

REQUEST

The request is for a Text Amendment to the Code of Ordinances, Appendix B – Basic Zoning Ordinance, Article V. – District Regulations Sec. 5.3004. Use regulations. Specifically, to allow health and fitness studios as a permitted land use within the Downtown Core (DC) sub-district and noted as such in Table 5.3004.D., Land Uses for Each Sub-district of the Downtown District with the following limitations:

- a) The size of health and fitness studios within the Downtown Core shall be limited to 3,000 square feet, and
- b) All health and fitness activities shall take place within the building.

No other text changes are proposed.

BACKGROUND

5th & Marshall, LLC is the owner of 7045 E 3rd Avenue and has designated me, Whitney Goodwin, as the Agent/Applicant for this Text Amendment. My business partner, Jeanine Yonushonis, and I are potential tenants at 7045 E 3rd Ave and wish to open a boutique fitness studio focusing on functional movement exercise and women's health. The building is zoned as D/RS-1 DO, which places it in the Downtown/Downtown Core ("D/DC") sub-district. D/DC does not currently include health and fitness studios as a permitted use. Our Text Amendment proposal is to amend Table 5.3004.D., Land Uses for Each Sub-district of the Downtown District to include "health and fitness studio" as a permitted use in the Downtown Core sub-district.

We have discussed our proposed use with the property owner as well as the owner of the existing personal care services in the building, and we believe the addition of health and fitness will promote an engaging resident and visitor experience and enhance an active streetscape while maintaining the character of the Downtown Core sub-district. The nature of fitness, health and wellness aligns with the goals and intention of the Downtown Core Development Plan by:

- Adding to the diverse collection of vibrant mixed-use pedestrian-oriented storefronts

- Providing a unique experience for patrons that activates the streetscape while enhancing the health and economic vitality of Old Town Scottsdale
- Supporting a high-quality urban development pattern and blending with the existing character of the revitalized buildings
- Promoting reinvestment in Downtown through emerging health and fitness concepts, studios and patrons complementary to the surrounding retail and personal care businesses

Specifically, we understand the Old Town Character Area Plan (OTCAP) Policy LO 2.1 describes the area as having uses such as specialty retail and a regional tourist destination. Our fitness studio and PVOLVE brand blend with the fabric of the community and character of the area through name recognition, retail sale of our patented equipment, and sale of custom apparel only offered in our studio. We are considered a boutique fitness studio, but visitors will recognize PVOLVE as a brand that reaches across the U.S. and Canada with locations in New York, Chicago, LA, San Diego, Nashville, Calgary and many more. Visitors familiar with the brand and method will be able to experience and benefit from having a location in a premier tourist destination such as Scottsdale. Most notably, PVOLVE brings:

- Attraction through our highly recognized celebrity partner, Jennifer Aniston, as the face of our brand focusing on a highly desirable health-conscious demographic with \$75,000+ median household income
- Member demographics that are synergistic with the surrounding businesses including high end retailers, galleries, beauty salons, spas, restaurants and clothing boutiques
- Consistent flow of patrons to benefit surrounding businesses with members visiting the studio multiple times per week
- Appeal to the active and healthy population inherent to the area, offering a one-of-a-kind boutique fitness method not found at other studios and providing residents and visitors with a unique experience

As small business owners and lifelong local residents, our mission is to improve the lives of our members and strengthen the health and vitality of our community while honoring the character of our city.

