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Ordinance No. 4297

Resolution No. 10675

Planning Commission Hearing 12/14/2016

City Council Hearing 1/24/2017

Case History

346-PA-2002

19-ZN-2002#5

BCB Group Investments



Current Planning Services

One Civic Center
7447 E Indian School Road, Suite 105
Scottsdale, AZ 85251

MEMORANDUM

TO: Honorable Mayor and City Council Members

FROM: Greg Bloemberg, Senior Planner 

THROUGH: Randy Grant, Director and
Tim Curtis, AICP, Current Planning Director 

DATE: 1/10/2017

SUBJECT: BCB Group Investments Resolution No. 10675 and Development Agreement Amendment (2017-001-COS)

The following items will be provided in the supplemental packet on Tuesday, January 17, 2017, for the above case scheduled to the January 24, 2017 City Council Hearing:

Attachment 3: Resolution No. 10675

Attachment 4: Contract No. 2017-001-COS

CITY COUNCIL REPORT



Meeting Date: January 24, 2017
General Plan Element: *Land Use*
General Plan Goal: *Create a sense of community through land uses*

ACTION

BCB Group Investments 19-ZN-2002#5

Request to consider the following:

1. Adopt Ordinance No. 4297 approving a Zoning District Map Amendment from Planned Community, Planned Regional Center (PCD PRC) District to Planned Community, Planned Regional Center, Planned Shared Development (PCD PRC PSD) District on a +/- 10-acre site located at the northeast corner of Scottsdale Road and Chauncey Lane.
2. Adopt Resolution No. 10675 authorizing Development Agreement 2017-001-COS.

Goal/Purpose of Request

The applicant's request is to add the Planned Shared Development (PSD) District to an existing mixed-use project to allow the project to be subdivided in anticipation of future development.

Key Items for Consideration

- Development Plan for project approved under case 19-ZN-2002#3
- All necessary infrastructure is in place
- Project is partially developed
- No public comment
- Planning Commission heard this case on December 14, 2016 and recommended approval with a vote of 7-0

OWNER

BCB Group Investments LLC

APPLICANT CONTACT

Alexandra Schuchter
DPCRE
480-947-8830

Action Taken _____

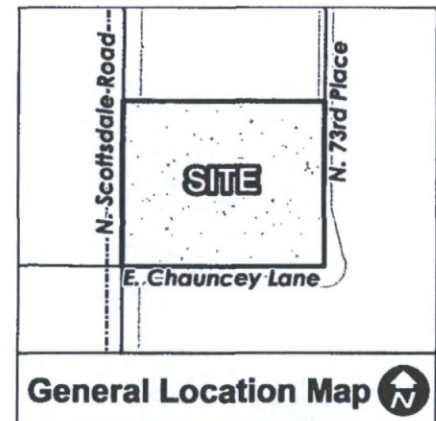
LOCATION

NEC of Scottsdale Road & Chauncey Lane

BACKGROUND

General Plan

The Land Use Element of the General Plan designates the site as Mixed-Use Neighborhoods. Properties with this designation are typically located in areas with strong access to varied modes of transportation, and have a focus on human-scale development. Mixed-Use Neighborhoods can accommodate higher density housing, usually combined with supporting commercial office or retail uses. Additionally, the site falls within a designated Regional Use District, per the General Plan, that encompasses most of the Crossroads East master-planned area (approx. 1,000 acres). The Regional Use District provides flexibility for land uses when it can be determined that new land uses are viable in serving a regional market. Regional uses include, but are not limited to, corporate office, regional serving retail, major medical, educational campuses, community service facilities, tourism, and destination attraction uses.



Greater Airport Character Area Plan (GACAP)

The GACAP designates the entire 1000-acre Crossroads East project as Airport Mixed Use – Residential. Properties with this designation are appropriate for a wide range of uses, including retail, service, tourist accommodations, and office; while providing development that is pedestrian-oriented, with access to various modes of transportation, located outside of the Airport's 55 DNL contour. Residential and other sensitive uses should be a lesser component of a mixed-use development and include adequate sound attenuation.

Zoning

The site is zoned Planned Community District, Planned Regional Center (PCD PRC). The applicant received approval of a zoning district map amendment in 2013 under case 19-ZN-2002#3 to add the comparable PRC zoning district to the existing P-C district zoning. The PRC district governs all development and land use for the project site.

Context

The subject property is located at the northeast corner of N. Scottsdale Road and E. Chauncey Lane, within Planning Unit IV of the Crossroads East Master-Planned Community. To the north is a new Lexus auto dealership, zoned Planned Community Development (PCD) with the comparable zoning district of Highway Commercial (C-3). The comparable zoning district regulates all uses and development standards for each property. To the east is vacant land currently owned by the Arizona State Land Department (ASLD) and to the south is a vacant parcel that is the subject of a separate zoning district map amendment (19-ZN-2002#4). The request for the parcel to the south is to add the comparable PRC district, similar to this site, in anticipation of a future mixed-use project.

To the west is the City of Phoenix. Please refer to context graphics attached.

Adjacent Uses and Zoning

- North: Vehicle Sales and Leasing, zoned Planned Community District, Highway Commercial District (PCD C-3)
- South: Vacant, zoned P-C District
- East: Vacant, zoned P-C District
- West: City of Phoenix

Other Related Policies, References:

- Zoning Ordinance
- 2001 General Plan
- 2010 Greater Airpark Character Area Plan
- 19-ZN-2002#3: Approval of a zoning district map amendment, with development plan, for a mixed-use project
- 19-ZN-2002: Approval of amendment to Crossroads East Master Plan, including designation of P-C comparable zoning districts and amended development standards

APPLICANTS PROPOSAL

Development Information

The mixed-use project is approximately 50% built out and includes a completed multi-family apartment complex on an existing established parcel. Commercial pad buildings adjacent to the N. Scottsdale Road frontage are under construction. The proposed PSD allows a master project site to consist of multiple parcels that utilize the land area within the overall perimeter of the master project site to determine compliance with zoning requirements. Parcels can be created based on market demand and are able to share development standards as well as drainage facilities, parking and circulation. If this request is approved development standards, such as open space and density, may be "transferred" from the other parcel on the site to the multi-family parcel to bring it into conformance with the amended PRC development standards. This will also allow parcels to be created for a future phases of development.

IMPACT ANALYSIS

PCD Findings

Per Section 5.2104 of the Zoning Ordinance, before approval or modified approval of an application for a PCD, certain findings must be demonstrated by the applicant and confirmed by Planning Commission and City Council. The following are the required findings, as well as the applicant's response to the findings and staff analysis.

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

No changes to the existing Development Plan (Resolution No. 9419) are proposed as part of this application.

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

All perimeter streets and internal drives are existing.

- C. The Planning Commission and City Council shall further find that the facts submitted with the application 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.**

No changes to the existing Development Plan are proposed as part of this application.

- 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 that an industrial environment of sustained desirability and stability will be created.**

No changes to the existing Development Plan are proposed as part of this application.

- 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 area.**

No changes to the existing Development Plan are proposed as part of this application.

Community Involvement

Property owners within 750 feet of the project site, as well as the Interested Parties list were notified by mail of the applicant's request. Additionally, the applicant held an Open House at Bell Lexus (just north of the project site) on 6/7/16. There were no attendees and staff has received no public comment related to this request.

OTHER BOARDS AND COMMISSIONS

Planning Commission

Planning Commission heard this case on December 14, 2016 and recommended approval with a vote of 7-0.

Staff's Recommendation to Planning Commission

Staff recommended that the Planning Commission find that the PCD criteria have been met, and determine that the proposed zoning district map amendment is consistent with and conforms to the adopted General Plan, and make a recommendation to City Council for approval, per the attached stipulations.

STAFF RECOMMENDATION

Recommended Approach:

1. Adopt Ordinance No. 4297 approving a Zoning District Map Amendment from Planned Community, Planned Regional Center (PCD PRC) District to Planned Community, Planned Regional Center, Planned Shared Development (PCD PRC PSD) District on a +/- 10-acre site located at the northeast corner of Scottsdale Road and Chauncey Lane.
2. Adopt Resolution No. 10675 authorizing Development Agreement 2017-001-COS.

RESPONSIBLE DEPARTMENT

Planning and Development Services

Current Planning Services

STAFF CONTACT

Greg Bloemberg

Senior Planner

480-312-4306

E-mail: gbloemberg@ScottsdaleAZ.gov

APPROVED BY



Greg Bloemberg, Report Author

12-29-16

Date



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

1/9/2017

Date



Randy Grant, Director
Planning and Development Services
480-312-2664, rgrant@scottsdaleaz.gov

1/9/17

Date

ATTACHMENTS

1. Context Aerial
- 1A. Aerial Close-Up
2. Ordinance No. 4297
 - Exhibit 1: Stipulations
 - Exhibit 2: Zoning Map
3. Resolution No. 10675
4. Contract 2017-001-COS
5. Applicant's Narrative
6. Minor Subdivision Plat
7. Existing Zoning Map
8. Citizen Involvement
9. City Notification Map
10. December 14, 2016 Planning Commission meeting minutes



BCB Group Investments PSD (Crossroads)

19-ZN-2002#5



BCB Group Investments PSD (Crossroads)

19-ZN-2002#5

ORDINANCE NO. 4297

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 CHANGING THE ZONING ON THE "DISTRICT MAP" TO ZONING APPROVED IN CASE NO. 19-ZN-2002#5 FROM PLANNED COMMUNITY DISTRICT, PLANNED REGIONAL CENTER (PCD PRC) TO PLANNED COMMUNITY DISTRICT, PLANNED REGIONAL CENTER, PLANNED SHARED DEVELOPMENT (PCD PRC PSD) ON A +/- 10 ACRE SITE LOCATED AT THE NORTHEAST CORNER OF SCOTTSDALE ROAD AND CHAUNCEY LANE.

WHEREAS, the Planning Commission held a hearing on December 14, 2016;

WHEREAS, the City Council held a hearing on January 24, 2017;

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. 19-ZN-2002#5.

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

Section 1. That the "District Map" adopted as a part of the Zoning Ordinance of the City of Scottsdale, showing the zoning district boundaries, is amended by rezoning a +/-10 acre site located at the northeast corner of Scottsdale Road and Chauncey Lane and marked as "Site" (the Property) on the map attached as Exhibit 2, incorporated herein by reference, from Planned Community District, Planned Regional Center (PCD PRC) to Planned Community District, Planned Regional Center, Planned Shared Development (PCD PRC PSD) zoning.

Section 2. 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 ____ day of _____, 2017.

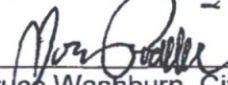
ATTEST:

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: Joe Padilla, Deputy City Attorney

Stipulations for the Zoning Application:

BCB Group Investments

Case Number: 19-ZN-2002#5

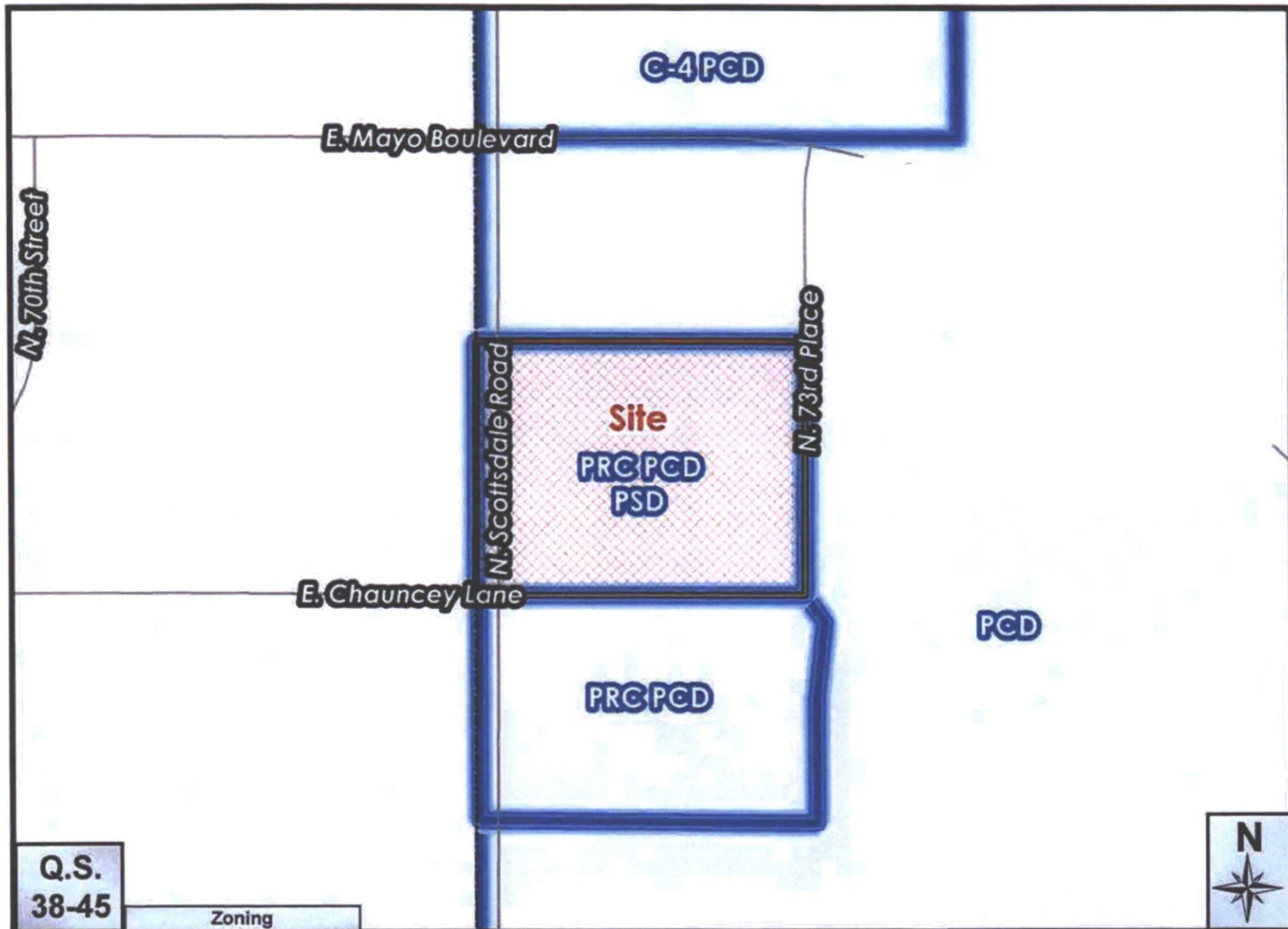
These stipulations are in order to protect the public health, safety, welfare, and the City of Scottsdale.

GOVERNANCE

1. Except as amended below, the stipulations from case 19-ZN-2002#3 shall continue to apply to this project.

SITE DESIGN

2. CONFORMANCE TO DEVELOPMENT AGREEMENT. The subdivision plat and distribution of development rights shall conform to the terms of the development agreement (Contract No. 2017-001-COS), attached hereto as Resolution No. 10675. Any changes to the development agreement shall require City Council approval.



**BCB Group Investments PSD
(Crossroads)**

Ordinance No. 4297
Exhibit 2
Page 1 of 1

19-ZN-2002#5

RESOLUTION NO. 10675

A RESOLUTION OF THE CITY OF SCOTTSDALE, ARIZONA, AUTHORIZING THE MAYOR TO EXECUTE DEVELOPMENT AGREEMENT NO. 2017-001-COS FOR PROPERTY LOCATED AT THE NORTHEAST CORNER OF SCOTTSDALE ROAD AND CHAUNCEY LANE.

WHEREAS, A.R.S. § 9-500.05 authorizes the City to enter into development agreements with persons having an interest in real property located in the City; and

WHEREAS, it is in the best interest of the City and owner to enter into Development Agreement No. 2017-001-COS for development of a mixed use development with a Planned Shared Development overlay on property located at the Northeast Corner of Scottsdale Road and Chauncey Lane; and

WHEREAS, this Development Agreement No. 2017-001-COS is consistent with the portions of the City's general plan applicable to the property on the date this Agreement is executed.

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

Section 1. That Mayor W.J. "Jim" Lane is authorized to execute Development Agreement No. 2017-001-COS after it has been executed by all other parties.

Section 2. That the City Clerk is hereby directed to record Development Agreement No. 2017-001-COS with the Maricopa County Recorder within ten (10) days of its execution all parties.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Arizona, this ____ day of _____, 20____.

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: Margaret Wilson
Bruce Washburn, City Attorney
By: Margaret Wilson, Assistant City Attorney

15159439v1

WHEN RECORDED RETURN TO:

CITY OF SCOTTSDALE
(Greg Bloemberg)
ONE STOP SHOP RECORDS
7447 East Indian School Road, Suite 100
Scottsdale, AZ 85251

C.O.S. Contract No. 2017-001-COS
(BCB Group Investments)
(Resolution No. 10675)

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into this ____ day of January, 2017, by and between the City of Scottsdale, an Arizona municipal corporation ("City"), and BCB Group Investments, LLC, an Arizona limited liability company ("BCBGI"), and Scottsdale Crossroads Luxury Apartments, LLP, an Arizona limited liability partnership ("Crossroads"). BCBGI and Crossroads may collectively be referred to as "Developer" and together with City, referred to collectively as the "Parties").

RECITALS

A. Arizona Revised Statutes 9-500.05 authorizes the City to enter into a Development Agreement related to real property located inside the incorporated area of the City with a landowner or other person having an interest in the real property.

B. BCBGI purchased at auction from the Arizona State Land Department (ASLD), and BCBGI and Crossroads are the current owners of that certain real property located at the northeast corner of Scottsdale Road and Chauncey Lane more particularly described on **Exhibit "A"** (the "Property"), attached hereto and incorporated by this reference. The Property contains approximately 15 gross acres, and is currently comprised of individual parcels under separate ownership. A list of the individual parcels that comprise the Property, identified by tax identification number, legal description, and the name(s) of the legal owners of each parcel, is set forth on **Exhibit "B"** attached hereto and incorporated by this reference.

