Solare on McDowell

6601 E. McDowell Road

Project Narrative

2-GP-2017 8-ZN-2017



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Solare on McDowell– Project Narrative July 5, 2017

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Table of Contents:

I.	Property Information	3
II.	Property General Plan/Zoning	3
Ш	. Project Overview	4
IV	. 2001 General Plan	6
V.	Southern Scottsdale Character Area Plan1	16
VI	Conclusion	26



I. Property Information

Location: 6601 E. McDowell Road

Property Size: 12.3 (+/-) gross acres and 11.6 (+/-) net acres

II. Property General Plan/Zoning:

• Current General Plan: Mixed Use

• Proposed General Plan: Urban Neighborhoods

• Current Zoning: C-3 (Highway Commercial)

• Proposed Zoning: R-5 (Multifamily Residential)

Surrounding Uses:

• North: PUD; Las Aguas (Case 8-ZN-2012 approved 4/9/2013)

• East: C-3; Scottsdale RV and R-5 Polynesian Paradise

• South: R1-7; Single-Family Residential

West: Crosscut Canal

• Northwest: PUD; Scottsdale Entrada (Case 5-ZN-2016 approved 11/14/2016)



III. Project Overview

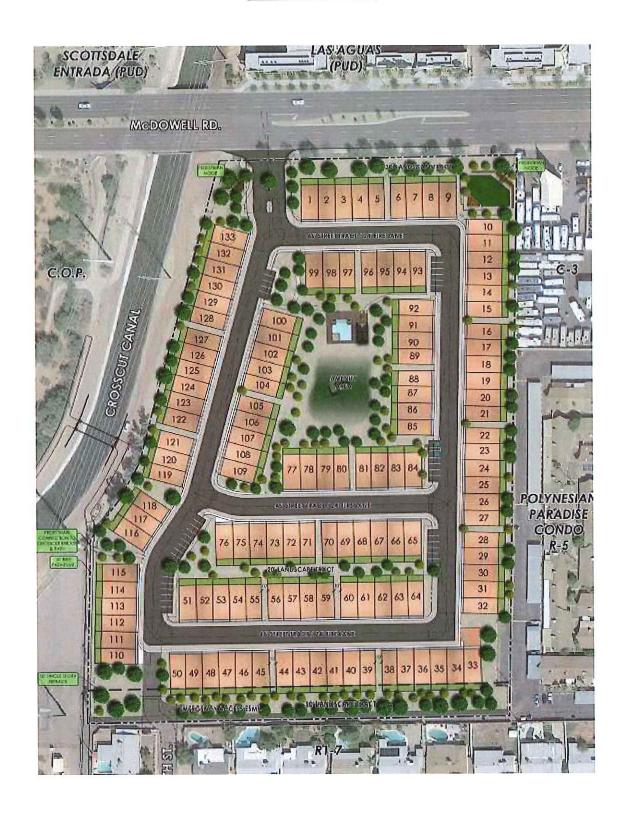
About the Site:

Solare on McDowell is a request for a Major General Plan Amendment from the Mixed Use designation to Urban Neighborhoods and a rezoning request from C-3 to R-5 on an approximately 12.3+/- gross acre property located at 6601 E. McDowell Road, (the "Property"). The development is directly adjacent to the Crosscut Canal on the south side of McDowell Road. The R-5 category is being requested because it most closely aligns with the development standards required for the proposed attached single-family homes. The typical densities found within the R-5 designation are 17-23 dwelling units/acre ("du/ac"); however, K. Hovnanian is proposing only 10.8 du/ac for Solare on McDowell.

The Property is currently occupied by the Chapman Scottsdale Autoplex car dealership; however, the dealership plans to vacate the building and relocate by October 2018. The proposal is to downzone and redevelop the 12.3+/- acre Property with 133 single-family homes with a density of 10.8 du/ac bringing additional revitalization to the McDowell Corridor and fulfilling a demand for new housing in Southern Scottsdale. The current General Plan land use category for the site is Mixed Use and the proposed R-5 zoning district required a change in land use category from Mixed Use to Urban Neighborhoods.



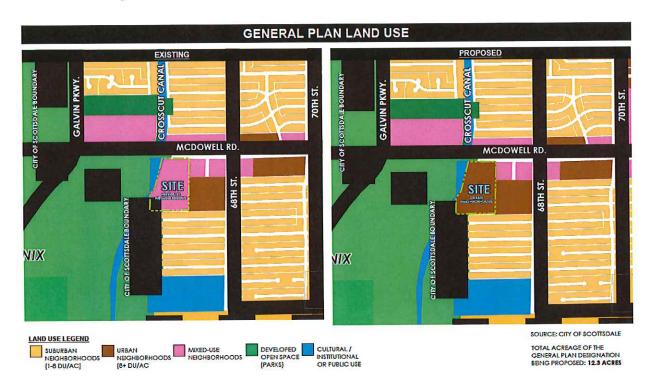
Proposed Site Plan



K. Hovnanian has taken special consideration with the site plan for this infill, redevelopment site by providing a single-family lot configuration that is sensitive to the existing single-family residential homes to the south and condominiums to the east. The proposed zoning and density provides a logical transition from McDowell Road (a 6-lane major arterial) to the R1-7 to the south and R-5 to the east. The site location is ideal for residential development with close proximity to Downtown Scottsdale, Downtown Phoenix, and Tempe. The proposed residential community will benefit from the adjacent Crosscut Canal linkage, nearby Papago Park and close proximity to the Phoenix Zoo and Desert Botanical Gardens. Additionally, the integration of additional homes along the McDowell Corridor will strengthen the nearby existing retail and commercial businesses, as well as implement the City's goals and policies set forth in the 2010 Southern Scottsdale Character Area Plan ("SSCAP"). The buildings and site layout were designed with attention to buffering the existing single-family neighborhood to the south, condominiums to the east, and enhancing the McDowell Road street frontage with a fresh modern/contemporary design, balconies, projections and sustainable building methods and materials.

