design and development standards are such as to create an industrial environment of sustained desirability and stability; and
- d) The facts submitted with the application and presented at the hearing establish beyond a reasonable doubt that in the case of the proposed commercial, institutional, recreational and other non-residential uses, the development will be appropriate in area, location and overall planning to the purpose intended; and the development will be in harmony with the character of the surrounding areas.

Section 2. That the "District Map" adopted as a part of the Zoning Ordinance of the City of Scottsdale, showing the zoning district boundaries, is amended to approve the modified development standards allowing building height up to 65 feet on a 25 +/- acre site within the Perimeter Center, and to approve the Development Plan located at 17851, 17821, 17799, 17791 and 17761 N. 85th Street and marked as "Site" (the Property) on the map attached as Exhibit 2, with Industrial Park District, Planned Community District (I-1 PCD) zoning, by adopting that certain document entitled "The Pinnacle in the Perimeter Center Development Plan" declared a public record by Resolution No. 8652 and incorporated into this ordinance by reference as if fully set forth herein.

Section 3. That the above rezoning approval is conditioned upon compliance with all stipulations attached hereto as Exhibit 1 and incorporated herein by reference.

PASSED AND ADOPTED by the Council of the City of Scottsdale this 26th day of April, 2011.

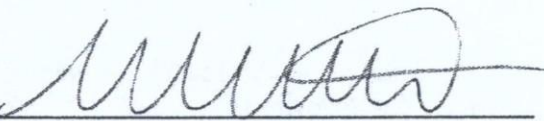
ATTEST:

CITY OF SCOTTSDALE, an Arizona
Municipal Corporation

By: _____
Carolyn Jagger
City Clerk

By: _____
W.J. "Jim" Lane
Mayor

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By:  _____
Bruce Washburn, City Attorney
By: Sherry R. Scott, Deputy City Attorney

Section 2. That the "District Map" adopted as a part of the Zoning Ordinance of the City of Scottsdale, showing the zoning district boundaries, is amended to approve the modified development standards allowing building height up to 65 feet on a 25 +/- acre site within the Perimeter Center, and to approve the Development Plan located at 17851, 17821, 17799, 17791 and 17761 N. 85th Street and marked as "Site" (the Property) on the map attached as Exhibit 2, with Industrial Park District, Planned Community District (I-1 PCD) zoning, by adopting that certain document entitled "The Pinnacle in the Perimeter Center Development Plan" declared a public record by Resolution No. 8652 and incorporated into this ordinance by reference as if fully set forth herein.

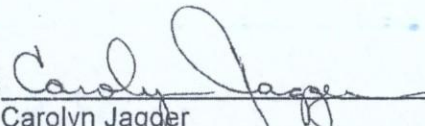
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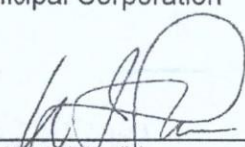
ATTEST:

CITY OF SCOTTSDALE, an Arizona
Municipal Corporation

By:

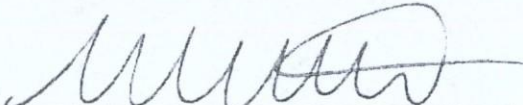

Carolyn Jagger
City Clerk

By:


W.J. "Jim" Lane
Mayor

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By:


Bruce Washburn, City Attorney
By: Sherry R. Scott, Deputy City Attorney

Stipulations for the Zoning Application

Pinnacle in the Perimeter Center

Case Number: 2-ZN-2010

These stipulations are in order to protect the public health, safety, welfare, and the City of Scottsdale

CHANGES MADE BY CITY COUNCIL SHOWN IN STRIKE-THRU AND BOLD CAPS

SITE DESIGN

- 1 CONFORMANCE DEVELOPMENT PLAN Except as stipulated below, development shall generally conform with the Development Plan submitted by Davis, and the offices of Earl, Curley, and Lagarde, with the city staff date of 1/14/2011, attached as Exhibit 1 to that public record entitled "The Pinnacle in the Perimeter Center Development Plan", made a public record by Resolution No 8652, and incorporated herein by reference Any proposed significant change to the Development Plan as determined by the Zoning Administrator, shall be subject to additional action and public hearings before the Planning Commission and City Council
 - a) The parking structure shown on the conceptual site plan shall be limited to one (1) above grade story **AT A MAXIMUM OF 14 FEET IN HEIGHT** and shall be located as far to the east as access requirements allow
 - b) The Development Review Board shall pay particular attention to 1) the design of the parking structure facade to assure compatibility with the adjacent hotel use, 2) the provision of adequate landscape screening and, 3) the use of low impact, shielded lighting on the structure
 - c) The amended development standards shall not apply to the southern ~~300~~ 200 feet of the subject site
- 2 CONFORMANCE TO AMENDED DEVELOPMENT STANDARDS Development shall conform with the amended development standards set forth in that certain public record entitled "The Pinnacle in the Perimeter Center Development Plan", made a public record by Resolution No 8652, and incorporated herein by reference Any change to the development standards shall be subject to additional public hearings before the Planning Commission and City Council
- 3 BUILDING HEIGHT LIMITATIONS
 - a) No building on the site shall exceed sixty-five (65) feet in height as measured from natural grade plus three (3) feet In no case shall drainage or any other considerations cause the building height to exceed this standard
 - b) Mechanical equipment and screening shall be limited to twenty (20) percent of the roof area, and shall not exceed twelve (12) feet in height above the roof deck
 - c) Buildings sixty-five (65) feet in height shall be located within approximately the eastern 200 feet of the building envelope, as identified on the Building Height Zones exhibit with

Exhibit 1

Ordinance No 3936

Page 1 of 3

the city staff date of 3/21/2011 and incorporated in the Development Plan Buildings on all other areas of the site shall not exceed fifty (50) feet in height

- 4 CONFORMANCE TO THE DESIGN GUIDELINES Development shall conform to the Design Guidelines set forth in that certain public record, that public record entitled "The Pinnacle in the Perimeter Center Development Plan", made a public record by Resolution No 8652, and incorporated herein by reference, as determined by the Development Review Board All other relevant City of Scottsdale design guidelines shall still apply to the site
- 5 VIEW CORRIDORS
 - a) If any building is greater than sixty (60) feet in height, view corridors shall be provided between the buildings for a minimum of thirty-five (35) percent of the average length (north-south) of the overall 25-acre site
 - b) For buildings taller than thirty-six (36) feet but less than sixty (60) feet in height, view corridors shall be provided between the buildings for a minimum of twenty (20) percent of the average length (north-south) of the overall 25-acre site
 - c) The required view corridors shall be on an east-west axis for the width of the site, and shall be clear of any buildings, with the exception of site amenities that are less than sixteen (16) feet in height

AIRPORT

- 6 FAA DETERMINATION With the Development Review Board Application, the owner/developer shall submit a copy of the FAA Determination letter on the FAA FORM 7460-1 on any proposed structures, appurtenances that penetrate the 100 1 slope The elevation of the highest point of those structures including the appurtenances must be detailed in the FAA form 7460-1 submittal
- 7 AIRCRAFT NOISE AND OVERFLIGHT DISCLOSURE Prior to permit issuance, the owner/developer shall provide noise disclosure notice to occupants and/or potential employees in a form acceptable to the Scottsdale Aviation Director
- 8 AVIGATION EASEMENT With the Development Review Board submittal, the owner/developer shall provide a signed and completed Avigation Easement in a form acceptable to the City for recording

INFRASTRUCTURE AND DEDICATIONS

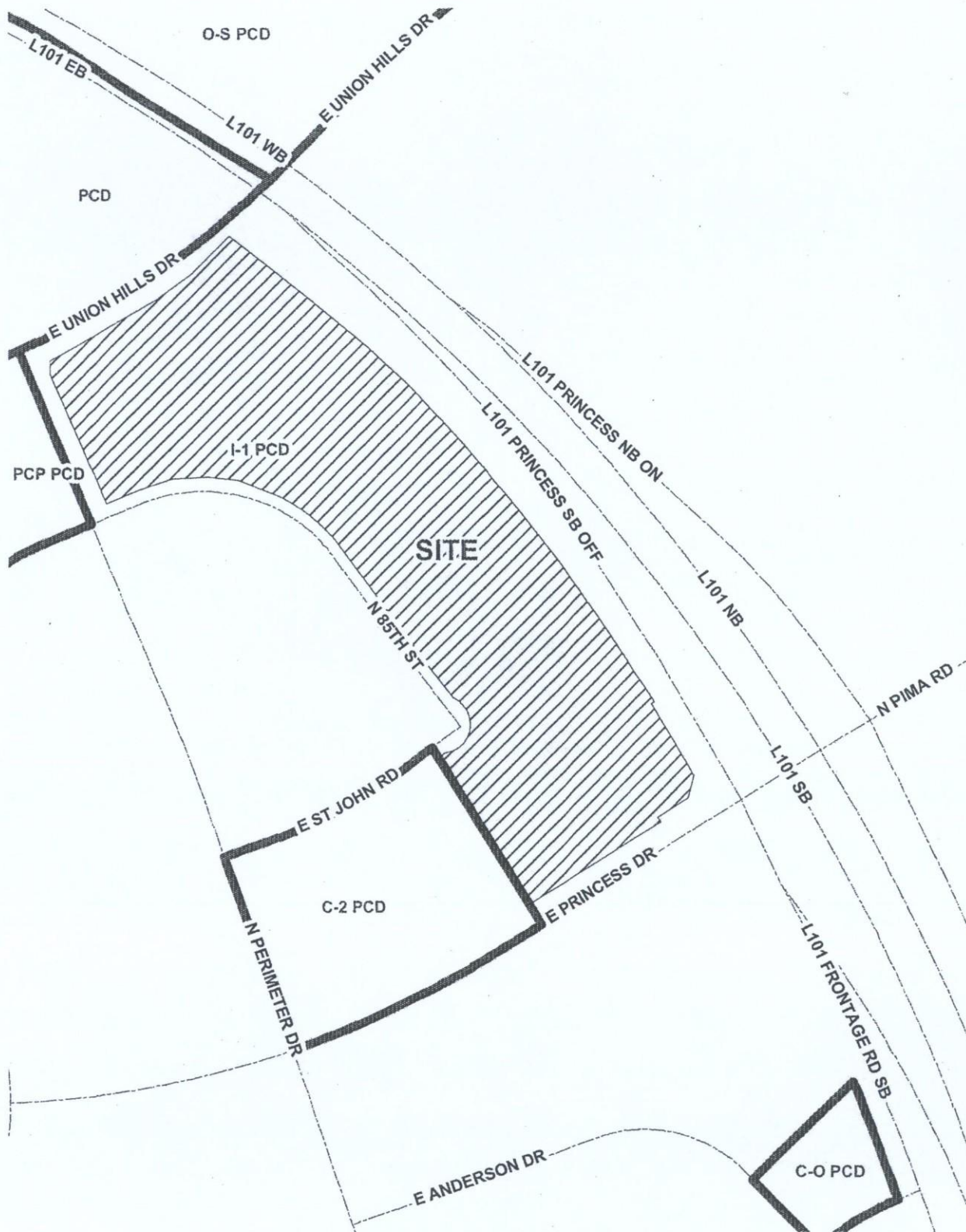
- 9 ACCESS RESTRICTIONS Access to the site shall conform to the following restrictions, unless otherwise approved by the Transportation Department (distances are measured to the driveway or street centerlines)
 - a There shall be a maximum of one site driveway from E Princess Drive, with a minimum of 300 feet between the driveway(s) and street intersection(s) This driveway shall be restricted to right-in, right-out only access
 - b Site driveways proposed along N 85th Street and E St John Road shall be located with a minimum of 125 feet between the driveway and adjacent street and driveway intersections along both sides of the street (intersections include the intersection of N 85th Street and E ST John Road)

Exhibit 1

Ordinance No 3936

Page 2 of 3

- 10 DRAINAGE REPORT Prior to being scheduled for a Development Review Board hearing, the owner shall submit and receive acceptance of a case drainage report demonstrating compliance with the accepted master plans for the Perimeter Center
- 11 WATER/SEWER Prior to submittal of improvement plans for the site, the owner shall submit and receive acceptance of a water and sewer basis of design report demonstrating compliance with the accepted master plans for the Perimeter Center



2-ZN-2010



RESOLUTION NO. 8652

A RESOLUTION OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK OF THE CITY OF SCOTTSDALE AND ENTITLED "THE PINNACLE IN THE PERIMETER CENTER DEVELOPMENT PLAN"

WHEREAS State Law permits cities to declare documents a public record for the purpose of incorporation into city ordinances; and

WHEREAS, the City of Scottsdale wishes to incorporate by reference amendments to the Zoning Ordinance of the Scottsdale Revised Code, by first declaring said amendments to be a public record.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. That certain document entitled "The Pinnacle in the Perimeter Center Development Plan," attached as Exhibit "1", three copies of said document being on file in the office of the City Clerk, is hereby declared to be a public record. Said copies are ordered to remain on file with the City Clerk for public use and inspection.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this 26th day of April, 2011.

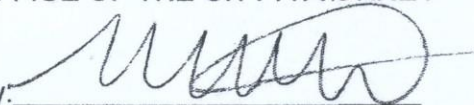
ATTEST:

CITY OF SCOTTSDALE, an
Arizona municipal corporation

By: _____
Carolyn Jagger, City Clerk

By: _____
W. J. "Jim" Lane, Mayor

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: 
Bruce Washburn, City Attorney
By: Sherry R. Scott, Deputy City Attorney

The Pinnacle in the Perimeter Center DEVELOPMENT PLAN

Updated January 13, 2011

Request

The purpose of this request is to obtain an amendment of the development standards of the I-1 district, as permitted under the Planned Community District (PCD) overlay designation of the Perimeter Center. The proposed amended development standards would allow a five story 65' corporate office campus on an approximately 24.6 acre site owned by Furst Properties located at the northwest corner of the Pima Freeway Loop 101 and Princess Drive within the Perimeter Center. The original application for 16.72 acres has been amended to include the 7.88 acre existing Furst Properties Phase One building site to make the zoning and development standards consistent on all of the Furst property. The Perimeter Center is a dynamic master planned business park campus that has been developed with a variety of employment, office, corporate headquarters and retail commercial uses that serve the regional marketplace. The initial Furst Properties building includes the corporate headquarters for Meritage Homes. The additional height is intended to make the entire site more attractive and viable as a corporate headquarters location.

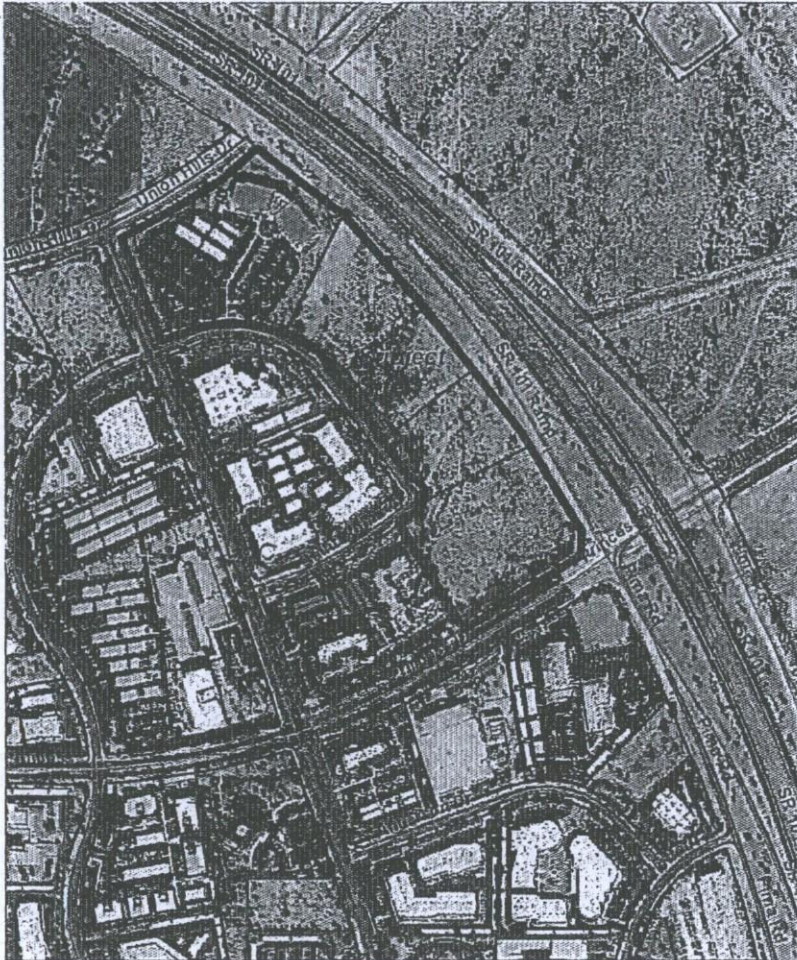
Section 5.2102.C of the Scottsdale Zoning Ordinance allows property development standards modifications subject to a written narrative and graphics that support a Planning Commission and City Council determination that the modifications will produce a project superior to that produced by the existing standards. The amendment of development standards proposed by Furst Properties will allow the development of architecturally superior buildings visible from the freeway, provide a corporate campus with enhanced open space amenities and increase the likelihood of attracting corporate headquarter users. The project would implement both the City's General Plan goals for the site, which is designated for Employment/Regional Use and identified as being within a Growth Area, and the recently adopted Greater Airpark Character Area Plan (GACAP). The City has targeted this area for development that significantly increases the City's employment core and attractiveness to regional markets and that supports the Scottsdale Airport and Airpark's economic success.

Need for Additional Height

The property, comprised of five (5) separate parcels, is zoned Industrial Park/Planned Community District (I-1/PCD) and includes the last major vacant area along the freeway within the Perimeter Center. The uniquely shaped property is on the west side of the Loop 101 bounded by the curve of the elevated freeway along its eastern side, offices and a hotel to the west, and Princess Drive to the south.

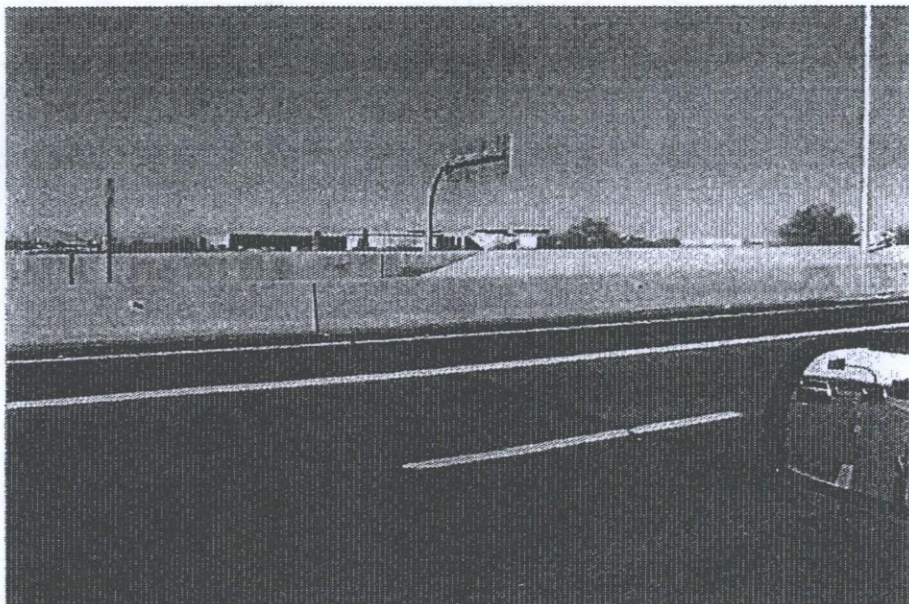
The site enjoys excellent regional access due to its freeway location. The Loop 101 Pima Freeway connects to the Loop 202, US 60, I-10 and Interstate-17. The proximity of the Loop ity

101 Pima Freeway and these freeway connections greatly expands the site's regional employment shed and market area in terms of available labor supply, access to major markets and business synergies.

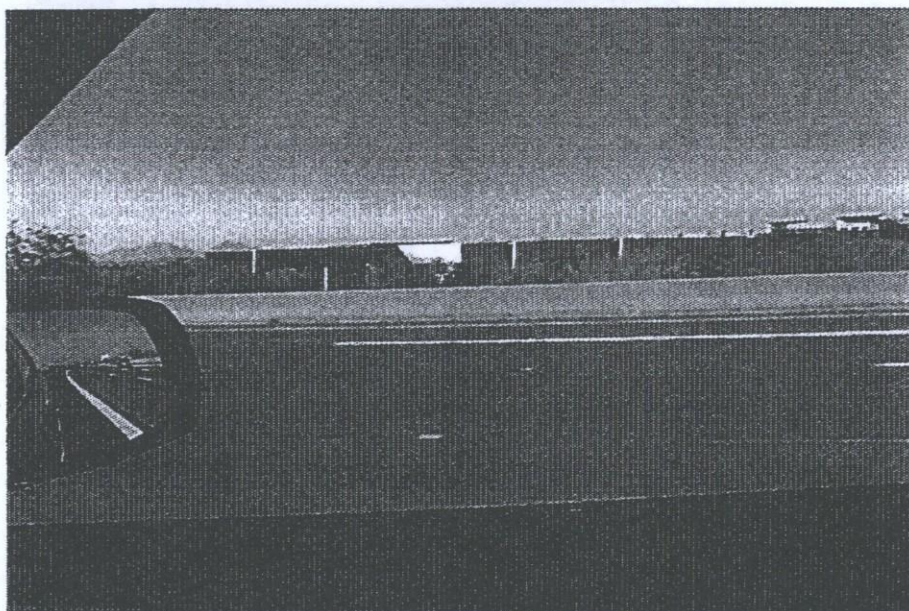


The vacant portion of the subject site is an assemblage of four separate lots offering corporate headquarter users the advantages of an adequately sized campus, superior freeway access with connectivity to all major Valley freeways and a visually prominent freeway presence, if the amended standard for additional height is approved.

The size of the property, its freeway frontage, existing infrastructure and location within a developed business park, all make this site a premier corporate headquarters location. Furst Properties has already attracted a corporate headquarters to its initial phase of development at this location. Corporate headquarter users are typically seeking locations that accommodate adequately sized buildings within an attractive campus setting and offer easy on-and-off freeway access as well as freeway visibility. This site generally meets these criteria but the adjacent raised freeway next to most of the site impacts the visibility of three-story buildings and thus presents a challenge that needs to be overcome in marketing the property to corporate users. The allowable height for the Perimeter Center had been established at 36-feet, prior to the construction of the Loop 101 Freeway. However, now that the freeway has been constructed, many properties with the lower building height have had their visibility negatively impacted by the adjacent elevated freeway. A five story building would restore the visibility and freeway prominence important to corporate users.