C. The Property is currently subject to the terms of: a development agreement as the successor in interest to the City's agreement with ASLD, Agreement No. 2002-141-COS, recorded in the Official Records of the Maricopa County Recorder at 2002-1240137, as amended by C.O.S. Contract No. 2002-141-COS-A1, recorded in the Official Records of the Maricopa County

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Recorder at 20110923510 (hereinafter collectively the "State Land Development Agreement"). The State Land Development Agreement established certain obligations and development commitments for the Property. Developer, with others including ASLD, seek in a separate application to amend the Land Use Budget and certain development standards established in the State Land Development Agreement. The approval of amendments to the State Land Development Agreement is a condition precedent to the effectiveness of the Development Plan.

D. The Property is the site of one or more projects that have been or will be undertaken by Developer, or a successor to Developer who is the Owner of a Parcel (each and collectively the "Project"). To establish the regulatory structure for future development of the Property and the Project, the Developer has made development applications to the City with associated development plans (collectively, the "Development Plan") for a Zoning District Map Amendment, Case No. 19-ZN-2002#5, that requests the addition of a Planned Shared Development Overlay District ("PSD") in addition to the existing Planned Community District ("PC") with an underlying comparable zoning district of Planned Regional Center ("PRC"). The Development Plan and Case No. 19-ZN-2002#5 establish the regulatory regime under which the Project and Property will be developed ("Regulatory Approvals"). This Agreement is part of the requirements for approval of 19-ZN-2002#5.

E. The Regulatory Approvals establish the development standards for each parcel. These include but are not limited to development unit capacity ("DUC"), Gross Floor Area ("GFA") and Gross Floor Area Ratio ("GFAR"). The applicable DUC, GFA and GFAR and additional standards ("Development Attributes") are reflected in a budget for each individual parcel (the "Development Area Budget") set forth on page 2 of the attached **Exhibit "C."** The Development Area Budget sets forth the maximum Development Attributes for buildings and other development that may be constructed on each of the Parcels.

F. To effectuate the Development Plan, Developer seeks through the public hearing process mandated by section 9-462.01.A.12 to transfer development rights between individual parcels of the Property (each, a "Transfer of Development Rights"). This Agreement memorializes and tracks the severance of development rights from the sending parcel and transfer to the receiving parcel in **Exhibit "D,"** attached hereto and incorporated by this reference.

G. This Agreement is consistent with the portions of City's general plan applicable to the Property on the date of this Agreement (the "General Plan"), including the Scottsdale Airport Master Plan.

H. The City and Developer acknowledge that development of the Project will result in various community benefits to the City and its residents (the "Community Benefits").

I. The City's governing body has authorized execution of this Agreement by Resolution Number 10675.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and the mutual promises and representations contained herein, Developer and City agree as follows:

1. Recitals. The recitals set forth above are incorporated into this Agreement by reference.

2. Definitions.

2.1 "Development rights" means the maximum development that would be allowed on the sending property under the City's general and any applicable specific plan and the City's zoning ordinance in effect on May 17, 2016, the date the City adopted Ordinance No. 4244 allowing the transfer of development rights in the PSD zoning overlay district.

2.2 "Owner" means the owner of a fee interest in a Parcel.

2.3 "Parcel" means a legal parcel created by a subdivision of the Property approved by the City.

2.4 "Receiving property" means a lot or parcel within which development rights are increased pursuant to a transfer of development rights.

2.5 "Sending property" means a lot or parcel with special characteristics, including farmland, woodland, desert land, mountain land floodplain, natural habitats, recreation or parkland, including golf course areas, or land that has a unique aesthetic, architectural or historic value that the City desires to protect from future development.

2.6 "Severance of development rights" means the process of removing specified development rights from a parcel.

2.7 "Transfer of development rights" means the process by which development rights from a sending property are affixed to one or more receiving properties.

3. Term. The term of this Agreement shall be as follows:

3.1 Duration. The term of this Agreement shall commence on the date this Agreement is approved by the City Council, signed by all parties, and recorded in the Office of the Maricopa County Recorder, and will continue in effect until all obligations and rights of the parties under this Agreement have been performed, terminated by mutual written agreement of all parties, or have expired.

3.2 Effect of Termination or Expiration on Regulatory Approvals. Termination or expiration of this Agreement shall have no effect on the Regulatory Approvals, which shall continue to be enforceable according to their terms. Any notice of termination or expiration of this Agreement shall so state.

3.3 Referendum. If the Regulatory Approvals are invalidated by a referendum or court action, then this Agreement shall be void ab initio.

4. Project & Zoning. Developer's development of the Property and the Project shall comply with the following:

4.1 No Construction Obligation. Developer has no obligation to develop the Property or any portion of the Project; provided however that all further construction of the Project shall be performed in compliance with the Development Plan, Regulatory Approvals and the terms and conditions of this Agreement.

4.2 Development Area Budget and Allocation. The Property's total, and any individual parcel's assigned allocation, of the Development Area Budget shall not exceed the maximum Development Attributes specified in the Development Plan and Regulatory Approvals, attached hereto as **Exhibit C** and incorporated by this reference. Any change to a parcel's specified Development Attributes, or any future transfer of development rights between parcels in the Property, including the Parcels, from the development rights allocations that are set forth and disclosed on the Development Plan will require an application signed by all Owners of the affected parcels and lienholders of such parcels in the Property and is subject to the notice and hearing requirements of section 9-462.04 of the Arizona Revised Statutes.

4.2.1 The Developer may subdivide a Parcel (the "Parent Parcel") of the Property in to two or more smaller parcels (each, a "Child Parcel") and allocate Development Attributes to, and determine the development standards under the PSD for, each Child Parcel. The total Development Attributes allocated to all Child Parcels following such subdivision shall not exceed the amount of Development Attributes allocated to the Parent Parcel, unless Developer allocates additional, unallocated Development Attributes from the Development Area Budget to such Child Parcels pursuant to the application, notice and hearing, and approval process specified in Section 4.2. Developer hereby waives the provisions of section 33-1205.A of the Arizona Revised Statutes, and agrees that the Property or any parcel or portion thereof will never be subdivided into a condominium and/or timeshare development.

4.2.2 The Developer may combine the Parcels or any portion of two or more Child Parcels into one Parcel (a "Combined Parcel") and allocate Development Attributes to the Combined Parcel. The total Development Attributes allocated to the Combined Parcel shall not exceed the total amount of Development Attributes previously allocated to the Parcels comprising the Combined Parcel, unless Developer transfers additional development rights to such Combined Parcel pursuant to the application, notice and hearing, and approval process specified in Section 4.2.

4.3 Planned Shared Development Common Areas. Developer shall establish a property management association ("Association") to maintain all common areas, shared facilities, or community-owned property shown on the Development Plan for the Property (collectively, "Common Areas"). Developer shall obligate such Association to record a Master Declaration of

Easements, Covenants, Conditions and Restrictions ("ECR") with the Maricopa County Recorder's Office identifying how such Common Areas will be maintained.

4.4 PSD Indemnity. In addition to all other obligations hereunder, the Owners, Developer (and all other persons claiming through Developer or claiming rights under this Agreement), and existing and future Owners of parcels within the Property's boundaries shall indemnify and hold harmless the City, its employees, agents and officials from any and all claims, demands, suits, judgments, assessments, proceedings, or liabilities of any kind, including reasonable attorney's fees and costs, that may arise from any person(s)/entity(ies) owning any part of the Property related to the development or division of the Property, or the Property's being subject to the application of the PSD Ordinance. Further, the Property Manager shall indemnify and hold harmless the City, its employees, agents and officials harmless from any and all claims, demands, suits, judgments, assessments, proceedings, or liabilities of any kind, including reasonable attorney's fees and costs, that may that may be asserted against the City and arise from any person(s)/entity(ies) owning any part of the Property, which they may bring against the City resulting from the development or from the division of the Property.

5. Transfer of Development Rights.

5.1 Development Area Budget. The Development Plan approved in Case No. 19-ZN-2002#5 establishes the Development Area Budget assignments and determines the development standards applicable under the PSD for all Parcels that make up the Property. Upon the expiration of thirty days, or upon the final resolution of any referendum filed against 19-ZN-2002#5, Developer, all property Owners, all lienholders, and all interested persons holding an interest in real property for any portion of the Property, shall sign the Transfer of Development Rights form attached as **Exhibit "E"** and the Severance of Development Rights form attached as **Exhibit "F,"** and submit them to the City for recordation in the Maricopa County Recorder's Office. No development applications, building permits, or other city approvals for the Property will be approved until the applicable Transfer of Development Rights and Severance of Development Rights forms are recorded as provided in this subsection. If an error is made on the Transfer of Development Rights form or a Severance of Development Rights form, upon notice by Developer or the City to the other, the City and Developer shall cause a revised Transfer of Development Rights form or a Severance of Development Rights form reflecting the correct allocated Development Attributes associated with each Parcel to be prepared by Developer, provided to the City, and to be expeditiously recorded by City as set forth in this subsection.

5.2 Dividing and Combining a Parcel(s) of the Property. Concurrent with the recordation of a final plat approved by the City, the Development Area Budget of the affected lots shall be similarly divided pursuant to the procedures specified in sections 4.2.1 and 4.2.2, and all severed and transferred rights shall be memorialized as described in section 5.1.

6. City Contact and Property Manager.

6.1 City Contact. The City contact shall be Greg Bloemberg, 480-312-4306.

6.2 Appointment of Property Manager. Developer hereby appoints BCBGI as the Property Manager for all purposes under this Agreement.

6.3 Responsibility of Property Manager. The Property Manager shall be responsible for complying with all City Requirements in a timely and professional manner, and maintaining and repairing the Shared Facilities, as reasonably determined necessary by the City in accordance with the City Requirements.

6.4 Assurance of a Property Manager. Developer, its assigns, and all present and future property Owners shall assure that the Property shall always have an appointed Property Manager, and that this Property Manager shall agree to indemnify the City as required by section 4.4 of this Agreement and section 6.1406 of the Zoning Ordinance of the City of Scottsdale. If the Property has no designated Property Manager, and such failure continues uncured for fifteen days after written notice thereof from the City to the Owners, the City shall deem all property Owners to be in default under this Agreement. Developer and its successors and assigns shall have the right to replace the Property Manager with the City's consent (which consent shall not be unreasonably withheld) upon notice to the City pursuant to paragraph 17.6, Notices.

7. Declaration of Easements, Covenants, Conditions & Restrictions.

7.1 ECRs. The ECRs shall address the following to the City's satisfaction:

7.1.1 Responsibility for Shared Facilities. Developer understands that (a) certain common area improvements on the Property are Shared Facilities, and (b) each Owner must pay assessments for complying with all City requirements and for maintaining and repairing the Shared Facilities, as reasonably determined necessary by the City.

7.1.2 Ownership of Shared Facilities. All Shared Facilities shall be identified in the ECRs. If some of the Shared Facilities are to be shared by the Owners, then the ECRs shall identify which Owner is responsible for which Shared Facilities.

7.1.3 Assessments. The Property Manager shall have authority to assess and collect fees for complying with City requirements and for maintaining and repairing the Shared Facilities.

7.2 Duration. The ECRs shall remain in existence as long as the Property is developed with a PSD overlay.

7.2.1 Amendments. In no event shall the ECRs be amended so as to alter the provisions that require the Owners to share responsibility for maintaining and repairing the Shared Facilities without the City's prior written consent.

7.2.2 Delivery. A copy of the ECRs has been delivered to the City.

8. Breach & Remedies. Developer shall comply with, perform and do each performance and thing required of Developer under this Agreement. Developer's failure to do so shall be a breach by Developer of this Agreement if not cured within the notice and cure periods set forth in Section 9 below.

9. Events of Default. An Owner shall be in default (an "Event of Default") if such Owner fails or neglects with respect to the Owner's parcel timely and completely to do or perform or observe any material provision of this Agreement, the Regulatory Approvals, or the Development Area Budget, and such failure or neglect continues for a period of one hundred twenty (120) days after City has notified such Owner in writing of such failure or neglect. If such Owner begins to cure the default within this time period, the one hundred twenty (120) day period shall be extended an additional sixty (60) days upon such Owner's request given by notice to City prior to the end of the one hundred twenty (120) day period.

10. City's Remedies. Upon the occurrence of any material Event of Default with respect to a Parcel or at any time thereafter while such Event of Default remains uncured, City may, at its option and from time to time, exercise any, all, or any combination of the following cumulative remedies in any order and repetitively at City's option with respect to such parcel and the Owner thereof:

10.1 Issue a stop work order and/or refuse to issue any permits or process development applications for the Parcel until the default is cured.

10.2 Abate at the Owner's expense any violation of this Agreement.

10.3 Be excused without any liability to the Owner therefor from further performance of any or all of City's obligations under this Agreement.

10.4 Insist upon the Owner's full and faithful performance under this Agreement during the entire remaining term of this Agreement.

10.5 Assert, exercise or otherwise pursue at such Owner's expense any and all other rights or remedies, legal or equitable, to which City may be entitled.

10.6 Notwithstanding the foregoing, such Owner shall not be liable for special, consequential, punitive or other exemplary or multiple damages.

11. City Default and Developer's Remedies. Upon any material breach of this Agreement by City not cured within one hundred twenty (120) days after notice from an Owner, such Owner may pursue any and all remedies, legal, equitable or otherwise, to which such Owner may be entitled. Notwithstanding the preceding sentence or anything else in this Agreement and as a condition of City's willingness to enter into this Agreement, the following limits shall apply to this Agreement:

11.1 City shall not be liable for any punitive or other exemplary or multiple damages.

11.2 Developer hereby unconditionally and irrevocably waives on behalf of itself and all persons claiming through Developer or through this Agreement or under or related to this Agreement any remedies inconsistent with these limitations.

11.3 All limitations on Developer's remedies shall also apply to all remedies against City's officers, employees and other agents and representatives and any other person for whom City may in any event be liable for any reason.

11.4 All limitations on Developer's remedies shall apply to Developer and to any person otherwise asserting against City, any claim whatsoever related to this Agreement.

12. Non-waiver and City Contract Administrator Authority. No failure by City or Developer to demand any performance required of the other under this Agreement, and no acceptance by City or Developer of any imperfect or partial performance under this Agreement, shall excuse such performance, or waive or impair in any way the other's ability to insist, prospectively and retroactively upon full compliance with this Agreement. Only the City's Zoning Administrator or designee shall be authorized to administer this Agreement for City or speak for City regarding this Agreement.

13. Compliance with Law. Developer shall comply with all federal, state, county and local laws, ordinances, regulations or other rules or policies that affect the Property as are now in effect or as may hereafter be adopted or amended.

14. Assignability. This Agreement may be assigned or transferred by the Developer (or any of the entities that comprise "Developer" with respect to such entity's interest herein or a particular Parcel), in whole or in part, by written instrument, to any subsequent owner of all or any portion of the Property. Notice of any transfer or assignment in accordance with this paragraph shall be provided by Developer or the transferor entity (or its successor or assign) to the City. No lender or mortgagee shall have any obligation or liability under this Agreement unless such lender or mortgagee acquires title to a portion of the Property, in which event, such lender or mortgagee shall have liability only for the failure of such lender or mortgagee to comply with any obligation under this Agreement with respect to the portion of the Property owned by such lender or mortgagee during the period of such lender's or mortgagee's ownership of such portion of the Property, and the liability of such lender or mortgagee shall be limited to its interest in the Property.

15. Unified Project Intent. City is entitled to hold the Developer (or its successors and assigns, if applicable) responsible for all performances under this Agreement. City and Developer expressly do not intend that Developer's rights under this Agreement be divisible, except as already described in this Agreement, for any reason into multiple contracts, agreements or other arrangements between City and numerous Property owners. City and Developer intend that City only be obligated to deal with one designated representative of all of the entities standing in the position of Developer (the "Developer's Designated Representative") from time to time and not be burdened with any management, maintenance or other responsibilities related to development or occupation of the Property by multiple entities, such as resolving or being hindered by

disagreements between entities regarding Developer's performance of its duties under this Agreement, and that City not be burdened by usage, financial or other issues among various persons using the Property pursuant to this Agreement. All of those duties are to be performed by Developer (or its successors or assigns, if applicable), which is responsible to see that all persons developing or using the Property, including without limitation any owners' associations and their members, resolve among themselves their respective responsibilities for all performances under this Agreement, none of which limits or otherwise affects City's rights under this Agreement. Developer may change the Developer's Designated Representative from time to time by written notice to City. Developer hereby designates Alexandra Schuchter as the Developer's Designated Representative under this Agreement, until further written notice from Developer is given to City.

16. Estoppel Certificates. The Parties acknowledge and agree to provide to any other Party and such other third parties such as lenders, partners and equity providers such estoppel certificates as to a Parcel with respect to their Parcel and its compliance with respect to its compliance with this Agreement and such other matters as reasonably requested.

17. Miscellaneous. The following additional provisions apply to this Agreement:

17.1 Amendments. This Agreement may not be amended except by a formal writing executed by all of the parties.

17.2 Severability. If any term, condition, covenant, stipulation, agreement or provision in this Agreement is held to be invalid or unenforceable for any reason, the invalidity of any such term, condition, covenant, stipulation, agreement or provision shall in no way affect any other term, condition, covenant, stipulation, agreement or provision of this Agreement.

17.3 Conflicts of interest. No member, official or employee of City shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement, which is prohibited by law. This Agreement is subject to the cancellation provisions of A.R.S. Section 38-511.

17.4 No Partnership. This Agreement and the transactions and performances contemplated hereby shall not create any sort of partnership, joint venture or similar relationship between the parties.

17.5 Non-liability of City Officials and Employees. No member, official, representative or employee of City shall be personally liable to any party, or to any successor in interest to any party, in the event of any default or breach by City or for any amount that may become due to any party or successor, or with respect to any obligation of City related to this Agreement.