BUSINESS OPERATIONS

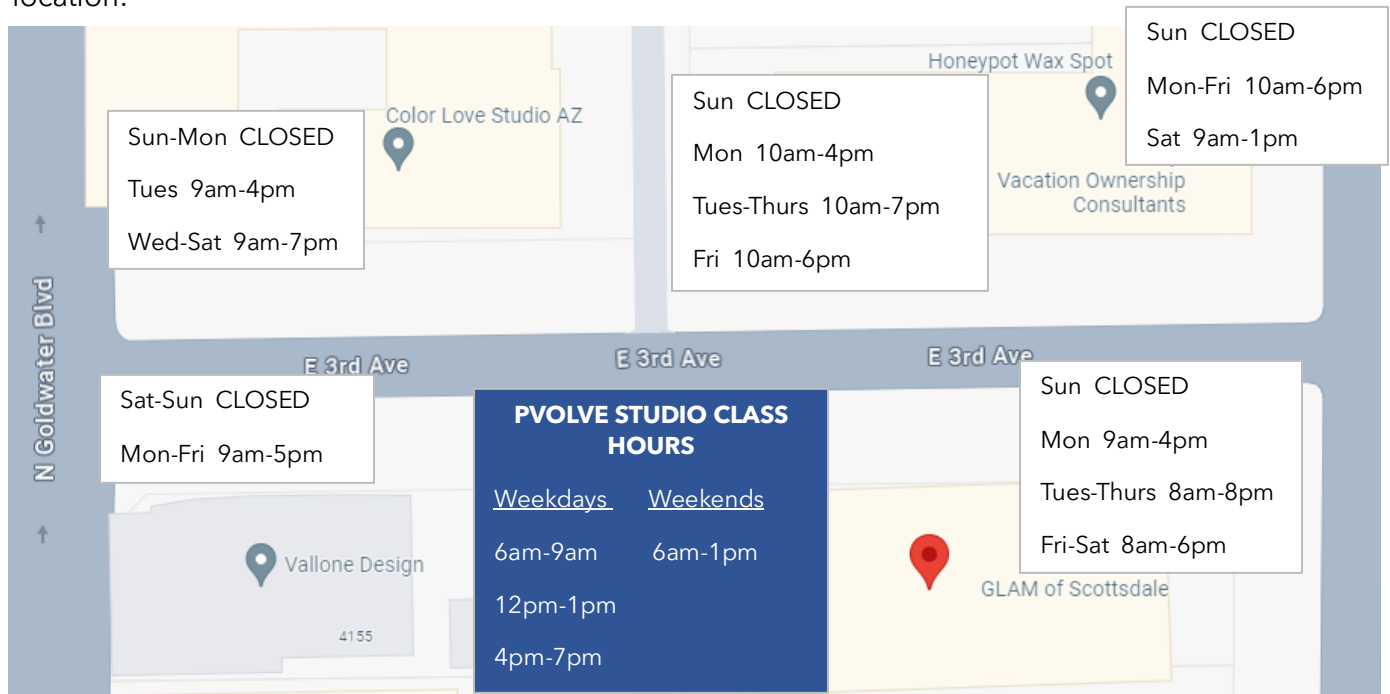
Our fitness studio, PVOLVE, would offer group classes and private sessions as well as retail sales of fitness equipment and apparel. The PVOVLE method combines specialized, patented equipment with intense low-impact movements. The magic is functional fitness, which works with the body's biomechanics and mimics everyday movement. The method uses all ranges of motion and incorporates core-engaging balance and full-body strengthening to keep the body active and less prone to injury. Our patented equipment, part of our retail component, was developed with PVOLVE's Clinical Advisory Board and tested in clinical studies. Our trainers demonstrate and educate class participants on the benefits of our equipment and the purpose behind each movement.

Group classes would be offered daily, primarily in the early morning and early evening hours; weekday morning classes from 6:00 AM to 9:00 AM and evening classes from 4:00 PM to 7:00 PM. Midday classes will also be offered on weekdays from 12:00 PM to 1:00 PM. Weekend classes would also begin at 6:00 AM but conclude at 1:00 PM. While we will be open for business in between classes for private training and retail sales, we expect minimal traffic and patrons. We will have two to three employees present during all business hours.

The building occupancy at 7045 E 3rd Avenue is 1 person for every 50 square feet (Commercial B Occupancy). Our proposed studio space is 2,668 gross square feet with a maximum occupancy of 54 persons. However, we expect less than half of that occupancy during our peak hours as our group classes will only allow for a maximum of 21 participants and 1 instructor per class. The reception and retail area will have 1-2 employees at any given time, which brings our expected maximum occupancy to 24 persons (47% of the allowed occupancy).