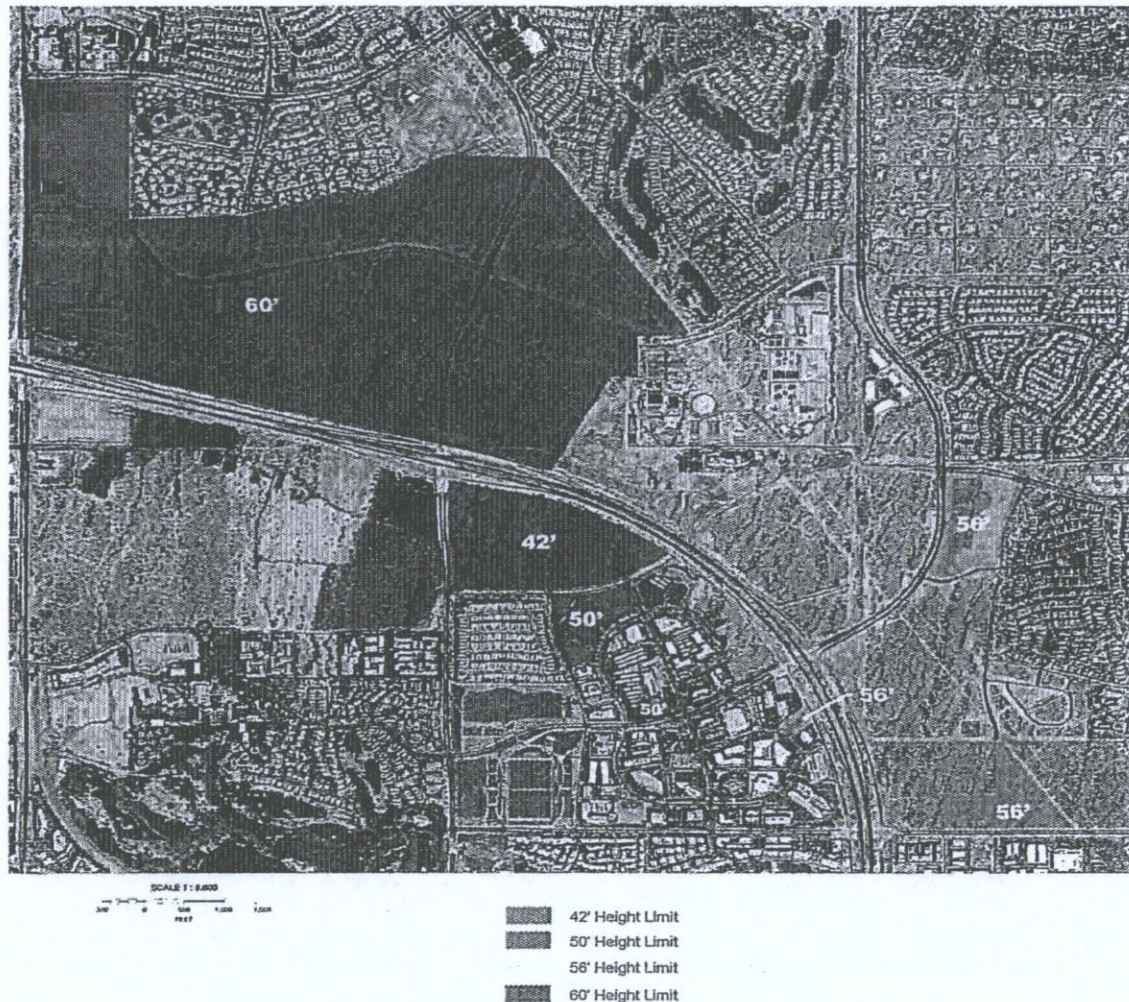


There is essentially no visibility for these Perimeter Center buildings adjacent to the elevated section of the freeway from northbound lanes.



There is little improvement in freeway visibility even from the southbound lanes.

While the freeway provides unique opportunities for the desired business and employment uses, elevated sections of the freeway have created visual constraints for businesses, especially corporate users who want and need freeway visibility. Because of the elevated freeway and other visibility and use issues, several properties within the Perimeter Center have requested and been granted additional height to enhance corporate or project visual identity.



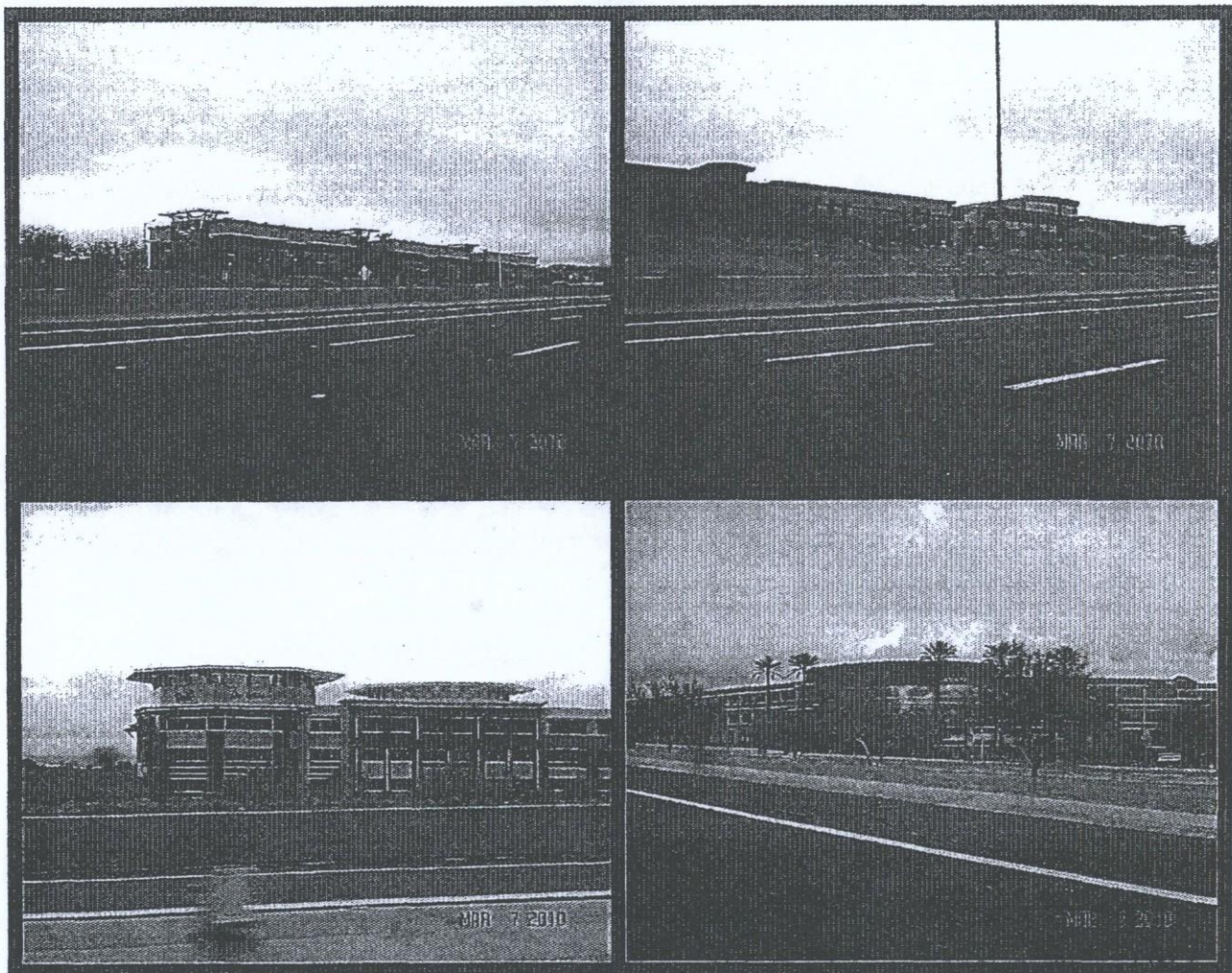
Approved heights in proximity to The Pinnacle in the Perimeter Center site.

Freeway Corridor Context

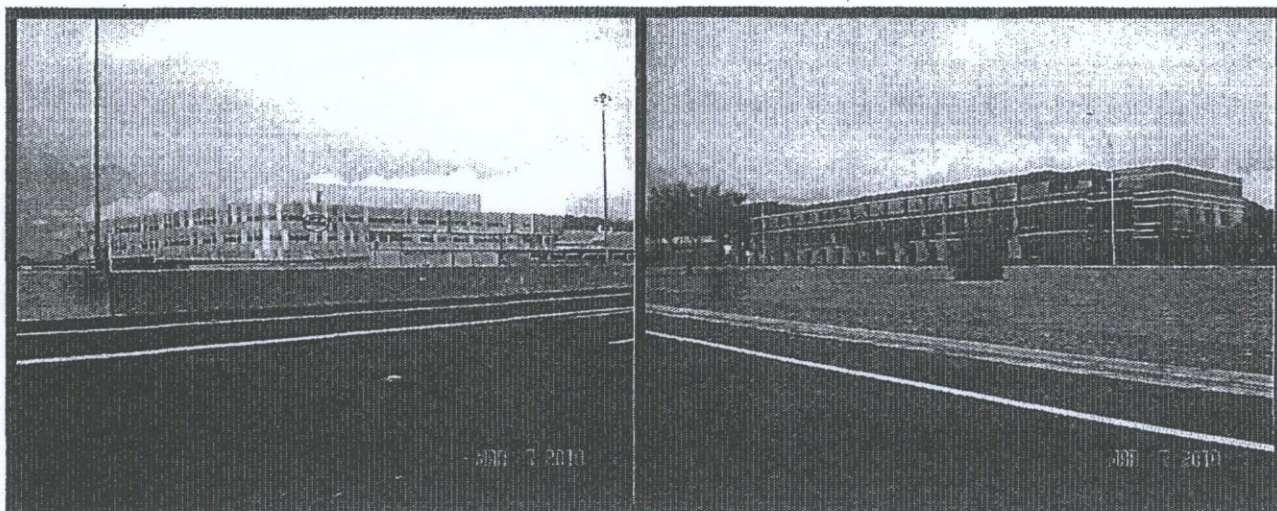
The PCD overlay allows an amendment of development standards, including building height, and similar amended height standards have been approved previously in the freeway corridor employment area and within the Perimeter Center. The additional height proposed is consistent with the context of other development within the Loop 101 Freeway Corridor Regional Overlay area between Raintree and Scottsdale Road. As the aerial height graphic above shows, heights of 50' and 56' in the Perimeter Center, 56' in the industrial/mixed use area east of the freeway and 60' at the Loop 101 and Scottsdale Road have all been approved. The proposed amended standard to allow 65' in height is intended to achieve five (5) stories to enhance freeway visibility, raise executive level floors above the freeway, allow for greater flexibility in the selection of structural systems and accommodate the HVAC and telecommunications infrastructure required by today's office users. The five-story proposal is consistent with the General Plan's Regional Use designation, the GACAP's Type C Higher Scale Development designation and the City's goals for attracting major employment and corporate headquarter uses, along with the high quality jobs they provide, within the freeway corridor. At three stories

with little freeway visibility and virtually no mountain views, the site is not as competitively positioned to attract major corporate headquarter users.

The Loop 101 is very wide at this location because of raised freeway overpass that is generally 26 feet above grade at the intersection. To accentuate the attractiveness of this freeway property for a marquee corporate headquarters project, Furst is proposing an amendment of the I-1 development standards, as is permitted under the PCD overlay, to allow the high-quality five-story office project. The additional five-story height would enable the proposed buildings to have the desired greater presence and visibility along the freeway corridor as well as take advantage of McDowell Mountain views for executive offices on the upper levels above the raised freeway, both of which would make it far more attractive for corporate headquarters and advance its marketability for this use within a far shorter timeframe.



*The Loop 101 Freeway Corridor has been developed with prominently located buildings that are visible at three story heights above the grade from the freeway lanes, which is consistent with the visibility being proposed for **The Pinnacle in the Perimeter Center** along the elevated portion of the Loop 101 at Princess Drive.*



These three story heights visible from the Loop 101 at grade or lower create a strong presence along the Freeway Corridor that enhances the Corridor's image as a major regional employment center; the current proposal will contribute to that image with improved freeway visibility for the buildings.

The design of *The Pinnacle in the Perimeter Center* with visibility of generally three stories along the elevated freeway grade is consistent with existing Freeway Corridor development. The prominent, upscale complex allows for a wide range of tenants from large "Class A" corporate headquarters to smaller, single use tenants who are looking for freeway presence and accessibility with close proximity to an airport. The Perimeter Center area provides retail commercial to support the proposed employment use as well as excellent residential neighborhoods in proximity to the site for executives and employees, both of which are amenities that attract major corporate users. The project is designed to create a sustainable and unique high end office development.

General Plan and Greater Airpark Character Area Plan Context

The Pinnacle in the Perimeter Center proposal is consistent not only with the existing freeway corridor context but also with both the current General Plan designation and the recently adopted Greater Airpark Character Area Plan (GACAP), within which the property is included. The General Plan designates Perimeter Center as Employment and also places it under the Regional Use Overlay, intended to provide flexibility for land uses, like corporate headquarters, which serve a regional market. The targeted corporate headquarters use is thus consistent with the General Plan.

The City's General Plan designates this property as Employment and notes that Employment Uses comprise only 1.8% of the City's planned and existing land uses. With this minimal amount of land in the City designated for Employment, the General Plan encourages land utilization within the Employment areas to sustain a viable economic base and to help diversify the City's economy. The Land Use Element of the General Plan includes among its goals and approaches focusing more intense land uses along major transportation corridors like the Pima Freeway and maintaining balance between jobs and housing. The property is also designated

within the Regional Use Overlay and one of the specific targeted uses cited under the Regional Use Overlay is corporate offices. The goal of the Regional Use Overlay is to enhance the City's employment core and attractiveness to regional markets and to take advantage of the benefits of freeway access. The City's General Plan also has as a goal concentrating future development in Growth Areas such as the one designated in the Pima Freeway Corridor and Greater Airpark area.

Because there is such limited availability of land for the type of corporate headquarters use that provides high quality jobs for Scottsdale citizens and adds diversity to the City's economic base, the approval of the additional height intended to attract corporate users is not only consistent with the City's General Plan, but would implement a number of General Plan goals. The amended standards would allow the location of the more intense land use with high quality employment opportunities within this Growth Area and along a major transportation corridor as intended by the General Plan.

As part of the Economic Vitality Element Goals, the City seeks targeted business services that provide quality jobs for Scottsdale and help to further diversify the economy, both of which goals are furthered by making this site more likely to attract a corporate headquarters. The "Scottsdale Values" Section of the Economic Vitality Element includes "Attraction and retention of high quality employment opportunities for citizens." Specific economic sectors are targeted for expansion or relocation in Scottsdale, including corporate headquarters. The approval of the amended standards would help to implement these goals.

The GACAP is indicative of the City's planning direction for the Greater Airpark area. In its statement of Vision and Community Values, the GACAP recognizes the area as a national and international commerce destination that affords accessibility supportive of regional employment and offers opportunities for business diversity as well as diversity of architecture and design. The proposed project will implement this vision as well as the goals and policies of the Plan's Land Use, Economic Vitality, Environmental Planning and Character and Design Elements. Many of these goals and policies are addressed in the proposed Design Guidelines for the project.

The GACAP Land Use Element recognizes the Greater Airpark as a critical resource in attracting well-paid jobs and revenues which sustain Scottsdale's quality of life. The Plan calls for modernization of development standards and for promotion of development intensities supportive of existing and future market needs. The Perimeter Center is identified in the Draft Plan as a Type C development area appropriate for High Scale development. Higher scale development is encouraged in areas like the subject property with access to major transportation corridors and away from residential areas. The Signature Corridor designation offers the flexibility for support uses on the site. *The Pinnacle in the Perimeter Center* building height proposal is consistent with these Land Use goals and the Type C designation of the Plan.

In accordance with Ordinance open space standards for increased height, the project will have 32% open space, approximately one-third of the property, almost eight (8) acres of open space, a large percentage of which will be usable open space for pedestrian amenities. The project also proposes to incorporate green building techniques, potentially qualifying for LEED certification. As part of The Perimeter Center, the project implements its Master Plan, which provides integrated area-wide stormwater infrastructure offering a streetscape greenbelt and pedestrian connections linked to the citywide pathway system, all of which implement express Land Use

Element goals and policies. Additionally, another express policy of the Land Use Element of the Plan is to promote flexibility of land uses when it can be demonstrated that new land uses, like the corporate headquarters use proposed, are viable in serving a regional market. With its prime regional location on a major freeway corridor that offers freeway connectivity to all parts of the Valley, the site is ideal for attracting a corporate headquarter use by offering appropriate height along the elevated freeway which is fully consistent with City policies and goals as expressed in the GACAP.

The overarching goal of the Economic Vitality Element of the GACAP is to sustain the long term economic prosperity of the Airpark, which is recognized as a major employment center in the State and which contributes a significant portion of City revenue and thus sustains Scottsdale's quality of life and high level of City services. The Economic Vitality Element seeks to maximize the economic potential of Greater Airpark area land resources and calls for developing strategies, such as amending regulatory processes, which will incentivize and encourage new development and re-development. Its policies include supporting the growth and development of the Greater Airparks office industries and corporate headquarters as well as attracting new high value businesses and a diversified business base. The buildings and height proposed are intended to attract corporate headquarters users and implement these Economic Vitality goals and policies.

The Environmental Planning Element of the Plan is focused on environmental stewardship, energy and water conservation, stormwater management and other sustainability measures. The project will meet Environmental Planning Goals in several areas. Green building alternatives will be incorporated along with passive solar elements. Landscaping will use low-water indigenous and adapted desert plants with minimal, if any, turf areas. Additional tree planting will occur in planter diamonds throughout the parking areas for both shading and ground-level ozone reduction purposes. Over eight acres of open space is being provided and will include pedestrian amenity areas. The Perimeter Center has an established area-wide stormwater management system which incorporates a vegetated, stormwater channel network and creates generous landscaped areas along The Perimeter Center streets. The project will tie into this overall stormwater system.

With regard to the Character and Design Element, the GACAP promotes flexibility in development as a key to promoting unique and interesting building design within the Greater Airpark. The Plan calls for contemporary architecture, corporate/executive character, campuses and unique expressions of corporate identity, stating that, "Employment Land Use Area design should consider contemporary expressions of corporate identity." One of the Character and Design policies is to encourage a variety of building shapes and heights that are appropriate in each land use area in order to promote visual interest within the Greater Airpark. The proposed greater building height and Design Guidelines are consistent with the goals and policies of the Character and Design Element of the GACAP. Lighting features will be designed to minimize glare and conserve energy. Additionally, the project will incorporate a special design feature emphasizing its location at a gateway entry to The Perimeter Center. The greater height proposed will allow the development of buildings that add variety and visual interest at this prominent intersection and help identify The Perimeter Center as a major employment center.

Conceptual Development Plan

With this amended standards request, Furst Properties has now submitted a Conceptual Development Plan identifying the general location of two buildings, which are proposed at 4 stories for the central building and 5 stories for the southernmost building adjacent to the most elevated portion of the freeway. The proposed building locations maximize the freeway exposure of the five story and four story buildings and reduce impacts on other Perimeter Center buildings. There is no proposed increase in F.A.R. so no additional square footage will be allowed with the added height. The taller buildings create a smaller footprint and thus allow for view corridors into the Perimeter Center from the freeway as well as the opportunity for enhanced usable open space and pedestrian amenities. The placement of buildings adjacent to the freeway is consistent with the other up-scale, professional buildings along the freeway as shown above. Because there is no identified user, it is anticipated that there could be modifications to the precise building shapes and footprints, but the general concept of adjacency to the freeway and view corridors through the site will be maintained. Building sizes will continue to be limited by the existing F.A.R. of .6.

Because of the significant fall in elevation on the 24.6 acre site, measurement of building height from average top of curb plus one (1) foot would result in significant cuts and fills and is thus not appropriate for this larger site. Based on the topographic survey specific maximum building height elevations have been established at site cross-sections and the building height for the entire site is proposed to be measured from natural grade plus three feet. The elevations shown are based upon natural grade and the extra two feet above natural grade is intended to accommodate potential drainage considerations that could require a finished floor elevation that could greatly exceed the one (1) foot above average top of curb if that alternative method of height measurement were used. The maximum elevations, therefore, have been established to limit the building heights as shown on the revised Building Height Maximum Elevations Exhibit regardless of drainage considerations.

The Conceptual Development Plan now shows an access driveway on Princess Drive a minimum of 330 feet from the freeway exit lane centerline as was indicated to be acceptable to the Transportation Department. This access is limited to rights-in and out only. The Conceptual Development Plan also indicates potential driveways, with exact locations to be finalized in the Development Review Board process. Open space is proposed at a minimum of 32%, which provides the extra open space required by the Ordinance for projects with greater height. This amount does not include required parking lot landscaping and is above what is required under the current 36' height. Providing almost one-third of the site in open space allow for enhanced landscaping, more usable open space areas and pedestrian amenities as encouraged by the GACAP and as provided in the Design Guidelines below. Again, no increase in allowed F.A.R. is proposed. Both a parking deck and covered surface parking are proposed to provide parking that will meet or exceed Ordinance requirements in order to accommodate the needs of a corporate headquarters user.

The project will comply with The Perimeter Center Master Environmental Design Concept Plan (MEDCP) and the Master Drainage Plan. The MEDCP calls for landscape and exterior site development tied to an arid region natural environment and expansive landscape buffer areas adjacent to roadways with both berming and low screen walls. To maintain the quality and character of The Perimeter Center, the MEDCP also envisioned strict design guidelines of the

type proposed. The proposed conceptual landscape plan implements the wide streetscape buffer areas and desert planting theme consistent with the MEDCP and the policies of the GACAP. The Design Guidelines for the proposed project set forth below will implement the intent of the MEDCP for high quality architecture with The Perimeter Center.

Design Guidelines

The Pinnacle in the Perimeter Center site is being developed for employment uses with a campus feel that incorporates a common landscape, entry feature and screen wall theme. All buildings within *The Pinnacle in the Perimeter Center* will be in conformance with the City of Scottsdale's Sensitive Design principles. To ensure the City's goal for quality development, additional design guidelines are being provided to establish a higher standard for site plan design, landscaping and pedestrian amenities, architecture, building materials and colors. These guidelines are designed to assure the highest design quality and establish compatibility of development on the entire site. As a supplement to Scottsdale's Sensitive Design Principles, all buildings within *The Pinnacle in the Perimeter* will be consistent with the following Design Guidelines, which are intended to provide an enhanced employment environment with increased landscaping, usable open space and exterior amenities together with an exceptional architectural design quality justifying the proposed amendment of the development standards to provide additional height under Section 5.2102.C. The proposed Design Guidelines add detail and specificity in implementation techniques to the more generalized concepts in the City's Sensitive Design Principles and Commercial Design Guidelines. The Sensitive Design Principles provide only guidance; the proposed Design Guidelines provide the regulatory criteria that will govern the design of the project.

Site Planning

The Site Utilization approach shall consider density relative to adjacent uses and development. Other considerations shall include views to the McDowell Mountains, visual presence on the Loop 101 freeway, a sense of arrival, service areas, pedestrian access and indoor /outdoor relationships that are sensitive to the project character and desert environment.

Open space shall be provided at a minimum of 32 percent, which is consistent with the Ordinance requirements for greater height but also above the Ordinance requirement for 36'. This 32% open space is exclusive of parking lot landscape Ordinance requirements, which will bring the total open space to over eight acres, one third of the project site.

Pedestrian connections shall be provided between buildings and to adjacent pedestrian walkways that are enhanced with shade and landscape elements. A site amenity or special feature shall provide destinations for these connections.

Physical and visual breaks in the parking areas shall be created through the use of smaller structural elements, landscape areas and parking walks. Shaded parking shall be provided either by a parking deck, covered surface parking, landscape design or by a combination thereof.

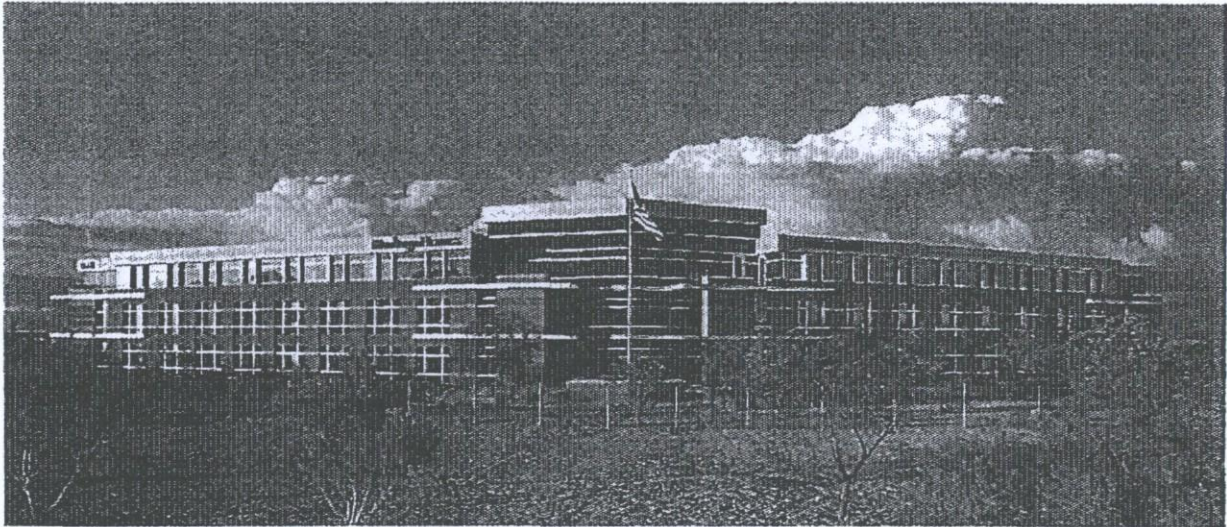
Architectural Design

The architectural vocabulary shall be sensitive to the architecture of the region and the overall character relative to forms, materials, textures and colors that have been established in the Perimeter Center.