17.6 Notices. Notices hereunder shall be given in writing delivered to the other party or mailed by registered or certified mail, return receipt requested, postage prepaid, or by FedEx or other reliable overnight courier service that confirms delivery, addressed to:

If to City:	Zoning Administrator City of Scottsdale 7447 E. Indian School Rd., Suite 105 Scottsdale, AZ 85251
Copy to:	City Attorney City of Scottsdale 3939 Drinkwater Blvd. Scottsdale, AZ 85251
If to Property Manager:	BCB Group Investments, LLC 2401 West Bell Road Phoenix, AZ 85041
If to Developer:	BCB Group Investments LLC 2401 West Bell Road Phoenix, AZ 85041
Copies to:	Kris Bailey Lake & Cobb 1095 Rio Salado Parkway, Suite 206 Tempe, AZ 85281-2610
If to Crossroads:	Scottsdale Crossroads Luxury Apartments, LLP 8434 N. 90 th Street Scottsdale, AZ 85258
Copies to:	Justin Steltenpohl 8434 N. 90 th Street Scottsdale, AZ 85258

By notice from time to time in accordance herewith, either party may designate any other street address or addresses as its address or addresses for receiving notice hereunder. Service of any notice by mail in accordance with the foregoing shall be deemed to be complete three (3) days (excluding Saturday, Sunday and legal holidays) after the notice is deposited in the United States mail. Service of any notice by overnight courier in accordance with the foregoing shall be deemed to be complete upon receipt or refusal to receive.

17.7 Integration. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof.

17.8 Construction. Whenever the context of this Agreement requires, the singular shall include the plural, and the masculine shall include the feminine. This Agreement was negotiated on the basis that it shall be construed according to its plain meaning and neither for nor against

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any party, regardless of their respective roles in preparing this Agreement. The terms of this Agreement were established in light of the plain meaning of this Agreement and this Agreement shall therefore be interpreted according to its plain meaning and without regard to rules of interpretation, if any, that might otherwise favor Developer or City.

17.9 Paragraph Headings. The paragraph headings contained herein are for convenience in reference and not intended to define or limit the scope of any provision of this Agreement.

17.10 No Third Party Beneficiaries. The City, an Owner of any portion of the Property, the Developer, lenders holding liens or mortgages against a portion of the Property, and their successors and assigns are the sole beneficiaries of this Agreement. No other person or entity shall be a third party beneficiary to this Agreement or shall have any right or cause of action hereunder. City shall have no liability to third parties who are not beneficiaries of this Agreement for any approval of plans, Developer's construction of improvements, Developer's negligence, Developer's failure to comply with the provisions of this Agreement, or otherwise as a result of the existence of this Agreement.

17.11 Exhibits. All exhibits attached hereto as specified herein are hereby incorporated into and made an integral part of this Agreement for all purposes.

17.12 Attorneys' Fees. If legal action is brought by any party because of a breach of this Agreement or to enforce a provision of this Agreement, the prevailing party is entitled to reasonable attorneys' fees and costs as determined by the court or other decision maker.

17.13 Choice of Law. This Agreement shall be governed by the internal laws of the State of Arizona without regard to choice of law rules.

17.14 Venue & Jurisdiction. Legal actions regarding this Agreement shall be instituted in the Superior Court of the County of Maricopa, State of Arizona, or in the Federal District Court in the District of Arizona sitting in Maricopa County. City and Developer agree to the exclusive jurisdiction of such courts. Claims by Developer shall comply with time periods and other requirements of City's claims procedures from time to time.

17.15 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall be deemed to be one and the same instrument.

[Execution Pages Follow]

EXECUTED as 12th day of JANUARY, 2017.

DEVELOPER:

BCB Group Investments, LLC,
an Arizona limited liability company

By: *Duane Wilkes*
Its: Authorized Signor CFO

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF ARIZONA)
) ss.
COUNTY OF Maricopa)

On Jan 12th, 2017, before me, Debbie Helton Notary Public, personally appeared Duane Wilkes who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Arizona that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Debbie Helton
Notary Public

Scottsdale Crossroads Luxury
Apartments, LLP, an Arizona limited
liability partnership

By: Scottsdale Crossroads GP, LLC
Its: Managing Partner

By: P. B. Bell & Associates, its Manager

By: R. Chapin Bell
R. Chapin Bell, C.E.O.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF ARIZONA)
) ss.
COUNTY OF Maricopa)

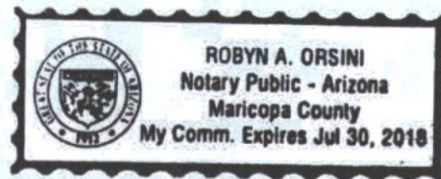
On January 12, 2017, before me, Robyn A. Orsini Notary Public,
personally appeared R. Chapin Bell who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity
upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Arizona that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Robyn A. Orsini
Notary Public

(Place notary seal above)



Lienholder(s)

By: _____

Its: _____

STATE OF ARIZONA)
) ss.
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____,
2017, by _____, its _____.

Notary Public

My Commission Expires:

By: _____,

Its: _____

STATE OF ARIZONA)
) ss.
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____,
2017, by _____, its _____.

Notary Public

My Commission Expires:

CITY OF SCOTTSDALE,
an Arizona municipal corporation

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

ATTEST:

Carolyn Jagger, City Clerk

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY

Margaret Wilson For

Bruce Washburn, City Attorney

By: Margaret Wilson, Assistant City Attorney

STATE OF ARIZONA)
) ss.
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____, 2017, by W. J. "Jim" Lane, Mayor of the City of Scottsdale, an Arizona municipal corporation.

Notary Public

My Commission Expires:

EXHIBIT "A"

LEGAL DESCRIPTION OF ENTIRE PROPERTY

LOT 2 AND LOT 3 OF THE FINAL PLAT FOR THE CROSSROADS, ACCORDING TO BOOK 1168 OF MAPS, PAGE 22 OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA, SITUATED IN THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 4 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXHIBIT "B"

LEGAL DESCRIPTIONS OF OWNERSHIP PARCELS

Parcel Number 215-07-391

Title Owner BCB Group Investments, LLC

Legal Description Lot 3 of the Final Plat for The Crossroads, Book 1168 of Maps, Page 22,
Official Records of Maricopa County, Arizona.

Parcel Number 215-07-390

Title Owner Scottsdale Crossroads Luxury Apartments LLP

Legal Description Lot 2 of the Final Plat for The Crossroads, Book 1168 of Maps, Page 22,
Official Records of Maricopa County, Arizona.

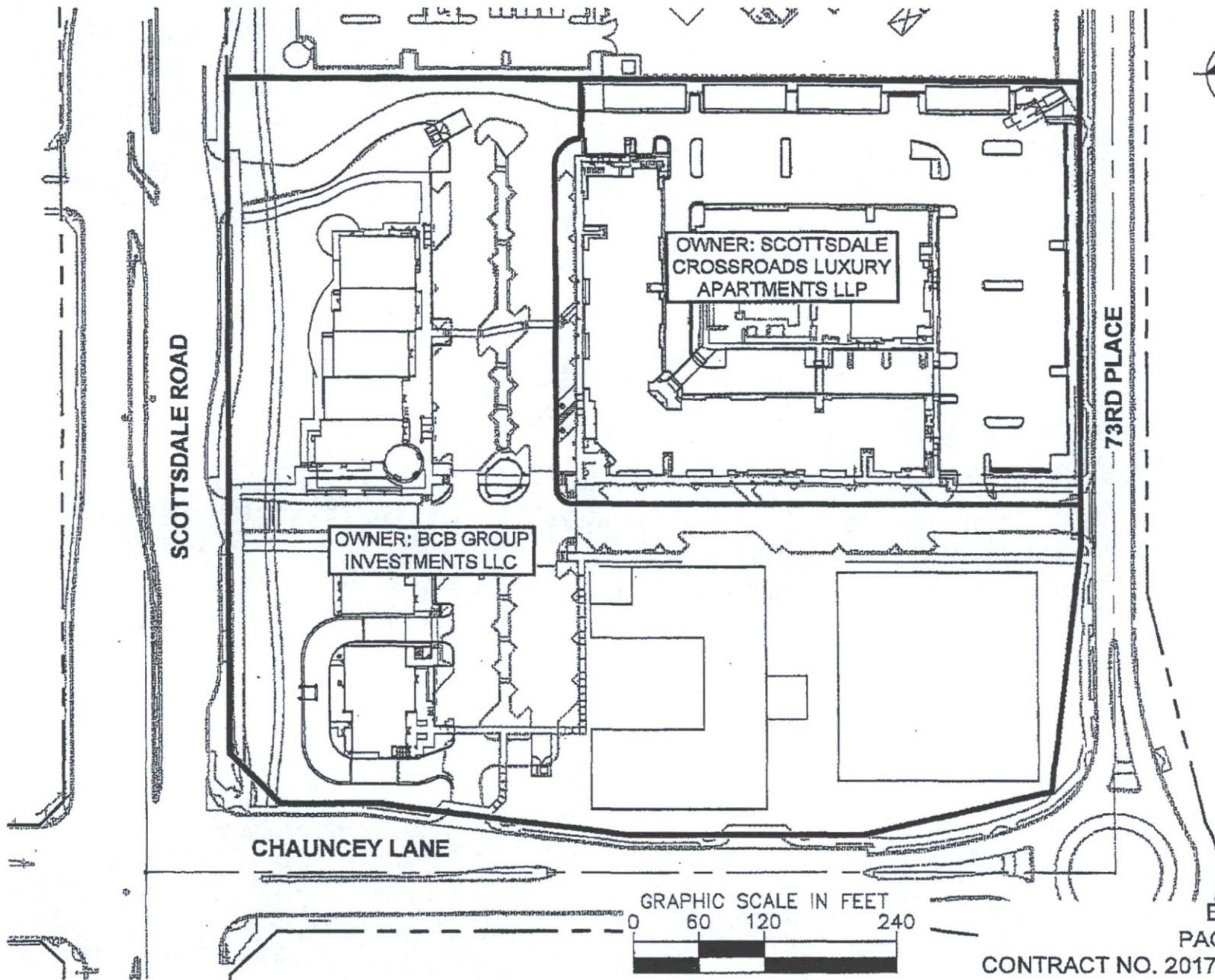


EXHIBIT C
PAGE 1 OF 2
CONTRACT NO. 2017-001-COS

SITE DATA:

NET SITE AREA:	SCOTTSDALE CROSSROADS	BCB GROUP
GROSS SITE AREA:	<u>LUXURY APARTMENTS LLP</u>	<u>INVESTMENTS LLC</u>
EXISTING ZONING:	4.30 ACRES	7.87 ACRES
PROPOSED ZONING:	4.57 ACRES	10.36 ACRES
DWELLING UNIT CAPACITY:	PCD	PCD
GROSS FLOOR AREA RATIO:	PCD-PSD	PCD-PSD
MAX. GROSS FLOOR AREA:	95 UNITS	217 UNITS
	0.50	0.80
	99,535 SF	361,025 SF

EXHIBIT D - SCHEDULE LISTING RIGHTS SEVERED FROM SENDING PARCEL AND TRANSFERED TO RECEIVING PARCEL

		Net Area		Public Open Space			Frontage Open Space		
		SF	Acres	Code Required	Sending/ (Receiving)	Minimum Obligation*	Code Required	Sending/ (Receiving)	Minimum Obligation*
Sending Parcel	BCB Group Investments, LLC	236,305	5.42	2,363	1,803	4,166	8,861	7,025	15,886
Sending Parcel	Proposed Development Parcel 4	106,441	2.44	1,064	(1,064)	0	3,992	0	3,992
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	187,330	4.30	1,873	(739)	1,134	7,025	(7,025)	0
		530,076	12.17	5,301	0	5,301	19,878	0	19,878

		Net Area		Open Space		
		SF	Acres	Code Required	Sending/ (Receiving)	Minimum Obligation*
Sending Parcel	BCB Group Investments, LLC	236,305	5.42	35,446	2,069	37,515
Sending Parcel	Proposed Development Parcel 4	106,441	2.44	15,966	(2,069)	13,897
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	187,330	4.30	28,100	0	28,100
		530,076	12.17	79,511	0	79,511

* "Minimum Obligation" refers to the minimum square footage of each type of Open Space that each parcel must maintain to provide compliance with the Zoning Ordinance and the Development Agreement. The Minimum Obligation is the sum of the area required by the City of Scottsdale Zoning Ordinance ("Code Required") and the area Sent or Received. Areas that are "Sent" to another parcel have the effect of increasing that parcel's Minimum Obligation, and areas that are "Received" have the effect of decreasing that parcel's Minimum Obligation.

EXHIBIT D - SCHEDULE LISTING RIGHTS SEVERED FROM SENDING PARCEL AND TRANSFERED TO RECEIVING PARCEL

		Parking Stalls (for Parking Lot and Landscape Island)	Parking Lot Landscaping			Landscape Island Planting		
			Code Required	Sending/ (Receiving)	Minimum Obligation*	Code Required	Sending/ (Receiving)	Minimum Obligation*
Sending Parcel	BCB Group Investments, LLC	129	5,225	173	5,398	1,742	2,134	3,876
Sending Parcel	Proposed Development Parcel 4	20	810	0	810	270	(270)	0
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	217	8,789	(173)	8,616	2,930	(1,864)	1,066
		366	14,823	0	14,823	4,941	0	4,941

		Gross Area		Multi-Family Units			Hotel Rooms		
		SF	Acres	Code Allowed	Sending/ (Receiving)	Units Allowed	Code Allowed	Sending/ (Receiving)	Units Allowed
Sending Parcel	BCB Group Investments, LLC	312,754	7.18	156	156	0	156	156	0
Sending Parcel	Proposed Development Parcel 4	138,515	3.18	69	69	0	69	(256)	325
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	199,127	4.57	100	(225)	325	100	100	0
		650,396	14.93	325	0	325	325	0	325

* "Minimum Obligation" refers to the minimum square footage of each type of Open Space that each parcel must maintain to provide compliance with the Zoning Ordinance and the Development Agreement. The Minimum Obligation is the sum of the area required by the City of Scottsdale Zoning Ordinance ("Code Required") and the area Sent or Received. Areas that are "Sent" to another parcel have the effect of increasing that parcel's Minimum Obligation, and areas that are "Received" have the effect of decreasing that parcel's Minimum Obligation.

WHEN RECORDED RETURN TO:

CITY OF SCOTTSDALE ONE
ONE STOP SHOP RECORDS
(Greg Bloemberg)
7447 E Indian School Road
Scottsdale, AZ 85251

**TRANSFER OF DEVELOPMENT RIGHTS SEVERED
FROM PROPERTY OWNED BY BCB GROUP INVESTMENTS, LLC,
AND AFFIXING THOSE RIGHTS TO PROPERTY OWNED BY
SCOTTSDALE CROSSROADS LUXURY APARTMENTS, LLP,
RELATING TO AGREEMENT NO. 2017-001-COS,
FOR PROPERTY LOCATED NEAR SCOTTSDALE ROAD AND
CHAUNCEY LANE IN SCOTTSDALE ARIZONA**

WHEREAS, BCB Group Investments LLC ("BCBGI") and Scottsdale Crossroads Luxury Apartments, LLP ("Crossroads") are owners of real property located at the northeast corner of Scottsdale Road and Chauncey Lane in Scottsdale, Arizona as is more particularly described on Exhibit "A" attached hereto, ("Property"); and

WHEREAS, BCBGI owns a portion of the Property more particularly described on Exhibit A1 attached hereto ("BCBGI Parcel"), and Crossroads owns a separate portion of the Property more particularly described on Exhibit A2 ("Crossroads Parcel"); and

WHEREAS, BCBGI and Crossroads are subject to the Planned Shared Development Overlay District that was approved in rezoning case No. 19-ZN-2002#5; and

WHEREAS, BCBGI and Crossroads are parties to that certain Development Agreement dated _____, 20____, City of Scottsdale Contract No. 2017-001-COS which allows the severance and transfer of certain development rights between parcels within the Property; and

WHEREAS, the Development Agreement requires the Developer, all property owners, all lienholders and all interested persons to sign and record this Transfer of Development Rights to reflect the transfer of those various rights listed on Exhibit B, incorporated herein by this reference, to the Crossroads Parcel.

NOW, THEREFORE, the undersigned agree that those certain development rights listed on Exhibit B have been transferred from the BCBGI Parcel and are now affixed to the Crossroads Parcel.

Scottsdale Crossroads Luxury Apartments, LLP

BCB Group Investments, LLC

By: Scottsdale Crossroads GP, LLC
Its: Managing Partner

By: Duane S. Wilkes
Its: Authorized Signer - CEO

By: P. B. Bell & Associates, its Manager

By: _____
R. Chapin Bell, C.E.O.

Lienholder(s)

By: _____
By: _____

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____, 2017, by R. Chapin, C.E.O. of P. B Bell & Associates, manager to Scottsdale Crossroads GP, LLC, managing partner of Scottsdale Crossroads Luxury Apartments, LLP.

My Commission Expires:

Notary Public

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 12th day of January, 2017, by Duane Wilkes, CEO of BCB Group Investments, LLC.