IV. 2001 General Plan

The request includes a Major General Plan Amendment ("GPA") from Mixed Use to Urban Neighborhoods to accommodate the R-5 rezoning request and a change from "Group E" to "Group C" per the land use matrix in the 2001 General Plan. Although the change in category alone does not trigger a Major GPA, the gross property size of 12.3+/- acres over the 10-acre threshold for Major GPA's in this area of Scottsdale.



The Urban Neighborhoods land use category:

URBAN NEIGHBORHOODS: This category includes areas of multifamily dwellings/apartments. Densities in Urban Neighborhoods are usually more than eight dwelling units per acre. These high-density uses are generally located near retail centers, offices, or other compatible non-residential uses. Care must be taken to minimize impacts on other residential areas and to provide adequate circulation to accommodate the traffic volumes. Access to transportation choices (ie: pedestrian, bicycle, transit, etc.) is key consideration for Urban Neighborhoods. Areas containing high-density residential development should have minimal environmental constraints.

The General Plan sets forth a collection of goals and approaches intended to integrate the Guiding Principles into the planning process and provide as a framework for proposed development and the built environment. The CityShape 2020 planning process recommended a three-level approach to planning including: Level I — Citywide Planning (the General Plan), Level 2 — Character Planning (Southern Scottsdale Character Area Plan) and Level 3 — Neighborhood Planning (there is no neighborhood plan for this area of the City).

The CityShape 2020 effort also established the "Six Guiding Principles." Per the City's 2001 General Plan, Six Guiding Principles articulate how the appropriateness of a land use change to the General Plan is to be qualified. These Six Guiding Principles are as follows: Value Scottsdale's Unique Lifestyle & Character, Support Economic Vitality, Enhance Neighborhoods, Preserve Meaningful Open Space, Seek Sustainability, Advance Transportation.

- 1. Value Scottsdale's Unique Lifestyle & Character- Revitalizing the McDowell Road Corridor will strengthen the existing character of the surrounding neighborhoods and promote Scottsdale's unique lifestyle by providing more housing options for the community.
- 2. Support Economic Vitality Revitalizing and redeveloping properties is a critical part of the economic vitality of the community as it matures. Integrating new residential development along McDowell Road is essential for the continued economic growth and sustainability of the City as a whole.
- 3. Enhance Neighborhoods- Key design elements that were considered with the development plan include a modern architectural design, pedestrian connectivity and attention to the neighborhood edge conditions, most notably the single-family residential to the south.
- 4. Preserve Meaningful Open Space- Meaningful pedestrian connectivity, common areas, and edge treatments will be addressed through streetscape design themes for McDowell Road.

- 5. Seek Sustainability- Many of the design features and building practices will address sustainability, including but not limited to building orientation, green building materials and techniques, and native desert landscaping.
- 6. Advance Transportation- Residential developments integrated within an existing retail context (along both McDowell Road and Scottsdale Road) naturally lend themselves to alternative modes of transportation such as walking, bicycling, trolley and/or mass transit. The Property is directly adjacent to McDowell Road, within close proximity to Scottsdale Road, and 2.5+/- miles west of the Loop 101, all of which provide vehicular and mass transit regional access.

The Six Guiding Principles are further broken down into specific goals and policies within the various elements of the General Plan. Below is a discussion of the General Plan goals and polices that are applicable to Solare on McDowell.

Character & Design Goal 1.

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

Bullet 4.

Ensure that all development is part of and contributes to the established or planned character of the area of the proposed location. Character can cross land uses and zoning to include community regions containing a mixture of housing, employment, cultural, educational, commercial, and recreational uses. The overall type of character type that these uses are a part of describes the pattern and intensity of how these uses fit together.

Response: McDowell Road is designated as an Employment Core Urban Character Type in the 2001 General Plan. The General Plan states that "Employment Cores are primarily employment centers for the city. These cores support a wide range of activities and regional and community level employment uses." The McDowell Road Corridor has evolved over the last 15 years with the approval of the Southern Scottsdale Character Area Plan in 2010 and the development of SkySong as a regional employment innovation center. Additionally, several of the car dealerships along McDowell Road have vacated or are planning to do so in the near future leaving behind large obsolete structures with limited options for adaptive reuse as commercial or employment buildings. As discussed below in the Economic Vitality section, additional roof tops will help bolster the existing commercial and employment uses along McDowell Road and Scottsdale Road. The Employment Core supports a "wide range" of uses to strengthen the changing needs and demands of the McDowell Road Corridor. See below for a more detailed discussion on the McDowell Road frontage design elements.

Character & Design Goal 4.

Encourage "streetscapes" for major roadways that promote the city's visual quality and character, and blend into the character of the surroundings.

Bullet 7.

Apply streetscape guidelines to all landscaped areas within the public right-of-way. Encourage the use of streetscape guidelines in areas between the right-of-way and building setback lines or perimeter walls.

Bullet 8.

Designate specific design standards to be implemented on selected streets where a special theme is desired.