All buildings shall be designed and constructed so that all four sides receive consistent architectural treatment.

Green building techniques shall be used.

Building designs shall incorporate offsets in building components that can be enhanced through a change in materials.



The Furst Properties Meritage headquarters building, and other Davis designed buildings in this Design Guideline section, illustrate the applicable architectural principles.

Glass shall be used to maximize views, provide architectural day-lighting and create a contrasting element to metal, concrete, stucco or masonry building surfaces.

Building designs shall shade glass surfaces through the use of fin walls, piers, planes, trellis or overhead shading devices.

Large wall surfaces shall employ methods for articulation such as: material change, color change, texture change, wall undulation, reveals, windows, parapet articulation, etc.

Roof mounted equipment shall be screened through the extension of the building façade or screen walls and shall be integrated into the design of the building through use of similar materials, forms and massing.

Service entries, site mounted equipment, trash containers and other ancillary structures shall be screened from view, both from adjacent properties and surrounding streets.

Service, exit doors and loading areas shall be designed as integral parts of the building architecture.

Any roof access ladders shall be located inside the building and all roof drainage shall be internal.



Architectural variety and interest are created by changes in plane, materials, textures and colors, together with varied rooflines, in this Furst building designed by Davis at Scottsdale Road and Greenway, which reflects the principles of the proposed Design Guidelines

Landscape & Hardscape

The pedestrian environment shall provide clear, safe, comfortable circulation between adjacent streets, parking areas and buildings. Pedestrian and vehicular conflicts shall be minimized to the greatest extent possible and efficient lighting shall foster a sense of security.

Hardscape and landscape components for each site shall follow the overall streetscape theme and elements found within the Perimeter Center streetscape to create a seamless appearance.

Site amenities and special features shall include elements such as shade structures, enhanced landscape, screen walls, planters, walkways, paving and seating. All such elements shall be carefully designed to enhance the overall shared environment between the landscape and architecture and the quality of the pedestrian experience.

The landscape palette shall require a variety of low-water usage desert planting including a range of accent colors, consistent with The Perimeter Center MEDCP.

The vocabulary, form and character of the site landscape and the streetscape shall be sensitive to the region and manmade improvements to this site, including but not limited to the Loop 101 frontage streetscape, and Perimeter Center Guidelines.



The proposed Design Guidelines will be used to develop upscale, architecturally rich and attractive buildings like this Davis building in the Pima Center at the Loop 101 and Via de Ventura.

Site Lighting

Site lighting shall be designed in such a manner as to provide for safe vehicular and pedestrian movement into and around the site.

Lighting shall be designed to minimize glare and conserve energy while creating an aesthetically pleasing site and architectural statement.

Pedestrian level lighting shall be thematic in appearance and integrate form and materials from the architecture, site and parking lot lighting.

Compliance with Section 5.2105

Although The Perimeter Center has already been approved as a PC District meeting all Ordinance requirements and findings, and the current application requests only the amendment of a single development standard as allowed under the PC Overlay, the requested amendment to allow additional height also satisfies the Ordinance findings.

Section 5.2105 provides that before approval or modified approval of an application for a proposed P-C district, the Planning Commission and the City Council must find:

- A. That the development proposed is in substantial harmony with the General Plan of the City of Scottsdale, and can be coordinated with existing and planned development of surrounding areas.*

The General Plan as well as the character and context of the area make this site appropriate for additional height. Additional heights of 50' and 56' have already been allowed within the Perimeter Center and 56' heights have been approved in the industrial development to the east of the freeway along Pima and Bell Roads. The DMB One Scottsdale Development at the Loop 101 and Scottsdale Road is approved for 60' in height as is the adjacent Planned Regional Center (PRC) Core North Employment area north of the Loop 101 to the west of the Dial-Henkel corporate headquarters building. The General Plan designates the freeway corridor area as a Regional Use District, which includes corporate office uses and anticipates a greater intensity of use. The recently adopted Greater Airport Character Area Plan (GACAP) recognizes the need for flexibility in development standards and greater height to achieve maximum utilization of the vacant and underdeveloped areas within the Airpark and freeway corridor area. The proposed corporate headquarters project is in total harmony with both Plans. There is a growing understanding that as Scottsdale's developable land is diminishing, it should be recognized as an asset and a resource to be managed to enhance its benefit to the City as a whole. With the decrease in vacant land, redevelopment of underutilized parcels will also become important to the City and increased height encourages this needed redevelopment. Additionally, because this site is south of the freeway and the buildings are setback close to the freeway, no other views to the McDowells would be impacted by the proposed height. The project is likewise fully integrated with the surrounding Perimeter Center freeway corridor context.

- B. That the streets and thoroughfares proposed are suitable and adequate to serve the proposed uses and the anticipated traffic which will be generated thereby.*

All the adjacent local and arterial streets including the adjacent freeway, and on/off ramps are constructed. The existing street network provides adequate transportation for this site. The adjacent freeway provides excellent regional access due to its geographic location. Because no increase in FAR is proposed, traffic generated by this project is within the projected carrying capacities and volumes for the nearby arterial streets and will not adversely impact the surrounding land uses. The Pima Freeway Loop 101 connects to the Loop 202, US 60, I-10 and Interstate-17. Even with the additional height, the buildings will remain within the allowed I-1 .6 FAR. Because the square footage will remain within the allowed FAR, no additional traffic analysis is required at this time. Exact driveway locations will be determined at the time of DRB approval.

- C. The Planning Commission and City Council shall further find that the facts submitted with the application and presented at the hearing establish beyond reasonable doubt that:*

- 1. In the case of proposed residential development, that such development will constitute a residential environment of sustained desirability and stability; that it will be in harmony with the character of the surrounding area; and that the sites proposed for public facilities, such as schools, playgrounds and parks, are adequate*

to serve the anticipated population. The Planning Commission and City Council shall be presented written acknowledgment of this from the appropriate school district, the Scottsdale Parks and Recreation Commission and any other responsible agency.

This request is to amend the development standard for increased building height in the I-1/PCD. No residential development is proposed. Therefore this finding does not apply to this request.

- 2. In the case of proposed industrial or research uses, that such development will be appropriate in area, location and overall planning to the purpose intended; and that the design and development standards are such as to create an industrial environment of sustained desirability and stability.*

As described above, the character and context of the area makes this site appropriate for additional height, which is also supported by its Regional Overlay designation and its identification as appropriate for High Scale development in the Greater Airport Character Area Plan. Because this site is south of the freeway and the buildings are located close to the freeway, no other views to the McDowells would be impacted by the proposed height. When consideration is given to the surrounding development, the elevated freeway, the proposed building placement and the proposed Design Guidelines, the additional building height is justified and benefits the City of Scottsdale by enhancing the ability of the site to attract corporate office tenants who desire freeway frontage and visibility. Additional heights of 50' and 56' have already been allowed within the Perimeter Center and 56' heights have been approved in the industrial development to the east of the freeway along Pima and Bell Roads. The proposed building height is consistent with these heights as well as with the 60' height allowed within the Core North Employment area north of the Loop 101 to the west of this site. The project will undoubtedly contribute to a sustainable and stable employment environment in the area.

- 3. In the case of proposed commercial, institutional, recreational and other non-residential uses, that such development will be appropriate in area, location and overall planning to the purpose intended; and that such development will be in harmony with the character of the surrounding areas.*

See Number 2 above.

Compliance with Section 5.2105D

This request is to amend the development standard for increased building height. Therefore finding D which outlines standards for private and charter school does not apply to this request.

Conclusion

The proposed amendment of the height standard to allow a five-story project is consistent with the City's goal of establishing this area as a high quality employment area that integrates with and supports the Scottsdale Airport and surrounding Airpark businesses. The proposed PCD development standard amendment allows for the ability to maximize the site's potential for implementing community goals for the freeway corridor and will further the City's objective of

attracting corporate uses serving the regional market place in the Greater Airpark employment area. This proposal implements Scottsdale's goal of attracting a broad range of employment uses and corporate offices to diversify the City's economic base. Given its strategic location, ***The Pinnacle in the Perimeter Center*** project is well-positioned to present an attractive high quality office/business setting to corporate tenants.

The Development Plan exhibits are attached hereto.

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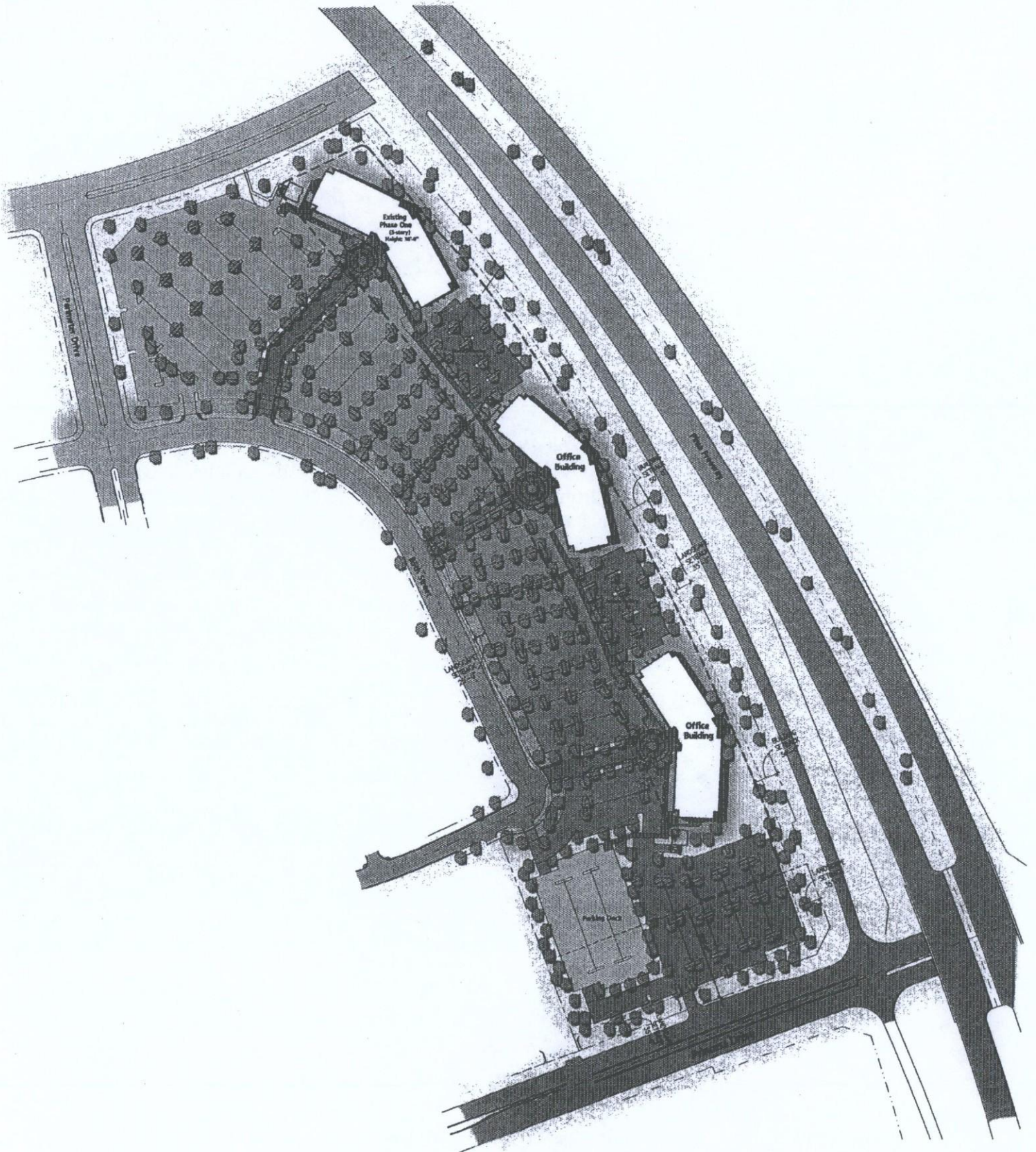
ADDENDUM

to the

The Pinnacle in The Perimeter Center
DEVELOPMENT PLAN

March 30, 2011

This Addendum to *The Pinnacle in The Perimeter Center* Development Plan Updated January 13, 2011, confirms the removal and formal withdrawal of the southern two-hundred feet of the subject property from the amended standards request in this case. The Ordinance standards of the existing I-1 district zoning will therefore apply to this area. The amended standard for rooftop mechanical equipment has also been revised to limit the equipment height to 12' over 20% of the roof area as requested by the Planning Commission.



CONCEPTUAL SITE LAYOUT



architecture
interior architecture
space planning
facility management
land planning
landscape architecture
graphic design

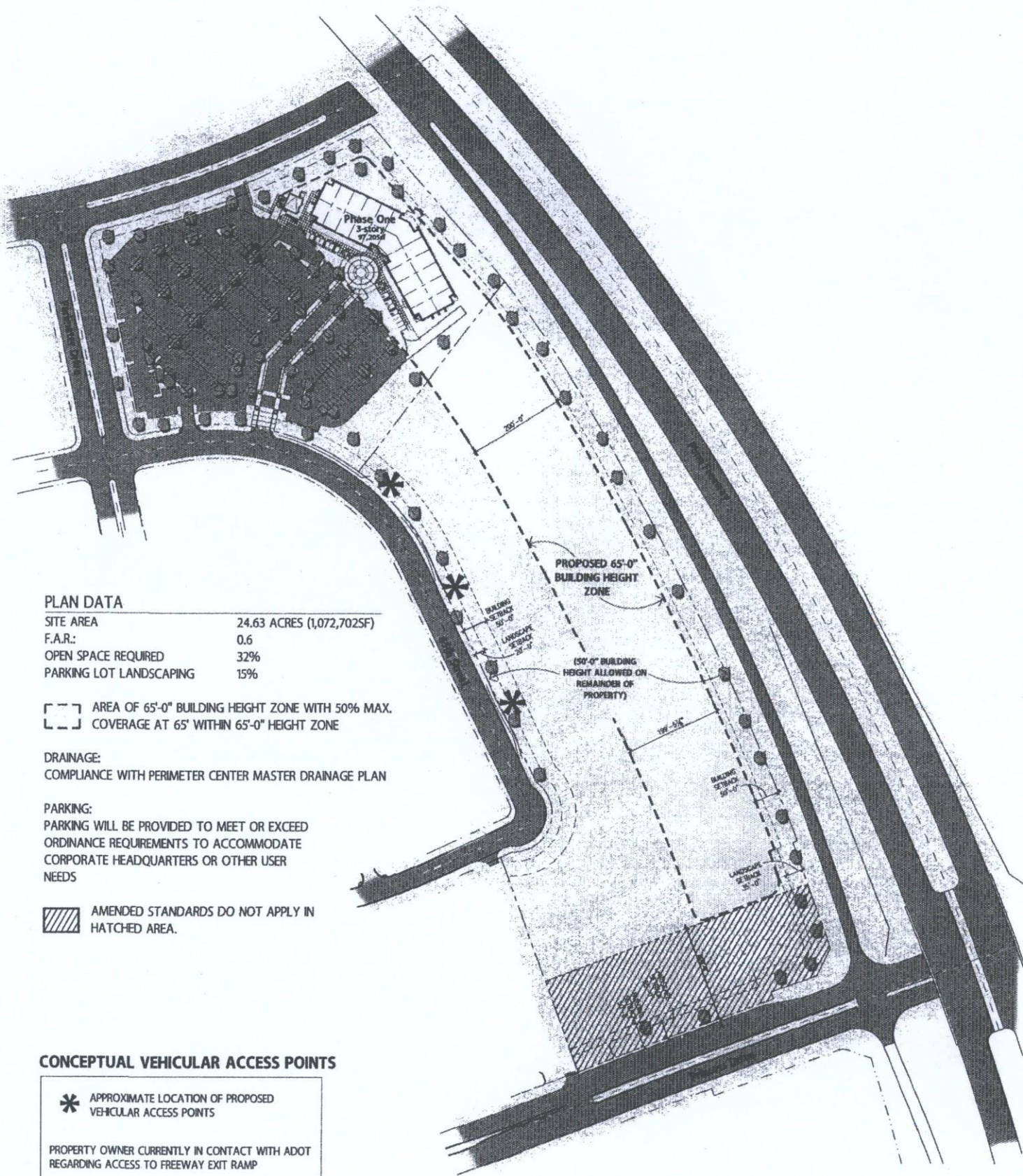
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Pinnacle in the Perimeter Center
Scottsdale, Arizona

02335
12.16.10

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All calculations are approximate and subject to change.



PLAN DATA

SITE AREA	24.63 ACRES (1,072,702SF)
F.A.R.:	0.6
OPEN SPACE REQUIRED	32%
PARKING LOT LANDSCAPING	15%

- [---] AREA OF 65'-0" BUILDING HEIGHT ZONE WITH 50% MAX.
 [---] COVERAGE AT 65' WITHIN 65'-0" HEIGHT ZONE

DRAINAGE:

COMPLIANCE WITH PERIMETER CENTER MASTER DRAINAGE PLAN

PARKING:

PARKING WILL BE PROVIDED TO MEET OR EXCEED ORDINANCE REQUIREMENTS TO ACCOMMODATE CORPORATE HEADQUARTERS OR OTHER USER NEEDS

 AMENDED STANDARDS DO NOT APPLY IN HATCHED AREA.

CONCEPTUAL VEHICULAR ACCESS POINTS

-  APPROXIMATE LOCATION OF PROPOSED VEHICULAR ACCESS POINTS

PROPERTY OWNER CURRENTLY IN CONTACT WITH ADOT REGARDING ACCESS TO FREEWAY EXIT RAMP

HEIGHT ZONE EXHIBIT



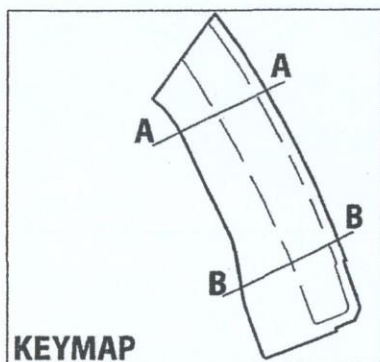
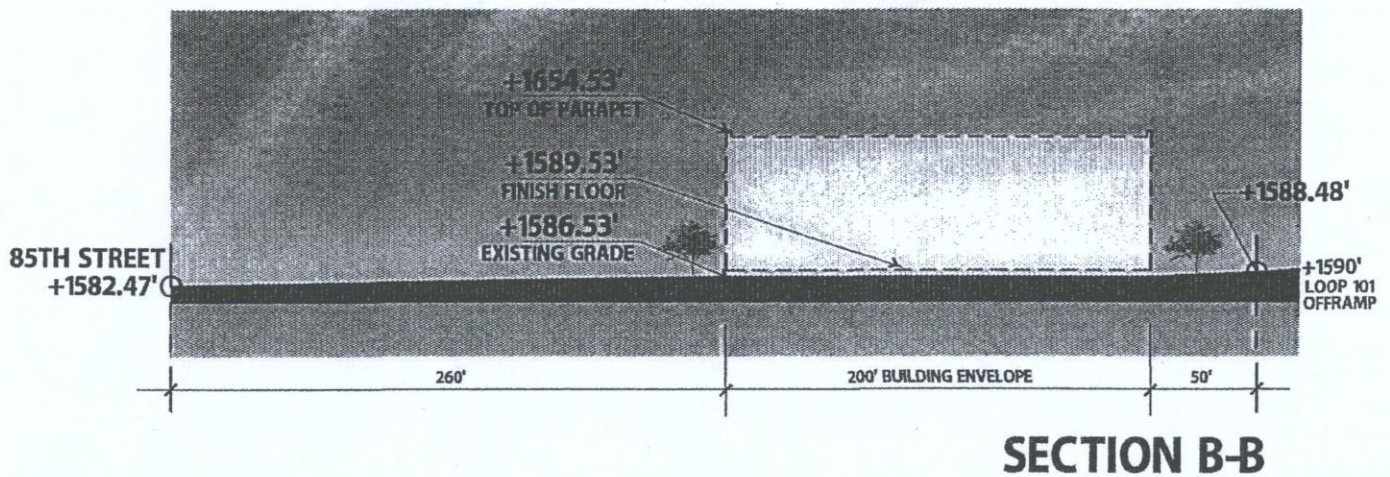
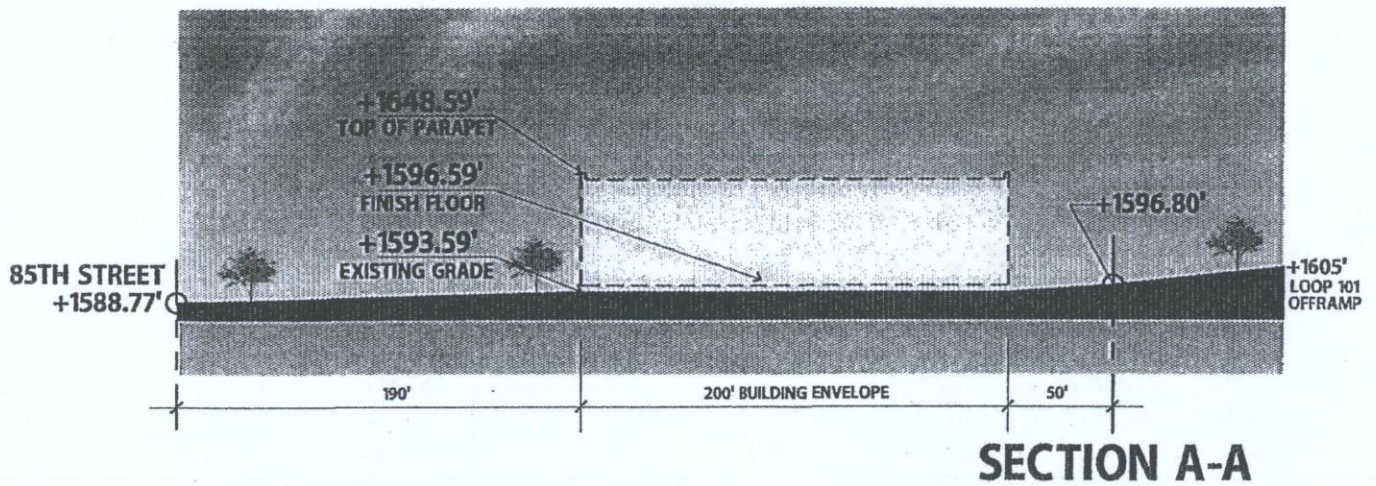
architecture
 interior architecture
 space planning
 facilities management
 food planning
 landscape architecture
 graphic design

Pinnacle in the Perimeter Center
 Scottsdale, Arizona

Exhibit 1 to Resolution No. 8652
 Page 19 of 22

2-ZN-2010
 5th 3/21/2011

02335
 02.AUG.10



BUILDING HEIGHT MAXIMUM ELEVATIONS

0' 40' 80' 120' 160' All calculations are approximate and subject to change.

Pinnacle in the Perimeter Center
Scottsdale, Arizona

02335
02.AUG.10



architecture
interior architecture
space planning
facilities management
land planning
landscape architecture
graphic design

Sec.5.1804. – Property development standards.