My Commission Expires: 1-9-2018

Debbie Helton
Notary Public



EXHIBIT E
Page 2 of 2

15151563v3

Contract No. 2017-001-COS

EXHIBIT "A"

LEGAL DESCRIPTION OF ENTIRE PROPERTY

LOT 2 AND LOT 3 OF THE FINAL PLAT FOR THE CROSSROADS ACCORDING TO BOOK 1168 OF MAPS, PAGE 22 OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA, SITUATED IN THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 4 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXHIBIT A to EXHIBIT E

Page 1 of 1

15151563v3

Contract No. 2017-001-COS

EXHIBIT "A1"

LEGAL DESCRIPTION OF BCBGI PARCEL

Parcel Number	2015-07-391
Title Owner	BCB Group Investments, LLC
Legal Description	Lot 3 of the Final Plat for The Crossroads, Book 1168 of Maps, Page 22, Official Records of Maricopa County, Arizona

EXHIBIT "A2"

LEGAL DESCRIPTION OF CROSSROADS PARCEL

Parcel Number	2015-07-390
Title Owner	Scottsdale Crossroads Luxury Apartments LLP
Legal Description	Lot 2 of the Final Plat for The Crossroads, Book 1168 of Maps, Page 22, Official Records of Maricopa County, Arizona

- SCHEDULE LISTING RIGHTS SEVERED FROM SENDING PARCEL AND TRANSFERED TO RECEIVING PARCEL

		Net Area		Public Open Space			Frontage Open Space		
		SF	Acres	Code Required	Sending/ (Receiving)	Minimum Obligation*	Code Required	Sending/ (Receiving)	Minimum Obligation*
Sending Parcel	BCB Group Investments, LLC	236,305	5.42	2,363	1,803	4,166	8,861	7,025	15,886
Sending Parcel	Proposed Development Parcel 4	106,441	2.44	1,064	(1,064)	0	3,992	0	3,992
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	187,330	4.30	1,873	(739)	1,134	7,025	(7,025)	0
		530,076	12.17	5,301	0	5,301	19,878	0	19,878

		Net Area		Open Space		
		SF	Acres	Code Required	Sending/ (Receiving)	Minimum Obligation*
Sending Parcel	BCB Group Investments, LLC	236,305	5.42	35,446	2,069	37,515
Sending Parcel	Proposed Development Parcel 4	106,441	2.44	15,966	(2,069)	13,897
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	187,330	4.30	28,100	0	28,100
		530,076	12.17	79,511	0	79,511

* "Minimum Obligation" refers to the minimum square footage of each type of Open Space that each parcel must maintain to provide compliance with the Zoning Ordinance and the Development Agreement. The Minimum Obligation is the sum of the area required by the City of Scottsdale Zoning Ordinance ("Code Required") and the area Sent or Received. Areas that are "Sent" to another parcel have the effect of increasing that parcel's Minimum Obligation, and areas that are "Received" have the effect of decreasing that parcel's Minimum Obligation.

SCHEDULE LISTING RIGHTS SEVERED FROM SENDING PARCEL AND TRANSFERED TO RECEIVING PARCEL

		Parking Stalls (for Parking Lot and Landscape Island)	Parking Lot Landscaping			Landscape Island Planting		
			Code Required	Sending/ (Receiving)	Minimum Obligation*	Code Required	Sending/ (Receiving)	Minimum Obligation*
Sending Parcel	BCB Group Investments, LLC	129	5,225	173	5,398	1,742	2,134	3,876
Sending Parcel	Proposed Development Parcel 4	20	810	0	810	270	(270)	0
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	217	8,789	(173)	8,616	2,930	(1,864)	1,066
		366	14,823	0	14,823	4,941	0	4,941

		Gross Area		Multi-Family Units			Hotel Rooms		
		SF	Acres	Code Allowed	Sending/ (Receiving)	Units Allowed	Code Allowed	Sending/ (Receiving)	Units Allowed
Sending Parcel	BCB Group Investments, LLC	312,754	7.18	156	156	0	156	156	0
Sending Parcel	Proposed Development Parcel 4	138,515	3.18	69	69	0	69	(256)	325
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	199,127	4.57	100	(225)	325	100	100	0
		650,396	14.93	325	0	325	325	0	325

* "Minimum Obligation" refers to the minimum square footage of each type of Open Space that each parcel must maintain to provide compliance with the Zoning Ordinance and the Development Agreement. The Minimum Obligation is the sum of the area required by the City of Scottsdale Zoning Ordinance ("Code Required") and the area Sent or Received. Areas that are "Sent" to another parcel have the effect of increasing that parcel's Minimum Obligation, and areas that are "Received" have the effect of decreasing that parcel's Minimum Obligation.

WHEN RECORDED RETURN TO:

CITY OF SCOTTSDALE ONE
ONE STOP SHOP RECORDS
(Greg Bloemberg)
7447 E Indian School Road
Scottsdale, AZ 85251

**SEVERANCE OF DEVELOPMENT RIGHTS FROM PROPERTY
OWNED BY BCB GROUP INVESTMENTS, LLC LOCATED NEAR
SCOTTSDALE ROAD AND CHAUNCEY LANE IN SCOTTSDALE ARIZONA,
AND RELATING TO AGREEMENT NO. 2017-001-COS BETWEEN
CITY OF SCOTTSDALE, BCB GROUP INVESTMENTS, AND
SCOTTSDALE CROSSROADS LUXURY APARTMENTS**

WHEREAS, BCB Group Investments LLC ("BCBGI") and Scottsdale Crossroads Luxury Apartments, LLP ("Crossroads") are owners of real property located at the northeast corner of Scottsdale Road and Chauncey Lane in Scottsdale, Arizona as is more particularly described on Exhibit "A" attached hereto, ("Property"); and

WHEREAS, BCBGI owns a portion of the Property more particularly described on Exhibit A1 attached hereto ("BCBGI Parcel"), and Crossroads owns a separate portion of the Property more particularly described on Exhibit A2 ("Crossroads Parcel"); and

WHEREAS, BCBGI and Crossroads are subject to the Planned Shared Development Overlay District that was approved in rezoning case No. 19-ZN-2002#5; and

WHEREAS, BCBGI and Crossroads are parties to that certain Development Agreement dated _____, 20____, City of Scottsdale Contract No. 2017-001-COS which allows the severance and transfer of certain development rights between parcels within the Property; and

WHEREAS, the Development Agreement requires the Developer, all property owners, all lienholders and all interested persons to sign and record this Severance of Development Rights to reflect the severance of those various rights listed on Exhibit B, incorporated herein by this reference, from the BCBGI Parcel.

NOW, THEREFORE, the undersigned agree that BCB Group Investments, LLC has severed those certain development rights listed on Exhibit B from the BCBGI Parcel and transferred to the Crossroads Parcel.

Scottsdale Crossroads Luxury Apartments, LLP

By: Scottsdale Crossroads GP, LLC
Its: Managing Partner

By: P. B. Bell & Associates, its Manager

By: _____
R. Chapin Bell, C.E.O.

BCB Group Investments, LLC

By: Duane S. Wiles
Its: Authorized Signor - CFO

Lienholders

By: _____
By: _____

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 12th day of January, 2017, by R. Chapin, C.E.O. of P. B Bell & Associates, manager to Scottsdale Crossroads GP, LLC, managing partner of Scottsdale Crossroads Luxury Apartments, LLP.

My Commission Expires:

Notary Public

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 12th day of January, 2017, by Duane W. Wiles, CFO of BCB Group Investments, LLC.

My Commission Expires: 1-9-2018

Debbie Helton
Notary Public



EXHIBIT "A"

LEGAL DESCRIPTION OF ENTIRE PROPERTY

LOT 2 AND LOT 3 OF THE FINAL PLAT FOR THE CROSSROADS ACCORDING TO BOOK 1168 OF MAPS, PAGE 22 OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA, SITUATED IN THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 4 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXHIBIT "A1"

LEGAL DESCRIPTION OF BCBGI PARCEL

Parcel Number	2015-07-391
Title Owner	BCB Group Investments, LLC
Legal Description	Lot 3 of the Final Plat for The Crossroads, Book 1168 of Maps, Page 22, Official Records of Maricopa County, Arizona

EXHIBIT "A2"

LEGAL DESCRIPTION OF CROSSROADS PARCEL

Parcel Number	2015-07-390
Title Owner	Scottsdale Crossroads Luxury Apartments LLP
Legal Description	Lot 2 of the Final Plat for The Crossroads, Book 1168 of Maps, Page 22, Official Records of Maricopa County, Arizona

- SCHEDULE LISTING RIGHTS SEVERED FROM SENDING PARCEL AND TRANSFERED TO RECEIVING PARCEL

		Net Area		Public Open Space			Frontage Open Space		
		SF	Acres	Code Required	Sending/ (Receiving)	Minimum Obligation*	Code Required	Sending/ (Receiving)	Minimum Obligation*
Sending Parcel	BCB Group Investments, LLC	236,305	5.42	2,363	1,803	4,166	8,861	7,025	15,886
Sending Parcel	Proposed Development Parcel 4	106,441	2.44	1,064	(1,064)	0	3,992	0	3,992
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	187,330	4.30	1,873	(739)	1,134	7,025	(7,025)	0
		530,076	12.17	5,301	0	5,301	19,878	0	19,878

		Net Area		Open Space		
		SF	Acres	Code Required	Sending/ (Receiving)	Minimum Obligation*
Sending Parcel	BCB Group Investments, LLC	236,305	5.42	35,446	2,069	37,515
Sending Parcel	Proposed Development Parcel 4	106,441	2.44	15,966	(2,069)	13,897
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	187,330	4.30	28,100	0	28,100
		530,076	12.17	79,511	0	79,511

* "Minimum Obligation" refers to the minimum square footage of each type of Open Space that each parcel must maintain to provide compliance with the Zoning Ordinance and the Development Agreement. The Minimum Obligation is the sum of the area required by the City of Scottsdale Zoning Ordinance ("Code Required") and the area Sent or Received. Areas that are "Sent" to another parcel have the effect of increasing that parcel's Minimum Obligation, and areas that are "Received" have the effect of decreasing that parcel's Minimum Obligation.

SCHEDULE LISTING RIGHTS SEVERED FROM SENDING PARCEL AND TRANSFERED TO RECEIVING PARCEL

		Parking Stalls (for Parking Lot and Landscape Island)	Parking Lot Landscaping			Landscape Island Planting		
			Code Required	Sending/ (Receiving)	Minimum Obligation*	Code Required	Sending/ (Receiving)	Minimum Obligation*
Sending Parcel	BCB Group Investments, LLC	129	5,225	173	5,398	1,742	2,134	3,876
Sending Parcel	Proposed Development Parcel 4	20	810	0	810	270	(270)	0
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	217	8,789	(173)	8,616	2,930	(1,864)	1,066
		366	14,823	0	14,823	4,941	0	4,941

		Gross Area		Multi-Family Units			Hotel Rooms		
		SF	Acres	Code Allowed	Sending/ (Receiving)	Units Allowed	Code Allowed	Sending/ (Receiving)	Units Allowed
Sending Parcel	BCB Group Investments, LLC	312,754	7.18	156	156	0	156	156	0
Sending Parcel	Proposed Development Parcel 4	138,515	3.18	69	69	0	69	(256)	325
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	199,127	4.57	100	(225)	325	100	100	0
		650,396	14.93	325	0	325	325	0	325

* "Minimum Obligation" refers to the minimum square footage of each type of Open Space that each parcel must maintain to provide compliance with the Zoning Ordinance and the Development Agreement. The Minimum Obligation is the sum of the area required by the City of Scottsdale Zoning Ordinance ("Code Required") and the area Sent or Received. Areas that are "Sent" to another parcel have the effect of increasing that parcel's Minimum Obligation, and areas that are "Received" have the effect of decreasing that parcel's Minimum Obligation.

Crossroads East

Project Narrative/Planned Shared Development

Current Zoning:

PCD/PRC

Location:

NEC Scottsdale Road and Chauncey Lane

19-ZN-2002#5
6/3/16

ATTACHMENT #5

1. SUMMARY OF REQUEST

This request is for a development plan amendment to the approved zoning, site plan and stipulations pursuant to case 19-ZN-2002 #3 for a property located at the NEC of Scottsdale Road and Chauncey Lane. Case 19-ZN-2002 #3 approved a PRC district on the south 12 acres of the overall Crossroads East parcel. This request is to amend the development plan on the south 12 acres of the overall Crossroads East parcel to allow for reallocation in the following:

Allowable Building Height
Allowable Building Density
Open Space Required/Provided
Public Open Space (Courtyard) Required/Provided
Frontage Open Space Required/Provided
Parking Lot Landscaping Required/Provided
Landscape Island Planting Area Required/Provided
Parking Spaces Required/Provided

2. CONTEXT

The property is located South of the 101 Freeway, along Scottsdale Road. To the North of the property is the Bell Lexus North Scottsdale automotive dealership (PCD). To the East of the property is vacant Arizona State Land (PCD). To the South of the property is the vacant recently purchased Arizona State Land piece by JLB realty (PCD). To the West of the property is Schumacher Mercedes Benz located in the City of Phoenix (C-2).

3. ZONING BACKGROUND

Currently, the site is zoned Planned Community District (PCD). Case 19-ZN-2002, which established the master zoning plan for the Crossroads East project, includes a Land Use Budget Table that identifies the allowable zoning districts for the entire 1,000-acre project, including maximum acreage and maximum residential densities for those districts that allow residential (refer to Attachment #8). A subsequent amendment processed under case 19-ZN-2002#2 added the Highway Commercial District (C-3) to the Land Use Budget Table, and increased the total maximum number of multi-family dwelling units for the entire Crossroads East project from 3,443 to 4,378.

As part of the original Crossroads East zoning case (19-ZN-2002), several zoning districts were adopted, all with amended site development standards (ASDS). For the PRC district, the following development standards were amended as part of that case: open space requirements, method for determining maximum building height, and floor area ratio. Those amendments continue to apply to the project site. A total of 170 acres of PRC are approved for the Crossroads East master planned development, with the potential for up to 1,524 multi-family dwelling units. The PRC

district allows a wide variety of commercial office, retail and service uses; as well as residential when the residential is included as part of a mixed-use project.

4. GENERAL PLAN

The Land Use Element of the General Plan designates the site as Mixed-Use Neighborhoods. Properties with this designation are typically located in areas with strong access to varied modes of transportation, and have a focus on human-scale development. Mixed-Use Neighborhoods can accommodate higher density housing, usually combined with supporting commercial office or retail uses. Additionally, the site falls within a designated Regional Use District, per the General Plan, that encompasses most of the Crossroads East master-planned area (approx. 1,000 acres). The Regional Use District provides flexibility for land uses when it can be determined that new land uses are viable in serving a regional market. Regional uses include, but are not limited to, corporate office, regional serving retail, major medical, educational campuses, community service facilities, tourism, and destination attraction uses.

5. PCD FINDINGS

Before approval or modified approval of an application for a proposed P-C District, the Planning Commission and City Council must find:

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

Response: The proposed mixed-use development is in substantial harmony with the General Plan and is compatible with the existing and planned development in the surrounding area. The Airpark is predominately an employment area. Integrating the proposed mixed-use development will provide additional housing opportunities for the residents of Scottsdale in a growing employment and service core area of the City. The location of the property not only provides an opportunity for housing in the employment core, but also connectivity to the retail and restaurants established as part of this mixed-use development as well as nearby developments that will enhance the overall sustainability of the Airpark. The development promotes an integrated, sustainable character for the area contributing towards the live, work, play goals identified in the General Plan.

- 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.

Response: External roadways adjacent to the property include Scottsdale Road, a major arterial, Chauncey Lane, a collector, and 73rd Place, a collector. All roadways are built to typical standards with 6 traffic lanes and a median on Scottsdale Road

and 2 lanes on Chauncey and 73rd Place. These roads maintain more than sufficient capacity to accommodate the proposed vehicle trips for the development.

C. The Planning Commission and City Council shall further find that the facts submitted with the application and presented at the hearing establish beyond a 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 school, playgrounds and parks, are adequate to serve the anticipated population. The Planning Commission and City Council shall be presented written acknowledgement of this from the appropriate school district, the Scottsdale Parks and Recreation Commission and any other responsible agency.

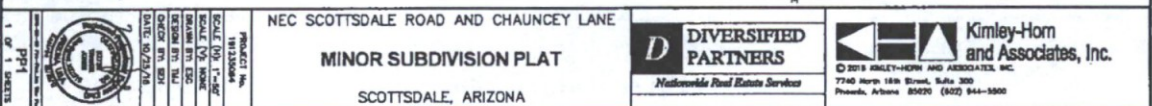
Response: Not applicable to this application.

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.

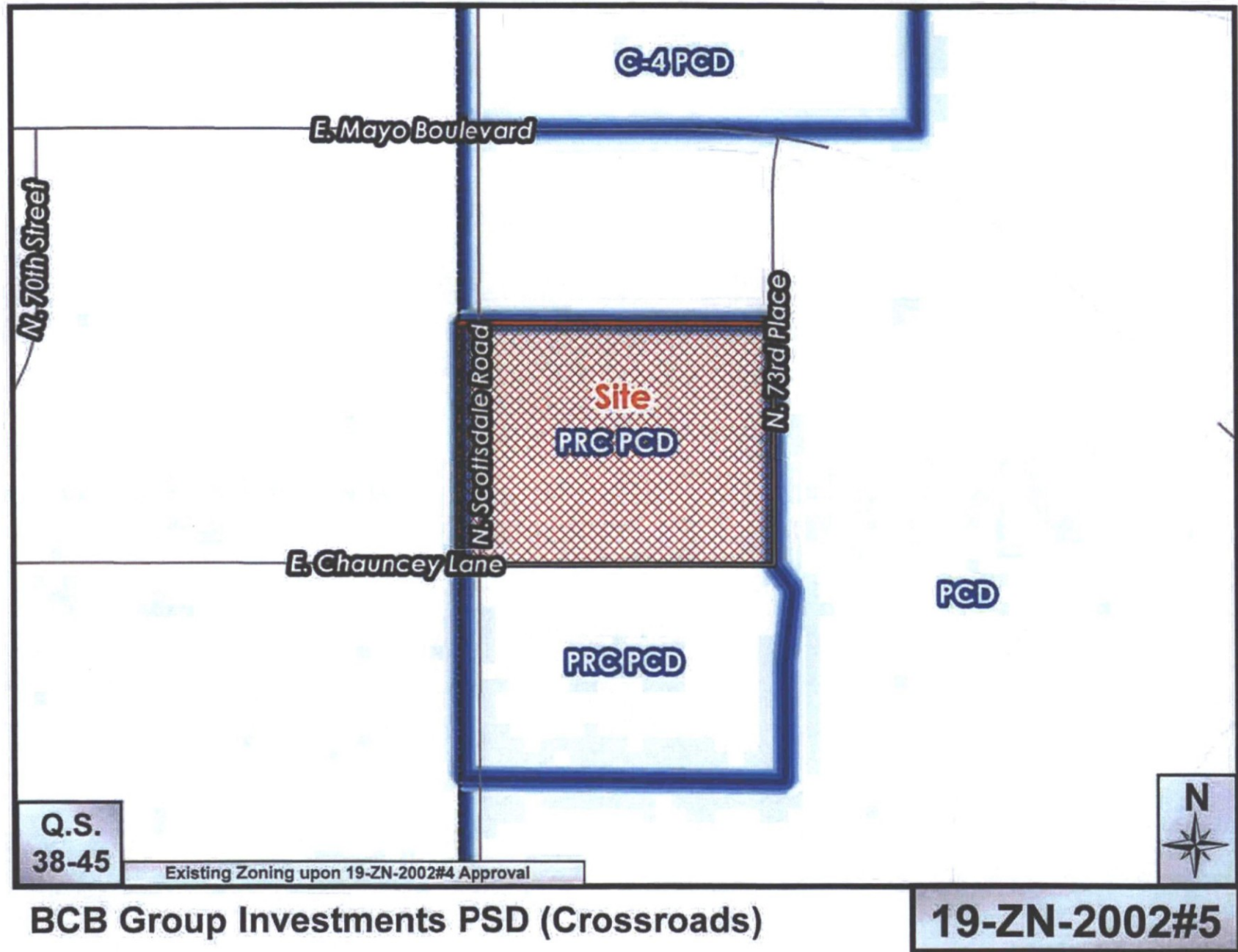
Response: Not applicable to this application.