Response: The streetscape design goal for Solare on McDowell has been to balance the functional requirements (such as privacy, security and noise attenuation) with the aesthetics of the development through the application and selection of landscaping, wall design, lighting and hardscape design. The landscape design will conform to the McDowell Road Streetscape Design Guidelines utilizing the specified plant palette recognizing the significance of a shaded pedestrian experience within the urban context.

Along McDowell Road, the landscaped edge, back of curb, averages 70' in width outside of the property walls. Graphics have been provided showing this area and the quality pedestrian environment with canopy trees on both sides and an 8' sidewalk. Further, the proposed site plan and streetscape design is a vast improvement over the current site condition which measures approximately 15'-25' of landscape setting, back of curb, with vehicle display occurring within the landscape area along the street frontage.

Character & Design Goal 6.

Recognize the value and visual significance that landscaping has upon the character of the community and maintain standards that result in substantial, mature landscaping that reinforces the character of the city.

Bullet 1.

Require substantial landscaping be provided as part of new development or redevelopment.

Bullet 2.

Maintain the landscaping materials and pattern within a character area.

Bullet 3.

Encourage the use of landscaping to reduce the effects of heat and glare on buildings and pedestrian areas as well as contribute toward better air quality.

Response: Mature landscaping will be integrated throughout the development with the goal of providing a vegetated buffer to the adjacent single-family residential (30' wide outside of the property walls), and enhancing the streetscape along McDowell Road acknowledging the speed at which it will be experience by vehicles while still providing a meaningful and shaded

environment for pedestrians. The amount of mature landscaping planned with the redevelopment of the site to residential will vastly increase the amount of vegetation and open space (required 22%) on this Property, as compared to the hard surfaces of the existing dealership building, surface and parking structures with virtually no quality open space, thereby, greatly reducing the heat island effect.

Land Use Goal 3.

Encourage the transition of land uses from more intense regional and citywide activity areas to less intense activity areas within local neighborhoods.

Bullet 1.

Ensure that neighborhood edges transition to one another by considering appropriate land uses, development patterns, character elements and access to various mobility networks.

Bullet 6.

Encourage transitions between different land uses and intestates through the use of gradual land use changes, particularly where natural and man-made buffers are not available.

Response: The proposed land use category of Urban Neighborhoods and the density of 10.8 du/ac is appropriate given the surrounding context and provides an ideal land use transition from McDowell Road (a 6-lane major arterial) to the R1-7 homes to south and R-5 condominiums to the east. Notably, the rezoning request from C-3 to R-5 is a downzoning, and therefore, a reduction in daily trip generation (see traffic study). The architecture and building placement is respectful of the existing homes to the south in terms of height, massing and setback.

Land Use Goal 4.

Maintain a balance of land uses that support a high quality of life, a diverse mixture of housing and leisure opportunities and the economic base needed to secure resources to support the community.

Bullet 1.

Allow for the diversity of residential uses and supporting services that provide for all needs of the community.

Bullet 4.

Provide a variety of housing types and densities and innovative development patterns and building methods that will result in greater housing affordability.

Response: The proposed residential community will bring new residents and increased retail and restaurant demand to Southern Scottsdale. The residential community is consistent with the type of development envisioned in the SSCAP by providing a mix of housing types along the McDowell Corridor integrated with existing and future freestanding commercial uses and mixed use development. McDowell Road has a wide range of uses including office, dealerships, retail,

restaurants, service related and recreational uses (ie: Papago Park). Integrating residential along this corridor meets several goals and policies of the General Plan and SSCAP.

Land Use Goal 8.

Encourage land uses that create a sense of community among those who work, live, and play within local neighborhoods.

Bullet 3.

Promote development patterns and standards that are consistent with the surrounding uses and reinforce an area's character.

Response: Revitalization of the McDowell Road Corridor has been a long-standing City goal, which inspired numerous community meetings and charrettes, the formation of the McDowell Corridor Task Force in early 2009, and later the adoption of the SSCAP in 2010 establishing a set of goals and policies for Southern Scottsdale and highlighting McDowell Road as a mixed-use corridor. The integration of a variety of residential densities along McDowell Road will expand and upgrade the housing options for this area and create the "live, work, play" environment the City desires. Solare on McDowell will be a for-sale, attached single-family development and will add to the housing options along the McDowell Road Corridor integrating high-end, medium density (10.8 du/ac) residential development in place of a soon to be relocated dealership. The Property is within close proximity to a number of employers including, but not limited to, SkySong, General Dynamics, HonorHealth, City of Scottsdale and Arizona State University.

McDowell Corridor Task Force Recommendation (February 8, 2010)

Vision

To develop the vision, the Task Force considered Southern Scottsdale 1950's post-war legacy as a community of strong, close-knit neighborhoods. Given today's trend to embrace and to revive the rich history of the past, Southern Scottsdale can experience a renaissance that will capitalize on its existing technology, education and employment core, its diverse housing options, and its opportunities to attract mixed uses which include retail and entertainment.

Economic Vitality Goal 7.

Sustain the long-term economic well-being of the city and its citizens through redevelopment and revitalization efforts.

Bullet 4.

Support and encourage appropriate public and private redevelopment and revitalization efforts in the community.

Bullet 6.

Promote residential revitalization to maintain quality housing and thus maintain quality of the life and stability of the local economy.

