



March 29, 2024

Jeff Barnes, Principal Planner  
Planning and Development Services  
City of Scottsdale  
3939 N. Drinkwater Blvd  
Scottsdale, AZ 85251

RE: Mercado Village  
**1-GP-2024**  
**H3682 (Key Code)**  
**1-ZN-2024**  
**6K913 (Key Code)**

Dear Mr. Barnes:

Thank you for providing these comments for review. The following is our responses to staff's first review comments regarding the above referenced case.

**Significant Zoning Ordinance or Scottsdale Revise Code Issues**

The following code and ordinance related issues have been identified and must be addressed with the resubmittal. Addressing these items is critical to determining the application for public hearing and may affect staff's recommendation. Please address the following:

**Current Planning:**

1. The proposed PUD zoning is a mixed-use district, but the proposed development plan configuration appears to only account for 8 "live-work" units and 5,000sqft of "co-work space". This is a departure from the level of commercial/office space that was included in the limits of the current PUD approval (3-GP-2013 & 6-ZN-2013) on the western portion of the site, and a departure from the prior iterations of applications on this site to expand the PUD, which included maintaining or accounting for commercial/office space quantities that currently existed within the limits of the proposed PUD development plans. For context, the existing approved PUD development plan accounts for 13,700sqft of office space relative to its 56 dwelling units. Please evaluate the ability to incorporate and demonstrate a larger mix of uses within the PUD development plan area boundary to further support the PUD zoning request.

**Response: A majority of the property is already currently zoned PUD and has been for over ten (10) years. The mix of uses approved for the PUD in 2013 didn't work. The requested PUD with the proposed mix of uses' will work per the developer, Caliber. The PUD ordinance states that the allowed uses within the PUD zoning district are from the City's C-O and PRC zoning districts. The proposed office space and live-work units are today's land uses that will meet today's and the near future living and working environment. The PUD ordinance does not state that 'a large mix of uses' is required for PUD zoning. The zoning request is seeking additional PUD property to further support the existing PUD zoning. The PUD also states that amended are allowed yet this proposal amends no development standards. This PUD request conforms to the requirements of the City's PUD zoning district. The previous zoning (2013) case had approx. 13,000+ square feet of an existing office building that remained as part of the proposed 'mixed-use.' The proposed live-work units and the co-working space add up to approx. the same 13,000 s.f. Therefore, the acceptable square**



footage from the previous case for 'mixed-use' is provided in this application. Again, there is no 'required mix' or 'minimum square footage requirements in the PUD ordinance.

In addition, the site is encumbered by the 'Activity Area' designation within the Growth Area Element of the City's General Plan. The City has also designated Activity Areas as locations where development is concentrated, but to a lesser degree than Growth Areas. Activity Areas vary in size, intensity, type of activity, and development. Development in these areas should consider the surrounding context. As the City's Growth Areas Element states size, intensity, type of activity, and development 'varies' and that there is no set intensity, density or set mix of uses.

2. Please also provide additional clarification on the "live-work" units and "co-work space". Typically, multi-family residential projects will incorporate shared workspaces for the use and benefit of their residents (without it being viewed as a separate use). It will be beneficial to understand how these areas are intended to operationally function as compared to other applications of leasable commercial and office tenant spaces.

**Response: Live-work units are spaces designed to accommodate both living and working activities within the same area. They are a type of mixed-use development that aims to provide convenience and efficiency for individuals who want to integrate their personal and professional lives seamlessly. Some of the design considerations are as follows:**

- Typically include a designated area for residential purposes, such as a bedroom, bathroom, and living space. These areas are designed to provide comfortable living accommodations for the occupants.
- Feature designated areas for work or professional activities. This could include a studio, office space, or workshop, depending on the needs of the occupants. The workspace is often designed to be flexible and adaptable to accommodate various types of businesses or professions.
- Integration of living and working spaces. This integration allows individuals to easily transition between their personal and professional activities without the need for separate commutes or spaces.
- Designed to be flexible to accommodate a variety of uses and lifestyles. This flexibility may include features such as movable partitions, adjustable furniture, or multi-purpose spaces that can be easily reconfigured to meet the changing needs of the occupants.
- Typically located in mixed-use or urban areas, providing easy access to amenities, services, and transportation options. This central location allows occupants to take advantage of nearby resources while minimizing the need for long commutes.