We understand the Downtown Core area can become congested at certain times of the day, and we will encourage our patrons to use alternate means of transportation such as biking, walking or the Downtown Trolley. We've provided additional detail on alternative means of transportation in the Parking Requirements supporting documentation included with our application package.

In addition to our parking analysis, parking demand survey, walkability and alternative transportation analysis included with our application package, we have also researched the surrounding businesses hours of operation to determine peaks traffic hours surrounding our location:



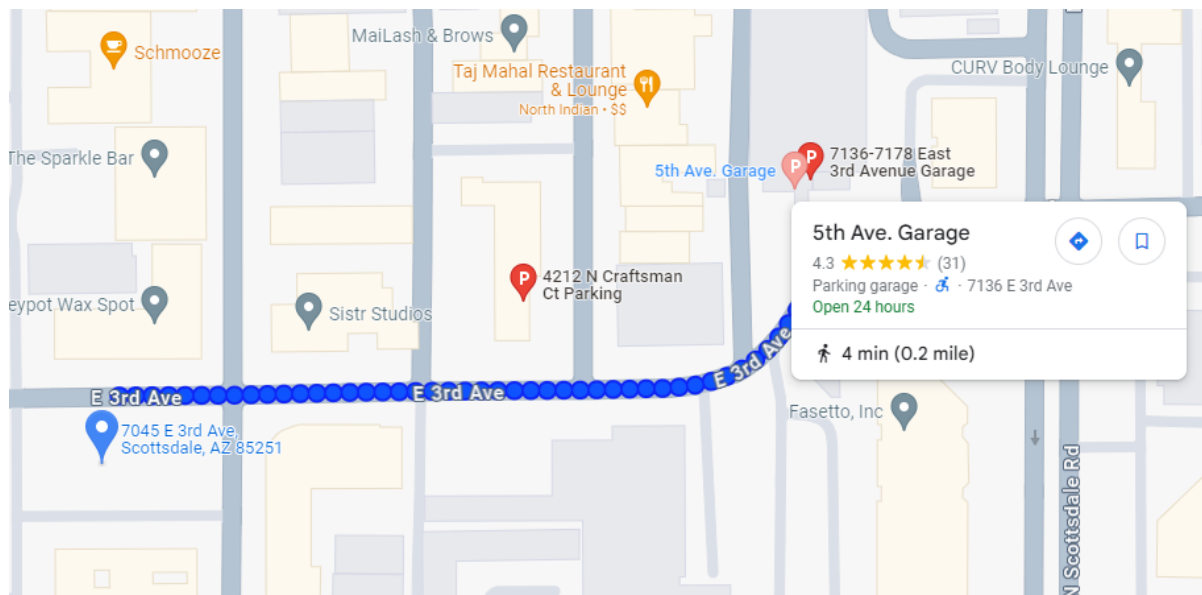
As we share the on-site parking with the existing personal care business, we wanted to make sure the business hours in common were manageable with parking. We determined that our class hours overlap with the existing business' hours for 5 hours a day, Tuesday through Saturday and 1 hour on Monday. There is no overlap on Sunday with the shared building business as well as the neighboring businesses as they are closed all day.

A daily breakdown of common class and neighboring business hours is included below:

Mon	1 HR (one hour midday/noon)
Tues-Thurs	5 HRS (one hour in morning, one hour at noon, three hours in evening)
Fri-Sat	4 HRS (three hours in morning, one hour in afternoon)
Sun	0 HR (surrounding businesses closed all day)

The Parking Demand Survey included in the application package reflects an average of 10 available on-street parking spaces during the time periods of peak activity noted above. The survey also noted an average of 13 on-site spaces available during peak times as well.

In addition to the on-site and adjacent street parking, free public parking is available 24 hours a day at the 5th Ave Garage located 0.2 miles east of our proposed location, or approximately a 4-minute walk. The parking garage provides 620 covered spaces, including 5 handicap spaces.



Based on our observations and expected occupancy in the studio, we believe there is sufficient parking on-site, on adjacent streets and in the nearby public parking structure.