Response: The proposed development plan to brings reinvestment and revitalization to a soon to be vacated dealership site. The proposal will continue to reenergize the McDowell Road Corridor and bring new residential living opportunities, further strengthening the economic core of Southern Scottsdale. The integration of additional rooftops along McDowell Road will bolster nearby retail and commercial businesses.

Elliott Pollock Analysis - October 2015 (update underway)

K. Hovnanian commissioned an economic market analysis for the proposed McDowell Road developments (Aire, Skye I/Skye II and Solare); down-zonings from commercial to residential along McDowell Road. The Commercial Market Analysis for the South Scottsdale Market Area (the "Analysis") was prepared by Elliot Pollock, October 2015. Since that time, an additional mixed-use project was approved immediately northwest of the Property, known as Scottsdale Entrada (23+/- acres), which included approval for up to 750 residential units, 250 hotel rooms, 50,000 s.f. of commercial space and 250,000 s.f. of office space. This additional commercial development further justifies the discussion points below. The Elliott Pollock Analysis is included with this submittal and highlights several key findings stated below:

- The vacancy rate for office space in the Market Area (defined in the Analysis) stands at 31%.
- Available retail space in the Market Area is abundant with a vacancy rate of 8.4%.
- At least three major auto dealerships sites are currently vacant totally 252,000 s.f. of space.
- It is questionable whether these buildings in their current condition can be put to a commercial use other than auto dealerships.
- It would be difficult to redevelop the auto dealership properties as retail due to the small size and limit depth of the parcels.
- Many of the older free-standing dealership structures have limited use for modern retailers and buildings that are 10,000 s.f. or larger in size in the Market Area have a vacancy rate of 50%.
- SkySong is clearly the anchor for the Market Area and considered to be an "innovation district" based on the combination of education, research, office and residential land uses.
- In order to continue the expansion of the fledging innovation district centered at Skysong, additional mixed-use residential and office development should be promoted.
- The City of Scottsdale should work to strengthen its existing retail real estate assets (ie: Pagago Plaza) as opposed to protecting potential retail sites where they may not be warranted or demanded.
- The addition of new retail centers in a community, without corresponding increase in resident population, may have no effect on actually increasing retail sales and may only disperse sales among competing shopping centers.
- A viable alternative strategy is to support and strengthen existing retail establishments by increasing the resident population in the area.
- Additional residents living in close proximity to retail development will lead to higher retail sales activity.

Housing Goal 4.

Encourage housing development that provides for "live, work and play" relationships as a way to reduce traffic congestion, encourage economic expansion and increase overall quality of life for our residents.

Bullet 1.

Encourage a variety of housing densities throughout Scottsdale, with mixed-uses in areas of major employment and transit hubs, to offer greater live-work choices to a broader economic range of households.

Response: The mix of housing along McDowell Road has already begun to take shape with the recently constructed Las Aguas (PUD), SkySong (PCD), Mark Taylor/San Travesia (PUD) developments, which are all multifamily apartments ranging from 20-31 +/- du/ac. Additional approvals include Aire and Skye with similar attached single-family homes and most recently Scottsdale Entrada, a mixed-use development. This proposed for-sale, attached single-family development with a density of 10.8 du/ac will further expand and upgrade the housing options along the McDowell Road Corridor integrating modern residential development on a soon to be vacated parcel (dealership relocating by October 2018) stimulating further redevelopment along McDowell Road.

Neighborhoods Goal 4.

Preserve and enhance the unique sense of neighborhood found in diverse areas of Scottsdale through neighborhood conservation.

Bullet 3.

Guide revitalization, redevelopment, and infill (new development in established areas) development to ensure that such development efforts are context-appropriate to the surrounding neighborhoods.

Bullet 7.

Create, preserve and enhance pedestrian, vehicular and alternative transportation mode connections and links between neighborhoods and other neighborhood-supporting land uses throughout the community.

Response: The Property is surrounded by retail, car dealerships, vacant buildings, apartments, condominiums and single family homes. The area is beginning to transform with the recently Council approved developments as mention above under Housing Goal 4 above. The proposed request for Urban Neighborhood land use and R-5 zoning creates a logical land use fit in the greater context of the McDowell Road Corridor. The proposed density of 10.8 du/ac is compatible with the R1-7 to the south, as well as the R-5 to the east. The development plan provides a buffer through landscaping and building setback along the southern and eastern edges of the site.

This application includes a range of exhibits including the site plan, elevations, landscape plan, and civil engineering information which demonstrate the character and high-level of design proposed for this site. The Solare residential community has been designed in a manner that

provides a hierarchy of masses and sensitivity to the existing single-family homes to the south as well as appropriate scale and connectivity for the pedestrian. The development encourages alternative modes of transportation by focusing on a pedestrian network that encourages interaction with the surrounding context and adjacent canal trail system with numerous connection points from the proposed development.

Further, redevelopment of this Property will include improvements to the pedestrian connectivity along the McDowell Road street frontage with a detached, widened 8' sidewalk and landscaping consistent with the McDowell Road Streetscape Guidelines. As properties along McDowell Road redevelop, the connectivity opportunities are enhanced strengthening the link between Papago Park and Southern Scottsdale. Additionally, integrating residential along McDowell Road will activate the corridor by increasing pedestrian synergy with new residents who will utilize the sidewalks, canal paths, and Papago Park amenities.

Growth Area Goal 1.

Direct and sustain growth and expansion in areas of the city that can support a concentration of a variety of uses and are particularly suitable for multimodal transportation and infrastructure expansion and improvements.

Bullet 3.