**Caliber intends to market these units accordingly in the leasing process and work closely with the tenants to determine the necessary final design considerations.**

Transportation:

3. Please identify that a Non-Motorized Public Access easement will be provided from the intersection of N. 92<sup>nd</sup> Street and E. Cochise Drive through the development, extending to the eastern site boundary. Please also account for the necessary easements to provide for non-vehicular public access to and from the adjacent property to the northeast and southeast of this development site, as depicted on the Pedestrian and Vehicular Circulation plan submitted.

**Response: The Pedestrian and Vehicular Plan has been updated to address this comment.**



Public Safety:

4. Please revise the plans to show and dimension the following Fire Ordinance requirements:

- a. Dedicated fire lane(s) per Fire Ord. 4562 Sec.503
- b. Identify fire lane(s) width per Fire Ord. 4562 Sec. 503.2.1
- c. Demonstrate location of FDC(s) Fire Ord. 4562 Sec. 912
- d. Show location of existing and proposed fire hydrants per Fire Ord. Sec. 507

**Response: A revised Fire Access Plan has been updated and submitted to address this comment.**

Building Design:

5. Please provide the building height calculations based on the average top of curb elevation (plus 12-inches) calculation as laid out in the definition of Building Height per Sec. 3.100 of the Zoning Ordinance. This will ensure consistency and accuracy as this project moves through the development process.

**Response: Building height calculation documents are a part of this resubmittal to address this comment.**

6. The provided Building Elevation Worksheet indicates a 36-foot building height to the top of the parapet above the parking garage, a 40-foot height at the lower mechanical screen, and a 50-foot height to the top of the upper mechanical screening. Please clarify the height of the indicated fitness center adjacent to the rooftop pool and its conformance to the maximum allowable building height under the PUD development standards.

**Response: The building elevations have been updated to address this comment.**

Storm Water:

7. Please revise and resubmit the Drainage Report and Grading & Drainage Plan addressing the comments provided on the marked-up versions of those documents.

**Response: Drainage Report and Grading & Drainage Plan have been updated per marked up documents.**

Significant Policy Issues

The following policy related issues have been identified. Though these issues may not be as critical to determining the application for public hearing, they may affect staff's recommendation and should be addressed with the resubmittal. Please address the following:

Long Range Planning:

8. Page 11 of the submitted narrative includes a graphic with supporting text that may confuse this request and submittal with previous cases attributed to the site. With a resubmittal:

- a. Update the title of the graphic to state General Plan 2035 Land Use Map Comparison.
- b. Update the sub-heading of the graphic to note this case – 1-GP-2024 – Mercado Village.
- c. Update the text following the graphic to state that the request is to amend +/- 2 acres of a +/- 6.64-acre site.