3. In the case of proposed commercial, educational, cultural, 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 area.

Response: The proposed commercial component is situated on the western portion of the site along Scottsdale Road, which will provide appropriate access and visibility from this regional arterial transitioning to the eastern residential component of the mixed-use development. The overall intention of the design is to function seamlessly together as well as integrate with the surrounding mix of land uses and future land uses in the Crossroads East master plan.

[illegible]

 **Kimley-Horn
and Associates, Inc.**
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7740 North 18th Street, Suite 300
Phoenix, AZ 85020





Nationwide Real Estate Services

From: Alexandra Schuchter
Diversified Partners, LLC
Date: May 25, 2016
Subject: Re-Zoning for Lot 2 and Lot 3 of Crossroads

To Whom It May Concern:

The purpose of this letter is to inform you that a Re-Zoning Application for Lot 2 and Lot 3 of the Crossroads has been submitted to the City of Scottsdale. You are receiving this notification because your property is located within 750 feet of the subject parcel, or because you are on the City of Scottsdale "Interested Parties" list.

This re-zoning action will consist of adding a Planned Shared Development overlay (PSD) to the existing PCD zoning. The PSD overlay district will result in development standards for Lot 2 and Lot 3 being defined by their overall perimeter boundary, rather than applying standards to the individual lots within the perimeter boundary. The City of Scottsdale case number for this project is 346-PA-02 and the City Staff contact is Greg Bloemberg (gbloemberg@scottsdaleaz.gov, 480-312-4306). More information can be found at www.scottsdaleaz.gov/planning. A site location map is attached.

An open house will be held at Bell Lexus North Scottsdale (18555 N. Scottsdale Rd) on June 7, 2016 at 6:30 PM.

Should you have any questions, please feel free to contact me at 480-947-8800 or at Alexandra@dpcrc.com.

Sincerely,

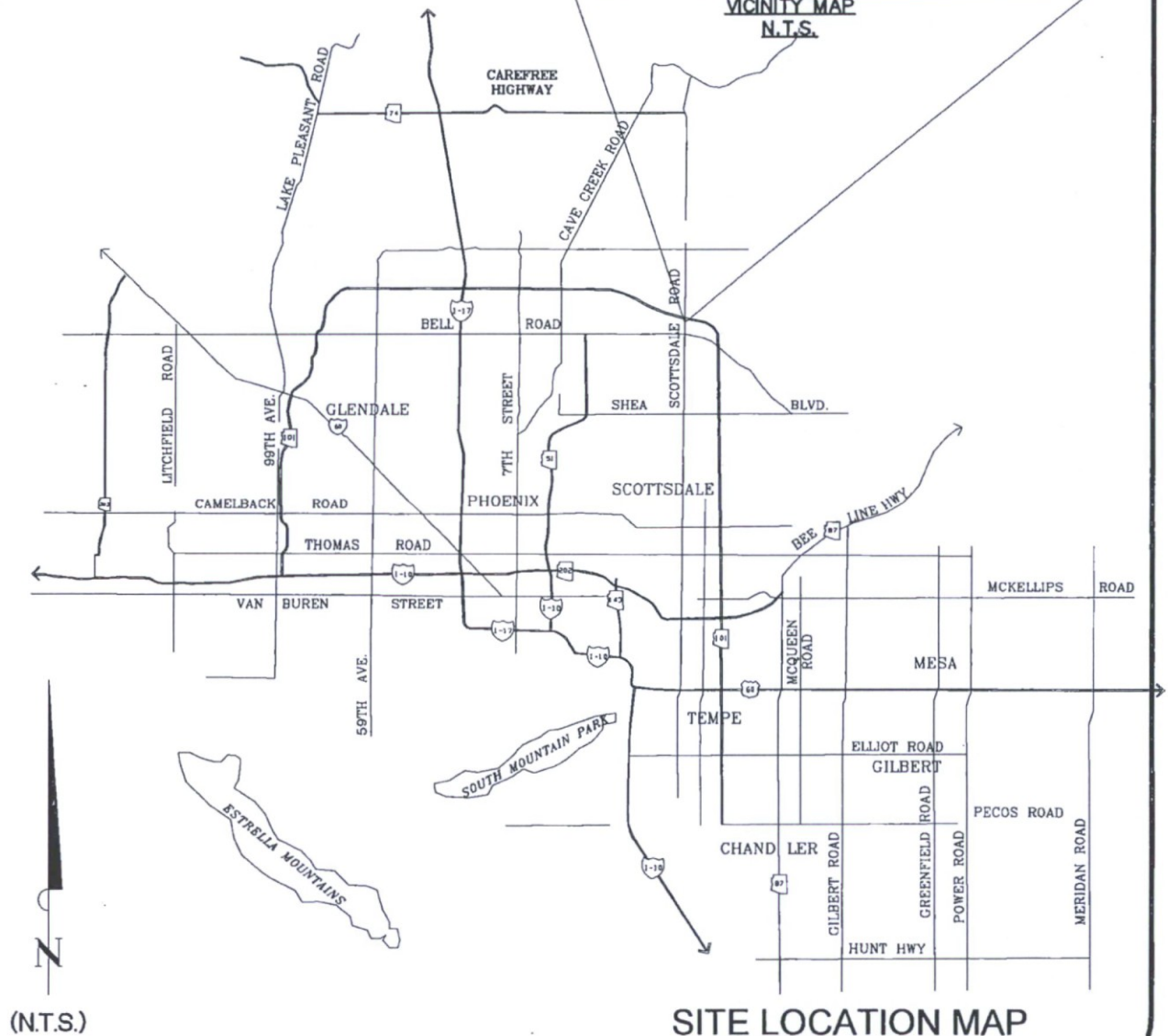
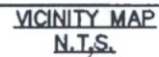
Alexandra Schuchter

Brokerage • Leasing • Management • Development
7500 E. McDonald Drive, Suite #100A Scottsdale, AZ 85250
Phone: (480) 947-8800 Fax: (480) 947-8830

ATTACHMENT #8

SITE ADDRESS: NEC OF SCOTTSDALE ROAD
AND CHAUNCEY LANE

SITE ADDRESS: NEC OF SCOTTSDALE ROAD
AND CHAUNCEY LANE

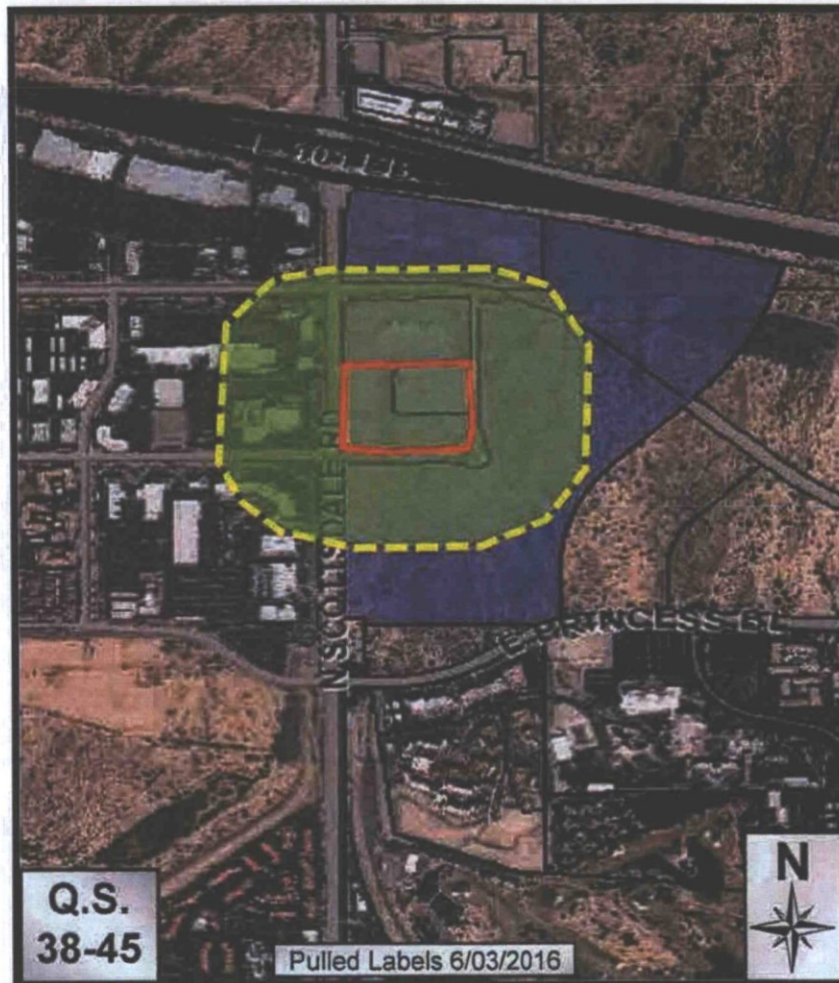


SITE LOCATION MAP



**Kimley-Horn
and Associates, Inc.**

City Notifications – Mailing List Selection Map



Map Legend:



Site Boundary



Properties within 750-feet

Postcards - 36

Additional Notifications:

- Interested Parties List
- Adjacent HOA's
- P&Z E-Newsletter
- Facebook
- Twitter
- Nextdoor.com
- City Website-Projects in the hearing process

**BCB Group Investments PSD
(Crossroads)**

19-ZN-2002#5



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

WEDNESDAY, DECEMBER 14, 2016

DRAFT SUMMARIZED MEETING MINUTES

PRESENT: Matthew Cody, Vice Chair
David Brantner, Commissioner
Ali Fakh, Commissioner
Michael J. Minnaugh, Commissioner
Larry S. Kush, Commissioner
Paul Alessio, Commissioner
Prescott Smith, Commissioner

STAFF: Tim Curtis
Joe Padilla
Greg Bloemberg
Jesus Murillo
Keith Niederer
Bryan Cluff
Dan Symer

CALL TO ORDER

Vice Chair Cody called the regular session of the Scottsdale Planning Commission to order at 5:05 p.m.

ROLL CALL

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

* Note: These are summary action minutes only. A complete copy of the meeting audio is available on the Planning Commission page on ScottsdaleAZ.gov, search "Planning Commission"

ATTACHMENT #10

MINUTES REVIEW AND APPROVAL

1. Approval of November 9, 2016 Regular Meeting Minutes including the Study Session.

COMMISSIONER BRANTNER MOVED TO APPROVE THE NOVEMBER 9, 2016 REGULAR MEETING MINUTES INCLUDING THE STUDY SESSION, SECONDED BY COMMISSIONER ALESSIO, THE MOTION CARRIED UNANIMOUSLY WITH A VOTE OF SEVEN (7) TO ZERO (0).

CONTINUANCE AGENDA

2. 4-GP-2016 (Scottsdale Heights)

Request by applicant to continue to the January 11, 2017 meeting.

Request by owner for a non-major General Plan amendment to the City of Scottsdale General Plan 2001 from Commercial to Urban Neighborhoods on +/- 14-acres of a +/- 15.5-acre site located at 7225 East Dove Valley Road. Staff contact person is Keith Niederer, 480-312-2953. Applicant contact person is John Berry, 480-385-2727.

3. 9-ZN-2016 (Scottsdale Heights)

Request by applicant to continue to the January 11, 2017 meeting.

Request by owner for a Zoning District Map Amendment from Central Business District, Environmentally Sensitive Lands (C-2 ESL) to Medium Density Residential, Environmentally Sensitive Lands (R-3 ESL) on +/- 14-acres of a +/- 15.5-acre site located at 7225 East Dove Valley Road. Staff contact person is Keith Niederer, 480-312-2953. Applicant contact person is John Berry, 480-385-2727.

4. 10-AB-2016 (Scottsdale Heights Roadway Easement Abandonment)

Request by applicant to continue to the January 11, 2017 meeting.

Request by owner to abandon the eastern 30-feet of a 55-foot-wide roadway easement along the western edge of a property located at 7225 E. Dove Valley Road, with Central Business District, Environmentally Sensitive Lands (C-2 ESL) zoning. Staff contact person is Keith Niederer, 480-312-2953. Applicant contact person is John Berry, 480-385-2727.

Item No's 2, 3, and 4: Move to continue cases 4-GP-2016, 9-ZN-2016 and 10-AB-2016 to the January 11, 2017 meeting. Motion by Commissioner Brantner, 2nd by Commissioner Alessio. Commissioner Fakih and Commissioner Smith recused themselves.

* Note: These are summary action minutes only. A complete copy of the meeting audio is available on the Planning Commission page on ScottsdaleAZ.gov, search "Planning Commission"

EXPEDITED AGENDA

5. Approval of the Planning Commission 2017 Calendar.
6. 19-ZN-2002#5 (BCB Group Investments)
Request by owner for a Zoning District Map Amendment from Planned Community, Planned Regional Center (PCD PRC) District to Planned Community, Planned Regional Center, Planned Shared Development (PCD PRC PSD) District on a +/- 10-acre site located at the northeast corner of Scottsdale Road and Chauncey Lane. Staff contact person is Greg Bloemberg, 480-312-4306. Applicant contact person is Alexandra Schuchter, 480-947-8830.
7. 18-ZN-2013#2 (Scottsdale Quarter - Block L & M)
Request by applicant for a Zoning District Map Amendment to delete stipulation #5 from the previously approved zoning case for Phase III Blocks L & M of Scottsdale Quarter (18-ZN-2013), regarding floor area for residential uses on a +/- 23.52 acre site, as well as site plan modifications in the Development Plan for Block L, on a +/- 6.07 acre site located at the northwest corner of E. Butherus Drive and N. 73rd Street. Staff contact person is Bryan Cluff, 480-312-2258. Applicant contact person is Paul Gilbert, 480-429-3000.
8. 20-ZN-2016 (Quail Crest Estates)
Request by owner for a Zoning District Map Amendment from Single-family Residential, Environmentally Sensitive Lands (R1-130 ESL), to Single-family Residential, Environmentally Sensitive Lands (R1-70 ESL) zoning on a +/- 16.7-acre site located at the southeast corner of N. 132nd Street and E. Quail Track Road. Staff contact person is Jesus Murillo, 480-312-7849. Applicant contact person is Keith Nichter, 480-994-0994.
9. 21-ZN-2016 (Main Street Scottsdale Development)
Request by owner for a Zoning District Map Amendment from Central Business, Downtown Overlay and Parking P-2; Passenger Vehicle Parking, Downtown Overlay (C-2/DO and P-2/DO) to Downtown/Downtown Multiple Use – Type 2 (D/DMU-2 DO) zoning on a +/- 1.93- acre site located at the southeast corner of North 69th Street and East Main Street, and approximately 95 feet east of the northeast corner North 69th Street and East 1st Street (6903, 6909, 6915, and 6939 E. Main Street and 6914, 6920, and 6930 E. 1st Street). Staff contact person is Dan Symer, AICP, 480-312-4218. Applicant contact person is John Berry, 480-385-2727.

Item No. 9: Recommended to City Council for approval of case 21-ZN-2016, by a vote of 6-0; Motion by Commissioner Brantner, per the staff recommended stipulations after determining that the proposed Zoning District Map Amendment is consistent and conforms with the adopted General Plan, 2nd by Commissioner Fakh. Commissioner Smith recused himself.

* Note: These are summary action minutes only. A complete copy of the meeting audio is available on the Planning Commission page on ScottsdaleAZ.gov, search "Planning Commission"

10. 23-ZN-2016 (6922 Mixed Use)

Request by owner for a Zoning District Map Amendment from Central Business, Downtown Overlay (C-2 DO) to Downtown/Downtown Multiple Use—Type 2 Downtown Overlay (D/DMU-2 DO) zoning with amended development standards on a +/- 2,063 sq. ft. site located at 6922 E 5th Avenue. Staff contact person is Dan Symer, AICP, 480-312-4218. Applicant contact person is Brian Stark, 602-505-9116.

Item No's 5, 6, 7, 8 and 10: Move to approve the 2017 Planning Commission Calendar, and make a recommendation to City Council for approval of cases 19-ZN-2002#5, 18-ZN-2013#2, 20-ZN-2016 and 23-ZN-2016, by a vote of 7-0; Motion by Commissioner Brantner, per the staff recommended stipulations including revisions to case 20-ZN-2016, after determining that the PCD findings have been met, and the proposed Zoning District Map Amendments, Development Plan and Amended Development Standards are consistent and conform with the adopted General Plan, 2nd by Commissioner Alessio.

