

# PACESETTER REZONE PROJECT NARRATIVE

For property located approximately at the northwest corner of Princess Drive and Pacesetter Way

## **Request**

Rezoning from Planned Community District with comparable Industrial Park District (PCD I-1) zoning

To

Planned Community District with comparable Commercial Office (PCD CO)

**Case 179-PA-2023**

**First Submittal: May 11, 2023**

**First Resubmittal: June 14, 2023**

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### Request

The request Meridian Veterinary Real Estate ("Developer") of Maricopa County Assessor's Parcel # 215-07-221 seek to rezone a 61,843 square foot developed parcel within the City's Perimeter Center development. The parcel is located at the northwest corner of Princess Drive and Pacesetter Way at 17470 N. Pacesetter Way ("Property"). The rezoning request intends to update the zoning for the parcel from an industrial park zoning district to a commercial office-zoning district. A two-story office building existed on the property since it was developed in the early 2000's. The C-O zoning district is a more appropriate zoning category for the existing office building use and a planned veterinary hospital land use within the existing building.

### Background/History

The Property is located within the Perimeter Center, which is located on the inside curve of the Loop 101 highway. The Perimeter Center was originally zoned in the late 1980's as part of the larger Core South master plan that included a much larger land mass of properties along the north and south sides of the (at the time) future freeway alignment. The Perimeter Center developed out as mainly an office park with ancillary commercial and hotel uses within the overall area. The Property has been developed since the early 2000's and shares access with the office property to west and a vacant property to the north.

### Surrounding Context

The Property is within the central/western portion of the Perimeter Center. The adjacent parcel to the west shares vehicular access with the Property. An internalized community storage use is proposed for the vacant parcel to the north. The area is primarily developed out as an office park with some industrial uses. The closest single-family residence to the Property is approximately 550+ feet to the northwest off 82<sup>nd</sup> Street.

### 2035 General Plan

The Property is designated as Light Industrial/Office on the City's General Plan Future Land Use Map (see below). The rezoning to C-O is consistent with this land use designation. The Employment-Light Industrial/Office land use areas provide a variety of employment opportunities, business enterprises, aviation uses [see Greater Airpark Character Area Plan], light manufacturing, warehousing, and other light industrial and heavy commercial type activities. Light Industrial/Office uses should be located and designed to limit impacts on and access to residential neighborhoods. These areas should also have excellent access to labor pools and transportation networks. Major streets serving Light Industrial/Office areas should accommodate truck traffic. Transit facilities and other multimodal options are also needed at significant employment centers to accommodate commuters and minimize traffic congestion. The parcels within Perimeter Center with this land use designation include C-2, C-O, I-1, and PCP. All of these zoning districts allows for the implementation of the goals of the Light Industrial/Office land use designation.

## 2035 General Plan Land Use Map



Furthermore, with the construction of the Loop 101/Pima Freeway and a concentrated mixed-use land use pattern near the Scottsdale Airport, this area, more commonly known as the Greater Airpark Character Area, has emerged as one of the most significant employment and business cores within the State of Arizona. These regional land uses, along with the city's land preservation efforts, have contributed to Scottsdale's economy, which in turn contributes to a high quality of life for residents. The Light Industrial/Office land use designation over the Perimeter Center area also creates the necessary buffer and non-noise sensitive uses at the north end of the airport's runway.

### Character and Design Element

The following are the applicable goals and approaches from the Character and Design Element of the City's General Plan.

Goal CD 1. Determine the appropriateness of all development in terms of community goals, surrounding area character, and the specific context of the surrounding neighborhood.

*Response: The proposal is an appropriate zoning district land use for this area of the City. There has been a long standing animal hospital use directly adjacent to the Property and the buyer intends to improve the interior of the building to allow for an expansion of the adjacent animal hospital use. The existing animal hospital use has been a community asset for approximately twenty (20) years for this area of Scottsdale.*

Goal CD 2. Develop, maintain, and refine Character Areas and Character Area Plans to foster quality development and consistent character and context within various areas of the community.

*Response: This building is a timeless office design in an up-scale office park (Perimeter Center). The rezoning will not change the exterior of the building but allow for an appropriate re-use of the interior of the building, therefore maintaining the quality office park design and character of the area.*

CD 3.1 Strengthen Scottsdale's economic and environmental attributes, distinctive character, and attractiveness through collaborative site planning and design.