**Response: These changes have been made.**

9. The purpose of the PUD zoning district is to promote the goals and policies of the General Plan, Character Area Plans, and design guidelines in areas of the city that are designated by the General Plan to be in a development pattern of either horizontal or vertical designed mixed use. General Plan 2035 designates Activity Areas where future development is concentrated, but to a lesser degree than the Growth Areas. Throughout all designated Activity Areas, the PUD district has been utilized twice – resulting in an average density of 19 dwelling units per acre. This includes the subject site, which was previously approved at 12.2 dwelling units per acre (92nd Street Lofts, case 6-ZN-2013), as well as Wolff Scottsdale Senior Living, which was approved at 25.7 dwelling units per acre (13-ZN-2017). Page 4 of the first submittal narrative states that this proposal is revised from previous requests, lowering requested building heights and density. The previously case attributed to this site (12-ZN-2022) included a request for 273 dwelling units over an 8.52-acre site, equating to a density of 32 dwelling units per acre. This request includes a request for 255 dwelling units over a +/- 6.64-acre site, equating to a density of 38.4 dwelling units per acre. Consequently, this updated request includes more density than both the previous request of the applicant as well as the average density approved for Activity Areas throughout the community. With a resubmittal, please provide expanded discussion and comparison that notates approved residential densities within the context area, and citywide, to the Mercado proposal. Consider reducing the amount of requested dwelling units, which could be implemented through further building undulation along the site's N. 92<sup>nd</sup> Street frontage (similar to the previous case submittal) and/or variation in building heights.

**Response: In addressing the last part of this comment first, the revised elevations that a part of this resubmittal, the building along 92<sup>nd</sup> Street provides for undulation and was recently approved with this undulation as a part of the McCormick Ranch Property Owners Assoc. (MRPOA). As it relates to the initial comment, comparative density analysis has no relevance with this application. The proposal has reduced the overall number of residential units from the 2021 cases, 3-GP-2021 & 6-ZN-2021 and the 2022 cases, 6-GP-2022 & 12-ZN-2022. As you are well aware, the current case removes a portion of the existing commercial center which provided a large acreage for the density calculation. The overall site area to be redeveloped has remained the same. Therefore, the proposal lowers the number of units from 285 units proposed in the 2021 case and 273 units proposed in the 2022 case to the current 255 residential units proposed. The proposal lowers the building heights to two and three-story elements and provides a residential development mixed into a larger mixed-use area of hospital campus, medical office complexes and direct vehicular and pedestrian connections to a commercial center. In addition, there is NO amended development standards with this request to increase the density or any other development standard. Other PUD's density is an individual site determination based on the property and that individual proposal. The other PUD's cited in the comments amend development standards that impact surrounding development. The PUD district already exists on a majority of the property and the proposal has been right-sized (decrease in previous residential units) to fit within the fabric of the overall mix of uses in this area.**

10. As an implementing tool of the General Plan, the current zoning district map amendment request is to implement the Mixed-Use Neighborhood land use designation with the Planned Unit Development (PUD) zoning district. The purpose of the PUD zoning district is to promote the goals and policies of the General Plan, Character Area Plans, and design guidelines in areas of the city that are designated by the General Plan to be in a development pattern of either horizontal or vertical design. Within this district uses are encouraged to be provided with intensities and densities that promote a mix of day and nighttime activities. Notably, the subject site provides a limited non- residential floor area -



approximately 13,142 square feet or 5% of the total floor area with a higher overall site density (38.4 du/ac). The subject site is not near other areas designated by the Mixed- Use Neighborhoods land use designation; however, within the context area is near an area that contains a mix of uses which are designated within the General Plan as Commercial and Employment: Office. Of note, the average percentage of floor area allocated to non-residential (not inclusive of parking garages) of PUD applications citywide has been approximately 8%. Although no explicit development standard exists within the PUD district for applications to provide a fixed ratio of mixed uses, with a resubmittal, please increase the amount of non-residential floor area and respond as to how the provided amount is appropriate for the subject site. Consider increasing or creating space that is obviously non-residential in use and layout – as live work floor plans have typically been implemented through simple apartment units, and not conducive to business activities.

**Response: The PUD zoning district *does not* require a ‘minimum percentage of non-residential floor area.’ However, the revised site plan and floor plans increase the non-residential square footage by adding showing the floor plan of a potential co-working space user. Additionally, this area is exclusively for the co-working operations and does not include a mail room or leasing office for the residential portion of the development.**

The proposal for mixed-use includes several live-work units on the ground floor facing the commercial center. These units will have direct access to the entryway-parking field between the projects. With the potential for home offices available for rent and access by customers, the proposal provides a unique opportunity for sustainable live-work conditions. In addition, these units will have accessible routes and entrances from the parking areas to these live-work units.