Promote the coordination of infrastructure development and upgrade with opportunities for infill development and development activity where it will encourage a mix of uses and support pedestrian and transit activity.

Response: The Property is located within the McDowell/Scottsdale Road Growth Area. Integrating residential development within the range of land uses along McDowell Road will promote both land use synergy and pedestrian/transit activity as residents utilize the physical connections, as well as, the existing transit opportunities adjacent to the site. The proximity of employment, retail, entertainment and service related land uses throughout Southern Scottsdale make this infill site prime for redevelopment and highly suitable for residential development, providing housing opportunities within close proximity to an existing mix of uses. As noted below, the SSCAP Land Use Goal 2 states that these corridors "support greater residential density to complement Regional Center land uses."

Growth Area Goal 3.

Conserve significant natural resources and open space areas in the growth areas and coordinate their locations to similar areas outside of the growth areas.

Bullet 1.

Achieve meaningful open space as an integral part of activity cores and conserve significant natural resources and open space areas within growth areas.

Response: Mature landscaping will be integrated throughout the development with the goal of providing a vegetated buffer to the adjacent single-family residential, and enhancing the streetscape along McDowell Road acknowledging the speed at which it will be experience by vehicles while still providing a meaningful and shaded environment for pedestrians. The amount of mature landscaping planned with the redevelopment of the site to residential will vastly

increase the amount of vegetation and open space (required 22%) on this Property, as compared to the hard surfaces of the existing dealership building, surface and parking structures. Additionally, the design proposed for the McDowell Road street frontage with 4-sided architecture, street-lined tree canopies, and 8' sidewalks will bring integrated open space areas along McDowell Road all help to achieve "meaningful open space" sought for this Growth Area.

Community Mobility Goal 5.

Relieve Traffic Congestion.

Bullet 3.

Emphasize work, live, play relationships in land use decisions that will reduce the distance and frequency of automotive trips and support alternative modes such as pedestrian paths, equestrian trails, cyclists routes, transit, telecommuting and technology for moving people and information.

Community Mobility Goal 8.

Emphasize live, work, play land use relationships to optimize the use of citywide systems and reduce the strain on regional and local/neighborhood systems.

Bullet 2.

Encourage the development and redevelopment of areas that support a balance of live, work, play land use relationships and alternative modes of transportation that reduce the reliance on the automobile.

Response to both Goal 5 & 8: Redevelopment of this Property will include improvements to the pedestrian connectivity along the McDowell Road street frontage with a detached, 8' widened sidewalk and landscaping consistent with the McDowell Road Streetscape Guidelines. Additionally, this site design includes connection points to the Crosscut Canal frontage. The existing 10' bike path easement along the southwest corner of the site will be maintained and enhanced with additional open space and landscaping. Also, the City has an active capital improvement project to bridge the Canal, further strengthening pedestrian connections for the neighborhood.

As properties along McDowell Road redevelop, the connectivity opportunities are enhanced strengthening the link between Papago Park and Southern Scottsdale. Additionally, integrating residential along McDowell Road and the Crosscut Canal will activate the corridor by increasing pedestrian synergy with new residents who will utilize the sidewalks, canal paths, and Papago Park amenities. The existing eastern dealership driveway entrance along McDowell Road will be eliminated and replaced with sidewalk, curb, and gutter to match the proposed improvements.

The Property is located within close proximity to an array of land uses (office, retail, support services) and the proposed pedestrian connections enhance the environment for residential development. The integration of more residential development along McDowell Road will naturally result in reduced travel distances, vehicle trips and promote walking and cycling via nearby trails, sidewalks and recreational amenities such as the canal path system, Papago Park and Indian Bend Wash. In addition to the numerous residential developments mention above the

City is beginning to see new businesses established in the area such as the McFate Brewery, and additional phases at SkySong. This type of redevelopment reflects how the live, work, play philosophy develops through a variety of retail services inspired by a revitalizing corridor with the promise of more rooftops bringing additional investment.

Lastly, as identified in the traffic study included with this application, the proposed residential development will reduce the daily weekday trips from 2,010 to 824 a reduction of 1,186 daily trips (59% reduction) from the existing dealership/commercial zoning.

V. Southern Scottsdale Character Area Plan ("SSCAP")

The City Council adopted the SSCAP in October 2010. The public outreach process for the SSCAP identified five community priorities which are listed below:

- 1. Develop a strong economic core with community gathering places
- 2. Focus on local mobility and walkability
- 3. Maintain and enhance existing neighborhoods and identity
- 4. Balance growth
- 5. Promote well designed architecture and sustainability

From the beginning design phase, the proposed Solare on McDowell residential community utilized these five priorities as guiding principles to the overall design and architectural character. Bringing new residential living opportunities to the McDowell Road Corridor will strengthen the economic core of Southern Scottsdale and enhance the existing character of the surrounding neighborhoods. The project was designed with a focus on walkability and also promotes a modern, contemporary architectural sensitive to the surrounding context while responding to the current market. The applicant seeks to build a sustainable, desert sensitive project by incorporating recessed windows and low-water use plant materials. The existing sidewalk along McDowell Road will be replaced with a detached sidewalk and landscaping will be provided between the curb and sidewalk to enhance the pedestrian experience. All of the internal streets will have sidewalks as well with connection points to McDowell Road and the Crosscut Canal path system.

SOUTHERN SCOTTSDALE CHARACTER AREA PLAN



Below are the land use goals and policies identified in the SSCAP that apply to the proposed development:

Goal LU 1

Promote residential reinvestment and revitalization through regulatory flexibility.