The following property development standards shall apply to all land and buildings in the I-1 district:

- A. *Floor area ratio.* Is limited to six-tenths (0.6) of the net lot area.
- B. *Volume.* Is limited to the net lot area in square feet multiplied by nine (9) feet for any building.
- C. *Open space requirement.*
 - 1. In no case shall the open space requirement be less than ten (10) percent of the total lot area of zero (0) feet to twelve (12) feet of height, plus four-tenths percent of the total site for each foot of height above twelve (12) feet. **Open space shall be required for the 65' building height at a minimum of 32% of the total site.**
 - 2. The amount of open space required on a lot may be reduced in direct proportion to the amount of net lot area included in a taxilane safety area. The amount of open space required on a lot may also be reduced in direct proportion to the amount of aircraft staging area provided on the lot. In no case shall the amount of taxilane safety area and/or aircraft staging area reduce, or provide for a reduction of, more than fifty (50) percent of the required open space.
 - 3. Open space required under this section shall be exclusive of parking lot landscaping required under the provisions of article IX of this ordinance.
- D. *Building height.* No building shall exceed ~~thirty-six (36)~~ **sixty-five (65)** feet in height except as otherwise provided in article VII. **Building height shall be measured from natural grade; drainage, or any other considerations shall not permit the maximum building height to increase by more than 3'.**
- E. *Lot coverage.* Is limited to fifty (50) percent of the net lot area.
- F. *Yards.*
 - 1. *Front Yard.* No part of the building or accessory structure shall be located closer than fifty (50) feet to any street. Parking may occur in the required front yard as provided in Section 10.402.C.1.
 - 2. *Side Yard and Rear Yard.* A yard of thirty (30) feet shall be maintained adjacent to all residential districts.
- G. *Walls, fences and required screening.*
 - 1. All off-airport operations and storage excluding fueling shall be conducted within a completely enclosed building or within an area enclosed by a solid wall at least six (6) feet in height, provided that no objects shall be stacked higher than the wall so erected.
 - 2. All mechanical structures and appurtenances shall be screened as approved by the Development Review Board.
 - 3. All storage and refuse areas shall be screened as determined by Development Review Board approval.
 - 4. Other requirements and exceptions as specified in article VII.

Sec. 7.102. – Permissible height and area regulations, exceptions to height restrictions

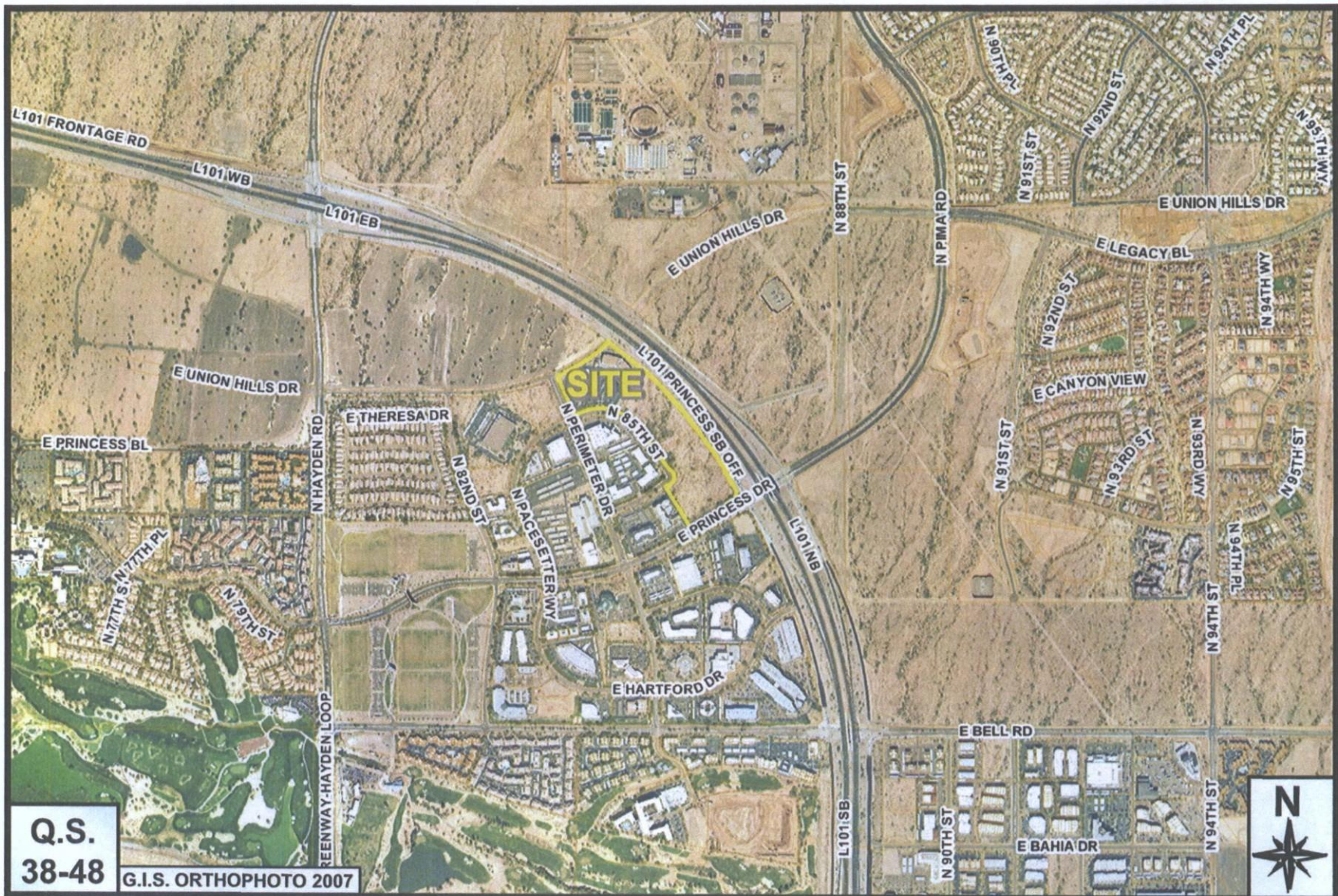
- A. Chimneys, church steeples, cooling towers, elevator bulkheads, fire towers, monuments, stacks, stage towers or scenery lifts, tanks, water towers, and grain elevators and necessary mechanical appurtenances and the screening required for said appurtenances provided that both the appurtenances and the screening therefore do not cover more than ~~fifty (50)~~ **twenty (20)** percent of the roof area, may be erected to a height not exceeding ~~one hundred (100)~~ **twelve (12)** feet as **measured from the building roof deck**, except as authorized pursuant to Section 5.2604.D.3, in accordance with existing or hereafter adopted ordinances of the City of Scottsdale, Arizona.
- B. In nonresidential districts only, ornamental towers and spires may be erected to a height not exceeding sixty (60) feet. No ornamental tower or spire shall contain occupied space that is higher than the maximum building height for the zone in which such ornamental tower or spire is located.

(Ord. No. 2320, § 1, 11-20-90; Ord. No. 3410, 11-26-01)

Additional Information for:
Pinnacle in the Perimeter Center
Case: 2-ZN-2010

PLANNING/DEVELOPMENT

1. DEVELOPMENT REVIEW BOARD. The City Council directs the Development Review Board's attention to:
 - a. The provision of active and meaningful open space within the site and between the buildings to create an overall campus environment.
 - b. Landscaping.
 - c. Pedestrian linkages.
 - d. Pedestrian and site amenities including, but not limited to: shade structures, planters, screen walls, seating, paving, parking design.
 - e. The design guidelines contained within the Development Plan, and the City of Scottsdale design guidelines and sensitive design principles.
 - f. View corridors.



Q.S.
38-48

G.I.S. ORTHOPHOTO 2007

Pinnacle in the Perimeter Center

2-ZN-2010

ATTACHMENT #4

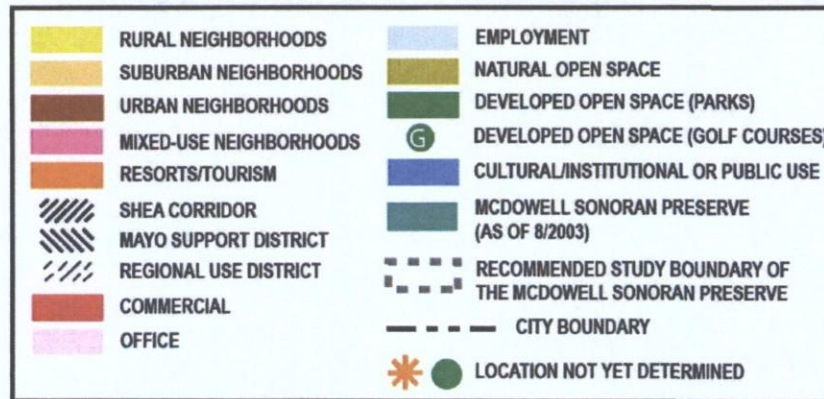


Pinnacle in the Perimeter Center

2-ZN-2010

ATTACHMENT #4A

General Plan



2-ZN-2010

ATTACHMENT #5

EARL, CURLEY & LAGARDE, P.C.
ATTORNEYS AT LAW

Telephone (602) 265-0094
Fax (602) 265-2195

3101 North Central Avenue
Suite 1000
Phoenix, Arizona 85012

UPDATED

Citizen Review Report
The Pinnacle in the Perimeter Center

February 1, 2011

REQUEST

Furst Properties has filed an amendment of its original request to obtain approval of amended development standards in the I-1 district, as is permitted under the Planned Community District (PCD) overlay designation of the Perimeter Center. The amended development standards would allow the proposed five story 65' height on the entire 24.6 acre Furst Properties site located at the northwest corner of the Pima Freeway Loop 101 and Princess Drive within the Perimeter Center.

Section 5.2102 of the Zoning Ordinance allows property development standards modifications subject to a written narrative and graphics that support a Planning Commission and City Council determination that the modifications will produce a project superior to that produced by the existing standards. The amendment of development standards proposed by Furst Properties will allow the development of architecturally superior buildings visible from the freeway and enhance the likelihood of attracting corporate headquarter users. The original request was amended to make the zoning entitlements and development standards consistent on the entire Furst Properties site along the freeway.

CITIZEN NOTIFICATION PROCESS

The Citizen Review Plan was prepared in accordance with the City of Scottsdale Zoning Ordinance, Section 1.305.C, Citizen Review Process and meets the City's Citizen Review Process requirements and the recommended notification area. The purpose of this plan was first, to identify the persons who may be directly affected by the proposed amendment to the development standards in the I-1 zoning district on this particular site; second, to identify any interested parties that need to be notified as a result of the proposed request; and third, to provide an opportunity for area property owners and interested parties to provide comments on the proposed application prior to the public hearings so that any issues that arose could be resolved.

The original notification letter was mailed on April 5, 2010, to inform the adjacent property owners and interested parties of the proposed amended standards request. The letter was sent by first class mail to all property owners and HOA's within 750-feet of the subject site, interested parties identified on the list provided by the City, Perimeter Center POA, Coalition of Pinnacle Peak (C.O.P.P.) and the Greater Pinnacle Peak Homeowners Associations with a copy to the City to invite them to an open house on April 15, 2010, to review the proposal. Representatives of the C.O.P.P. were also called and send copies of the submittal. A copy of the first notification letter containing all the required information was attached to the original October 5, 2010 Report along with the mailing list. The Project Under Consideration sign was posted a minimum of 10 days prior to the open house meeting as required and the Affidavit of Posting has also been submitted.

The only attendees at the Open House were representatives of the adjacent Hilton Garden Inn Hotel. Hotel owner David Lenz expressed concerns about the blockage of hotel visibility from the freeway with taller buildings, limitations on hotel signage, site limitation and cut-through traffic problems caused by the lack of shared access with the Furst property. Two subsequent meetings were held with David and Jeff Lenz to propose site plan modifications to address their concerns. The Conceptual Development Plan was revised to limit the proposed 65' height to 50% of the 200' area adjacent to the freeway to assure view corridors through the site. Furst Properties also proposed to install, at its cost and using only its property, a public street between the hotel and its development to provide a better window of visibility for the hotel and to eliminate the hotel's current cut-through traffic problem.

When a supportive response was not received from the hotel, Furst eliminated the public street proposal. Furst also revised the Conceptual Development Plan to show two building locations along the 101 frontage to address concerns about providing view corridors and some degree of building setback from the corner.

Prior to submitting the application, the applicant and architect met with the Perimeter Center POA Board and their letter of support is also attached. A subsequent meeting was held with the applicant, architect, POA Board and representatives of the adjacent Hilton Garden Inn Hotel to discuss hotel concerns including blocked visibility and limited signage.

When the original request was amended to add Phase One of the Furst Properties campus in order to maintain consistency in zoning entitlements and development standards on the entire Furst Properties site along the freeway, a second notice letter was mailed to an expanded notice list within 750'. A copy of this second letter and list has also been submitted.

THE PERIMETER C E N T E R



RECEIVED

FEB 17 2010

FURST PROPERTIES

February 3, 2010

Scottsdale Perimeter I, LLC
c/o Furst Properties
14648 N. Scottsdale Road, Suite 345
Scottsdale, AZ 85254

RE: Lots 16 – 19 Height Variance Request

Dear Furst Properties:

On January 19, 2010 the Perimeter Center Board of Directors heard your proposal for a height variance for a project consisting of two five-story office buildings on Lots 16-19. The Board recognizes your desire to attract corporate headquarter users as tenants and is in support of the proposed height variance.

The Perimeter Center Owners Association will still need to be involved throughout the planning and development phases. We look forward to working with you further and to the completion of the project and its addition to the Perimeter Center.

Sincerely,

Chris Cacheris
Vice President
Perimeter Center Owners Association
Board of Directors

Cluff, Bryan

From: Jeff Lenz [JLenz@ncghotels.com]
Sent: Thursday, April 29, 2010 12:26 PM
To: Garbo, Louisa
Cc: Cluff, Bryan
Subject: Pinnacle in the Perimeter Center - Case # 2-ZN-2010

Louisa, per our conversation last week, I represent Scottsdale Lodging Investors, LLC which, together with our related entities of The North Central Group, owns and operate the Hilton Garden Inn hotel within Perimeter Center and share a common boundary adjacent to the subject site. I will be sending an email outlining our formal objection shortly. You had mentioned there were several other owners within Perimeter Center who had submitted objections to this amendment and I was hoping to make contact with them. If you could please forward their information to me I would appreciate it.

Thank you.

Jeff Lenz
Vice President, Chief Development Officer
The North Central Group
www.ncghotels.com



The information contained in this communication including any attached documents may be legally protected and privileged, and may be confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or action taken in reliance on the contents of this communication is strictly prohibited. If you have received this communication in error, please immediately notify the sender, delete the original message and any copy of it from your computer system, and destroy any printed copy (including attachments). Thank you.

Cluff, Bryan

From: Jeff Lenz [JLenz@ncghotels.com]
Sent: Thursday, April 29, 2010 2:52 PM
To: Cluff, Bryan
Cc: Garbo, Louisa; Barnes, Jeff
Subject: Pinnacle in the Perimeter Center - Case # 2-ZN-2010

Brian, per my conversation last week with Louisa, I am emailing to provide written object to the above referenced case. I represent Scottsdale Lodging Investors, LLC which, together with our related entities of The North Central Group, owns and operates the Hilton Garden Inn hotel within Perimeter Center and we share a common boundary with the subject site. We strongly object to this request for the following reasons:

1. Excessive height
 - a. Granting a zoning amendment/height variance above 36" in this location has detrimental impact to our business. This request if approved would severely impact visibility to our property as well as other buildings within Perimeter Center. Our hotel property is one of the only commercial zoned parcels within Perimeter Center and we operate the only hotel (commercial/service) use in the park. Visibility is a critical component to our business. The proposed height of the amendment request in question along with the layout and placement of not only the buildings but the above grade parking garage destroys almost all visibility to our hotel, particularly to southbound traffic. I understand that other height variances have been granted near this location and within Perimeter Center itself, but those particular projects were located at the core or interior of the Perimeter Center development, not at the entrance right along the 101. A stepping up in the heights of buildings as you proceed from the park boundary along the 101 westbound to the interior of the park makes good planning sense in trying to maintain benefits for the majority of Perimeter Center park tenants. Allowing upwards of 60' in height in this location effectively creates a "wall" blocking major portions of the park.
2. Signage
 - a. In conjunction with the height issue raised above, our building signage visibility is also impacted with this proposal. Signage identifying ourselves as a Hilton hotel serving the north Scottsdale market and businesses within Perimeter Center will no doubt be negatively impacted by granting this request.
3. McDowell Mountain Views
 - a. Given our hotel's location adjacent to the subject parcel, building heights in excess of 60" would destroy views of the McDowell Mountains for a large portion of the hotel's guest rooms on the east side of our building looking east.
4. Drainage
 - a. As you may know, there are significant drainage and flooding issues in this location as the result of construction of the 101 and storm water drainage project in this region. Storm water routinely runs through the subject property and onto our site damaging our parking lot and internal storm sewer system.
5. Curb Cut
 - a. There is a curb cut shown for the proposed project along Princess Drive just east of our curb cut which is the primary entrance to our hotel. During our development review process 6-7 years ago we were told no curb cut would be approved east of our primary entrance drive along Princess Drive. If this is correct, the increased traffic generated by this project would exacerbate the problem we already have with cut-through traffic. Non-hotel guest vehicles routinely use our main entrance drive along Princess to drive through our site at high speed north to E. St. John Rd. and the businesses north of our hotel.
6. Perimeter Center Owners Association
 - a. While the Perimeter Center Owners Association has voted in favor of this proposal, we are recommending that the matter be re-considered as very few property owners including ourselves were aware of this matter being considered or in attendance at the meeting and the President of the Association is the applicant on this case.

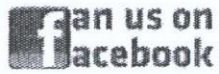
If you have any other questions please let me know.

Jeff Lenz
Vice President, Chief Development Officer
The North Central Group
www.ncghotels.com

THE

NORTH CENTRAL

GROUP®



The information contained in this communication including any attached documents may be legally protected and privileged, and may be confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or action taken in reliance on the contents of this communication is strictly prohibited. If you have received this communication in error, please immediately notify the sender, delete the original message and any copy of it from your computer system, and destroy any printed copy (including attachments). Thank you.

Cluff, Bryan

From: Kathy Jordan [kjordanprop@yahoo.com]
Sent: Wednesday, May 12, 2010 12:00 PM
To: Cluff, Bryan
Subject: Re: 2-ZN-2010

Bryan, thank you. If someone wanted to send an official objection letter when should this be done & to whom should the letter be addressed?

Kathy Jordan
Director of Property Management
Bankers Consulting Corporation
Suite 370
17550 N. Perimeter Drive
Scottsdale, AZ 85255
480-458-2456 telephone
480-458-2464 fax

From: "Cluff, Bryan" <BCluff@Scottsdaleaz.gov>
To: kjordanprop@yahoo.com
Sent: Mon, May 10, 2010 10:29:10 AM
Subject: RE: 2-ZN-2010

This case was originally submitted on 4/8/2010. The standard track we follow for case review is a 30 day period for the 1st review. Upon completion of the 1st review, a comment letter will be issued to the applicant outlining all staff comments. The letter for this case has not yet been presented to the applicant, but most likely will this week. After the letter is given to the applicant it will be in the file as public record. Upon resubmittal of the case, the 2nd review period is 14 days. Then staff will either send out more comments, or schedule for hearing if everything has been addressed.

This case will need to be heard by Planning Commission and City Council. Prior to Planning Commission, the Development Review Board will review the case on one of their Study Session agendas. None of these hearings have been scheduled or even targeted with a date yet. All of the hearings will be advertised when scheduled.

Please let me know if you have any other questions.

Thanks,

Bryan D. Cluff, LEED AP
Planner
City of Scottsdale
Planning, Neighborhood & Transportation
Phone: 480-312-2258
Fax: 480-312-7088
bcluff@ScottsdaleAZ.gov

From: kjordanprop@yahoo.com [<mailto:kjordanprop@yahoo.com>]
Sent: Friday, May 07, 2010 10:41 AM
To: Cluff, Bryan

Subject: 2-ZN-2010
Importance: High

City of Scottsdale Email

Can you send a list to me showing dates for comments, disapprovals, approvals, etc re: the above case? Also any info on the ins & outs of a case like this. Just need to understand it better. We are very concerned with the location of the property and the requested height variance as we own an office building to the west of this property. Thanks.



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Cluff, Bryan

From: Kathy Jordan [kjordanprop@yahoo.com]
Sent: Thursday, July 15, 2010 10:37 AM
To: Cluff, Bryan; Garbo, Louisa
Cc: Chris Evans
Subject: Pinnacle in the Perimeter Center - Case # 2-ZN-2010
Attachments: Pinnacle in the Perimeter Center Case Letter.pdf

Attached is our written objection to the above referenced case.

Kathy Jordan
Director of Property Management
Bankers Consulting Corporation
Suite 370
17550 N. Perimeter Drive
Scottsdale, AZ 85255
480-458-2456 telephone
480-458-2464 fax

Princess & Perimeter Building LLC

17550 N. Perimeter Drive
Suite 370
Scottsdale, Arizona 85255

Via email: bcluff@scottsdaleaz.gov

July 14, 2010

Brian Cluff
Planning Coordinator
City of Scottsdale

SUBJECT: Pinnacle in the Perimeter Center
Case # 2-ZN-2010

Brian:

This letter is being sent to provide our written objection to the above referenced case. I represent Princess & Perimeter Building LLC which owns and manages the commercial office building located at 17550 N. Perimeter Drive within the Perimeter Center and to the west of the subject site.

Princess & Perimeter Building LLC strongly objects to this request for a zoning amendment height variance at the subject site for the following reasons:

1. Justification for the additional height is based on allowing executive offices to rise above the elevated freeway and thus achieve views of the McDowell Mountains but does not address the fact that a building of the increased height at that location will block the views of the existing buildings within the Center. The goal of the City planners should be to protect everyone's view and therefore maximize the value of the entire property. Existing Perimeter Center buildings along the freeway are two and three story buildings. In the event that this request is granted, the additional building height will create a "wall" that will block and prevent visibility into and out of major portions of the Perimeter Center. The tenants in our building located at 17550 N. Perimeter Drive are comprised of corporate users and small businesses. They leased space in our building for a multitude of reasons with one main reason being the views of the McDowell Mountains. If the proposed request is granted, the mountain views from our tenant suites will be substantially diminished if not eliminated.
2. The applicant does not address the need for a project of this size nor the fact that many of the existing high-quality office buildings in the area are experiencing declining occupancy.
3. The applicant has not presented the exact building designs proposed. They simply state that the design would be consistent with other buildings designed by their architect. Normally the City insists on an exact design.

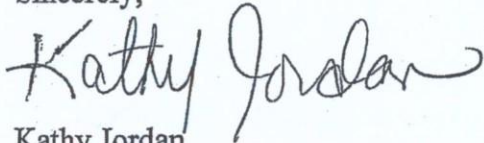
Page 2
July 14, 2010

It was our understanding that the applicant was going to re-submit information on this project but we have not seen that this has happened. We would appreciate being notified when there is any new information on this case so we can schedule a time to meet with you and go over the new information.

Please let me know if you have any questions or input. My direct line is 480-458-2456 and my email is kjordanprop@yahoo.com.

Thank you for your consideration of our objection to this zoning amendment height variance.