The Co-Working space is something the office market has been experiencing for years now, whereby several un-related office users may utilize this space for their work place. Residents within the apartment complex will have the ability to utilize the co-work space for office use (cubicles and meeting space). In addition, local workers may rent similar space within the co-work space to be near the hospital campus, the commercial center or just plainly out of the convenience and flexibility of the space. This unique use will provide another type of workspace to an area already heavy with medical and standard office space, hospital use, commercial use and restaurants uses. The location is positioned to be prime co-work space in a very large mixed-use area of the Shea/101 corridor.

11. The McCormick Ranch Landscape Master Plan (Case 46-DR-2016) informs landscaping materials to be utilized within all landscaped areas owned and managed by the McCormick Ranch Property Owners Association. Although the subject property will not be managed by this entity or governed by the referenced document, ensuring that landscaping reinforces the character of the area is important as per both the General Plan (Character and Design Element Goal 6) and Shea Area Plan (Goal 1). With a resubmittal, demonstrate how this proposal will be compatible with the above referenced document, both narratively and graphically (updated Landscape Plan). To assist with the response; the noted plan can be found at: <https://eservices.scottsdaleaz.gov/bldgresources/Cases/Details/46730>

**Response: The proposed site plan and elevations as part of this resubmittal was recently approved by the MRPOA. Future DRB level site plans and landscape plans will require approval by the MRPOA and City. We will take note of this plan at the time landscape plans are drawn up for future approval processes.**

12. To better achieve General Plan 2035 Character and Design Element Goal CD 5 as well as Open Space



Element Policy OS 8.8, please maintain all mature trees as designated by the City's Zoning Ordinance along the N. 92<sup>nd</sup> Street frontage where possible. Revise the narrative and landscape plan to reflect the mature trees that will be protected and/or added.

**Response: The existing mature trees along the 92<sup>nd</sup> Street frontage are older Olive trees and some bottle trees. These trees are not healthy nor a part of the above response in creating a landscape plan that is in conformance with the McCormick Ranch landscape plan. The proposal is to design a decal lane and detached new sidewalk along the projects frontage. This will affect the preservation of the existing trees along 92<sup>nd</sup> Street. The intention is to provide for a mature tree palette at the time of DRB to demonstrate conformance with the McCormick Ranch landscape master plan and this General Plan goal.**

13. If further outreach has been conducted since the original submittal, and as a response to Goal CI 1 of the Community Involvement Element as well as Policy LU 3.5 of the Land Use Element, with a resubmittal, please provide an updated Citizen Involvement Report that describes the key issues that have been identified through the public involvement process and how the forthcoming resubmittal has responded to such items.

**Response: So noted.**

Civil Engineering:

14. In accordance with DSPM 2-1.303, a 24-foot minimum drive aisle width is required. Please update the plans accordingly. Sidewalk may not be placed within this 24-foot-wide drive aisle area, including the east end loop around the building.

**Response: Sidewalk moved north of the fire access lane. Fire access lane moved east off of the proposed sidewalk and a cross access easement will be obtained prior to approval. See revised fire access plan.**

15. In accordance with DSPM 6-1.202 + 7-1.201, the Preliminary Basis of Design Reports must be reviewed and accepted by the Water Resources Department prior to zoning approval. Please update the BODs accordingly per the Water Resources review.