ADJOURNMENT

With no further business to discuss, the regular session of the Planning Commission adjourned at 5:18 p.m.

* Note: These are summary action minutes only. A complete copy of the meeting audio is available on the Planning Commission page on ScottsdaleAZ.gov, search "Planning Commission"

PLANNING COMMISSION REPORT



Meeting Date: December 14, 2016
General Plan Element: *Land Use*
General Plan Goal: *Create a sense of community through land uses*

ACTION

BCB Group Investments
19-ZN-2002#5

Request to consider the following:

1. A recommendation to City Council regarding a request by owner for a Zoning District Map Amendment from Planned Community, Planned Regional Center (PCD PRC) District to Planned Community, Planned Regional Center, Planned Shared Development (PCD PRC PSD) District on a +/- 10-acre site located at the northeast corner of Scottsdale Road and Chauncey Lane.

Goal/Purpose of Request

The applicant's request is to add the Planned Shared Development (PSD) District to an existing mixed-use project to allow the project to be subdivided in anticipation of future development.

Key Items for Consideration

- Development Plan for project approved under case 19-ZN-2002#3
- All necessary infrastructure is in place
- Project is partially developed
- No public comment

OWNER

BCB Group Investments LLC

APPLICANT CONTACT

Alexandra Schuchter
DPCRE
480-947-8830

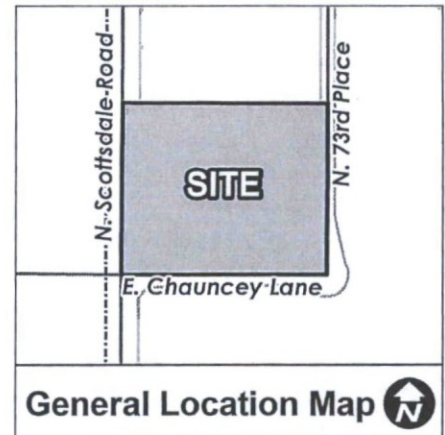
LOCATION

NEC of Scottsdale Road & Chauncey Lane

BACKGROUND

General Plan

The Land Use Element of the General Plan designates the site as Mixed-Use Neighborhoods. Properties with this designation are typically located in areas with strong access to varied modes of transportation, and have a focus on human-scale development. Mixed-Use Neighborhoods can accommodate higher density housing, usually combined with supporting commercial office or retail uses. Additionally, the site falls within a designated Regional Use District, per the General Plan, that encompasses most of the Crossroads East master-planned area (approx. 1,000 acres). The Regional Use District provides flexibility for land uses when it can be determined that new land uses are viable in serving a regional market. Regional uses include, but are not limited to, corporate office, regional serving retail, major medical, educational campuses, community service facilities, tourism, and destination attraction uses.



Greater Airpark Character Area Plan (GACAP)

The GACAP designates the entire 1000-acre Crossroads East project as Airpark Mixed Use – Residential. Properties with this designation are appropriate for a wide range of uses, including retail, service, tourist accommodations, and office; while providing development that is pedestrian-oriented, with access to various modes of transportation, located outside of the Airport's 55 DNL contour. Residential and other sensitive uses should be a lesser component of a mixed-use development and include adequate sound attenuation.

Zoning

The site is zoned Planned Community District, Planned Regional Center (PCD PRC). The applicant received approval of a zoning district map amendment in 2013 under case 19-ZN-2002#3 to add the comparable PRC zoning district to the existing P-C district zoning. The PRC district governs all development and land use for the project site.

Context

The subject property is located at the northeast corner of N. Scottsdale Road and E. Chauncey Lane, within Planning Unit IV of the Crossroads East Master-Planned Community. To the north is a new Lexus auto dealership, zoned Planned Community Development (PCD) with the comparable zoning district of Highway Commercial (C-3). The comparable zoning district regulates all uses and development standards for each property. To the east is vacant land currently owned by the Arizona State Land Department (ASLD) and to the south is a vacant parcel that is the subject of a separate zoning district map amendment (19-ZN-2002#4). The request for the parcel to the south is to add the comparable PRC district, similar to this site, in anticipation of a future mixed-use project. To the west is the City of Phoenix. Please refer to context graphics attached.

Adjacent Uses and Zoning

- North: Vehicle Sales and Leasing, zoned Planned Community District, Highway Commercial District (PCD C-3)
- South: Vacant, zoned P-C District
- East: Vacant, zoned P-C District
- West: City of Phoenix

Other Related Policies, References:

- Zoning Ordinance
- 2001 General Plan
- 2010 Greater Airpark Character Area Plan
- 19-ZN-2002#3: Approval of a zoning district map amendment, with development plan, for a mixed-use project
- 19-ZN-2002: Approval of amendment to Crossroads East Master Plan, including designation of P-C comparable zoning districts and amended development standards

APPLICANTS PROPOSAL

Development Information

The mixed-use project is approximately 50% built out and includes a completed multi-family apartment complex on an existing established parcel. Commercial pad buildings adjacent to the N. Scottsdale Road frontage are under construction. The proposed PSD allows a master project site to consist of multiple parcels that utilize the land area within the overall perimeter of the master project site to determine compliance with zoning requirements. Parcels can be created based on market demand and are able to share development standards as well as drainage facilities, parking and circulation. If this request is approved, open space and density from the other parcel on the master project site may be "transferred" to the multi-family parcel to bring it into conformance with the amended PRC development standards. This will also allow parcels to be created for a future phases of development.

IMPACT ANALYSIS

PCD Findings

Per Section 5.2104 of the Zoning Ordinance, before approval or modified approval of an application for a PCD, certain findings must be demonstrated by the applicant and confirmed by Planning Commission and City Council. The following are the required findings, as well as the applicant's response to the findings and staff analysis.

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

No changes to the existing Development Plan (Resolution No. 9419) are proposed as part of this

application.

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

All perimeter streets and internal drives are existing.

- C. The Planning Commission and City Council shall further find that the facts submitted with the application 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.

No changes to the existing Development Plan are proposed as part of this application.

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 that an industrial environment of sustained desirability and stability will be created.

No changes to the existing Development Plan are proposed as part of this application.

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 area.

No changes to the existing Development Plan are proposed as part of this application.

Community Involvement

Property owners within 750 feet of the project site, as well as the Interested Parties list were notified by mail of the applicant's request. Additionally, the applicant held an Open House at Bell Lexus (just north of the project site) on 6/7/16. There were no attendees and staff has received no public comment related to this request.

STAFF RECOMMENDATION

Recommended Approach:

Staff recommends that the Planning Commission find that the PCD criteria have been met, and determine that the proposed zoning district map amendment is consistent with and conforms to the adopted General Plan, and make a recommendation to City Council for approval, per the attached stipulations.

application.

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

All perimeter streets and internal drives are existing.

- C. The Planning Commission and City Council shall further find that the facts submitted with the application 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.

No changes to the existing Development Plan are proposed as part of this application.

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No changes to the existing Development Plan are proposed as part of this application.

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 area.

No changes to the existing Development Plan are proposed as part of this application.

Community Involvement

Property owners within 750 feet of the project site, as well as the Interested Parties list were notified by mail of the applicant's request. Additionally, the applicant held an Open House at Bell Lexus (just north of the project site) on 6/7/16. There were no attendees and staff has received no public comment related to this request.

STAFF RECOMMENDATION

Recommended Approach:

Staff recommends that the Planning Commission find that the PCD criteria have been met, and determine that the proposed zoning district map amendment is consistent with and conforms to the adopted General Plan, and make a recommendation to City Council for approval, per the attached stipulations.

RESPONSIBLE DEPARTMENT

Planning and Development Services

Current Planning Services

STAFF CONTACT

Greg Bloemberg

Senior Planner

480-312-4306

E-mail: gbloemberg@ScottsdaleAZ.gov

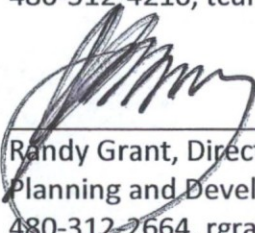
APPROVED BY


Greg Bloemberg, Report Author

11-28-16
Date


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

11/28/2016
Date


Randy Grant, Director
Planning and Development Services
480-312-2664, rgrant@scottsdaleaz.gov

11/29/16
Date

ATTACHMENTS

1. Context Aerial
- 1A. Aerial Close-Up
2. Stipulations
3. Applicant's Narrative
4. Draft Development Agreement
5. Minor Subdivision Plat
6. Existing Zoning Map
7. Proposed Zoning Map
8. Citizen Involvement
9. City Notification Map



BCB Group Investments PSD (Crossroads)

19-ZN-2002#5



BCB Group Investments PSD (Crossroads)

19-ZN-2002#5

Stipulations for the Zoning Application:

BCB Group Investments

Case Number: 19-ZN-2002#5

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

GOVERNANCE

1. Except as amended below, the stipulations from case 19-ZN-2002#3 shall continue to apply to this project.

SITE DESIGN

2. CONFORMANCE TO DEVELOPMENT AGREEMENT. The subdivision plat and distribution of development rights shall conform to the terms of the development agreement (Contract No. 2017-001-COS), attached hereto as Resolution No. 10675. Any changes to the development agreement shall require City Council approval.

Crossroads East

Project Narrative/Planned Shared Development

Current Zoning:

PCD/PRC

Location:

NEC Scottsdale Road and Chauncey Lane

19-ZN-2002#5
6/3/16

1. SUMMARY OF REQUEST

This request is for a development plan amendment to the approved zoning, site plan and stipulations pursuant to case 19-ZN-2002 #3 for a property located at the NEC of Scottsdale Road and Chauncey Lane. Case 19-ZN-2002 #3 approved a PRC district on the south 12 acres of the overall Crossroads East parcel. This request is to amend the development plan on the south 12 acres of the overall Crossroads East parcel to allow for reallocation in the following:

Allowable Building Height
Allowable Building Density
Open Space Required/Provided
Public Open Space (Courtyard) Required/Provided
Frontage Open Space Required/Provided
Parking Lot Landscaping Required/Provided
Landscape Island Planting Area Required/Provided
Parking Spaces Required/Provided

2. CONTEXT

The property is located South of the 101 Freeway, along Scottsdale Road. To the North of the property is the Bell Lexus North Scottsdale automotive dealership (PCD). To the East of the property is vacant Arizona State Land (PCD). To the South of the property is the vacant recently purchased Arizona State Land piece by JLB realty (PCD). To the West of the property is Schumacher Mercedes Benz located in the City of Phoenix (C-2).

3. ZONING BACKGROUND

Currently, the site is zoned Planned Community District (PCD). Case 19-ZN-2002, which established the master zoning plan for the Crossroads East project, includes a Land Use Budget Table that Identifies the allowable zoning districts for the entire 1,000-acre project, including maximum acreage and maximum residential densities for those districts that allow residential (refer to Attachment #8). A subsequent amendment processed under case 19-ZN-2002#2 added the Highway Commercial District (C-3) to the Land Use Budget Table, and increased the total maximum number of multi-family dwelling units for the entire Crossroads East project from 3,443 to 4,378.

As part of the original Crossroads East zoning case (19-ZN-2002), several zoning districts were adopted, all with amended site development standards (ASDS). For the PRC district, the following development standards were amended as part of that case: open space requirements, method for determining maximum building height, and floor area ratio. Those amendments continue to apply to the project site. A total of 170 acres of PRC are approved for the Crossroads East master planned development, with the potential for up to 1,524 multi-family dwelling units. The PRC

district allows a wide variety of commercial office, retail and service uses; as well as residential when the residential is included as part of a mixed-use project.

4. GENERAL PLAN

The Land Use Element of the General Plan designates the site as Mixed-Use Neighborhoods. Properties with this designation are typically located in areas with strong access to varied modes of transportation, and have a focus on human-scale development. Mixed-Use Neighborhoods can accommodate higher density housing, usually combined with supporting commercial office or retail uses. Additionally, the site falls within a designated Regional Use District, per the General Plan, that encompasses most of the Crossroads East master-planned area (approx. 1,000 acres). The Regional Use District provides flexibility for land uses when it can be determined that new land uses are viable in serving a regional market. Regional uses include, but are not limited to, corporate office, regional serving retail, major medical, educational campuses, community service facilities, tourism, and destination attraction uses.

5. PCD FINDINGS

Before approval or modified approval of an application for a proposed P-C District, the Planning Commission and City Council must find:

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

Response: The proposed mixed-use development is in substantial harmony with the General Plan and is compatible with the existing and planned development in the surrounding area. The Airpark is predominately an employment area. Integrating the proposed mixed-use development will provide additional housing opportunities for the residents of Scottsdale in a growing employment and service core area of the City. The location of the property not only provides an opportunity for housing in the employment core, but also connectivity to the retail and restaurants established as part of this mixed-use development as well as nearby developments that will enhance the overall sustainability of the Airpark. The development promotes an integrated, sustainable character for the area contributing towards the live, work, play goals identified in the General Plan.

- 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.

Response: External roadways adjacent to the property include Scottsdale Road, a major arterial, Chauncey Lane, a collector, and 73rd Place, a collector. All roadways are built to typical standards with 6 traffic lanes and a median on Scottsdale Road

and 2 lanes on Chauncey and 73rd Place. These roads maintain more than sufficient capacity to accommodate the proposed vehicle trips for the development.

C. The Planning Commission and City Council shall further find that the facts submitted with the application and presented at the hearing establish beyond a 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 school, playgrounds and parks, are adequate to serve the anticipated population. The Planning Commission and City Council shall be presented written acknowledgement of this from the appropriate school district, the Scottsdale Parks and Recreation Commission and any other responsible agency.

Response: Not applicable to this application.

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.

Response: Not applicable to this application.

3. In the case of proposed commercial, educational, cultural, 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 area.

Response: The proposed commercial component is situated on the western portion of the site along Scottsdale Road, which will provide appropriate access and visibility from this regional arterial transitioning to the eastern residential component of the mixed-use development. The overall intention of the design is to function seamlessly together as well as integrate with the surrounding mix of land uses and future land uses in the Crossroads East master plan.

This is a non-binding draft of a development agreement possibly to be created between the City of Scottsdale and BCB Group Investments, LLC and Scottsdale Crossroads Luxury Apartments, LLP, or related persons or entities. Neither party has made any promises to enter into this Agreement. Each party is free to break off negotiations at any time for any reason or for no reason. Each party proceeds at its own risk as to any expenditures, commitments, forbearances, or other actions in anticipation of a possible transaction involving any property. The city will not be bound by any agreement or other duty relating to this proposed transaction or any related negotiations unless and until a resolution is approved by the city's city council and becomes effective according to the terms of the approval. Developer's signature on the agreement prior to city's city council's approval shall be developer's covenant to enter into the agreement if city's city council approves it. This paragraph shall apply whether or not this notice is contained in future drafts of this document.

WHEN RECORDED RETURN TO:

CITY OF SCOTTSDALE
(Greg Bloemberg)
ONE STOP SHOP RECORDS
7447 East Indian School Road, Suite 100
Scottsdale, AZ 85251

C.O.S. Contract No. 2017-001-COS
(BCB Group Investments)
(Resolution No. 10675)

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into this _____ day of _____, 2016, by and between the City of Scottsdale, an Arizona municipal corporation ("City"), and BCB Group Investments, LLC, an Arizona limited liability company ("BCBGI"), and Scottsdale Crossroads Luxury Apartments, LLP, a Delaware limited liability partnership ("Crossroads"). BCBGI and Crossroads may collectively be referred to as "Developer" and together with City, referred to collectively as the "Parties").

RECITALS

A. Arizona Revised Statutes 9-500.05 authorizes the City to enter into a Development Agreement related to real property located inside the incorporated area of the City with a landowner or other person having an interest in the real property.

B. BCBGI purchased at auction from the Arizona State Land Department (ASLD), and BCBGI and Crossroads are the current owners of that certain real property located at the northeast corner of Scottsdale Road and Chauncey Lane more particularly described on **Exhibit "A"** (the "Property"), attached hereto and incorporated by this reference. The Property contains approximately 15 gross acres, and is currently comprised of individual parcels under separate ownership. A list of the individual parcels that comprise the Property, identified by tax identification number, legal description, and the name(s) of the legal owners of each parcel, is set forth on **Exhibit "B"** attached hereto and incorporated by this reference.

C. The Property is currently subject to the terms of: a development agreement as the successor in interest to the City's agreement with ASLD, Agreement No. 2002-141-COS, recorded in the Official Records of the Maricopa County Recorder at 2002-1240137, as amended by C.O.S Contract No. 2002-141-COS-A1, recorded in the Official Records of the Maricopa County Recorder at 20110923510 (hereinafter collectively the "State Land Development Agreement"). The State Land Development Agreement established certain obligations and development commitments for the Property. Developer, with others including ASLD, seek in a separate application to amend the Land Use Budget and certain development standards established in the State Land Development Agreement. The approval of amendments to the State Land Development Agreement is a condition precedent to the effectiveness of the Development Plan.

D. The Property is the site of one or more projects that have been or will be undertaken by Developer, or a successor to Developer who is the Owner of a Parcel (each and collectively the "Project"). To establish the regulatory structure for future development of the Property and the Project, the Developer has made development applications to the City with associated development plans (collectively, the "Development Plan") for a Zoning District Map Amendment, Case No. 19-ZN-2002#5, that requests the addition of a Planned Shared Development Overlay District ("PSD") in addition to the existing Planned Community District ("PC") with an underlying comparable zoning district of Planned Regional Center ("PRC"). The Development Plan and Case No. 19-ZN-2002#5 establish the regulatory regime under which the Project and Property will be developed ("Regulatory Approvals"). This Agreement is part of the requirements for approval of 19-ZN-2002#5.