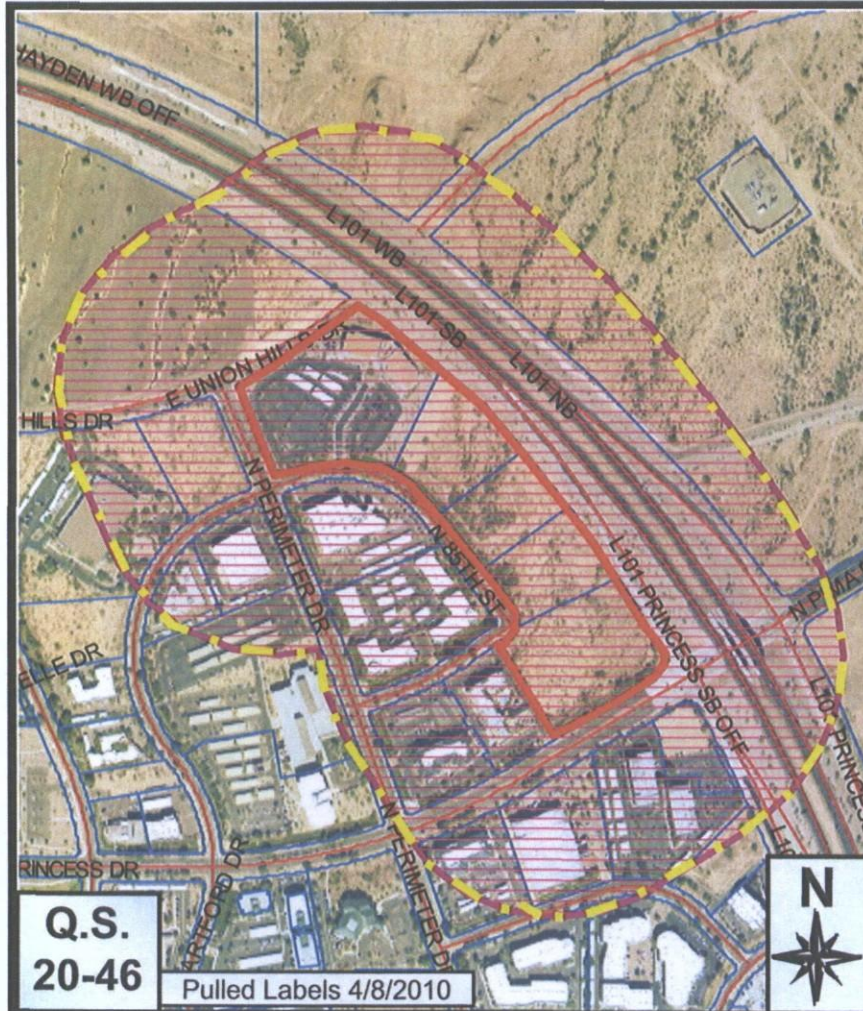
Sincerely,

A handwritten signature in cursive script that reads "Kathy Jordan". The signature is written in dark ink and is positioned above the printed name and title.

Kathy Jordan
Director of Property Management

cc: Louisa Garbo via email

City Notifications – Mailing List Selection Map



Map Legend:



Site Boundary



Properties within 750-feet

Additional Notifications:

- Interested Parties List
- Adjacent HOA's

Pinnacle in the Perimeter Center

2-ZN-2010

ATTACHMENT #7



**SCOTTSDALE PLANNING COMMISSION
KIVA-CITY HALL
3939 DRINKWATER BOULEVARD
SCOTTSDALE, ARIZONA**

WEDNESDAY, FEBRUARY 23, 2011

SUMMARIZED MEETING MINUTES*

PRESENT: Michael D'Andrea, Chairman
Ed Grant, Vice-Chair
Erik Filsinger, Commissioner
Michael Schmitt, Commissioner
Michael Edwards, Commissioner
Jay Petkunas, Commissioner
Matt Cody, Commissioner

STAFF: Tim Curtis
Sherry Scott
Bryan Cluff
Jesus Murillo
Ben Moriarity

CALL TO ORDER

Chair D'Andrea called the regular session of the Scottsdale Planning Commission to order at 5:00 p.m.

ROLL CALL

A formal roll call was conducted confirming members present as stated above.

MINUTES REVIEW AND APPROVAL

1. February 9, 2011 Regular meeting Minutes including Study Session.

**COMMISSIONER PETKUNAS MOVED TO APPROVE THE FEBRUARY 9, 2011
REGULAR MEETING MINUTES AS AMENDED, INCLUDING STUDY SESSION.
SECONDED BY COMMISSIONER FILSINGER, THE MOTION CARRIED
UNANIMOUSLY WITH A VOTE OF SEVEN (7) TO ZERO (0).**

ATTACHMENT #8

* Note: These are summary action minutes only. A complete copy of the meeting audio is available on the Planning Commission website at: www.scottsdaleaz.gov/boards/PC.asp

EXPEDITED AGENDA

2. 2-ZN-2010 Pinnacle in the Perimeter Center

CHAIR D'ANDREA MOVED ITEM NO. 2 TO THE REGULAR AGENDA.

Jeff Lenz spoke in opposition to the project.

COMMISSIONER FILSINGER MOVED TO RECOMMEND THAT CITY COUNCIL APPROVE CASE 2-ZN-2010, PER THE STAFF RECOMMENDED REVISED STIPULATIONS, WITH THE ADDED STIPULATION THAT STAFF WILL CALCULATE THE AREA OF THE PARKING LOT AND REMOVE IT FROM ANY ADDITIONAL HEIGHT, AFTER DETERMINING THAT THE PROPOSED ZONING MAP AMENDMENT IS CONSISTENT AND CONFORMS WITH THE ADOPTED GENERAL PLAN, AND AFTER FINDING THAT THE PLANNED COMMUNITY DISTRICT CRITERIA HAVE BEEN MET, SECONDED BY VICE-CHAIR GRANT, THE MOTION CARRIED UNANIMOUSLY WITH A VOTE OF FIVE (5) TO ZERO (0); COMMISSIONERS EDWARDS AND CODY RECUSED.

3. 1-AB-2011 Miller Residence Abandonment

COMMISSIONER SCHMITT MOVED TO RECOMMEND THAT CITY COUNCIL APPROVE CASE 1-AB-2011, PER THE STAFF RECOMMENDED STIPULATIONS. SECONDED BY COMMISSIONER FILSINGER, THE MOTION CARRIED UNANIMOUSLY WITH A VOTE OF SEVEN (7) TO ZERO (0).

ADJOURNMENT

With no further business to discuss, the regular session of the Planning Commission adjourned at 6:37 p.m.

PLANNING COMMISSION REPORT



Meeting Date: February 23, 2011
General Plan Element: *Land Use*
General Plan Goal: *Create a sense of community through land uses*

ACTION

Pinnacle in the Perimeter Center 2-ZN-2010

Request to consider the following:

1. Find that the Planned Community District findings have been met, and recommend that City Council approve the request by applicant for amended development standards to allow building height up to sixty-five (65) feet on a 25 ± acre site within the Perimeter Center located at 17851, 17821, 17799, 17791 and 17761 N. 85th Street, with Industrial Park District, Planned Community District (I-1 PCD) zoning.

Key Items for Consideration

- Planned Community District findings.
- Consistency with the General Plan and Greater Airpark Character Area Plan.
- FAA Determination on the proposed building height.
- Approximately 32% of the site as open space.
- View corridors between the buildings allowing visibility into and out of the Perimeter Center from the freeway.
- Consistency with previous height requests within the Perimeter Center.
- Proximity to the elevated freeway.
- Public comment received in support and opposition to the request.

OWNER

Scottsdale Perimeter 1 LLC
480-638-1100

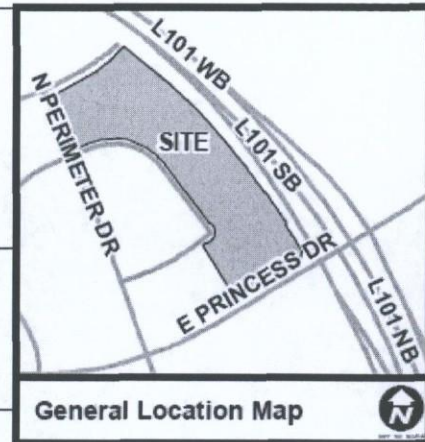
APPLICANT CONTACT

Lynne A Lagarde
Earl, Curley & Lagarde
602-265-0094

LOCATION

17851, 17821, 17799, 17791, and 17761 N. 85th Street

BACKGROUND



Zoning

The site is zoned Planned Community District with an Industrial Park comparable zoning (I-1 PCD). The Industrial Park zoning district allows for office and medical office uses as well as manufacturing, storage and warehouse and related uses. The Perimeter Center PCD established I-1 and C-2 zoning categories (established by Cases 11-ZN-1986 and 10-ZN-1988 in 1986 and 1988), to provide for overall consistent planning and design standards for the 240-acre site, including development criteria, circulation, drainage, open space and community design policies as part of a large master planned area.

General Plan

The General Plan Land Use Element designates the property as Employment with the Regional Use Overlay. This category includes a range of employment uses from light manufacturing to light industrial and office uses. Employment areas, as identified in the General Plan, are areas where impacts on residential neighborhoods are limited and access is available to labor pools and transportation facilities. The Regional Use Overlay designated the freeway corridor in this area as a major mixed-use employment, service and civic core of regional significance.

Character Area Plan

This site is located within the boundaries of the Greater Airpark Character Area Plan (GACAP), which was recently adopted by City Council. The GACAP designates this site as Employment, which includes an array of office, commercial, warehousing, and light industrial land uses that provide opportunities for business enterprises, as well as regional and local jobs.

The GACAP has identified this area for "Type C" development, which represents medium to higher scale development. Type C development is encouraged in areas with access to multiple modes of transportation, served by regional transportation networks, and where scale will be complimentary to the area's character.

The Economic Vitality Element of the GACAP encourages development strategies that will incentivize and encourage new development and redevelopment, retain and expand Greater Airpark businesses, and attract new high value business to the Greater Airpark area.

Other Related Policies, References:

- 11-ZN-1986: Rezoned the Perimeter Center from R1-35 to a variety of residential, commercial, and industrial zoning districts and established the Perimeter Center Planned Community District.
- 10-ZN-1988: Amended the Perimeter Center Planned Community District to shift locations of certain C-2 and I-1 parcels and modified the Master Circulation Plan.
- 15-DR-1988: Established the Perimeter Center Master Environmental Design Concept Plan.
- 53-DR-2004: Development Review Board approval for The Pinnacle in the Perimeter Center Phase I, which is the existing corporate office development at the north end of the subject site.
- 19-ZN-2002: Approval for a Planned Community District which establish various zoning districts and amend development standards allowing building heights from 36 – 60 feet. (Crossroads East)
- 18-ZN-2004: Approval for amended development standards increasing floor area ratio from 0.6 to 0.65 and allowing building height up to 56 feet at 8550 E Anderson Drive.
- 19-ZN-2004: Approval for amended development standards allowing building height up to 50 feet – 7 inches at 17600 N Perimeter Drive.
- 11-ZN-2005: Approval for amended development standards allowing building height up to 50 feet at the northeast corner of Perimeter Drive and Hartford Drive.

Context

The 25± acre site, comprising five (5) separate parcels, is located in the Perimeter Center along the west side of the Loop 101 bounded by the curve of the elevated freeway along its eastern side, N. 85th Street to the west, and E. Princess Drive to the south. The northern end of the site has already been developed as a corporate office. Other surrounding properties have developed mostly as business and medical offices, with a hotel located directly west of the subject site.

Adjacent Uses and Zoning

- North Vacant State land zoned Planned Community District (PCD).
- South Medical office uses zoned Industrial Park, Planned Community District (I-1 PCD).
- East Freeway, further east is vacant land zoned Industrial Park, Planned Community District (I-1 PCD)
- West Hotel and office uses zoned Central Business District Planned Community District (C-2 PCD) and Industrial Park, Planned Community District (I-1 PCD).

APPLICANTS PROPOSAL

Goal/Purpose of Request

The applicant is requesting amended development standards to allow for building height up to sixty-five (65) feet. The amended development standards will allow the development of a corporate office campus with four and five story buildings, in addition to the existing three story building at the north end of the site. The current entitlements allow maximum heights up to thirty-six (36) feet. All other development standards for the site will remain unchanged.

Development Information

- Existing Use: Mostly vacant (office north end)
- Proposed Use: Corporate offices
- Parcel Size: 25± Acres (5 parcels)
- Building Height Allowed: 36 Feet
- Building Height Proposed: 65 Feet (exclusive of mechanical, see dev. standards)
- Parking Required: 2,144 spaces
- Parking Provided: 2,144+ spaces
- Open Space Required: 32%
- Open Space Provided: 32%
- Floor Area: 642,945 square feet (max)

Conceptual Development Plan

The proposed conceptual development plan consists of two new corporate office buildings (four and five stories), a parking structure, and surface parking. The north 8.7 acres of the site have already been developed with a 3 story corporate office building. The request for building height includes this area in anticipation of possible additions or redevelopment of that site. The increase in building height on this site will translate to a possible reduction in overall building footprint and allow for the provision of more usable open space and site amenities, as well as increase visibility of the buildings from the elevated freeway. The 65 foot tall buildings are sited in a way to create view corridors between the buildings; thereby preserving visibility into the Perimeter Center from the freeway as well as views of the McDowell Mountains for the properties located further back in the Perimeter Center. A minimum of 20% - 35% of the average length of the site (north-south) will be preserved for view corridors.

Design Guidelines

Accompanying this request for amended development standards, the applicant has provided design guidelines that will govern the design of the site as it continues through the development review process. The design guidelines address site planning, architectural design, landscape/hardscape, and site lighting, with the intent to supplement the City's Sensitive Design Principles, assure high quality architecture and site design, and provide usable open space and site amenities creating an enhanced employment environment. The design guidelines are included in the Development Plan, which has been stipulated with this case (Exhibit A to Attachment 1).

IMPACT ANALYSIS

Land Use

The proposed corporate office development meets the intent of the General Plan, Zoning Ordinance, as well as the Greater Airpark Character Area Plan, and is compatible with the existing mix of uses in the Perimeter Center.

Planned Community District (PCD) Findings

The PCD is designed and intended to enable and encourage the development of large tracts of land so as to achieve land development patterns that will maintain and enhance the physical, social and economic values of an area. The Development Plan is an integral part of the PCD. Before approval or modified approval of an application for a proposed PCD, the Planning Commission and the City Council must find:

- A. That the development proposed is in substantial harmony with the General Plan of the City of Scottsdale, and can be coordinated with existing and planned development of surrounding areas.

The Perimeter Center has been developed with mostly business, professional, and medical office uses along with some support services. Other sites within the center have been granted amended development standards for building height ranging from 42 to 60 feet. The proposed corporate office and increase in building height is consistent with the existing and planned development within the Perimeter Center. The proposed use and amended development standards are consistent with the goals and objectives set forth in the Employment land use designation in the General Plan, as well as the Greater Airpark Character Area Plan, which encourages development flexibility and higher scale development in this (Type C) area of the Airpark.

- B. That the streets and thoroughfares proposed are suitable and adequate to serve the proposed uses and the anticipated traffic which will be generated thereby.

The existing E. Princess Drive and N. 85th Street will provide direct access to the subject site. E. Princess Drive is classified as a Minor Arterial and N. 85th Street is classified as a Local Commercial street. This request does not include an increase in the allowable floor area and the proposed office is a permitted use. The request for increased building height will not create any increased traffic beyond what is already anticipated. The existing transportation network will support the level of intensity as proposed.

- C. The Planning Commission and City Council shall further find that the facts submitted with the application and presented at the hearing establish beyond reasonable doubt that:
1. In the case of proposed residential development, that such development will constitute a residential environment of sustained desirability and stability; that it will be in harmony with the character of the surrounding area; and that the sites proposed for public facilities are adequate to serve the anticipated population.

No residential component is proposed as part of this office use and no residential development is established within the Perimeter Center.

2. In the case of proposed industrial or research uses, that such development will be appropriate in the area, location and overall planning to the purpose intended; and that the design and development standards are such as to create an industrial environment of sustained desirability and stability.

The current proposal does not include industrial or research uses, but these types of uses are permitted within the I-1 zoning district. The proposed building height is in harmony with the existing character of the surrounding areas, which include hotels and commercial and medical office buildings ranging in height from 42 to 60 feet.

3. In the case of proposed commercial, institutional, recreational and other non-residential uses, that such development will be appropriate in the area, location and overall planning to the purpose intended; and that such development will be in harmony with the character of the surrounding areas.

The proposed corporate offices are in an existing commercial setting with no change in use proposed. The proposed building height is in harmony with the existing character of the surrounding areas, which include hotels and commercial and medical office buildings ranging in height from 42 to 60 feet.

Amended Development Standards

Modifications to development standards are permitted in the Planned Community District when the Planning Commission and City Council can determine that the modification will produce a living environment, landscape quality and lifestyle superior to that produced by the existing standards. This request for increased building height (without an increase in FAR) will result in a smaller overall building footprint on the site. The smaller building footprint allows flexibility for site planning and opportunities for meaningful open space with the provision of enhanced pedestrian walkways, shade structures, seating, connections between buildings and walkways, and site amenities that will provide destinations within these connections. The flexibility in site design will also allow the provision of view corridors between the buildings maintaining visibility for properties located west of the subject site.

Open Space

In accordance with Section 5.1804 of the Zoning Ordinance, open space requirements in the I-1 zoning district are based on a combination of net lot area and building height. As the height of the buildings on a site increase, the requirement for open space increases. The applicant is proposing 32% of the net lot area (7.87 acres) as open space, which is consistent with the ordinance requirements for a site with 65 foot tall buildings. Some of the open space on the site is spread around the perimeter creating a buffer between the freeway and adjacent land uses. The rest of the open space will be used for pedestrian amenities view corridors, and other usable open space as outlined by the proposed design guidelines.

The north 8.7 acres of the site that has been developed with corporate offices will remain in its

current state, providing approximately 25% of the site as open space. If the property owner chooses to take advantage of the increased building height on this part of the site in the future, it will then be required that additional open space (32% total) be provided on the site.

Airport

As part of the development process within proximity to the airport, the applicant is required to submit for an FAA Determination (Form 7460-1) on any proposed structures to make sure they will not be a hazard for aircraft. Since the specific building locations and heights have not yet been established, the FAA Determination has not yet been obtained by the applicant. Airport staff has reviewed the application and indicated support of the proposal subject to the review and approval of the FAA. The applicant has been stipulated to obtain FAA approval, and has agreed to address any mitigation measures required by the FAA.

Water/Sewer

Existing Water and sewer facilities contain sufficient capacities for the proposed project. The proposed request is not anticipated to create significant impacts on existing infrastructure.

Public Safety

The nearest fire station (#11) is located approximately 1.8 miles from the site. The subject property is located within Police Patrol District 4. The proposed request for increased building height is not anticipated to generate any significant impacts on the existing emergency services.

Community Involvement

Surrounding property owners within 750 feet of the site as well as the City's interested parties list have been notified of the request by mail. The site was posted with a Project Under Consideration sign prior to the open house meeting, and the Public Hearing Signs have been posted.

An open house meeting was held by the applicant on April 15, 2010. The meeting was attended by representatives of the adjacent hotel property to the west, who expressed concern regarding blocked visibility from the freeway and cut through traffic across their site. The applicant has had two (2) follow-up meetings with property owners who attended the open house that had additional concerns.

The Perimeter Center Owner's Association (PCOA) was notified of the request for amended development standards. The applicant had two (2) meetings with the PCOA, one of which was also attended by representatives of the hotel property. The PCOA has provided a letter in support of the request.

City staff has received one email and one letter in opposition to this request.

Community Impact

Views of the McDowell Mountains and the freeway from within the Perimeter Center will be maintained through view corridors. The proposed amended development standards will continue to maintain the existing character in the Perimeter Center, and it is not anticipated that this project

will create any significant infrastructure or service impacts.

OPTIONS & STAFF RECOMMENDATION

Recommended Approach:

Staff recommends that the Planning Commission find that the Planned Community District findings have been met, and determine that the proposed request for amended development standards allowing building height up to 65 feet is consistent and conforms to the adopted General Plan, and make a recommendation to City Council for approval per the attached stipulations.

RESPONSIBLE DEPARTMENT(S)

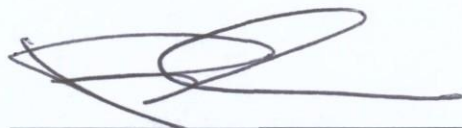
Planning, Neighborhood and Transportation

Current Planning Services

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APPROVED BY



Bryan Cluff, Report Author

2/17/11

Date



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2/17/2011

Date



Connie Padian, Administrator
Planning, Neighborhood and Transportation
480-312-2664, cpadian@scottsdaleaz.gov

2/18/11

Date

ATTACHMENTS

1. Stipulations
 - Exhibit A to Attachment 1: Development Plan
 - Exhibit B to Attachment 1: Amended Development Standards
2. Additional Information
3. Context Aerial
- 3A. Aerial Close-Up
4. General Plan Map
5. Zoning Map
6. Citizen Involvement
7. City Notification Map

Stipulations for the Zoning Application:
Pinnacle in the Perimeter Center
Case Number: 2-ZN-2010

These stipulations are in order to protect the public health, safety, welfare, and the City of Scottsdale. Unless otherwise stated, the owner's completion of all requirements below is subject to the satisfaction of the Project Coordinator and the Final Plans staff.

SITE DESIGN

1. **CONFORMANCE DEVELOPMENT PLAN.** Development shall generally conform with the Development Plan submitted by Davis, and the offices of Earl, Curley, and Lagarde, with the city staff date of 1/14/2011, attached as Exhibit A to Attachment 1. Any proposed significant change to the Development Plan as determined by the Zoning Administrator, shall be subject to additional action and public hearings before the Planning Commission and City Council.
2. **CONFORMANCE TO AMENDED DEVELOPMENT STANDARDS.** Development shall conform with the amended development standards with the city staff date of 1/14/2011, attached as Exhibit B to Attachment 1. Any change to the development standards shall be subject to additional public hearings before the Planning Commission and City Council.
3. **BUILDING HEIGHT LIMITATIONS.**
 - a) No building on the site shall exceed sixty-five (65) feet in height as measured from natural grade plus three (3) feet. In no case shall drainage or any other considerations cause the building height to exceed this standard.
 - b) Mechanical equipment and screening shall be limited to twenty (20) percent of the roof area, and shall not exceed eighteen (18) feet in height above the roof deck.
 - c) Buildings sixty-five (65) feet in height shall be located within approximately the eastern 200 feet of the building envelope, as identified on the Building Height Zones exhibit with the city staff date of 1/14/2010 and incorporated in the Development Plan. Buildings on all other areas of the site shall not exceed fifty (50) feet in height.
4. **CONFORMANCE TO THE DESIGN GUIDELINES.** Development shall conform to the Design Guidelines contained within the Development Plan with the city staff date of 1/14/2011, attached as Exhibit A to Attachment 1, as determined by the Development Review Board. All other relevant City of Scottsdale design guidelines shall still apply to the site.
5. **VIEW CORRIDORS.**
 - a) If any building is greater than sixty (60) feet in height, view corridors shall be provided between the buildings for a minimum of thirty-five (35) percent of the average length (north-south) of the overall 25-acre site.

- b) For buildings taller than thirty-six (36) feet but less than sixty (60) feet in height, view corridors shall be provided between the buildings for a minimum of twenty (20) percent of the average length (north-south) of the overall 25-acre site.
- c) The required view corridors shall be on an east-west axis for the width of the site, and shall be clear of any buildings, with the exception of site amenities that are less than sixteen (16) feet in height.

AIRPORT

- 6. **FAA DETERMINATION.** With the Development Review Board Application, the owner/developer shall submit a copy of the FAA Determination letter on the FAA FORM 7460-1 on any proposed structures, appurtenances that penetrate the 100:1 slope. The elevation of the highest point of those structures including the appurtenances must be detailed in the FAA form 7460-1 submittal.
- 7. **AIRCRAFT NOISE AND OVERFLIGHT DISCLOSURE.** Prior to permit issuance, the owner/developer shall provide noise disclosure notice to occupants and/or potential employees in a form acceptable to the Scottsdale Aviation Director.
- 8. **AVIGATION EASEMENT.** With the Development Review Board submittal, the owner/developer shall provide a signed and completed Avigation Easement in a form acceptable to the City for recording.

INFRASTRUCTURE AND DEDICATIONS

- 9. **ACCESS RESTRICTIONS.** Access to the site shall conform to the following restrictions, unless otherwise approved by the Transportation Department (distances are measured to the driveway or street centerlines):
 - a. There shall be a maximum of one site driveway from E. Princess Drive, with a minimum of 300 feet between the driveway(s) and street intersection(s). This driveway shall be restricted to right-in, right-out only access.
 - b. Site driveways proposed along N. 85th Street and E. St. John Road shall be located with a minimum of 125 feet between the driveway and adjacent street and driveway intersections along both sides of the street (intersections include the intersection of N. 85th Street and E. ST. John Road).
- 10. **DRAINAGE REPORT.** Prior to being scheduled for a Development Review Board hearing, the owner shall submit and receive acceptance of a case drainage report demonstrating compliance with the accepted master plans for the Perimeter Center.
- 11. **WATER/SEWER.** Prior to submittal of improvement plans for the site, the owner shall submit and receive acceptance of a water and sewer basis of design report demonstrating compliance with the accepted master plans for the Perimeter Center.