**Response: So noted.**

Public Safety:

16. Please revise the plans to show and dimension the following Fire design requirements:

- a. Dimensions of divided entrance(s) and drive thru bypass lanes per DSPM 2-1.303(8)
- b. Note fire lane surface shall support 83k GVW per DSPM 2-1.303(3)
- c. Demonstrate turning radii per DSPM 2-1.303(5)
- d. Demonstrate location of fire riser(s) per DSPM 6-1.504(1)

**Response: An updated fire access plan is included with this resubmittal.**

Building Design:

17. The initial submittal only appears to have included a building elevation view of the front (N.92<sup>nd</sup> Street) elevation. Please consider providing elevation views of the other sides of the building for



massing, step-back, and context visualization.

**Response: The revised submittal includes additional massing, step-back, and context visualization views of the building.**

### **Technical Issues**

The following technical corrections have been identified. Though these items may not be critical to scheduling the case for public hearing, they may affect a decision on the construction plan submittal and should be addressed as soon as possible. Please address the following:

#### **Current Planning:**

18. The Fire Access Site Plan identifies a notation of future connection of the fire lane at the northeast corner of the site to the property to the east, anticipating future service and connectivity to that development. Please also show this segment as a vehicular and pedestrian connection in the development plan, ensuring that area is wide enough to account for a standard vehicular traffic and a separate pedestrian sidewalk connection to occur. The adjacent applications 3-GP-2022 & 8-ZN-2022 are still active, and as with the prior iterations of development applications on this site, a corresponding cross-access connection is still important to circulation for any redevelopment of this site and the adjacent site to the east.

- a. Please identify providing a Public Access Easement that extends from the 92<sup>nd</sup> Street intersection through the site, to the north around the back side of the commercial center (which this site shares half the drive aisle), and to the east through the northern fire lane (accommodating cross-access).

**Response: Please refer to the updated fire access plan. By including a vehicular connection on the northeast side of the property to the vacant property to the east, our intent is to use that property's blanket public access easement. See blanket public access located on Maricopa County Assessor's parcel # 217-36-001P.**

19. Please revise the plans to provide the front building setback and average setback dimensions on the Site Plan relative to the 1<sup>st</sup> floor building positioning. The dimensions provided with the initial submittal appear to only reflect the setback relative to the 3<sup>rd</sup> floor.

**Response: The site plan has been revised to address this comment.**

20. The submitted Site Plan indicates an anticipated 53 surface parking spaces attributed to the live-work and co-work areas of the proposed development, directly adjacent to that portion of the building. Please provide clarification, possibly in the narrative, about how those are anticipated to be controlled so they remain available for their intended purpose. It seems likely that customers of the adjacent existing commercial/office tenants to the north would anticipate continuing to use parking spaces in that area (as they likely have up to this point).

**Response: These spaces we typically used for the office buildings that are no longer in operation. We intend to sign the space accordingly for the live-work units and enforcement managed by the multi-family management company.**



21. The submitted Site Plan indicates 32 “Retail Parking” spaces on the northeast side of the Site Plan. Please provide clarification as to whether these spaces meet the subject site’s parking needs or if they are attributed to the parking requirements/calculations of the adjacent commercial center (as they likely currently serve as employee parking for some of those adjacent businesses).

**Response: The parking spaces are on ‘our property.’ We have them labeled as such as most likely we will allow retail employees to park back there. They are still a part of the development plan approval so they are parking spaces for all uses on the Mercado Village property.**

**Because we exceed the minimum parking spaces, it is anticipated that the parking spaces immediately facing the commercial portion of the building are reserved for the commercial uses. There are a total of 53 spaces shown as Co-work/LW on the site plan. The remaining 38 spaces that make up this area would be shared to serve both the shopping center and co-working/live-work. This is an example of adjacent mixed-use properties working together to minimize redevelopment and cross-access impacts.**

22. Guests who enter the site through the southern driveway do not appear to have a clear turn-around area in the instance they do not have access to the parking garage. Please clarify if and where the parking structure gate is intended to be located and how non-resident turn around maneuvering can be accomplished.