E. The Regulatory Approvals establish the development standards for each parcel. These include but are not limited to development unit capacity ("DUC"), Gross Floor Area ("GFA") and Gross Floor Area Ratio ("GFAR"). The applicable DUC, GFA and GFAR and additional standards ("Development Attributes") are reflected in a budget for each individual parcel (the "Development Area Budget") set forth on page 2 of the attached **Exhibit "C."** The Development Area Budget sets forth the maximum Development Attributes for buildings and other development that may be constructed on each of the Parcels.

F. To effectuate the Development Plan, Developer seeks through the public hearing process mandated by section 9-462.01.A.12 to transfer development rights between individual parcels of the Property (each, a "Transfer of Development Rights"). This Agreement

memorializes and tracks the severance of development rights from the sending parcel and transfer to the receiving parcel in **Exhibit "D,"** attached hereto and incorporated by this reference.

G. This Agreement is consistent with the portions of City's general plan applicable to the Property on the date of this Agreement (the "General Plan"), including the Scottsdale Airport Master Plan.

H. The City and Developer acknowledge that development of the Project will result in various community benefits to the City and its residents (the "Community Benefits").

I. The City's governing body has authorized execution of this Agreement by Resolution Number 10675.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and the mutual promises and representations contained herein, Developer and City agree as follows:

1. Recitals. The recitals set forth above are incorporated into this Agreement by reference.
2. Definitions.

2.1 "Development rights" means the maximum development that would be allowed on the sending property under the City's general and any applicable specific plan and the City's zoning ordinance in effect on May 17, 2016, the date the City adopted Ordinance No. 4244 allowing the transfer of development rights in the PSD zoning overlay district.

2.2 "Owner" means the owner of a fee interest in a Parcel.

2.3 "Parcel" means a legal parcel created by a subdivision of the Property approved by the City.

2.4 "Receiving property" means a lot or parcel within which development rights are increased pursuant to a transfer of development rights.

2.5 "Sending property" means a lot or parcel with special characteristics, including farmland, woodland, desert land, mountain land floodplain, natural habitats, recreation or parkland, including golf course areas, or land that has a unique aesthetic, architectural or historic value that the City desires to protect from future development.

2.6 "Severance of development rights" means the process of removing specified development rights from a parcel.

2.7 "Transfer of development rights" means the process by which development rights from a sending property are affixed to one or more receiving properties.

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3. Term. The term of this Agreement shall be as follows:

3.1 Duration. The term of this Agreement shall commence on the date this Agreement is approved by the City Council, signed by all parties, and recorded in the Office of the Maricopa County Recorder, and will continue in effect until all obligations and rights of the parties under this Agreement have been performed, terminated by mutual written agreement of all parties, or have expired.

3.2 Effect of Termination or Expiration on Regulatory Approvals. Termination or expiration of this Agreement shall have no effect on the Regulatory Approvals, which shall continue to be enforceable according to their terms. Any notice of termination or expiration of this Agreement shall so state.

3.3 Referendum. If the Regulatory Approvals are invalidated by a referendum, then this Agreement shall be void ab initio.

4. Project & Zoning. Developer's development of the Property and the Project shall comply with the following:

4.1 No Construction Obligation. Developer has no obligation to develop the Property or any portion of the Project; provided however that all further construction of the Project shall be performed in compliance with the Development Plan, Regulatory Approvals and the terms and conditions of this Agreement.

4.2 Development Area Budget and Allocation. The Property's total, and any individual parcel's assigned allocation, of the Development Area Budget shall not exceed the maximum Development Attributes specified in the Development Plan and Regulatory Approvals, attached hereto as **Exhibit C** and incorporated by this reference. Any change to a parcel's specified Development Attributes, or any future transfer of development rights requires an application signed by all owners and lienholders of parcels in the Property and is subject to the notice and hearing requirements of section 9-462.04 of the Arizona Revised Statutes.

4.2.1 The Developer may subdivide a Parcel (the "Parent Parcel") of the Property in to two or more smaller parcels (each, a "Child Parcel") and allocate Development Attributes to, and determine the development standards under the PSD for, each Child Parcel. The total Development Attributes allocated to all Child Parcels in such subdivision shall not exceed the amount of Development Attributes allocated to the Parent Parcel, unless Developer allocates additional, unallocated Development Attributes from the Development Area Budget to such Child Parcels pursuant to the application, notice and hearing, and approval process specified in Section 4.2. Developer hereby waives the provisions of section 33-1205.A of the Arizona Revised Statutes, and agrees that the Property or any parcel or portion thereof will never be subdivided into a condominium and/or timeshare development.

4.2.2 The Developer may combine two or more Parcels into one Parcel (a "Combined Parcel") and allocate Development Attributes to the Combined Parcel. The total

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Development Attributes allocated to the Combined Parcel shall not exceed the total amount of Development Attributes previously allocated to the Parcels comprising the Combined Parcel, unless Developer transfers additional development rights to such Combined Parcel pursuant to the application, notice and hearing, and approval process specified in Section 4.2.

4.3 Planned Shared Development Common Areas. Developer shall establish a property management association ("Association") to maintain all common areas, shared facilities, or community-owned property shown on the Development Plan for the Property (collectively, "Common Areas"). Developer shall obligate such Association to record a Master Declaration of Easements, Covenants, Conditions and Restrictions ("ECR") with the Maricopa County Recorder's Office identifying how such Common Areas will be maintained.

4.4 PSD Indemnity. In addition to all other obligations hereunder, Developer (and all other persons claiming through Developer or claiming rights under this Agreement), Association, Property Manager, and existing and future owners of parcels within the Property's boundaries jointly and severally shall pay, indemnify, defend and hold harmless the City, and the City's employees, officials, representatives, and agents from and against any and all claims or harm related to the Property or any portion thereof arising from the development of the Property, the division of the Property, or the Property's being subject to the application of the PSD Ordinance (the "Indemnity"). Without limitation, this Indemnity shall include and apply to any and all allegations, demands, judgments, assessments, taxes, impositions, expenses, proceedings, liabilities, obligations, suits, actions, claims (including without limitation claims of personal injury, bodily injury, sickness, disease, death, property damage, destruction, loss of use or other impairment), damages, losses, expenses, penalties, fines or other matters (together with all attorney fees, court costs, and the cost of appellate proceedings) that may arise in any manner out of the development of the Property, the division of the Property, or the Property's being subject to the application of the PSD Ordinance pursuant to the Regulatory Approvals or this Agreement.

5. Transfer of Development Rights.

5.1 Development Area Budget. The Development Plan approved in Case No. 19-ZN-2002#5 establishes the Development Area Budget assignments and determines the development standards applicable under the PSD for all Parcels that make up the Property. Upon the expiration of thirty days, or upon the final resolution of any referendum filed against 19-ZN-2002#5, Developer, all property owners, all lienholders, and all interested persons holding an interest in real property for any portion of the Property, shall sign the Transfer of Development Rights form attached as **Exhibit "E"** and the Severance of Development Rights form attached as **Exhibit "F,"** and submit them to the City for recordation in the Maricopa County Recorder's Office. No development applications, building permits, or other city approvals for the Property will be approved until the applicable Transfer of Development Rights and Severance of Development Rights form is recorded as provided in this subsection.

5.2 Dividing and Combining a Parcel(s) of the Property. Concurrent with the recordation of a final plat approved by the City, the Development Area Budget of the affected lots shall be similarly divided pursuant to the procedures specified in sections 4.2.1 and 4.2.2, and all severed and transferred rights shall be memorialized as described in section 5.1.

6. City Contact and Property Manager.

6.1 City Contact. The City contact shall be Greg Bloemberg, 480-312-4306.

6.2 Appointment of Property Manager. Developer hereby appoints BCBGI as the Property Manager for all purposes under this Agreement.

6.3 Responsibility of Property Manager. The Property Manager shall be solely responsible for complying with all City Requirements in a timely and professional manner, and maintaining and repairing the Shared Facilities, as reasonably determined necessary by the City in accordance with the City Requirements.

6.4 Assurance of a Property Manager. Developer and all present and future property owners shall assure that the Property shall always have an appointed Property Manager. If the Property has no designated Property Manager, the City shall deem Developer and all property owners to be in default under this agreement. Developer and its successors shall have the right to replace the Property Manager with the City's consent (which consent shall not be unreasonably withheld) upon notice to the City pursuant to paragraph 17.6, Notices.

7. Declaration of Easements, Covenants, Conditions & Restrictions.

7.1 ECRs. The ECRs shall address the following to the City's satisfaction:

7.1.1 Responsibility for Shared Facilities. Developer understands that (a) certain common area improvements on the Property are Shared Facilities, and (b) each Owner must pay assessments for complying with all City requirements and for maintaining and repairing the Shared Facilities, as reasonably determined necessary by the City.

7.1.2 Ownership of Shared Facilities. All Shared Facilities shall be identified in the ECRs. If some of the Shared Facilities are to be shared by the Owners, then the ECRs shall identify which Owner is responsible for which Shared Facilities.

7.1.3 Assessments. The Property Manager shall have authority to assess and collect fees for complying with City requirements and for maintaining and repairing the Shared Facilities.

7.2 Duration. The ECRs shall remain in existence as long as the Property is developed with a PSD overlay.

7.2.1 Amendments. In no event shall the ECRs be amended so as to alter the provisions that require the Owners to share responsibility for maintaining and repairing the Shared Facilities without the City's prior written consent.

7.2.2 Delivery. A copy of the ECRs has been delivered to the City.

8. Breach & Remedies. Developer shall comply with, perform and do each performance and thing required of Developer under this Agreement. Developer's failure to do so shall be a breach by Developer of this Agreement.

9. Events of Default. Developer shall be in default (an "Event of Default") if Developer fails or neglects timely and completely to do or perform or observe any material provision of this Agreement, the Regulatory Approvals, or the Development Area Budget, and such failure or neglect continues for a period of one hundred twenty (120) days after City has notified Developer in writing of such failure or neglect. If Developer begins to cure the default within this time period, the one hundred twenty (120) day period shall be extended an additional sixty (60) days upon Developer's request given by notice to City prior to the end of the one hundred twenty (120) day period.

10. City's Remedies. Upon the occurrence of any material Event of Default or at any time thereafter while such Event of Default remains uncured, City may, at its option and from time to time, exercise any, all, or any combination of the following cumulative remedies in any order and repetitively at City's option:

10.1 Issue a stop work order and/or refuse to issue any permits or process development applications for the Property until the default is cured.

10.2 Abate at Developer's expense any violation of this Agreement.

10.3 Be excused without any liability to Developer therefor from further performance of any or all of City's obligations under this Agreement.

10.4 Insist upon Developer's full and faithful performance under this Agreement during the entire remaining term of this Agreement.

10.5 Assert, exercise or otherwise pursue at Developer's expense any and all other rights or remedies, legal or equitable, to which City may be entitled.

10.6 Notwithstanding the foregoing, Developer shall not be liable for punitive or other exemplary or multiple damages.

11. City Default and Developer's Remedies. Upon any material breach of this Agreement by City not cured within one hundred twenty (120) days after notice from Developer, Developer may pursue any and all remedies, legal, equitable or otherwise, to which Developer may be entitled. Notwithstanding the preceding sentence or anything else in this Agreement and as a

condition of City's willingness to enter into this Agreement, the following limits shall apply to this Agreement:

11.1 City shall not be liable for any punitive or other exemplary or multiple damages.

11.2 Each Owner hereby unconditionally and irrevocably waives on behalf of itself and all persons claiming through an Owner or through this Agreement or under or related to this Agreement any remedies inconsistent with these limitations.

11.3 All limitations on Owner's remedies shall also apply to all remedies against City's officers, employees and other agents and representatives and any other person for whom City may in any event be liable for any reason.

11.4 All limitations on an Owner's remedies shall apply to any other party and to any person otherwise asserting against City, any claim whatsoever related to this Agreement.

12. Non-waiver and City Contract Administrator Authority. No failure by City or an Owner to demand any performance required of the other under this Agreement, and no acceptance by City or an Owner of any imperfect or partial performance under this Agreement, shall excuse such performance, or waive or impair in any way the other's ability to insist, prospectively and retroactively upon full compliance with this Agreement. Only the City's Zoning Administrator or designee shall be authorized to administer this Agreement for City or speak for City regarding this Agreement.

13. Compliance with Law. Each Owner shall comply with all federal, state, county and local laws, ordinances, regulations or other rules or policies that affect the Property as are now in effect or as may hereafter be adopted or amended.

14. Assignability. This Agreement may be assigned or transferred by the Developer (or any of the entities that comprise "Developer" with respect to such entity's interest herein or a particular Parcel), in whole or in part, by written instrument, to any subsequent Owner of all or any portion of the Property. Notice of any transfer or assignment in accordance with this paragraph shall be provided by Developer or the transferor entity (or its successor or assign) to the City.

15. Unified Project Intent. City is entitled to hold the Developer (or its successors and assigns, if applicable) responsible for all performances under this Agreement. City and Developer expressly do not intend that Developer's rights under this Agreement be divisible, except as already described in this Agreement, for any reason into multiple contracts, agreements or other arrangements between City and numerous Property owners. City and Developer intend that City only be obligated to deal with one designated representative of all of the entities standing in the position of Developer (the "Developer's Designated Representative") from time to time and not be burdened with any management, maintenance or other responsibilities related to development or occupation of the Property by multiple entities, such as resolving or being hindered by disagreements between entities regarding Developer's performance of its duties

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under this Agreement, and that City not be burdened by usage, financial or other issues among various persons using the Property pursuant to this Agreement. All of those duties are to be performed by Developer (or its successors or assigns, if applicable), which is responsible to see that all persons developing or using the Property, including without limitation any owners' associations and their members, resolve among themselves their respective responsibilities for all performances under this Agreement, none of which limits or otherwise affects City's rights under this Agreement. Developer may change the Developer's Designated Representative from time to time by written notice to City. Developer hereby designates Alexandra Schuchter as the Developer's Designated Representative under this Agreement, until further written notice from Developer is given to City.

16. Estoppel Certificates. The Parties acknowledge and agree to provide to any other Party and such other third parties such as lenders, partners and equity providers such estoppel certificates as to a Parcel with respect to their Parcel and its compliance with respect to its compliance with this Agreement and such other matters as reasonably requested.

17. Miscellaneous. The following additional provisions apply to this Agreement:

17.1 Amendments. This Agreement may not be amended except by a formal writing executed by all of the parties.

17.2 Severability. If any term, condition, covenant, stipulation, agreement or provision in this Agreement is held to be invalid or unenforceable for any reason, the invalidity of any such term, condition, covenant, stipulation, agreement or provision shall in no way affect any other term, condition, covenant, stipulation, agreement or provision of this Agreement.

17.3 Conflicts of interest. No member, official or employee of City shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement, which is prohibited by law. This Agreement is subject to the cancellation provisions of A.R.S. Section 38-511.

17.4 No Partnership. This Agreement and the transactions and performances contemplated hereby shall not create any sort of partnership, joint venture or similar relationship between the parties.

17.5 Non-liability of City Officials and Employees. No member, official, representative or employee of City shall be personally liable to any party, or to any successor in interest to any party, in the event of any default or breach by City or for any amount that may become due to any party or successor, or with respect to any obligation of City related to this Agreement.

17.6 Notices. Notices hereunder shall be given in writing delivered to the other party or mailed by registered or certified mail, return receipt requested, postage prepaid, or by FedEx or other reliable overnight courier service that confirms delivery, addressed to:

If to City: Zoning Administrator
City of Scottsdale
7447 E. Indian School Rd., Suite 105
Scottsdale, AZ 85251

Copy to: City Attorney
City of Scottsdale
3939 Drinkwater Blvd.
Scottsdale, AZ 85251

If to Property Manager: _____

If to Developer: BCB Group Investments LLC

Copies to: Kris Bailey
Lake & Cobb
1095 Rio Salado Parkway, Suite 206
Tempe, AZ 85281-2610

By notice from time to time in accordance herewith, either party may designate any other street address or addresses as its address or addresses for receiving notice hereunder. Service of any notice by mail in accordance with the foregoing shall be deemed to be complete three (3) days (excluding Saturday, Sunday and legal holidays) after the notice is deposited in the United States mail. Service of any notice by overnight courier in accordance with the foregoing shall be deemed to be complete upon receipt or refusal to receive.

17.7 Integration. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof.

17.8 Construction. Whenever the context of this Agreement requires, the singular shall include the plural, and the masculine shall include the feminine. This Agreement was negotiated on the basis that it shall be construed according to its plain meaning and neither for nor against any party, regardless of their respective roles in preparing this Agreement. The terms of this Agreement were established in light of the plain meaning of this Agreement and this Agreement shall therefore be interpreted according to its plain meaning and without regard to rules of interpretation, if any, that might otherwise favor Developer or City.

17.9 Paragraph Headings. The paragraph headings contained herein are for convenience in reference and not intended to define or limit the scope of any provision of this Agreement.

17.10 No Third Party Beneficiaries. No person or entity shall be a third party beneficiary to this Agreement or shall have any right or cause of action hereunder. City shall have no liability to third parties for any approval of plans, Developer's construction of improvements, Developer's negligence, Developer's failure to comply with the provisions of this Agreement, or otherwise as a result of the existence of this Agreement.

17.11 Exhibits. All exhibits attached hereto as specified herein are hereby incorporated into and made an integral part of this Agreement for all purposes.

17.12 Attorneys' Fees. If legal action is brought by any party because of a breach of this Agreement or to enforce a provision of this Agreement, the prevailing party is entitled to reasonable attorneys' fees and costs as determined by the court or other decision maker.

17.13 Choice of Law. This Agreement shall be governed by the internal laws of the State of Arizona without regard to choice of law rules.

17.14 Venue & Jurisdiction. Legal actions regarding this Agreement shall be instituted in the Superior Court of the County of Maricopa, State of Arizona, or in the Federal District Court in the District of Arizona sitting in Maricopa County. City and Developer agree to the exclusive jurisdiction of such courts. Claims by Developer shall comply with time periods and other requirements of City's claims procedures from time to time.

17.15 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall be deemed to be one and the same instrument.

EXECUTED as ____ day of _____, 2016.