• Policy LU 1.1

Update land use regulations to allow for the revitalization and/or expansion of residential properties to current market standards.

• Policy LU 1.2

Encourage new residential development and revitalization that complements the established urban form.

Response: The proposed development meets these land use goals by revitalizing a dealership property (slated to relocate by October 2018) and redeveloping with a residential land use that will bring additional housing opportunities to the McDowell Road Corridor; an area designated for revitalization and redevelopment. The site plan has been designed in a sensitive manner by providing appropriate buffering to the existing single-family residential to the south with 58+/feet from rear wall of the adjacent single family neighborhood to the face of buildings within the Solare community (18' existing alley + 30' landscape buffer + 10' private yard). Integrating residential will strengthen the live, work, play land use concept along this corridor and will bring synergy to this mixed-use core.

The site location is ideal for residential development with close proximity to Downtown Scottsdale, Downtown Phoenix, Sky Harbor Airport, and Tempe. Solare on McDowell will benefit from direct Crosscut Canal linkage, nearby Papago Park and close proximity to the Phoenix Zoo and the Desert Botanical Garden. Additionally, the integration of additional residential units along the McDowell Corridor, with adjacent and nearby commercial land uses (and future commercial land uses planned for McDowell Road), will strengthen the existing retail businesses, as well as maintain the City's goals and policies.

McDowell Corridor Task Force Recommendation (February 8, 2010)

Target Market Position

The brand should capitalize on the following prioritized list of assets:

- 1. SkySong/General Dynamics
- 2. Downtown Scottsdale
- 3. Salt River Maricopa Indian Community
- 4. Phoenix Zoo/Desert Botanical Garden (Papago Park)
- 5. ASU/Tempe
- 6. Sky Harbor Airport

Goal LU 2

Create a hierarchy of regional, opportunity, and resort corridors to guide future land use, development and redevelopment throughout southern Scottsdale.

• Policy LU 2.1

Regional Corridors consist of higher intensity development and exist only within General Plan designated Growth Areas. These corridors will:

- Connect Regional Centers
- Be bordered exclusively by mixed-use neighborhood land use designation
- Contain vertical and horizontal mixed-use development; and
- Support greater residential density to complement Regional Center land uses.

Regional Corridor context, the Sky Song Regional Center, as well as the Papago Regional Center. The integration of residential along McDowell Road will provide pedestrian synergy which is essential to a thriving mixed-use development pattern. As noted several times in the SSCAP, these mixed-use environments can be vertical or horizontal in nature and although there is only residential land use on-site, the surrounding context provide a range of land uses including recreational, service and commercial retail uses. Additionally, a large mixed-use development was recently approved northwest of the Property (Scottsdale Entrada), which included approval for up to 750 residential units, 250 hotel rooms, 50,000 s.f. of commercial space and 250,000 s.f. of office space. Solare's additional 133 for-sale units will strengthen the economic stability of the existing and future commercial uses along McDowell Road.

Goal LU3

Promote revitalization, reinvestment and development along Southern Scottsdale's Corridors.

• Policy LU 3.2

Promote a mix of housing located along Corridors as a part of designated Regional Centers and Activity Areas.

• Policy LU 3.6

Encourage a diversity of new development, redevelopment, and infill projects that incorporate vertical and horizontal mixed-use development along Southern Scottsdale Corridors.

Response: Mixed-use development is an important component of successful smart growth and livable community development. When a wide variety of uses and housing choices are located within close proximity to each other, walking, bicycling and transit become a more practical means of travel and a synergy between land uses naturally occurs. The proposed residential community will not only bring reinvestment and redevelopment to the area, but will also bring development that more closely aligns the goals and policies of the City by integrating residential development along the McDowell Road Corridor. The "mix of housing" along McDowell Road has already begun to take shape with the recently developed Las Aguas (PUD), SkySong (PCD) and Mark Taylor (PUD) developments, which are all multifamily residential communities

Solare on McDowell– Project Narrative July 5, 2017

horizontally integrated with the mix of uses along McDowell Road. Additionally, City Council recently approved residential and mixed-use projects for the Aire, Skye and Scottsdale Entrada developments, all located on McDowell Road.

This proposed for-sale, attached single-family development will further expand and upgrade the housing options along the McDowell Road Corridor, integrating modern residential development on a soon to be vacant dealership parcel. Roof tops are essential to the economic health of McDowell Road, which is a horizontal mixed-use corridor that includes a variety of existing and proposed commercial retail and office development along with numerous residential projects. Solare's additional 133 for-sale units will further strengthen the economic stability of the existing and future commercial uses along McDowell Road.

Goal LU 5

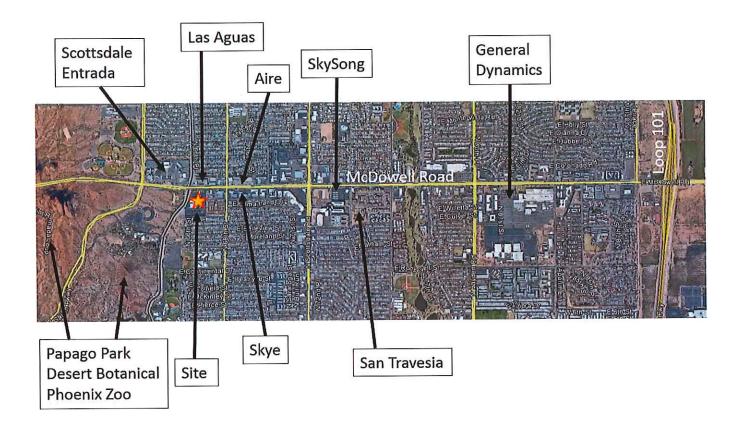
Create Regional Centers and activity areas to guide future land use types and intensities throughout Southern Scottsdale.