*Response: The site and building will remain as part of the rezoning and maintain the streetscape and building character that has been existing since development of the Property in the early 2000's. This proposal will work collaboratively with the existing animal hospital to create a veterinary services core in the Perimeter Center business park.*

*Furthermore, the photo chosen to describe 'employment cores' in the city's General Plan document includes the Property and the current office building along with the adjacent existing animal hospital building in the forefront (see below).*

## **Employment Core**

■ **Employment Cores** are primary employment centers for the city. These areas are predominately concentrated in the Greater Airpark Character Area, a mixed-use employment core with primary freeway access, as well as around other major employment campuses, such as the Mayo Clinic and General Dynamics. Employment Cores support a wide range of activities, such as aviation, light-industrial, and regional- and community-level employment uses. These areas consist of multi-functional buildings with an emphasis on technology and corporate character. Taller building heights are found within the core, and low-scale building heights are typically found within the transition areas adjacent to Rural and Suburban Character Types. The Greater Airpark Character Area Plan denotes appropriate locations for height and intensity in the Airpark area. (See also: Growth Areas Element).



## Land Use Element

Goal LU 1. Enhance Scottsdale's economic viability by encouraging land uses that reinforce the city's reputation as the premier international tourist destination in the Southwest and sustain the city's role as a regional cultural center and economic hub. Land uses should be compatible with Scottsdale's character and physical appearance.

*Response: The goal of the rezoning case is to allow the re-purposing of the interior of the building. An animal hospital land use is allowed within the C-O zoning district. The rezoning change essentially rezones an office building to 'office' zoning. This logical rezoning proposal substantially supports the adjacent animal hospital use and allows for continued success of a community asset for twenty years in this area of the City. The proposal creates a land use that contributes to the character of the community and sustains a viable economic base.*

Goal LU 4. Develop context appropriate land use patterns that support a variety of compatible mobility choices and services.

*Response: The proposed rezoning essentially maintains the status quo of this end of the Perimeter Center. The adjacent animal hospital property and this Property share vehicular cross-access since both properties developed in the early 2000's. The re-use of the office building on the Property locates similar employment uses where impacts on residential neighborhoods are limited. The proposal is a perfect transition of the animal hospital into an adjacent building that shares access, parking and open space. The concentration of similar uses supports simple mobility choices for the residents of the City.*

Goal LU 6. Attract and retain diverse employment, business, and retail land uses to improve the economic well-being of Scottsdale's residents.

*Response: The proposal places a similar and compatible land use adjacent to a 20-year community staple in this area of the City. The rezoning allows for an expansion of sorts to create a core veterinary services land use in an office-park setting. The rezoning and future potential land use will allow the existing, adjacent land use to remain and create a logical expansion onto the Property with shared vehicular and pedestrian access.*

## **Economic Vitality Element – Goals and Approaches**

Goal EV 1. Foster Scottsdale's resiliency to economic change through support of our core industries (e.g., tourism, healthcare, bio/life sciences, advanced business services), assets, regional competitiveness, and economic diversity.

*Response: The rezoning will create a similar land use option to the existing zoning. Since the requested commercial office zoning is more appropriate for the existing two-story office building, the loss of such a small I-1 zoning parcel has no effect on the available light industrial property in the area. A majority of the Perimeter Center is zoned Industrial Park*

*District. The rezoning will enhance the healthcare/bio/life sciences for residents 'pets' through a simple rezoning process to re-utilize the existing office building.*

EV 1.2 Support retention and expansion of established businesses, and provide resources for businesses to adapt to changing market conditions.

*Response: The proposal intends to redevelop and provide for an expansion of the existing adjacent animal hospital use that has been serving the citizens of Scottsdale for 20 years. This rezoning retains and allows for the expansion of this use on an adjacent site that shares access and parking. The existing, adjacent animal hospital use is seeking to adapt to changing markets by providing for specialized veterinary services and requires expanded space to fulfill that goal.*

### **Greater Airpark Character Area Plan**

The Property falls within the Greater Airpark Character Area plan ("GACAP") limits. The following are some responses to the applicable goals and policies within the GACAP.

GOAL LU 1: Maintain and expand the Greater Airpark's role as a national and international economic destination through appropriate land uses, development, and revitalization.