DEVELOPER: **BCB Group Investments, LLC,**
 an Arizona limited liability company

By: _____
Its: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF ARIZONA)
) ss.
COUNTY OF _____)

On _____, 20____, before me, _____ Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Arizona that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

(Place notary seal above)

CITY OF SCOTTSDALE,
an Arizona municipal corporation

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

ATTEST:

Carolyn Jagger, City Clerk

APPROVED AS TO FORM:

Bruce Washburn, City Attorney
By: Margaret Wilson, Assistant City Attorney

STATE OF ARIZONA)
) ss.
COUNTY OF Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016, by W. J. "Jim" Lane, Mayor of the City of Scottsdale, an Arizona municipal corporation.

Notary Public

My Commission Expires:

EXHIBIT "A"

LEGAL DESCRIPTION OF ENTIRE PROPERTY

LOT 2 AND LOT 3 OF THE FINAL PLAT FOR THE CROSSROADS, ACCORDING TO BOOK 1168 OF MAPS, PAGE 22 OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA, SITUATED IN THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 4 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXHIBIT "B"

LEGAL DESCRIPTIONS OF OWNERSHIP PARCELS

Parcel Number 215-07-391

Title Owner BCB Group Investments, LLC

Legal Description Lot 3 of the Final Plat for The Crossroads, Book 1168 of Maps, Page 22,
Official Records of Maricopa County, Arizona.

Parcel Number 215-07-390

Title Owner Scottsdale Crossroads Luxury Apartments LLP

Legal Description Lot 2 of the Final Plat for The Crossroads, Book 1168 of Maps, Page 22,
Official Records of Maricopa County, Arizona.

EXHIBIT "B" Continued

LEGAL DESCRIPTIONS

EXHIBIT "C"
DEVELOPMENT PLAN AREA

SEE ATTACHED

EXHIBIT C
Page 1 of 1

Contract No. 2016-XXX-COS
(Resolution No. XXX)

SCOTTSDALE ROAD

CHAUNCEY LANE

GRAPHIC SCALE IN FEET
0 60 120 240

73RD PLACE



EXHIBIT "D"

**SCHEDULE LISTING RIGHTS SEVERED FROM SENDING PARCEL
AND TRANSFER TO RECEIVING PARCEL**

SEE ATTACHED

EXHIBIT D
Page 1 of 1

Contract No. 2016-XXX-COS
(Resolution No. XXX)

EXHIBIT D - SCHEDULE LISTING RIGHTS SEVERED FROM SENDING PARCEL AND TRANSFERED TO RECEIVING PARCEL

		Net Area		Public Open Space			Frontage Open Space		
		SF	Acres	Code Required	Sending/ (Receiving)	Minimum Obligation	Code Required	Sending/ (Receiving)	Minimum Obligation
Sending Parcel	BCB Group Investments, LLC	342,746	7.87	3,427	739	4,166	12,853	7,025	19,878
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	187,330	4.30	1,873	(739)	1,135	7,025	(7,025)	0
		530,076	12.17	5,301	0	5,301	19,878	0	19,878

		Parking Stalls (for Parking Lot and Landscape Island Calcs)	Parking Lot Landscaping			Landscape Island Planting		
			Code Required	Sending/ (Receiving)	Minimum Obligation	Code Required	Sending/ (Receiving)	Minimum Obligation
Sending Parcel	BCB Group Investments, LLC	149	6,035	173	6,208	2,012	1,864	3,876
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	217	8,789	(173)	8,616	2,930	(1,864)	1,066
		366	14,823	0	14,824	4,941	0	4,942

		Gross Area		Multi-Family Units		
		SF	Acres	Code Allowed	Sending/ (Receiving)	Units Allowed
Sending Parcel	BCB Group Investments, LLC	451,269	10.36	225	225	0
Receiving Parcel	Scottsdale Crossroads Luxury Apartments, LLP	199,127	4.57	100	(225)	325
		650,396	14.93	325	0	325

EXHIBIT "E"

TRANSFER OF DEVELOPMENT RIGHTS FORM

EXHIBIT E
Page 1 of 1

Contract No. 2016-XXX-COS
(Resolution No. XXX

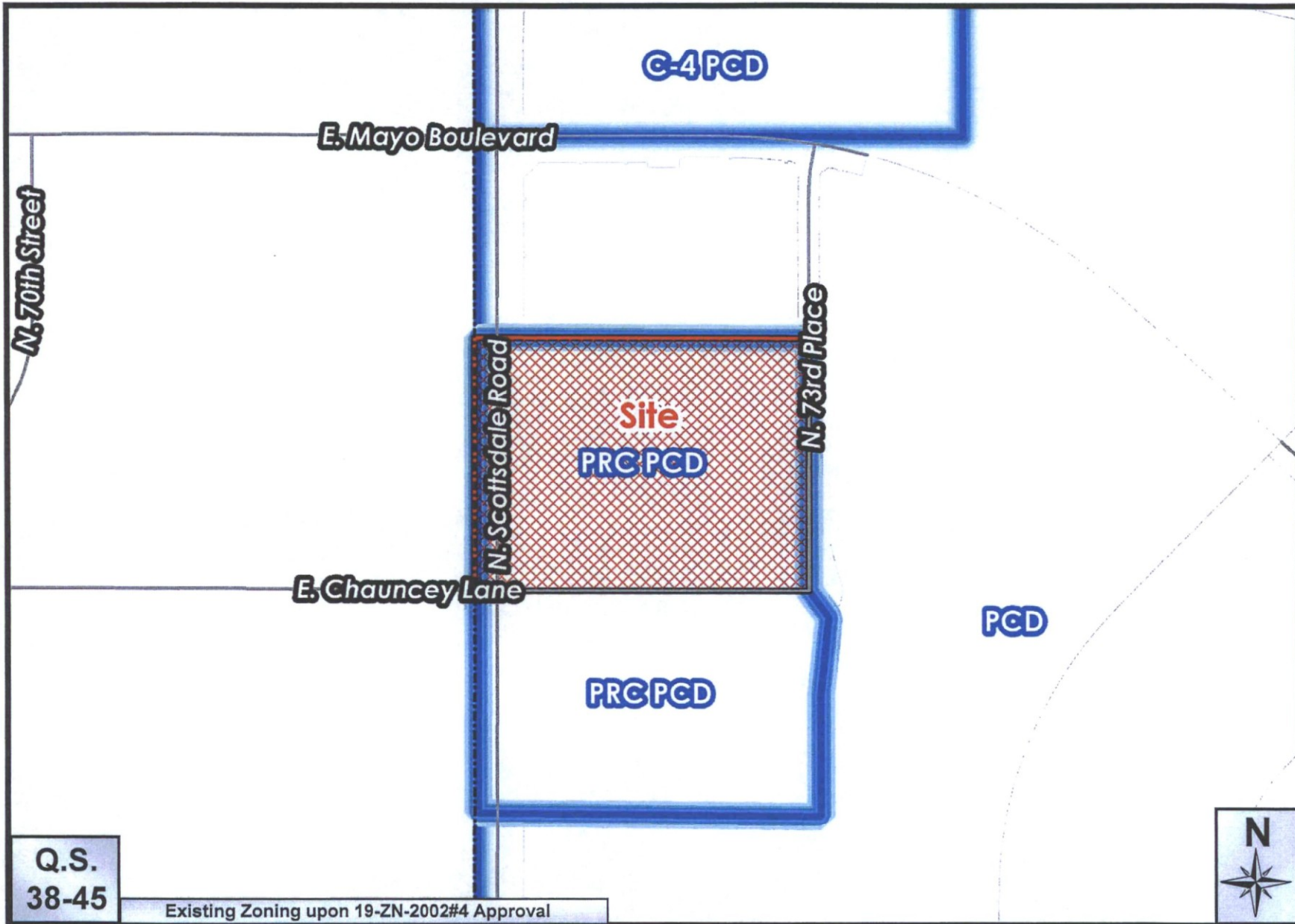
EXHIBIT "F"

SEVERANCE OF DEVELOPMENT RIGHTS FORM

EXHIBIT F
Page 1 of 1

Contract No. 2016-XXX-COS
(Resolution No. XXX

[illegible]



BCB Group Investments PSD (Crossroads)

19-ZN-2002#5



Q.S.
38-45

Proposed Zoning

BCB Group Investments PSD (Crossroads)

19-ZN-2002#5



Nationwide Real Estate Services

From: Alexandra Schuchter
Diversified Partners, LLC
Date: May 25, 2016
Subject: Re-Zoning for Lot 2 and Lot 3 of Crossroads

To Whom It May Concern:

The purpose of this letter is to inform you that a Re-Zoning Application for Lot 2 and Lot 3 of the Crossroads has been submitted to the City of Scottsdale. You are receiving this notification because your property is located within 750 feet of the subject parcel, or because you are on the City of Scottsdale "Interested Parties" list.

This re-zoning action will consist of adding a Planned Shared Development overlay (PSD) to the existing PCD zoning. The PSD overlay district will result in development standards for Lot 2 and Lot 3 being defined by their overall perimeter boundary, rather than applying standards to the individual lots within the perimeter boundary. The City of Scottsdale case number for this project is 346-PA-02 and the City Staff contact is Greg Bloemberg (gbloemberg@scottsdaleaz.gov, 480-312-4306). More information can be found at www.scottsdaleaz.gov/planning. A site location map is attached.

An open house will be held at Bell Lexus North Scottsdale (18555 N. Scottsdale Rd) on June 7, 2016 at 6:30 PM.

Should you have any questions, please feel free to contact me at 480-947-8800 or at Alexandra@dpcr.com.

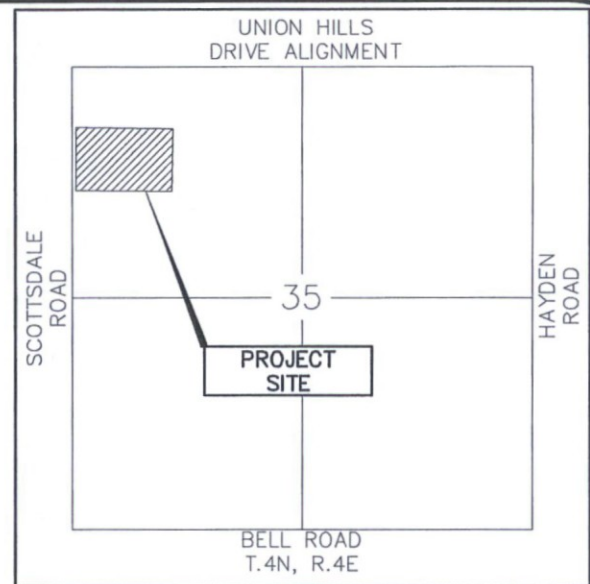
Sincerely,

A handwritten signature in black ink, appearing to be 'AS' followed by a long, sweeping horizontal line.

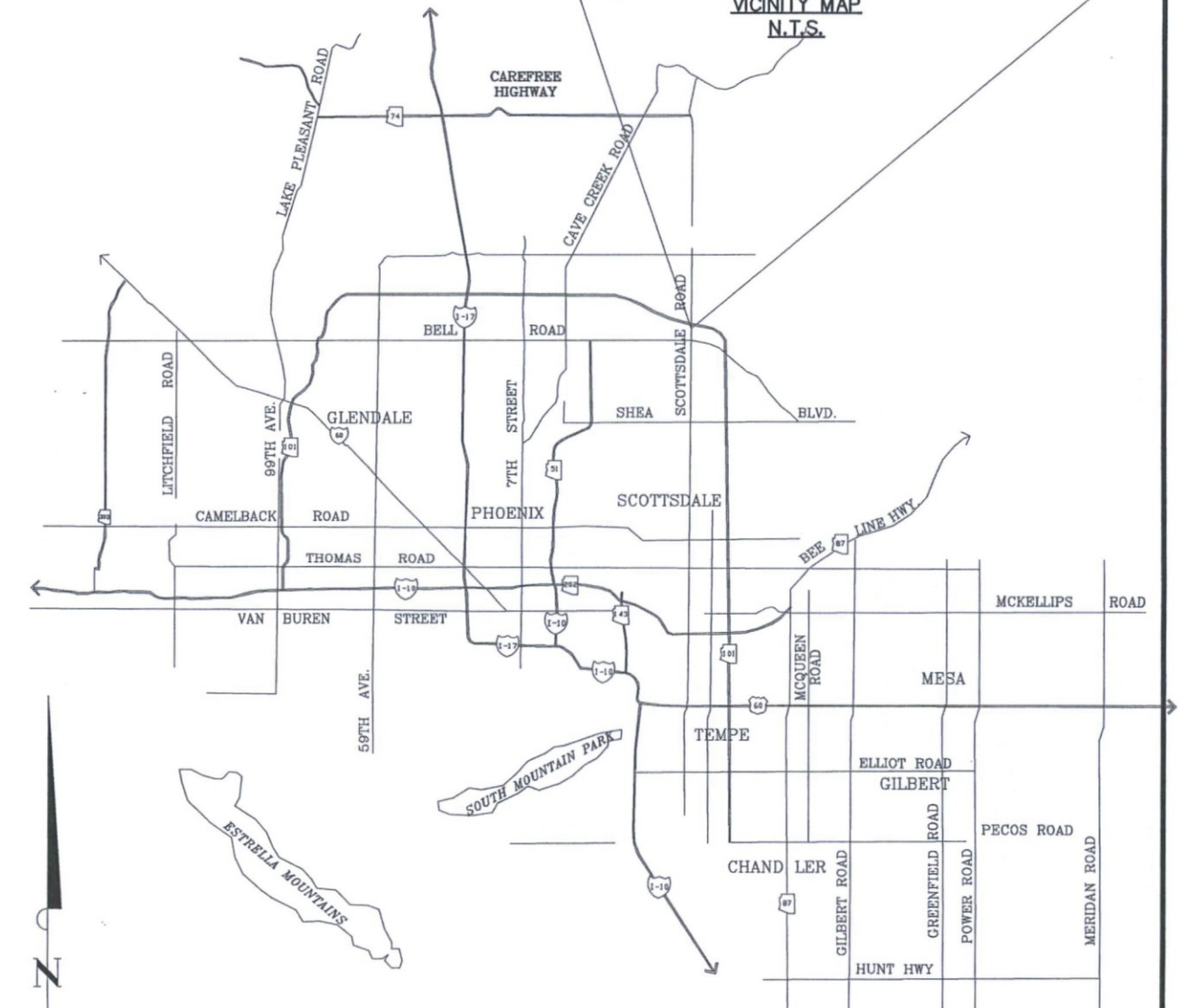
Alexandra Schuchter

PROJECT INFORMATION

SITE ADDRESS: NEC OF SCOTTSDALE ROAD
AND CHAUNCEY LANE



VICINITY MAP
N.T.S.



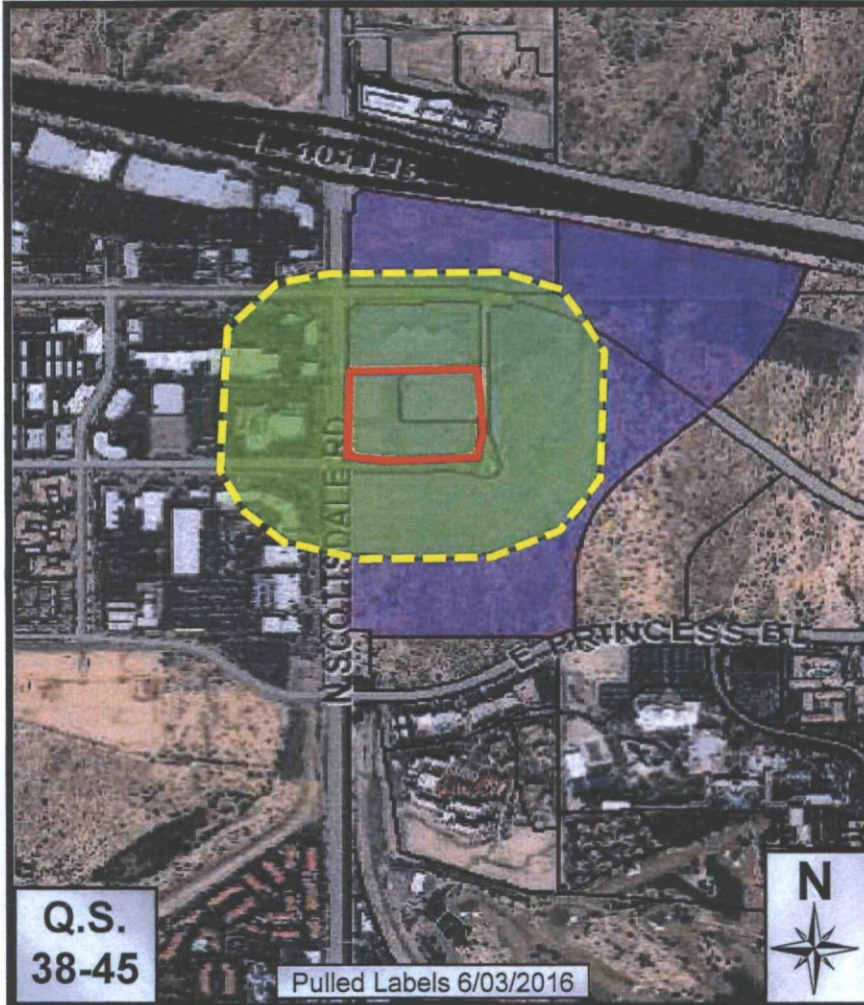
(N.T.S.)

SITE LOCATION MAP



Kimley-Horn
and Associates, Inc.

City Notifications – Mailing List Selection Map



Map Legend:



Site Boundary



Properties within 750-feet

Postcards - 36

Additional Notifications:

- Interested Parties List
- Adjacent HOA's
- P&Z E-Newsletter
- Facebook
- Twitter
- Nextdoor.com
- City Website-Projects in the hearing process

**BCB Group Investments PSD
(Crossroads)**

19-ZN-2002#5