The Pinnacle in the Perimeter Center

DEVELOPMENT PLAN

Updated January 13, 2011

Request

The purpose of this request is to obtain an amendment of the development standards of the I-1 district, as permitted under the Planned Community District (PCD) overlay designation of the Perimeter Center. The proposed amended development standards would allow a five story 65' corporate office campus on an approximately 24.6 acre site owned by Furst Properties located at the northwest corner of the Pima Freeway Loop 101 and Princess Drive within the Perimeter Center. The original application for 16.72 acres has been amended to include the 7.88 acre existing Furst Properties Phase One building site to make the zoning and development standards consistent on all of the Furst property. The Perimeter Center is a dynamic master planned business park campus that has been developed with a variety of employment, office, corporate headquarters and retail commercial uses that serve the regional marketplace. The initial Furst Properties building includes the corporate headquarters for Meritage Homes. The additional height is intended to make the entire site more attractive and viable as a corporate headquarters location.

Section 5.2102.C of the Scottsdale Zoning Ordinance allows property development standards modifications subject to a written narrative and graphics that support a Planning Commission and City Council determination that the modifications will produce a project superior to that produced by the existing standards. The amendment of development standards proposed by Furst Properties will allow the development of architecturally superior buildings visible from the freeway, provide a corporate campus with enhanced open space amenities and increase the likelihood of attracting corporate headquarter users. The project would implement both the City's General Plan goals for the site, which is designated for Employment/Regional Use and identified as being within a Growth Area, and the recently adopted Greater Airpark Character Area Plan (GACAP). The City has targeted this area for development that significantly increases the City's employment core and attractiveness to regional markets and that supports the Scottsdale Airport and Airpark's economic success.

Need for Additional Height

The property, comprised of five (5) separate parcels, is zoned Industrial Park/Planned Community District (I-1/PCD) and includes the last major vacant area along the freeway within the Perimeter Center. The uniquely shaped property is on the west side of the Loop 101 bounded by the curve of the elevated freeway along its eastern side, offices and a hotel to the west, and Princess Drive to the south.

The site enjoys excellent regional access due to its freeway location. The Loop 101 Pima Freeway connects to the Loop 202, US 60, I-10 and Interstate-17. The proximity of the Loop ity

2-ZN-2010

4th: 1/14/2011

101 Pima Freeway and these freeway connections greatly expands the site's regional employment shed and market area in terms of available labor supply, access to major markets and business synergies.



The vacant portion of the subject site is an assemblage of four separate lots offering corporate headquarter users the advantages of an adequately sized campus, superior freeway access with connectivity to all major Valley freeways and a visually prominent freeway presence, if the amended standard for additional height is approved.

The size of the property, its freeway frontage, existing infrastructure and location within a developed business park, all make this site a premier corporate headquarters location. Furst Properties has already attracted a corporate headquarters to its initial phase of development at this location. Corporate headquarter users are typically seeking locations that accommodate adequately sized buildings within an attractive campus setting and offer easy on-and-off freeway access as well as freeway visibility. This site generally meets these criteria but the adjacent raised freeway next to most of the site impacts the visibility of three-story buildings and thus presents a challenge that needs to be overcome in marketing the property to corporate users. The allowable height for the Perimeter Center had been established at 36-feet, prior to the construction of the Loop 101 Freeway. However, now that the freeway has been constructed, many properties with the lower building height have had their visibility negatively impacted by the adjacent elevated freeway. A five story building would restore the visibility and freeway prominence important to corporate users.

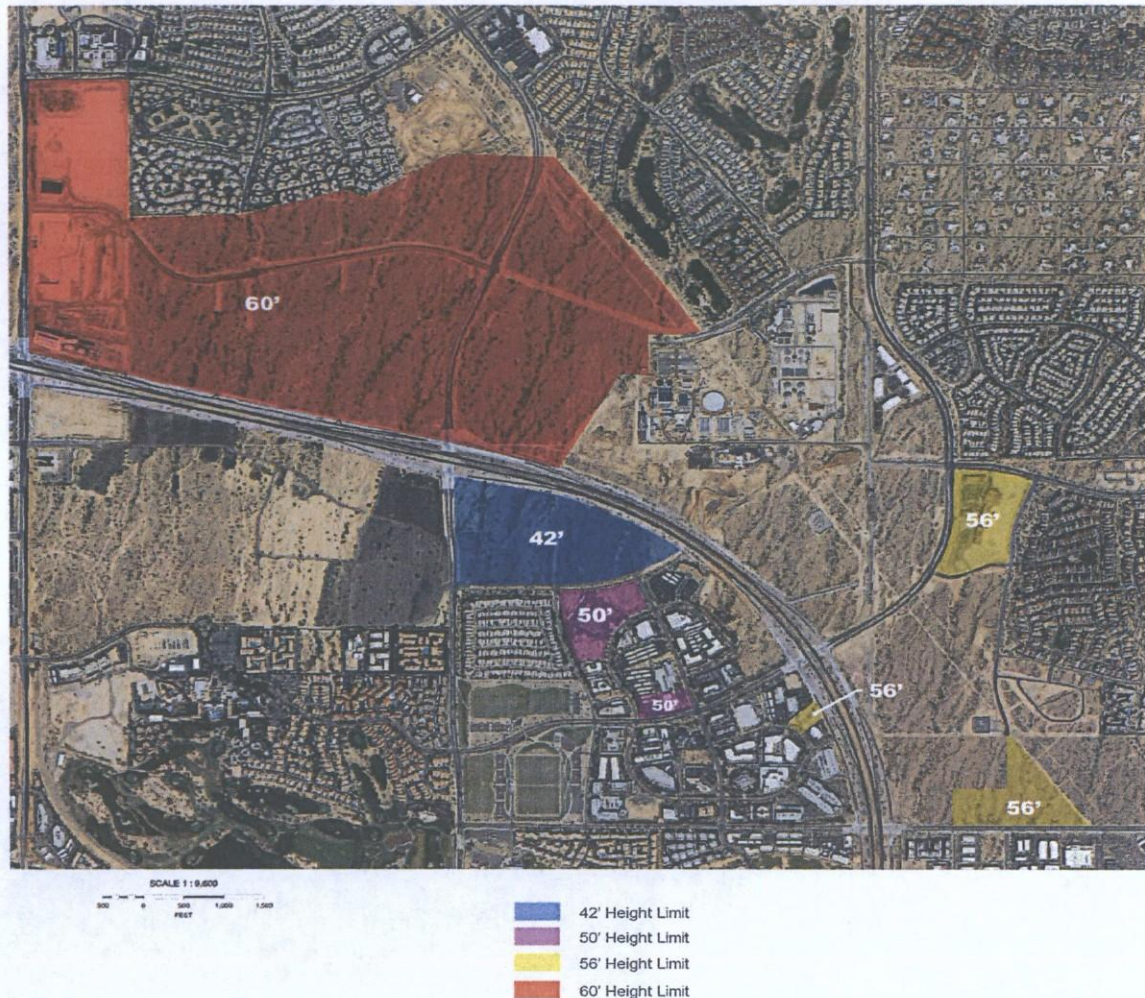


There is essentially no visibility for these Perimeter Center buildings adjacent to the elevated section of the freeway from northbound lanes.



There is little improvement in freeway visibility even from the southbound lanes.

While the freeway provides unique opportunities for the desired business and employment uses, elevated sections of the freeway have created visual constraints for businesses, especially corporate users who want and need freeway visibility. Because of the elevated freeway and other visibility and use issues, several properties within the Perimeter Center have requested and been granted additional height to enhance corporate or project visual identity.



Approved heights in proximity to The Pinnacle in the Perimeter Center site.

Freeway Corridor Context

The PCD overlay allows an amendment of development standards, including building height, and similar amended height standards have been approved previously in the freeway corridor employment area and within the Perimeter Center. The additional height proposed is consistent with the context of other development within the Loop 101 Freeway Corridor Regional Overlay area between Raintree and Scottsdale Road. As the aerial height graphic above shows, heights of 50' and 56' in the Perimeter Center, 56' in the industrial/mixed use area east of the freeway and 60' at the Loop 101 and Scottsdale Road have all been approved. The proposed amended standard to allow 65' in height is intended to achieve five (5) stories to enhance freeway visibility, raise executive level floors above the freeway, allow for greater flexibility in the selection of structural systems and accommodate the HVAC and telecommunications infrastructure required by today's office users. The five-story proposal is consistent with the General Plan's Regional Use designation, the GACAP's Type C Higher Scale Development designation and the City's goals for attracting major employment and corporate headquarter uses, along with the high quality jobs they provide, within the freeway corridor. At three stories

with little freeway visibility and virtually no mountain views, the site is not as competitively positioned to attract major corporate headquarter users.

The Loop 101 is very wide at this location because of raised freeway overpass that is generally 26 feet above grade at the intersection. To accentuate the attractiveness of this freeway property for a marquee corporate headquarters project, Furst is proposing an amendment of the I-1 development standards, as is permitted under the PCD overlay, to allow the high-quality five-story office project. The additional five-story height would enable the proposed buildings to have the desired greater presence and visibility along the freeway corridor as well as take advantage of McDowell Mountain views for executive offices on the upper levels above the raised freeway, both of which would make it far more attractive for corporate headquarters and advance its marketability for this use within a far shorter timeframe.



*The Loop 101 Freeway Corridor has been developed with prominently located buildings that are visible at three story heights above the grade from the freeway lanes, which is consistent with the visibility being proposed for **The Pinnacle in the Perimeter Center** along the elevated portion of the Loop 101 at Princess Drive.*



These three story heights visible from the Loop 101 at grade or lower create a strong presence along the Freeway Corridor that enhances the Corridor's image as a major regional employment center; the current proposal will contribute to that image with improved freeway visibility for the buildings.

The design of *The Pinnacle in the Perimeter Center* with visibility of generally three stories along the elevated freeway grade is consistent with existing Freeway Corridor development. The prominent, upscale complex allows for a wide range of tenants from large "Class A" corporate headquarters to smaller, single use tenants who are looking for freeway presence and accessibility with close proximity to an airport. The Perimeter Center area provides retail commercial to support the proposed employment use as well as excellent residential neighborhoods in proximity to the site for executives and employees, both of which are amenities that attract major corporate users. The project is designed to create a sustainable and unique high end office development.

General Plan and Greater Airpark Character Area Plan Context

The Pinnacle in the Perimeter Center proposal is consistent not only with the existing freeway corridor context but also with both the current General Plan designation and the recently adopted Greater Airpark Character Area Plan (GACAP), within which the property is included. The General Plan designates Perimeter Center as Employment and also places it under the Regional Use Overlay, intended to provide flexibility for land uses, like corporate headquarters, which serve a regional market. The targeted corporate headquarters use is thus consistent with the General Plan.

The City's General Plan designates this property as Employment and notes that Employment Uses comprise only 1.8% of the City's planned and existing land uses. With this minimal amount of land in the City designated for Employment, the General Plan encourages land utilization within the Employment areas to sustain a viable economic base and to help diversify the City's economy. The Land Use Element of the General Plan includes among its goals and approaches focusing more intense land uses along major transportation corridors like the Pima Freeway and maintaining balance between jobs and housing. The property is also designated

within the Regional Use Overlay and one of the specific targeted uses cited under the Regional Use Overlay is corporate offices. The goal of the Regional Use Overlay is to enhance the City's employment core and attractiveness to regional markets and to take advantage of the benefits of freeway access. The City's General Plan also has as a goal concentrating future development in Growth Areas such as the one designated in the Pima Freeway Corridor and Greater Airpark area.

Because there is such limited availability of land for the type of corporate headquarters use that provides high quality jobs for Scottsdale citizens and adds diversity to the City's economic base, the approval of the additional height intended to attract corporate users is not only consistent with the City's General Plan, but would implement a number of General Plan goals. The amended standards would allow the location of the more intense land use with high quality employment opportunities within this Growth Area and along a major transportation corridor as intended by the General Plan.

As part of the Economic Vitality Element Goals, the City seeks targeted business services that provide quality jobs for Scottsdale and help to further diversify the economy, both of which goals are furthered by making this site more likely to attract a corporate headquarters. The "Scottsdale Values" Section of the Economic Vitality Element includes "Attraction and retention of high quality employment opportunities for citizens." Specific economic sectors are targeted for expansion or relocation in Scottsdale, including corporate headquarters. The approval of the amended standards would help to implement these goals.

The GACAP is indicative of the City's planning direction for the Greater Airpark area. In its statement of Vision and Community Values, the GACAP recognizes the area as a national and international commerce destination that affords accessibility supportive of regional employment and offers opportunities for business diversity as well as diversity of architecture and design. The proposed project will implement this vision as well as the goals and policies of the Plan's Land Use, Economic Vitality, Environmental Planning and Character and Design Elements. Many of these goals and policies are addressed in the proposed Design Guidelines for the project.

The GACAP Land Use Element recognizes the Greater Airpark as a critical resource in attracting well-paid jobs and revenues which sustain Scottsdale's quality of life. The Plan calls for modernization of development standards and for promotion of development intensities supportive of existing and future market needs. The Perimeter Center is identified in the Draft Plan as a Type C development area appropriate for High Scale development. Higher scale development is encouraged in areas like the subject property with access to major transportation corridors and away from residential areas. The Signature Corridor designation offers the flexibility for support uses on the site. ***The Pinnacle in the Perimeter Center*** building height proposal is consistent with these Land Use goals and the Type C designation of the Plan.

In accordance with Ordinance open space standards for increased height, the project will have 32% open space, approximately one-third of the property, almost eight (8) acres of open space, a large percentage of which will be usable open space for pedestrian amenities. The project also proposes to incorporate green building techniques, potentially qualifying for LEED certification. As part of The Perimeter Center, the project implements its Master Plan, which provides integrated area-wide stormwater infrastructure offering a streetscape greenbelt and pedestrian connections linked to the citywide pathway system, all of which implement express Land Use

Element goals and policies. Additionally, another express policy of the Land Use Element of the Plan is to promote flexibility of land uses when it can be demonstrated that new land uses, like the corporate headquarters use proposed, are viable in serving a regional market. With its prime regional location on a major freeway corridor that offers freeway connectivity to all parts of the Valley, the site is ideal for attracting a corporate headquarter use by offering appropriate height along the elevated freeway which is fully consistent with City policies and goals as expressed in the GACAP.

The overarching goal of the Economic Vitality Element of the GACAP is to sustain the long term economic prosperity of the Airpark, which is recognized as a major employment center in the State and which contributes a significant portion of City revenue and thus sustains Scottsdale's quality of life and high level of City services. The Economic Vitality Element seeks to maximize the economic potential of Greater Airpark area land resources and calls for developing strategies, such as amending regulatory processes, which will incentivize and encourage new development and re-development. Its policies include supporting the growth and development of the Greater Airparks office industries and corporate headquarters as well as attracting new high value businesses and a diversified business base. The buildings and height proposed are intended to attract corporate headquarters users and implement these Economic Vitality goals and policies.

The Environmental Planning Element of the Plan is focused on environmental stewardship, energy and water conservation, stormwater management and other sustainability measures. The project will meet Environmental Planning Goals in several areas. Green building alternatives will be incorporated along with passive solar elements. Landscaping will use low-water indigenous and adapted desert plants with minimal, if any, turf areas. Additional tree planting will occur in planter diamonds throughout the parking areas for both shading and ground-level ozone reduction purposes. Over eight acres of open space is being provided and will include pedestrian amenity areas. The Perimeter Center has an established area-wide stormwater management system which incorporates a vegetated, stormwater channel network and creates generous landscaped areas along The Perimeter Center streets. The project will tie into this overall stormwater system.

With regard to the Character and Design Element, the GACAP promotes flexibility in development as a key to promoting unique and interesting building design within the Greater Airpark. The Plan calls for contemporary architecture, corporate/executive character, campuses and unique expressions of corporate identity, stating that, "Employment Land Use Area design should consider contemporary expressions of corporate identity." One of the Character and Design policies is to encourage a variety of building shapes and heights that are appropriate in each land use area in order to promote visual interest within the Greater Airpark. The proposed greater building height and Design Guidelines are consistent with the goals and policies of the Character and Design Element of the GACAP. Lighting features will be designed to minimize glare and conserve energy. Additionally, the project will incorporate a special design feature emphasizing its location at a gateway entry to The Perimeter Center. The greater height proposed will allow the development of buildings that add variety and visual interest at this prominent intersection and help identify The Perimeter Center as a major employment center.

Conceptual Development Plan

With this amended standards request, Furst Properties has now submitted a Conceptual Development Plan identifying the general location of two buildings, which are proposed at 4 stories for the central building and 5 stories for the southernmost building adjacent to the most elevated portion of the freeway. The proposed building locations maximize the freeway exposure of the five story and four story buildings and reduce impacts on other Perimeter Center buildings. There is no proposed increase in F.A.R. so no additional square footage will be allowed with the added height. The taller buildings create a smaller footprint and thus allow for view corridors into the Perimeter Center from the freeway as well as the opportunity for enhanced usable open space and pedestrian amenities. The placement of buildings adjacent to the freeway is consistent with the other up-scale, professional buildings along the freeway as shown above. Because there is no identified user, it is anticipated that there could be modifications to the precise building shapes and footprints, but the general concept of adjacency to the freeway and view corridors through the site will be maintained. Building sizes will continue to be limited by the existing F.A.R. of .6.

Because of the significant fall in elevation on the 24.6 acre site, measurement of building height from average top of curb plus one (1) foot would result in significant cuts and fills and is thus not appropriate for this larger site. Based on the topographic survey specific maximum building height elevations have been established at site cross-sections and the building height for the entire site is proposed to be measured from natural grade plus three feet. The elevations shown are based upon natural grade and the extra two feet above natural grade is intended to accommodate potential drainage considerations that could require a finished floor elevation that could greatly exceed the one (1) foot above average top of curb if that alternative method of height measurement were used. The maximum elevations, therefore, have been established to limit the building heights as shown on the revised Building Height Maximum Elevations Exhibit regardless of drainage considerations.

The Conceptual Development Plan now shows an access driveway on Princess Drive a minimum of 330 feet from the freeway exit lane centerline as was indicated to be acceptable to the Transportation Department. This access is limited to rights-in and out only. The Conceptual Development Plan also indicates potential driveways, with exact locations to be finalized in the Development Review Board process. Open space is proposed at a minimum of 32%, which provides the extra open space required by the Ordinance for projects with greater height. This amount does not include required parking lot landscaping and is above what is required under the current 36' height. Providing almost one-third of the site in open space allow for enhanced landscaping, more usable open space areas and pedestrian amenities as encouraged by the GACAP and as provided in the Design Guidelines below. Again, no increase in allowed F.A.R. is proposed. Both a parking deck and covered surface parking are proposed to provide parking that will meet or exceed Ordinance requirements in order to accommodate the needs of a corporate headquarters user.

The project will comply with The Perimeter Center Master Environmental Design Concept Plan (MEDCP) and the Master Drainage Plan. The MEDCP calls for landscape and exterior site development tied to an arid region natural environment and expansive landscape buffer areas adjacent to roadways with both berming and low screen walls. To maintain the quality and character of The Perimeter Center, the MEDCP also envisioned strict design guidelines of the

type proposed. The proposed conceptual landscape plan implements the wide streetscape buffer areas and desert planting theme consistent with the MEDCP and the policies of the GACAP. The Design Guidelines for the proposed project set forth below will implement the intent of the MEDCP for high quality architecture with The Perimeter Center.

Design Guidelines

The Pinnacle in the Perimeter Center site is being developed for employment uses with a campus feel that incorporates a common landscape, entry feature and screen wall theme. All buildings within *The Pinnacle in the Perimeter Center* will be in conformance with the City of Scottsdale's Sensitive Design principles. To ensure the City's goal for quality development, additional design guidelines are being provided to establish a higher standard for site plan design, landscaping and pedestrian amenities, architecture, building materials and colors. These guidelines are designed to assure the highest design quality and establish compatibility of development on the entire site. As a supplement to Scottsdale's Sensitive Design Principles, all buildings within *The Pinnacle in the Perimeter* will be consistent with the following Design Guidelines, which are intended to provide an enhanced employment environment with increased landscaping, usable open space and exterior amenities together with an exceptional architectural design quality justifying the proposed amendment of the development standards to provide additional height under Section 5.2102.C. The proposed Design Guidelines add detail and specificity in implementation techniques to the more generalized concepts in the City's Sensitive Design Principles and Commercial Design Guidelines. The Sensitive Design Principles provide only guidance; the proposed Design Guidelines provide the regulatory criteria that will govern the design of the project.

Site Planning

The Site Utilization approach shall consider density relative to adjacent uses and development. Other considerations shall include views to the McDowell Mountains, visual presence on the Loop 101 freeway, a sense of arrival, service areas, pedestrian access and indoor /outdoor relationships that are sensitive to the project character and desert environment.

Open space shall be provided at a minimum of 32 percent, which is consistent with the Ordinance requirements for greater height but also above the Ordinance requirement for 36'. This 32% open space is exclusive of parking lot landscape Ordinance requirements, which will bring the total open space to over eight acres, one third of the project site.

Pedestrian connections shall be provided between buildings and to adjacent pedestrian walkways that are enhanced with shade and landscape elements. A site amenity or special feature shall provide destinations for these connections.

Physical and visual breaks in the parking areas shall be created through the use of smaller structural elements, landscape areas and parking walks. Shaded parking shall be provided either by a parking deck, covered surface parking, landscape design or by a combination thereof.

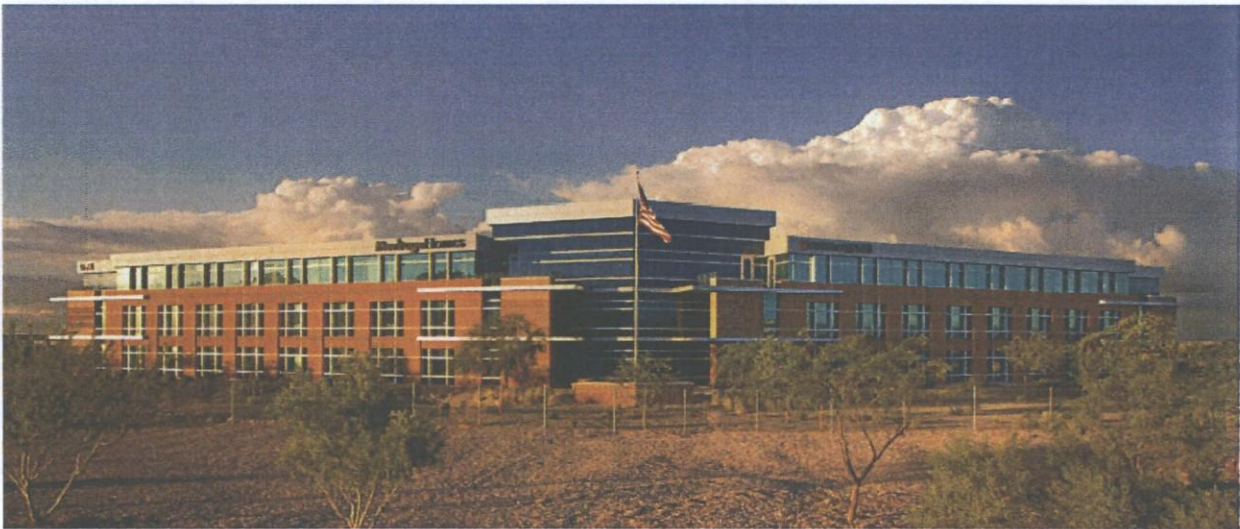
Architectural Design

The architectural vocabulary shall be sensitive to the architecture of the region and the overall character relative to forms, materials, textures and colors that have been established in the Perimeter Center.

All buildings shall be designed and constructed so that all four sides receive consistent architectural treatment.

Green building techniques shall be used.

Building designs shall incorporate offsets in building components that can be enhanced through a change in materials.