- Policy LU 1.1 Maintain and expand the diversity of land uses in the Greater Airpark.
- Policy LU 1.2 Support a mix of uses within the Greater Airpark that promote a sense of community and economic efficiency, such as clustering similar/supportive uses and incorporating residential intended for the area's workforce, where appropriate
- Policy LU 1.3 Promote development intensities supportive of existing and future market needs.
- Policy LU 1.4 Encourage the redevelopment of underutilized land to more productive uses.
- Policy LU 1.5 Maintain and continue to foster dialogue between the City of Scottsdale and Arizona State Land Department to facilitate innovative use and development of State-owned land.
- Policy LU 1.6 Encourage the assemblage of small, inefficient parcels and the replacement of obsolete structures in the Greater Airpark utilizing strategies including, but not limited to, development flexibility and expedited processing of proposals.
- Policy LU 1.7 Encourage adaptive reuse of buildings.
- Policy LU 1.8 Prevent erosion of Greater Airpark Employment land uses through land use regulations, such as limiting retail and restaurants in areas designated for employment.

*Response: Policy 1.4, Encourage the redevelopment of underutilized land to more productive uses and Policy 1.7, Encourage adaptive reuse of buildings are applicable to this proposal. The rezoning will be provide a more productive use for the two-story office building. The office building will be improved to expand the medical/veterinary use on the adjacent parcel. The re-use of the existing office building is a small revitalization effort*

*within a portion of one of Scottsdale's elite employment centers, the Perimeter Center. The reuse of this building will expand on a successful medical use adjacent to the property and continue the economic vitality of the area. Although not specifically pertinent, Policy 1.6 above mentions 'development flexibility.' The allowance to utilize a zoning district consistent with the General Plan and GACAP demonstrates the flexibility to address a minor land use issue.*

GOAL LU 4 Utilize development types to guide the physical and built form of the Greater Airpark

- Policy LU 4.3 Encourage higher-scale Type C development in areas with access to major transportation corridors and where lower-scale residential areas will be buffered from higher-scale development.
- Policy LU 4.4 Support transitions in scale between development types.
- Policy LU 4.6 Transitions between development types should incorporate a blending in context of each development type, and integrate the characteristics between them through appropriate site and building design.
- Policy LU 4.7 Encourage greater visual variety between employment/commercial land uses and residential neighborhoods, and avoid continuous building shapes and mass adjacent to residential neighborhoods.

*Response: The Property falls within the Type C development type within the Development Types map of the GACAP. The Property only has a two-story building and is one property removed from a Type A area. Although the immediate Type A area is open space (ball fields), the existing buildings redevelopment will not have any Type C impacts to the nearby Type A areas. Furthermore, the reuse of the building will maintain the character of the site and allow the adjacent property to the west to maintain its two-story character adjacent to the Type A area across 82<sup>nd</sup> Street. Furthermore, the rezoning provides for a lower transition height from 52 feet (current I-1 zoning) to 48 feet (proposed C-O zoning). The Property is developed in a manner consistent with the surrounding business and industrial park while providing a transition in building height from allowed building height to developed building height.*

GOAL EV 3 Preserve and enhance tourism and visitor experiences of the Greater Airpark.

- Policy EV 3.2 Encourage complementary uses, such as specialty retail and hotels, to locate in the Greater Airpark in order to support tourist attractions.

*Response: The proposal preserves and enhances residents and visitors to this area of the Perimeter Center by strengthening and preserving a twenty-plus year veterinary animal hospital land use. The rezoning allows for the adjacent land use to remain in a centralized location for all Scottsdale and surrounding communities residents. Its location off the Loop 101 freeway and major roadway network in the area allows for side-by-side complimentary uses.*

The GACAP definition of Employment is as follows:

Employment (EMP) includes an array of office, commercial, warehousing, and light industrial land uses that provide opportunities for business enterprises, as well as regional and local jobs. These areas should have access to regional multi-modal transportation systems, including access for truck traffic and transit facilities. Residential is not appropriate in employment areas. Employment is appropriate adjacent to the Aviation Land Use area and within the Airport's 55 DNL areas or higher.

*Response: The Property falls within the EMP land use designation of the GACAP. The existing office building and surrounding adjacent uses have met the definition of EMP by providing for an 'array' of office uses that provide opportunities for business enterprises, as well as regional and local jobs. Although residential is not appropriate for properties designated with the EMP land use, the nearby residential (northwest) uses benefit from the nearby job opportunities and minimal commute times because of the Perimeter Center's location to nearby regional multi-modal transportation systems.*

## **VII. PCD Criteria**

**Section 5.2104** of the Zoning Ordinance states that before approval or modified approval of an application for a proposed P-C District, the Planning Commission and the City Council must find:

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

*Response: The proposed rezoning to Commercial Office is in substantial harmony with the General Plan's 'Employment: light industrial/office' land use designation. The proposal intends to use the existing two-story office building and re-purpose the interior to an existing adjacent land use.*

- 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: the street system in this area has been established for over 20 years. Princess Drive provides direct access to the Loop 101 freeway. The properties access and share access points are off minor collector roads for safe and convenient access for the community.*

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

- 1. In the case of proposed residential development, that such development will constitute a residential environment of sustained desirability and stability; that it will be in harmony with the character of the surrounding area; and that the sites

proposed for public facilities, such as schools, playgrounds and parks, are adequate to serve the anticipated population. The Planning Commission and City Council shall be presented written acknowledgment of this from the appropriate school district, the Scottsdale Parks and Recreation Commission and any other responsible agency.