**Response: A turnaround area is designated on the site plan that allows vehicles to turnaround at the entrance to the garage and return to 92<sup>nd</sup> Street.**

23. Please update the Hardscape Plans to include dimensions for the proposed sidewalk widths.

**Response: Sidewalk dimensions have been updated on the revised plans.**

Transportation:

24. Please reconfigure the entry drive to create a perpendicular drive aisle connection to the existing drive aisle accessing along N. 92<sup>nd</sup> Street to the commercial center to the north. The “Y” configuration shown in the initial submittal creates undesirable turning movements and vehicular interactions for vehicles moving to or from the proposed traffic signal. Please also look at widening more of the drive aisle in the area where queuing will occur waiting for the signalized intersection.

**Response: The site plan has not been reconfigured; however, stop signs have been strategically placed to ensure safe and efficient traffic circulation at this area of the site plan.**

25. Please revise the plans to show crosswalks on all four legs of the E. Cochise Drive and N. 92<sup>nd</sup> Street intersection and modify the existing sidewalk ramps as necessary.

**Response: The revised Site Plan show crosswalks on all four legs of the E. Cochise Drive and N. 92<sup>nd</sup> Street intersection. The ramps will be addressed on any subsequent DRB site plan for approval.**

26. Please revise the plans to show and identify the dedication of safety triangle easements at both site driveways on N. 92<sup>nd</sup> Street, per DSPM 5-3.123; Fig. 5-3.27

**Response: The safety triangles will be placed on any subsequent DRB submittal**





Land Division/Subdivision:

27. In accordance with SRC 48-3 and 4, platting will be required prior to permit issuance to assemble all project lots into one parcel. Easement dedications, via plat, will be required for any public infrastructure running through private parcels. Easements in conflict with proposed development will need to be abandoned via MOR. Infrastructure work required to approve release of public easements are to be completed by applicant prior to MOR, final plat and main project's permit issuance. Please acknowledge these requirements and provide notations on site plan accordingly.

**Response: So noted. In order to keep the site plan in a simplistic form for the City Council, we respectfully request this info be added as stipulations to the zoning case.**

28. In accordance with SRC Ch. 48, covenant to construct and assurances for public infrastructure will be required prior to final plat recordation. Dollar values will be based on city costs to complete infrastructure. Please acknowledge these requirements and provide notations on site plan accordingly.

**Response: So noted.**

Public Safety:

29. Please revise the plans to address the following Fire requirements:

- b. Provide cross-access easements as required before approval
- c. Provide and complete a Pre-Emergency Planning (P.E.P) Program
- d. Provide an emergency response circulation site plan
- e. Reference uploaded Fire Site Plan Corrections

**Response: A revised site plan and fire access plan is a part of this resubmittal.**

30. With redevelopment proposals on this site and the site to the east, we have seen both projects propose paralleling emergency vehicle access loops and have historically directed the combination of those into a single combined emergency access route serving both properties. Please assess the existing and proposed easement rights and revise the plans to identify that a singular emergency access loop can be provided at the east end of this site (on this site, on the neighboring site, or some form of shared improvements splitting the boundary between the two).

**Response: Please refer to our revised Fire Access Site Plan whereby we propose to use the blanket public access easement on the adjacent vacant parcel to the east for our east side fire lane. In turn, if development plans evolve on that parcel, this proposed fire lane can be used by that property owner's development plan.**

Green Building

31. As of the date of this letter, the Green Building staff has not completed their review. Please see the Green Building Program requirements and updates information online at <https://www.scottsdaleaz.gov/green-building-program>

**Response: Our intent is to comply with the City's Green Building Code updated and approved last July. These issues will be addressed on the subsequent DRB submittal plans.**

Water Resources:

32. Please perform an updated fire hydrant flow test as the current test results in report are almost 3



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**& BOSCO**  
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years old. Please revise the calculations and modeling in the BOD using the updated flow test results.

**Response: The updated Water BOD report submitted with this resubmittal includes a flow test performed on March 7, 2024.**