The Furst Properties Meritage headquarters building, and other Davis designed buildings in this Design Guideline section, illustrate the applicable architectural principles.

Glass shall be used to maximize views, provide architectural day-lighting and create a contrasting element to metal, concrete, stucco or masonry building surfaces.

Building designs shall shade glass surfaces through the use of fin walls, piers, planes, trellis or overhead shading devices.

Large wall surfaces shall employ methods for articulation such as: material change, color change, texture change, wall undulation, reveals, windows, parapet articulation, etc.

Roof mounted equipment shall be screened through the extension of the building façade or screen walls and shall be integrated into the design of the building through use of similar materials, forms and massing.

Service entries, site mounted equipment, trash containers and other ancillary structures shall be screened from view, both from adjacent properties and surrounding streets.

Service, exit doors and loading areas shall be designed as integral parts of the building architecture.

Any roof access ladders shall be located inside the building and all roof drainage shall be internal.



Architectural variety and interest are created by changes in plane, materials, textures and colors, together with varied rooflines, in this Furst building designed by Davis at Scottsdale Road and Greenway, which reflects the principles of the proposed Design Guidelines

Landscape & Hardscape

The pedestrian environment shall provide clear, safe, comfortable circulation between adjacent streets, parking areas and buildings. Pedestrian and vehicular conflicts shall be minimized to the greatest extent possible and efficient lighting shall foster a sense of security.

Hardscape and landscape components for each site shall follow the overall streetscape theme and elements found within the Perimeter Center streetscape to create a seamless appearance.

Site amenities and special features shall include elements such as shade structures, enhanced landscape, screen walls, planters, walkways, paving and seating. All such elements shall be carefully designed to enhance the overall shared environment between the landscape and architecture and the quality of the pedestrian experience.

The landscape palette shall require a variety of low-water usage desert planting including a range of accent colors, consistent with The Perimeter Center MEDCP.

The vocabulary, form and character of the site landscape and the streetscape shall be sensitive to the region and manmade improvements to this site, including but not limited to the Loop 101 frontage streetscape, and Perimeter Center Guidelines.



The proposed Design Guidelines will be used to develop upscale, architecturally rich and attractive buildings like this Davis building in the Pima Center at the Loop 101 and Via de Ventura.

Site Lighting

Site lighting shall be designed in such a manner as to provide for safe vehicular and pedestrian movement into and around the site.

Lighting shall be designed to minimize glare and conserve energy while creating an aesthetically pleasing site and architectural statement.

Pedestrian level lighting shall be thematic in appearance and integrate form and materials from the architecture, site and parking lot lighting.

Compliance with Section 5.2105

Although The Perimeter Center has already been approved as a PC District meeting all Ordinance requirements and findings, and the current application requests only the amendment of a single development standard as allowed under the PC Overlay, the requested amendment to allow additional height also satisfies the Ordinance findings.

Section 5.2105 provides that before approval or modified approval of an application for a proposed P-C district, the Planning Commission and the City Council must find:

- A. That the development proposed is in substantial harmony with the General Plan of the City of Scottsdale, and can be coordinated with existing and planned development of surrounding areas.*

The General Plan as well as the character and context of the area make this site appropriate for additional height. Additional heights of 50' and 56' have already been allowed within the Perimeter Center and 56' heights have been approved in the industrial development to the east of the freeway along Pima and Bell Roads. The DMB One Scottsdale Development at the Loop 101 and Scottsdale Road is approved for 60' in height as is the adjacent Planned Regional Center (PRC) Core North Employment area north of the Loop 101 to the west of the Dial-Henkel corporate headquarters building.. The General Plan designates the freeway corridor area as a Regional Use District, which includes corporate office uses and anticipates a greater intensity of use. The recently adopted Greater Airport Character Area Plan (GACAP) recognizes the need for flexibility in development standards and greater height to achieve maximum utilization of the vacant and underdeveloped areas within the Airpark and freeway corridor area. The proposed corporate headquarters project is in total harmony with both Plans. There is a growing understanding that as Scottsdale's developable land is diminishing, it should be recognized as an asset and a resource to be managed to enhance its benefit to the City as a whole. With the decrease in vacant land, redevelopment of underutilized parcels will also become important to the City and increased height encourages this needed redevelopment. Additionally, because this site is south of the freeway and the buildings are setback close to the freeway, no other views to the McDowell's would be impacted by the proposed height. The project is likewise fully integrated with the surrounding Perimeter Center freeway corridor context.

- B. That the streets and thoroughfares proposed are suitable and adequate to serve the proposed uses and the anticipated traffic which will be generated thereby.*

All the adjacent local and arterial streets including the adjacent freeway, and on/off ramps are constructed. The existing street network provides adequate transportation for this site. The adjacent freeway provides excellent regional access due to its geographic location. Because no increase in FAR is proposed, traffic generated by this project is within the projected carrying capacities and volumes for the nearby arterial streets and will not adversely impact the surrounding land uses. The Pima Freeway Loop 101 connects to the Loop 202, US 60, I-10 and Interstate-17. Even with the additional height, the buildings will remain within the allowed I-1 .6 FAR. Because the square footage will remain within the allowed FAR, no additional traffic analysis is required at this time. Exact driveway locations will be determined at the time of DRB approval.

- C. The Planning Commission and City Council shall further find that the facts submitted with the application and presented at the hearing establish beyond reasonable doubt that:*

- 1. In the case of proposed residential development, that such development will constitute a residential environment of sustained desirability and stability; that it will be in harmony with the character of the surrounding area; and that the sites proposed for public facilities, such as schools, playgrounds and parks, are adequate*

to serve the anticipated population. The Planning Commission and City Council shall be presented written acknowledgment of this from the appropriate school district, the Scottsdale Parks and Recreation Commission and any other responsible agency.

This request is to amend the development standard for increased building height in the I-1/PCD. No residential development is proposed. Therefore this finding does not apply to this request.

- 2. In the case of proposed industrial or research uses, that such development will be appropriate in area, location and overall planning to the purpose intended; and that the design and development standards are such as to create an industrial environment of sustained desirability and stability.*

As described above, the character and context of the area makes this site appropriate for additional height, which is also supported by its Regional Overlay designation and its identification as appropriate for High Scale development in the Greater Airport Character Area Plan. Because this site is south of the freeway and the buildings are located close to the freeway, no other views to the McDowells would be impacted by the proposed height. When consideration is given to the surrounding development, the elevated freeway, the proposed building placement and the proposed Design Guidelines, the additional building height is justified and benefits the City of Scottsdale by enhancing the ability of the site to attract corporate office tenants who desire freeway frontage and visibility. Additional heights of 50' and 56' have already been allowed within the Perimeter Center and 56' heights have been approved in the industrial development to the east of the freeway along Pima and Bell Roads. The proposed building height is consistent with these heights as well as with the 60' height allowed within the Core North Employment area north of the Loop 101 to the west of this site. The project will undoubtedly contribute to a sustainable and stable employment environment in the area.

- 3. In the case of proposed commercial, institutional, recreational and other non-residential uses, that such development will be appropriate in area, location and overall planning to the purpose intended; and that such development will be in harmony with the character of the surrounding areas.*

See Number 2 above.

Compliance with Section 5.2105D

This request is to amend the development standard for increased building height. Therefore finding D which outlines standards for private and charter school does not apply to this request.

Conclusion

The proposed amendment of the height standard to allow a five-story project is consistent with the City's goal of establishing this area as a high quality employment area that integrates with and supports the Scottsdale Airport and surrounding Airpark businesses. The proposed PCD development standard amendment allows for the ability to maximize the site's potential for implementing community goals for the freeway corridor and will further the City's objective of

attracting corporate uses serving the regional market place in the Greater Airpark employment area. This proposal implements Scottsdale's goal of attracting a broad range of employment uses and corporate offices to diversify the City's economic base. Given its strategic location, ***The Pinnacle in the Perimeter Center*** project is well-positioned to present an attractive high quality office/business setting to corporate tenants.

The Development Plan exhibits are attached hereto.

O:\INDEX\Furst\101 & Princess\Docs\Dev Plan 1st & Last Page.doc



PLAN DATA

SITE AREA	24.63 ACRES (1,072,702SF)
F.A.R.:	0.6
OPEN SPACE REQUIRED	32%
PARKING LOT LANDSCAPING	15%

DRAINAGE:
COMPLIANCE WITH PERIMETER CENTER MASTER DRAINAGE PLAN

PARKING:
PARKING WILL BE PROVIDED TO MEET OR EXCEED
ORDINANCE REQUIREMENTS TO ACCOMMODATE
CORPORATE HEADQUARTERS OR OTHER USER
NEEDS

CONCEPTUAL SITE PLAN



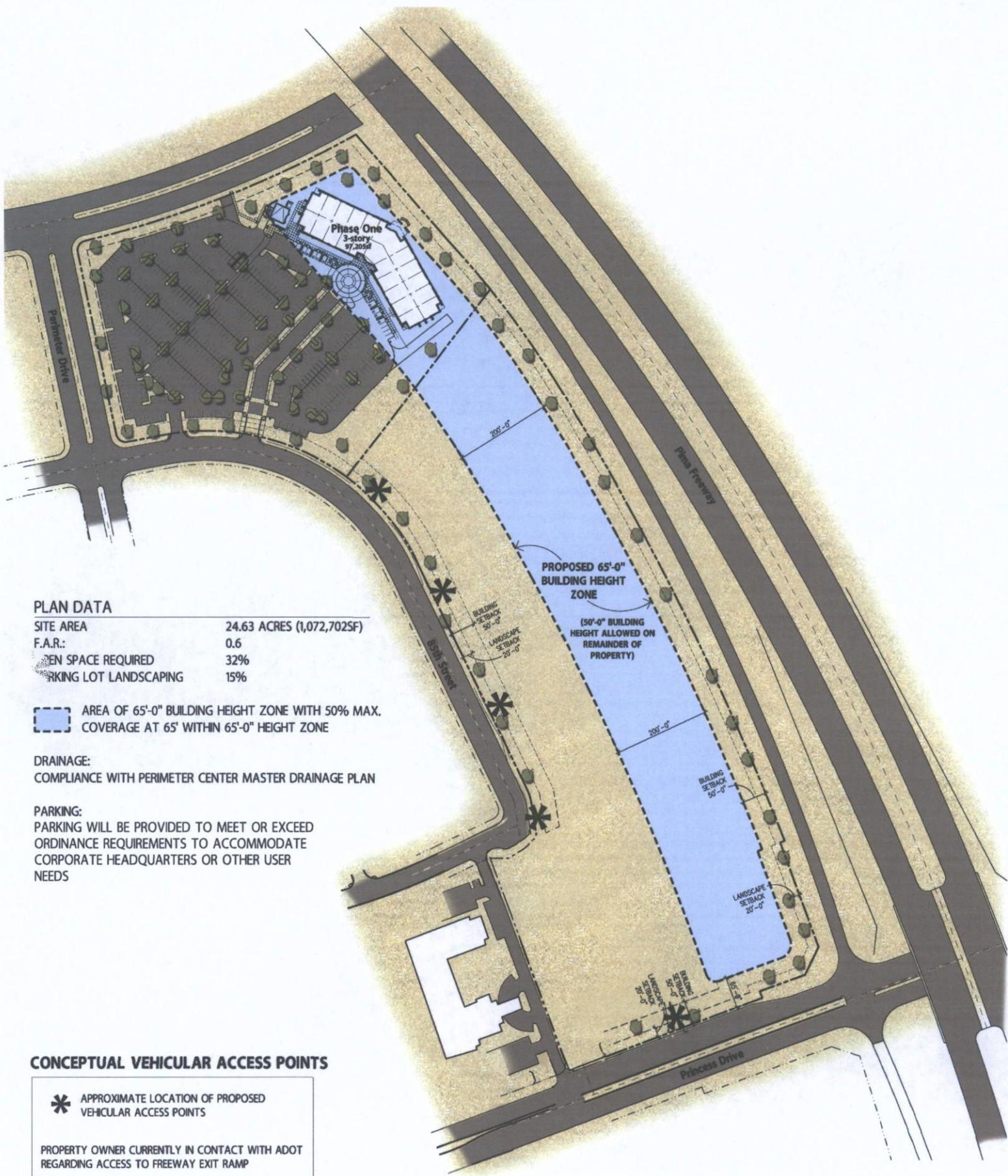
architecture
interior architecture
space planning
facilities management
land planning
landscape architecture
graphic design

Pinnacle in the Perimeter Center
Scottsdale, Arizona

02335
12.16.10

2-ZN-2010
4th: 1/14/2011

All calculations are approximate and subject to change.



PLAN DATA

SITE AREA	24.63 ACRES (1,072,702SF)
F.A.R.:	0.6
OPEN SPACE REQUIRED	32%
PARKING LOT LANDSCAPING	15%

AREA OF 65'-0" BUILDING HEIGHT ZONE WITH 50% MAX. COVERAGE AT 65' WITHIN 65'-0" HEIGHT ZONE

DRAINAGE:
COMPLIANCE WITH PERIMETER CENTER MASTER DRAINAGE PLAN

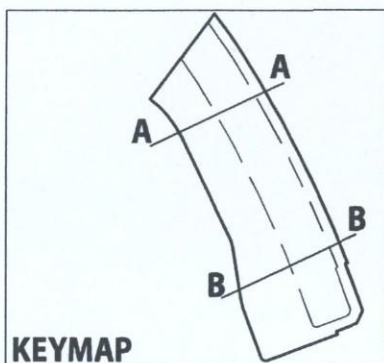
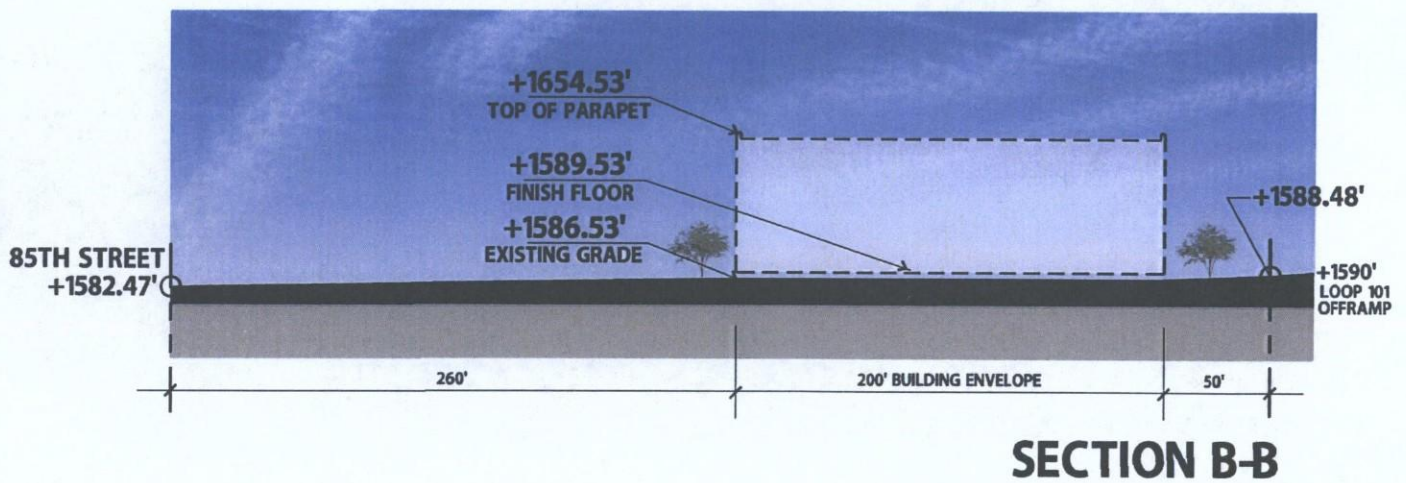
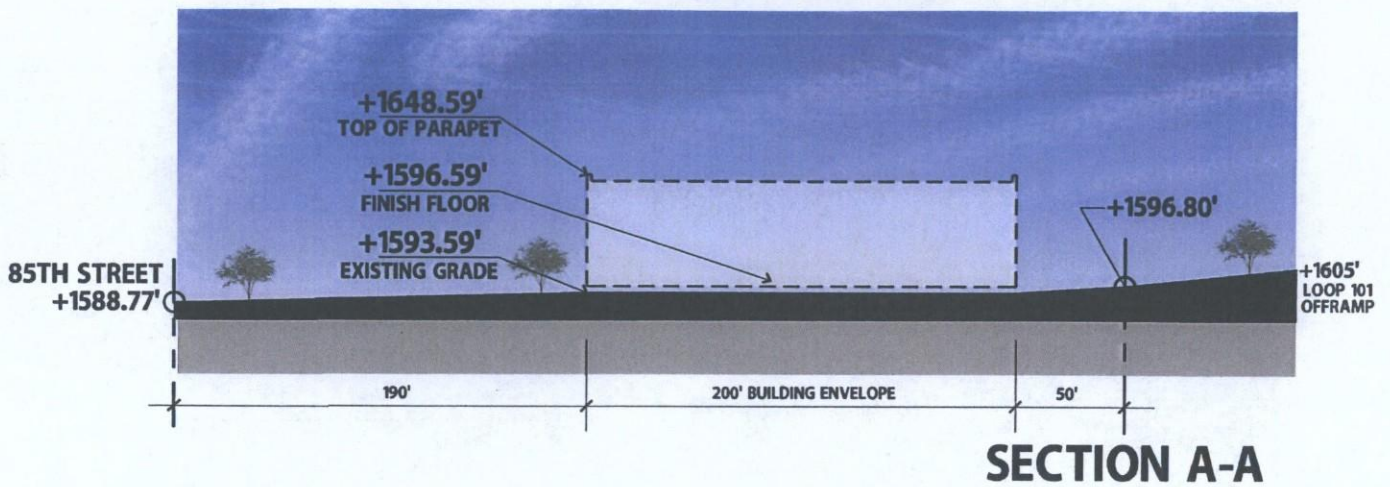
PARKING:
PARKING WILL BE PROVIDED TO MEET OR EXCEED ORDINANCE REQUIREMENTS TO ACCOMMODATE CORPORATE HEADQUARTERS OR OTHER USER NEEDS

CONCEPTUAL VEHICULAR ACCESS POINTS

APPROXIMATE LOCATION OF PROPOSED VEHICULAR ACCESS POINTS

PROPERTY OWNER CURRENTLY IN CONTACT WITH ADOT REGARDING ACCESS TO FREEWAY EXIT RAMP

BUILDING HEIGHT ZONES EXHIBIT



BUILDING HEIGHT MAXIMUM ELEVATIONS

0' 40' 80' 120' 160' All calculations are approximate and subject to change.

Pinnacle in the Perimeter Center
Scottsdale, Arizona

02335
02.AUG.10

2-ZN-2010
4th: 1/14/2011

DAVIS

architecture
interior architecture
space planning
facilities management
land planning
landscape architecture
graphic design

Sec.5.1804. – Property development standards.

The following property development standards shall apply to all land and buildings in the I-1 district:

- A. *Floor area ratio.* Is limited to six-tenths (0.6) of the net lot area.
- B. *Volume.* Is limited to the net lot area in square feet multiplied by nine (9) feet for any building.
- C. *Open space requirement.*
 - 1. In no case shall the open space requirement be less than ten (10) percent of the total lot area of zero (0) feet to twelve (12) feet of height, plus four-tenths percent of the total site for each foot of height above twelve (12) feet. **Open space shall be required for the 65' building height at a minimum of 32% of the total site.**
 - 2. The amount of open space required on a lot may be reduced in direct proportion to the amount of net lot area included in a taxilane safety area. The amount of open space required on a lot may also be reduced in direct proportion to the amount of aircraft staging area provided on the lot. In no case shall the amount of taxilane safety area and/or aircraft staging area reduce, or provide for a reduction of, more than fifty (50) percent of the required open space.
 - 3. Open space required under this section shall be exclusive of parking lot landscaping required under the provisions of article IX of this ordinance.
- D. *Building height.* No building shall exceed ~~thirty-six (36)~~ **sixty-five (65)** feet in height except as otherwise provided in article VII. **Building height shall be measured from natural grade; drainage, or any other considerations shall not permit the maximum building height to increase by more than 3'.**
- E. *Lot coverage.* Is limited to fifty (50) percent of the net lot area.
- F. *Yards.*
 - 1. Front Yard. No part of the building or accessory structure shall be located closer than fifty (50) feet to any street. Parking may occur in the required front yard as provided in Section 10.402.C.1.
 - 2. Side Yard and Rear Yard. A yard of thirty (30) feet shall be maintained adjacent to all residential districts.
- G. *Walls, fences and required screening.*
 - 1. All off-airport operations and storage excluding fueling shall be conducted within a completely enclosed building or within an area enclosed by a solid wall at least six (6) feet in height, provided that no objects shall be stacked higher than the wall so erected.
 - 2. All mechanical structures and appurtenances shall be screened as approved by the Development Review Board.
 - 3. All storage and refuse areas shall be screened as determined by Development Review Board approval.
 - 4. Other requirements and exceptions as specified in article VII.

2-ZN-2010
4th: 1/14/2011

Sec. 7.102. – Permissible height and area regulations, exceptions to height restrictions

- A. Chimneys, church steeples, cooling towers, elevator bulkheads, fire towers, monuments, stacks, stage towers or scenery lifts, tanks, water towers, and grain elevators and necessary mechanical appurtenances and the screening required for said appurtenances provided that both the appurtenances and the screening therefore do not cover more than ~~fifty (50)~~ **twenty (20)** percent of the roof area, may be erected to a height not exceeding ~~one hundred (100)~~ **eighteen (18)** feet **as measured from the building roof deck**, except as authorized pursuant to Section 5.2604.D.3, in accordance with existing or hereafter adopted ordinances of the City of Scottsdale, Arizona.
- B. In nonresidential districts only, ornamental towers and spires may be erected to a height not exceeding sixty (60) feet. No ornamental tower or spire shall contain occupied space that is higher than the maximum building height for the zone in which such ornamental tower or spire is located.

Additional Information for:
Pinnacle in the Perimeter Center
Case: 2-ZN-2010

PLANNING/DEVELOPMENT

1. DEVELOPMENT REVIEW BOARD. The City Council directs the Development Review Board's attention to:
 - a. The provision of active and meaningful open space within the site and between the buildings to create an overall campus environment.
 - b. Landscaping.
 - c. Pedestrian linkages.
 - d. Pedestrian and site amenities including, but not limited to: shade structures, planters, screen walls, seating, paving, parking design.
 - e. The design guidelines contained within the Development Plan, and the City of Scottsdale design guidelines and sensitive design principles.
 - f. View corridors.