*Response: There is no residential component to this proposal.*

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: Although the request is to change from industrial to office, the expanded animal hospital use could potentially provide for research uses as that particular industry continues to develop specialty hospital services. The proposed Property's adjacency with a long-standing animal hospital will create sustained desirability and stability for the existing adjacent use and stability for continued use of the property as such.*

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

*Response: The proposed commercial office zoning is an appropriate zoning designation. The zoning is appropriate for the Perimeter Center and is consistent with the overall planning and purpose of the area. By re-utilizing a quality office building, the Property will remain in harmony and character with the surrounding areas.*

## **Rezoning Proposal**

The requested rezoning is to allow for the continued use of the Property as an office building. The nuances in the land use table of the City's zoning ordinance allows for animal hospitals only in the C-O zoning district. The Perimeter Center has developed into one of the City's premier office and business parks. There are a variety of light industrial, office, commercial and hospitality uses that all complement one another. Much of the exterior building designs, site plans and landscape themes demonstrate a consistent office-park feel to the overall community.

The proposed rezoning presents no real change to the existing built environment. The proposal is to re-use the existing two-story building and site plan for the expansion of the existing adjacent animal hospital property. This coordinated approach to re-use retains a

significant centrally located animal hospital for the residents of Scottsdale. The zoning category provides for similar office uses present in the Perimeter Center.

The C-O zoning district allows for a few other land uses not afforded in the current I-1 zoning district. Hospitals and residential health care facilities are the two (2) uses that will be allowed if the zoning changes to C-O. Although these two (2) uses are not proposed with this application, the proposed zoning would allow for future consideration of these land uses. The Property's relatively small size (approx. 1.5 acres) does not lend itself to either of these uses being located on the parcel. The continued successful animal hospital core created by this rezoning will ensure this area of the Perimeter Center remains as it has been for the past twenty years.

### **Site Plan**

The existing site plan approved in the early 2000's will remain as is with this rezoning proposal. The existing cross access for vehicular and parking will remain and work in concert with the same uses on both properties. The site plan will continue to exemplify the Perimeter Center's quality building and site design standards established in the early 2000's.

### **Economic Impact**

The rezoning request provides for an opportunity to expand on one of the City's centrally located and long-standing animal hospitals. The re-use of the office building will have significant economic impact for this Property during an uncertain time in the office market. The zoning district, C-O, will allow for continued re-use of the building for future office users.

### **Circulation**

There will be no change to the circulation network surrounding the Property. The site plan will continue to provide cross access between the properties from Pacesetter Way across to 82<sup>nd</sup> Street.

### **Neighborhood Outreach**

We have submitted a comprehensive citizen participation plan as part of this submittal. Our initial open house was held on May 3, 2023. During the meeting, the Owner, potential buyer and Mr. Kurt Jones, the Owners and buyers representative, were present for the attendees to discuss the proposal. There were six (6) attendees at the open house held in the lobby conference room of the Property. Two (2) of the attendees were tenants of the building seeking information on when the building ownership would possibly change based on the rezoning process. Three (3) of the attendees were in favor of the rezoning request from the adjacent animal hospital. One (1) attendee was there to obtain information on the potential rezoning case. We will continue to update the citizen outreach as the case evolves through the City's submittal and review process.

### **Summary & Conclusion**

As discussed throughout this narrative, the proposed rezoning allows for an existing office parcel to be rezoned to a commercial office designation. The original zoning for a majority of the properties within the Perimeter Center properties was the industrial park zoning

district. Over the past twenty years, several parcels have rezoned utilizing the commercial office, planned airpark and commercial. The Perimeter Center continues to adapt and provide for first-class employment opportunities for Scottsdale. This rezoning request meets the intent and goals of the General Plan, provides for the expansion of an existing animal hospital use in a logical location and re-utilizes a quality two-story building for no net affect to any services, infrastructure or traffic.