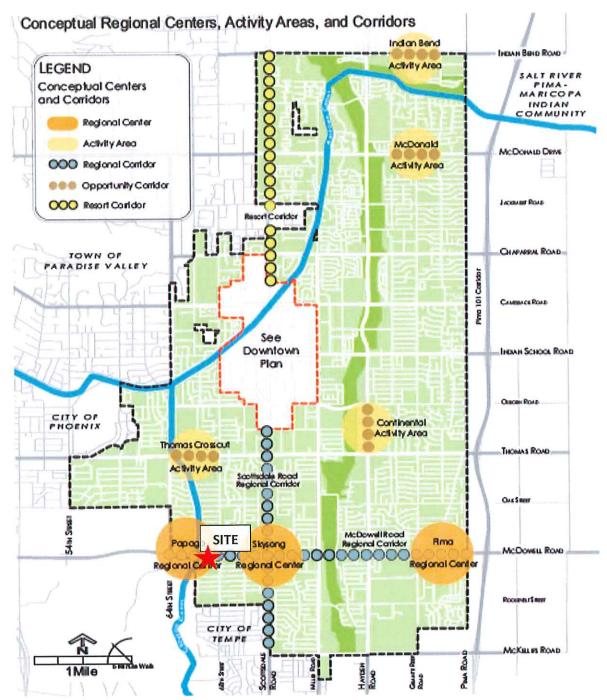
Policy LU 5.1

Encourage the most intense levels of reinvestment, revitalization, and infill development within designated Regional Centers. These centers are located within General Plan designated Growth Areas, on Regional Corridor roadways and are considered a valley-wide destination.

Response: McDowell Road is designated at a Regional Corridor per the SSCAP. The site also falls withing the Papago Regional Center and is within close proximity to the SkySong Regional Center. The proposed residential development will strengthen the link between these two "Regional Centers" and will accomplish a range of goals including the revitalization of an underutilized property (soon to be vacant dealership building) by integrating high quality, vibrant architecture and creating pedestrian synergy that will tie into the adjacent Crosscut Canal trail system, future canal bridge, and Papago Park to the west. Given the surrounding context, the proposed density of 10.8 du/ac is appropriate and will provide as a logical transition from the more intense McDowell Corridor to the single-family residential to the south and condominiums to the east.

<u>Surrounding Development & Context - McDowell Corridor</u>





Southern Scottsdale Character Area Plan, 2010

Goal LU9

Create new development and connectivity opportunities between Pagago Park and Southern Scottsdale.

• Policy LU 9.1

Support more intense land uses adjacent to Papago Park that are tourism and regional destinations including (but not limited to): mixed-use, hotel, specialty attractions, housing, recreation, retail, and support services.

Response: As mentioned above, the proposed residential community will benefit from the nearby canal linkage and Papago Park. The density of 10.8 du/ac is appropriate given the surrounding context and provides an ideal land use transition from McDowell Road (a 6-lane major arterial) to the R1-7 homes to south and R-5 condominiums to the east. With the redevelopment of the site, improvements to the pedestrian connectivity will be made along the street frontage with a detached, widened sidewalk and landscaping consistent with the McDowell Road Streetscape Guidelines. Additionally, numerous connection points will be made from the site to the Crosscut Canal frontage allowing residents to directly engage with this existing pedestrian circulation amenity. As properties along McDowell Road redevelop, the connectivity opportunities are enhanced strengthening the link between Papago Park and Southern Scottsdale. Additionally, integrating residential along this corridor enhances the pedestrian realm as new residents utilize the sidewalks, canal paths, and Papago Park amenities as well as the Desert Botanical Garden and Phoenix Zoo.

Goal CD 1

New and redeveloped residential housing should respect existing neighborhood character and design.

• Policy CD 1.1

New and redeveloped residential development should be compatible in terms of established neighborhood housing proportion, size, mass, and height.

• Policy CD 1.2

Architectural housing character should not be restricted to, but remain complementary with, existing neighborhood design.

Response: The proposed residential housing brings an exciting new architectural type to McDowell Road providing a modern, contemporary aesthetic appealing to the market demographic drawn to this transforming Regional Corridor. That being said, the two-story building proportions, size, massing and heights are compatible with the adjacent single-family homes to the south. Additionally, the site plan has been designed to provide a minimum 30' buffer and mature landscaping along the southern edge. The actual dimension from the rear wall of the adjacent single family neighborhood to the face of buildings within the Solare community is 58' (18' existing alley + 30' landscape buffer + 10' private yard).

Goal CD 2

The character and design of mixed-use and commercial development should accommodate a variety of land uses, engage pedestrians, and extend indoor spaces to the outside.

• Policy CD 2.1

Encourage pedestrian-oriented site design for new and revitalized development within Corridors, Regional Centers, and Activity Areas.

• Policy CD 2.2

Support new building design that respects existing area character, while allowing for efficient and coherent use of building sites.

Policy CD 2.4

New development and redevelopment should provide a diversity of design by accommodating a mix of land uses both vertically and horizontally.