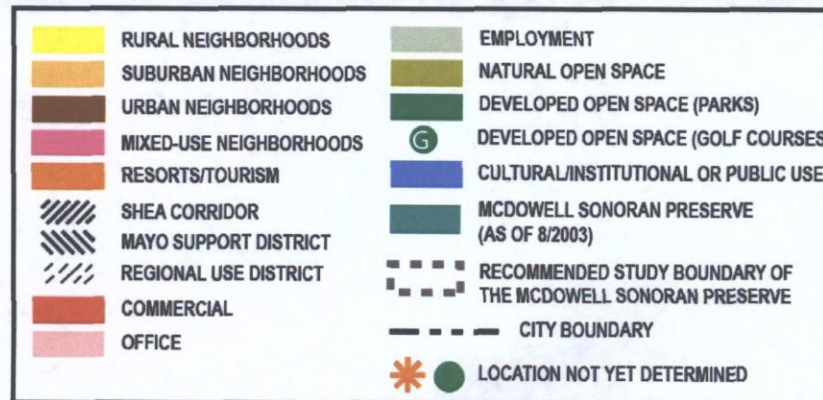
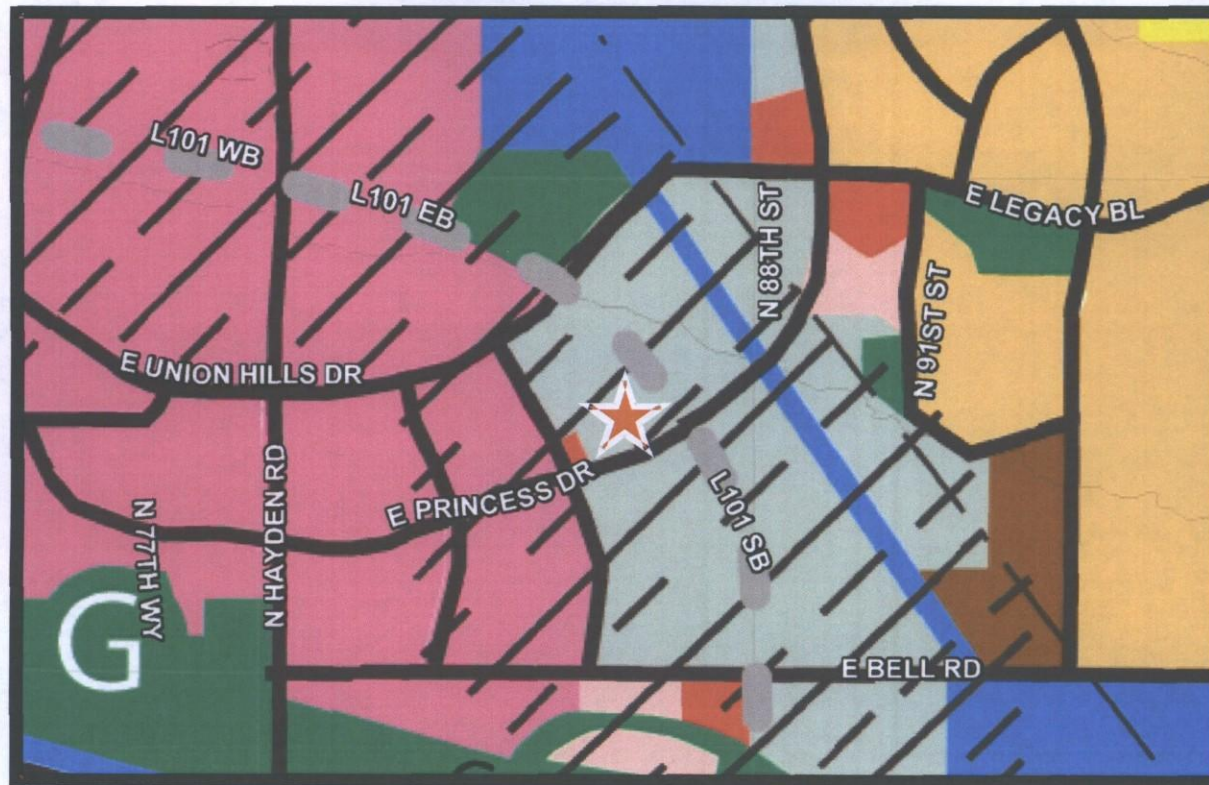


Pinnacle in the Perimeter Center

2-ZN-2010

ATTACHMENT #3A

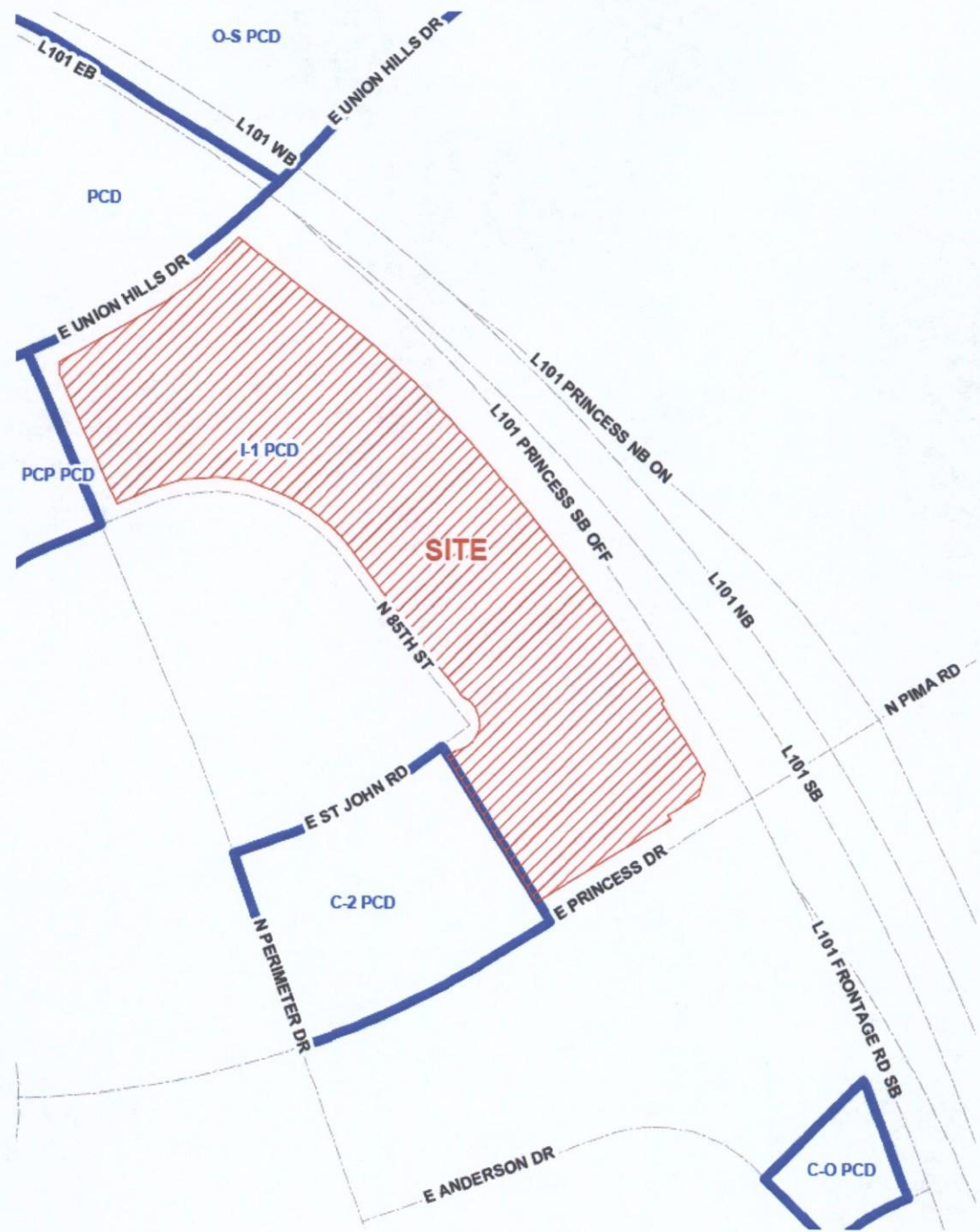
General Plan



2-ZN-2010

ATTACHMENT #4

Zoning Map



2-ZN-2010

ATTACHMENT #5

EARL, CURLEY & LAGARDE, P.C.
ATTORNEYS AT LAW

Telephone (602) 265-0094
Fax (602) 265-2195

3101 North Central Avenue
Suite 1000
Phoenix, Arizona 85012

UPDATED

Citizen Review Report
The Pinnacle in the Perimeter Center

February 1, 2011

REQUEST

Furst Properties has filed an amendment of its original request to obtain approval of amended development standards in the I-1 district, as is permitted under the Planned Community District (PCD) overlay designation of the Perimeter Center. The amended development standards would allow the proposed five story 65' height on the entire 24.6 acre Furst Properties site located at the northwest corner of the Pima Freeway Loop 101 and Princess Drive within the Perimeter Center.

Section 5.2102 of the Zoning Ordinance allows property development standards modifications subject to a written narrative and graphics that support a Planning Commission and City Council determination that the modifications will produce a project superior to that produced by the existing standards. The amendment of development standards proposed by Furst Properties will allow the development of architecturally superior buildings visible from the freeway and enhance the likelihood of attracting corporate headquarter users. The original request was amended to make the zoning entitlements and development standards consistent on the entire Furst Properties site along the freeway.

CITIZEN NOTIFICATION PROCESS

The Citizen Review Plan was prepared in accordance with the City of Scottsdale Zoning Ordinance, Section 1.305.C, Citizen Review Process and meets the City's Citizen Review Process requirements and the recommended notification area. The purpose of this plan was first, to identify the persons who may be directly affected by the proposed amendment to the development standards in the I-1 zoning district on this particular site; second, to identify any interested parties that need to be notified as a result of the proposed request; and third, to provide an opportunity for area property owners and interested parties to provide comments on the proposed application prior to the public hearings so that any issues that arose could be resolved.

The original notification letter was mailed on April 5, 2010, to inform the adjacent property owners and interested parties of the proposed amended standards request. The letter was sent by first class mail to all property owners and HOA's within 750-feet of the subject site, interested parties identified on the list provided by the City, Perimeter Center POA, Coalition of Pinnacle Peak (C.O.P.P.) and the Greater Pinnacle Peak Homeowners Associations with a copy to the City to invite them to an open house on April 15, 2010, to review the proposal. Representatives of the C.O.P.P. were also called and send copies of the submittal. A copy of the first notification letter containing all the required information was attached to the original October 5, 2010 Report along with the mailing list. The Project Under Consideration sign was posted a minimum of 10 days prior to the open house meeting as required and the Affidavit of Posting has also been submitted.

The only attendees at the Open House were representatives of the adjacent Hilton Garden Inn Hotel. Hotel owner David Lenz expressed concerns about the blockage of hotel visibility from the freeway with taller buildings, limitations on hotel signage, site limitation and cut-through traffic problems caused by the lack of shared access with the Furst property. Two subsequent meetings were held with David and Jeff Lenz to propose site plan modifications to address their concerns. The Conceptual Development Plan was revised to limit the proposed 65' height to 50% of the 200' area adjacent to the freeway to assure view corridors through the site. Furst Properties also proposed to install, at its cost and using only its property, a public street between the hotel and its development to provide a better window of visibility for the hotel and to eliminate the hotel's current cut-through traffic problem.

When a supportive response was not received from the hotel, Furst eliminated the public street proposal. Furst also revised the Conceptual Development Plan to show two building locations along the 101 frontage to address concerns about providing view corridors and some degree of building setback from the corner.

Prior to submitting the application, the applicant and architect met with the Perimeter Center POA Board and their letter of support is also attached. A subsequent meeting was held with the applicant, architect, POA Board and representatives of the adjacent Hilton Garden Inn Hotel to discuss hotel concerns including blocked visibility and limited signage.

When the original request was amended to add Phase One of the Furst Properties campus in order to maintain consistency in zoning entitlements and development standards on the entire Furst Properties site along the freeway, a second notice letter was mailed to an expanded notice list within 750'. A copy of this second letter and list has also been submitted.

THE PERIMETER C E N T E R



RECEIVED

FEB 17 2010
FURST PROPERTIES

February 3, 2010

Scottsdale Perimeter I, LLC
c/o Furst Properties
14648 N. Scottsdale Road, Suite 345
Scottsdale, AZ 85254

RE: Lots 16 – 19 Height Variance Request

Dear Furst Properties:

On January 19, 2010 the Perimeter Center Board of Directors heard your proposal for a height variance for a project consisting of two five-story office buildings on Lots 16-19. The Board recognizes your desire to attract corporate headquarter users as tenants and is in support of the proposed height variance.

The Perimeter Center Owners Association will still need to be involved throughout the planning and development phases. We look forward to working with you further and to the completion of the project and its addition to the Perimeter Center.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Chris Cacheris', written over the printed name.

Chris Cacheris
Vice President
Perimeter Center Owners Association
Board of Directors

2-ZN-2010
1st: 4/8/2010

Cluff, Bryan

From: Jeff Lenz [JLenz@ncghotels.com]
Int: Thursday, April 29, 2010 12:26 PM
To: Garbo, Louisa
Cc: Cluff, Bryan
Subject: Pinnacle in the Perimeter Center - Case # 2-ZN-2010

Louisa, per our conversation last week, I represent Scottsdale Lodging Investors, LLC which, together with our related entities of The North Central Group, owns and operate the Hilton Garden Inn hotel within Perimeter Center and share a common boundary adjacent to the subject site. I will be sending an email outlining our formal objection shortly. You had mentioned there we several other owners within Perimeter Center who had submitted objections to this amendment and I was hoping to make contact with them. If you could please forward their information to me I would appreciate it.

Thank you.

Jeff Lenz
Vice President, Chief Development Officer
The North Central Group
www.ncghotels.com

THE

NORTH CENTRAL

GROUP®



The information contained in this communication including any attached documents may be legally protected and privileged, and may be confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or action taken in reliance on the contents of this communication is strictly prohibited. If you have received this communication in error, please immediately notify the sender, delete the original message and any copy of it from your computer system, and destroy any printed copy (including attachments). Thank you.

Cluff, Bryan

From: Jeff Lenz [JLenz@ncghotels.com]
Sent: Thursday, April 29, 2010 2:52 PM
To: Cluff, Bryan
Cc: Garbo, Louisa; Barnes, Jeff
Subject: Pinnacle in the Perimeter Center - Case # 2-ZN-2010

Brian, per my conversation last week with Louisa, I am emailing to provide written object to the above referenced case. I represent Scottsdale Lodging Investors, LLC which, together with our related entities of The North Central Group, owns and operates the Hilton Garden Inn hotel within Perimeter Center and we share a common boundary with the subject site. We strongly object to this request for the following reasons:

1. Excessive height
 - a. Granting a zoning amendment/height variance above 36" in this location has detrimental impact to our business. This request if approved would severely impact visibility to our property as well as other buildings within Perimeter Center. Our hotel property is one of the only commercial zoned parcels within Perimeter Center and we operate the only hotel (commercial/service) use in the park. Visibility is a critical component to our business. The proposed height of the amendment request in question along with the layout and placement of not only the buildings but the above grade parking garage destroys almost all visibility to our hotel, particularly to southbound traffic. I understand that other height variances have been granted near this location and within Perimeter Center itself, but those particular projects were located at the core or interior of the Perimeter Center development, not at the entrance right along the 101. A stepping up in the heights of buildings as you proceed from the park boundary along the 101 westbound to the interior of the park makes good planning sense in trying to maintain benefits for the majority of Perimeter Center park tenants. Allowing upwards of 60' in height in this location effectively creates a "wall" blocking major portions of the park.
2. Signage
 - a. In conjunction with the height issue raised above, our building signage visibility is also impacted with this proposal. Signage identifying ourselves as a Hilton hotel serving the north Scottsdale market and businesses within Perimeter Center will no doubt be negatively impacted by granting this request.
3. McDowell Mountain Views
 - a. Given our hotel's location adjacent to the subject parcel, building heights in excess of 60" would destroy views of the McDowell Mountains for a large portion of the hotel's guest rooms on the east side of our building looking east.
4. Drainage
 - a. As you may know, there are significant drainage and flooding issues in this location as the result of construction of the 101 and storm water drainage project in this region. Storm water routinely runs through the subject property and onto our site damaging our parking lot and internal storm sewer system.
5. Curb Cut
 - a. There is a curb cut shown for the proposed project along Princess Drive just east of our curb cut which is the primary entrance to our hotel. During our development review process 6-7 years ago we were told no curb cut would be approved east of our primary entrance drive along Princess Drive. If this is correct, the increased traffic generated by this project would exacerbate the problem we already have with cut-through traffic. Non-hotel guest vehicles routinely use our main entrance drive along Princess to drive through our site at high speed north to E. St. John Rd. and the businesses north of our hotel.
6. Perimeter Center Owners Association
 - a. While the Perimeter Center Owners Association has voted in favor of this proposal, we are recommending that the matter be re-considered as very few property owners including ourselves were aware of this matter being considered or in attendance at the meeting and the President of the Association is the applicant on this case.

If you have any other questions please let me know.

Jeff Lenz
Vice President, Chief Development Officer
The North Central Group
www.ncghotels.com

THE

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Cluff, Bryan

From: Kathy Jordan [kjordanprop@yahoo.com]
Int: Wednesday, May 12, 2010 12:00 PM
to: Cluff, Bryan
Subject: Re: 2-ZN-2010

Bryan, thank you. If someone wanted to send an official objection letter when should this be done & to whom should the letter be addressed?

Kathy Jordan
Director of Property Management
Bankers Consulting Corporation
Suite 370
17550 N. Perimeter Drive
Scottsdale, AZ 85255
480-458-2456 telephone
480-458-2464 fax

From: "Cluff, Bryan" <BCluff@Scottsdaleaz.gov>
To: kjordanprop@yahoo.com
Sent: Mon, May 10, 2010 10:29:10 AM
Subject: RE: 2-ZN-2010

This case was originally submitted on 4/8/2010. The standard track we follow for case review is a 30 day period for the 1st review. Upon completion of the 1st review, a comment letter will be issued to the applicant outlining all staff comments. The letter for this case has not yet been presented to the applicant, but most likely will this week. After the letter is given to the applicant it will be in the file as public record. Upon resubmittal of the case, the 2nd review period is 14 days. Then staff will either send out more comments, or schedule for hearing if everything has been addressed.

This case will need to be heard by Planning Commission and City Council. Prior to Planning Commission, the Development Review Board will review the case on one of their Study Session agendas. None of these hearings have been scheduled or even targeted with a date yet. All of the hearings will be advertised when scheduled.

Please let me know if you have any other questions.

Thanks,

Bryan D. Cluff, LEED AP
Planner
City of Scottsdale
Planning, Neighborhood & Transportation
Phone: 480-312-2258
Fax: 480-312-7088
bcluff@ScottsdaleAZ.gov

From: kjordanprop@yahoo.com [<mailto:kjordanprop@yahoo.com>]
Sent: Friday, May 07, 2010 10:41 AM
To: Cluff, Bryan

Subject: 2-ZN-2010
Importance: High

City of Scottsdale Email

Can you send a list to me showing dates for comments, disapprovals, approvals, etc re: the above case? Also any info on the ins & outs of a case like this. Just need to understand it better. We are very concerned with the location of the property and the requested height variance as we own an office building to the west of this property. Thanks.



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Cluff, Bryan

From: Kathy Jordan [kjordanprop@yahoo.com]
Int: Thursday, July 15, 2010 10:37 AM
to: Cluff, Bryan; Garbo, Louisa
Cc: Chris Evans
Subject: Pinnacle in the Perimeter Center - Case # 2-ZN-2010
Attachments: Pinnacle in the Perimeter Center Case Letter.pdf

Attached is our written objection to the above referenced case.

Kathy Jordan
Director of Property Management
Bankers Consulting Corporation
Suite 370
17550 N. Perimeter Drive
Scottsdale, AZ 85255
480-458-2456 telephone
480-458-2464 fax

Princess & Perimeter Building LLC

17550 N. Perimeter Drive
Suite 370
Scottsdale, Arizona 85255

Via email: bcluff@scottsdaleaz.gov

July 14, 2010

Brian Cluff
Planning Coordinator
City of Scottsdale

SUBJECT: Pinnacle in the Perimeter Center
Case # 2-ZN-2010

Brian:

This letter is being sent to provide our written objection to the above referenced case. I represent Princess & Perimeter Building LLC which owns and manages the commercial office building located at 17550 N. Perimeter Drive within the Perimeter Center and to the west of the subject site.

Princess & Perimeter Building LLC strongly objects to this request for a zoning amendment height variance at the subject site for the following reasons:

1. Justification for the additional height is based on allowing executive offices to rise above the elevated freeway and thus achieve views of the McDowell Mountains but does not address the fact that a building of the increased height at that location will block the views of the existing buildings within the Center. The goal of the City planners should be to protect everyone's view and therefore maximize the value of the entire property. Existing Perimeter Center buildings along the freeway are two and three story buildings. In the event that this request is granted, the additional building height will create a "wall" that will block and prevent visibility into and out of major portions of the Perimeter Center. The tenants in our building located at 17550 N. Perimeter Drive are comprised of corporate users and small businesses. They leased space in our building for a multitude of reasons with one main reason being the views of the McDowell Mountains. If the proposed request is granted, the mountain views from our tenant suites will be substantially diminished if not eliminated.
2. The applicant does not address the need for a project of this size nor the fact that many of the existing high-quality office buildings in the area are experiencing declining occupancy.
3. The applicant has not presented the exact building designs proposed. They simply state that the design would be consistent with other buildings designed by their architect. Normally the City insists on an exact design.

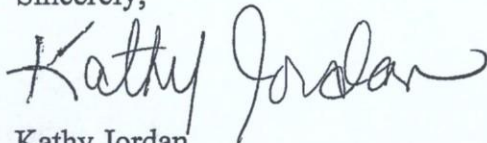
Page 2
July 14, 2010

It was our understanding that the applicant was going to re-submit information on this project but we have not seen that this has happened. We would appreciate being notified when there is any new information on this case so we can schedule a time to meet with you and go over the new information.

Please let me know if you have any questions or input. My direct line is 480-458-2456 and my email is kjordanprop@yahoo.com.

Thank you for your consideration of our objection to this zoning amendment height variance.

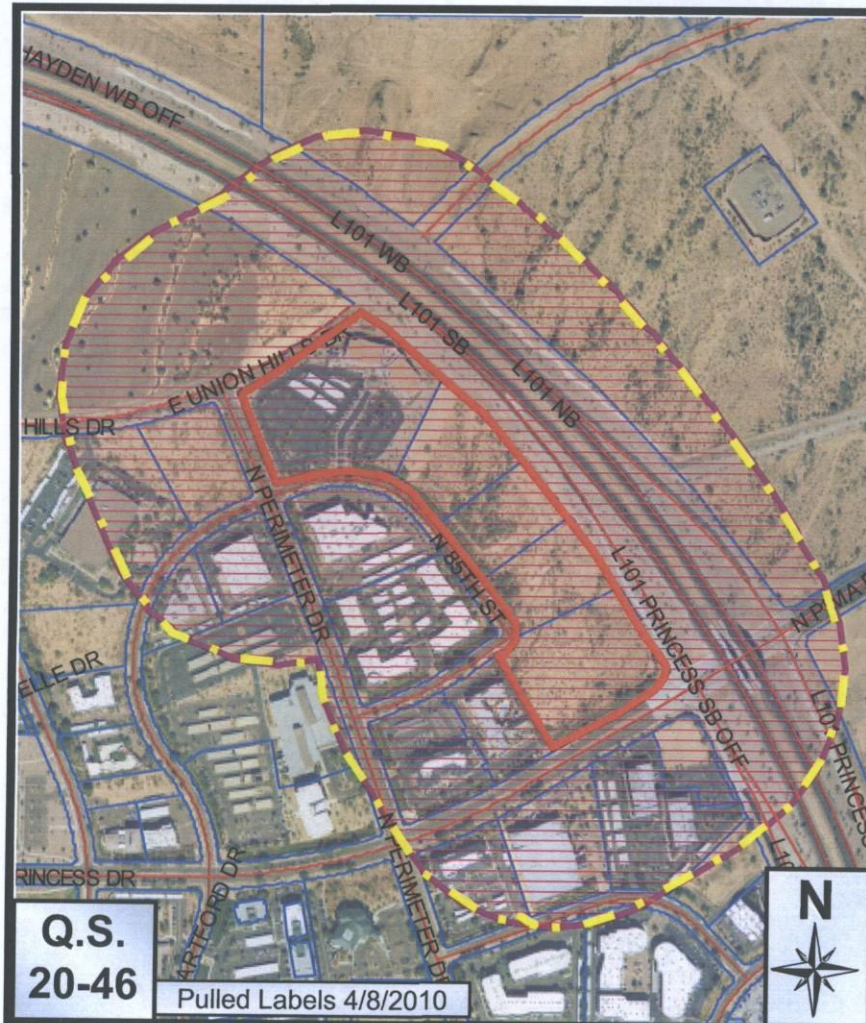
Sincerely,

A handwritten signature in cursive script that reads "Kathy Jordan". The signature is written in dark ink and is positioned above the printed name and title.

Kathy Jordan
Director of Property Management

cc: Louisa Garbo via email

City Notifications – Mailing List Selection Map



Map Legend:



Site Boundary



Properties within 750-feet

Additional Notifications:

- ***Interested Parties List***
- ***Adjacent HOA's***

Pinnacle in the Perimeter Center

2-ZN-2010

ATTACHMENT #7