Response: McDowell Road is designated as a Regional Corridor in the SSCAP. The site also falls within the Papago Regional Center with close proximity to the SkySong Regional Center. The proposed residential development will strengthen the link between these two "Regional Centers" and will accomplish a range of goals including the revitalization of an underutilized property (soon to be vacant dealership building) by integrating high quality, vibrant architecture, creating pedestrian synergy and promoting a mixed-use environment.

Goal CD 4

Site and building design of new development and redevelopment should respond to the Sonoran Desert Climate.

• Policy CD 4.1

Encourage new development to incorporate designs such as shade structures, deep roof overhangs and recessed windows to address passive solar cooling opportunities.

• Policy CD 4.2

Encourage the use of a variety of textures and natural building materials to provide architectural visual interest and richness, particularly at the pedestrian level.

• Policy CD 4.3

Support landscape design that responds to the desert environment by utilizing indigenous and adapted landscape materials that complement the Southern Scottsdale built environment.

Response: The architectural design, window placement, building materials and landscaping have been carefully selected to incorporate the vernacular of the Southwest and provide desert sensitive design elements. Architecture has been designed to activate both sides of the building (see elevations & site plan). The landscape plant palette is consistent with the McDowell Road Streetscape Guidelines and incorporates predominately low water use plant materials appropriate for this urban desert setting.

Goal CD 6

Promote, plan, and implement design strategies that are sustainable.

• Policy CD 6.1

Encourage compact development design along Corridors and in Regional Centers and Activity areas to help reduce travel distances, encourage walking and cycling, and stimulate public transit use.

Policy CD 6.4

Encourage the use of sustainable design principles for remodeling and new development projects to mitigate building construction and operational impacts on the environment.

Response: Being located along the McDowell Road Regional Corridor with close proximity to an array of land uses (office, retail, support services) and pedestrian connections, the Property is a highly suitable environment for residential development. The integration of more residential development along McDowell Road will naturally result in reduced travel distances, vehicle trips and promote walking and cycling via nearby trails, sidewalks and recreational amenities such as the canal path system, Papago Park and Indian Bend Wash.

The single-family residential units will include a ground level private garden space for every unit. The garden patio spaces will serve as an indoor/outdoor space and an extension of the ground level flex/living space. With respect to McDowell Road and the Crosscut Canal, this edge will activate the street/canal frontage (as opposed to the current condition – see below) with sidewalk improvements, architectural integrated privacy wall, and vegetation to bring visual interest.

K. Hovnanian uses energy efficient technology in their homes incorporating low-e glass, energy star appliances, sustainable building materials, and low water use desert landscaping appealing to the expectations of today's consumer while reducing operational impacts on the environment.



Goal EV 1

Support reinvestment that updates and/or replaces aging commercial properties.

• Policy EV 1.1

Support Opportunity and Regional Corridors, Regional Centers and Activity Areas for areas of mixed-use and higher-density development as part of an overall economic revitalization strategy.

Response: The proposed development plan brings reinvestment and revitalization to an aging, dealership site (soon to be vacated), further reenergizing the McDowell Road Corridor and bringing new residential living opportunities strengthening the economic core of Southern Scottsdale. The integration of additional rooftops along McDowell Road will bolster nearby retail and commercial businesses promoting the live, work, play momentum desired by the City. See the Elliott Pollock summary above on page 11-12.

Goal EV 5

Encourage a strong economic relationship among opportunity and regional corridors and associated regional centers and activity areas.

Policy EV 5.3

Promote the development and location of a range of housing to meet executive and workforce housing needs in the Regional Centers and adjacent mixed-use Regional Corridors to support business cluster and employment development.

Response: Per the SSCAP, the Property lies within the Papago Regional Center and west of the SkySong Regional Center along the McDowell Road Regional Corridor. The proposed residential development will strengthen the link between these two "Regional Centers" and will accomplish a range of goals including the revitalization of an underutilized property (soon to be vacated dealership building) and providing additional housing options for employees of SkySong, General Dynamics, HonorHealth, City of Scottsdale and Arizona State University to name a few.

Goal H2

Embrace a wide range of housing options.

• Policy H 2.4

Increase availability of housing choices that meet the living activity requirements of diverse individuals, families, and for persons with disabilities.

Response: The mix of housing along McDowell Road has already begun to take shape with recent construction of the Las Aguas (PUD), SkySong residential (PCD) and Mark Taylor (PUD) developments which are all multifamily residential. Recent City Council approvals now slated for development include Aire, Skye and Scottsdale Entrada. This proposed for-sale, attached single-family development will further expand and upgrade the housing stock along the McDowell Road Corridor integrating higher-end, modern residential development on a soon to be vacated parcel acting as a catalyst for further redevelopment along McDowell Road.

VI. Conclusion

In summary, the applicant is seeking a Major GPA and rezoning on a 12.3+/- gross acre site to create a for-sale single-family residential community with 133 homes. Redevelopment of this parcel will revitalize a soon to be vacant dealership along McDowell Road and providing additional high-end housing opportunities for the Southern Scottsdale community. It will contribute to the live, work, play land use balance promoted by the General Plan and SSCAP. Incorporating new residential land use is essential to the success of Southern Scottsdale and the McDowell Road Regional Corridor. The site is an ideal location for residents to live close to Downtown Scottsdale, Downtown Phoenix, Sky Harbor Airport and Tempe and enjoy the nearby amenities of the adjacent Crosscut Canal trail, Papago Park, Desert Botanical Garden, Phoenix Zoo, and Indian Bend Wash.







SOLARE ON McDOWELL

