

Staff Report Z-44-21-2 Modera Kierland PUD

December 1, 2021

Paradise Valley Village Planning December 6, 2021

Committee Meeting Date:

Planning Commission Hearing Date: January 6, 2022

Request From: <u>C-2 PCD</u> (6.80 acres)

Request To: PUD (6.80 acres)

Proposed Use: Planned Unit Development to allow multifamily

residential and commercial uses

Location: Southwest corner of Paradise Lane and

Scottsdale Road

Owners: 16000 Scottsdale, LLC
Applicant: Mill Creek Residential

Representative: Nick Wood, Esq., Snell & Wilmer, LLP

Staff Recommendation: Approval, subject to stipulations

General Plan Conformity					
General Plan Land Use Map Designation		Mixed Use (Commercial / Commerce / Business Park)			
Street Map Classification	Paradise Lane	Minor Collector	35-foot south half street		
	Scottsdale Road	Major Arterial	65-foot west half street (25 feet Phoenix) (40 feet Scottsdale)		
	71st Street	Collector	35-foot east half street		

CONNECT PEOPLE AND PLACES CORE VALUE; OPPORTUNITY SITES; LAND USE PRINCIPLE: Promote and encourage compatible development and redevelopment with a mix of housing types in neighborhoods close to employment centers, commercial areas, and where transit or transportation alternatives exist.

The Modera Kierland PUD proposes mixed-use multifamily residential and commercial uses that are compatible in scale and intensity with the surrounding Kierland area and properties

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adjacent to the site. The development is located in a mixed-use corridor where nearby properties are multifamily and/or commercial. The project site is also within a designated employment center, thus the concentration of residential uses in this commercial area will promote new and existing businesses. The requested PUD will facilitate ongoing investment and development of the greater Kierland area.

BUILD THE SUSTAINABLE DESERT CITY CORE VALUE; TREES AND SHADE; DESIGN PRINCIPILE: Integrate trees and shade into the design of new development and redevelopment projects throughout Phoenix.

The Modera Kierland PUD proposes landscaping around the perimeter of the new proposed building. Furthermore, shaded detached sidewalks along adjacent public streets will provide thermal comfort for pedestrians. The PUD requires that public pedestrian pathways be shaded a minimum of 75 percent.

CELEBRATE OUR DIVERSE COMMUNITIES AND NEIGHBORHOODS CORE VALUE; HEALTHY NEIGHBROHOODS; DESIGN PRINCIPLE: Establish design standards and guidelines for parking lots and structures, setback and build-to lines, blank wall space, shade, and other elements affecting pedestrians, to encourage pedestrian activity and identify options for providing pedestrian-oriented design in different types of development.

The proposed development will have four-sided architecture with a pedestrian friendly frontage along Scottsdale Road, Paradise Lane and 71st Street that will encourage pedestrian activity along these street frontages. The parking garage is partially enveloped by living units and commercial retail space, which provides a pedestrian oriented design.

CONNECT PEOPLE & PLACES CORE VALUE; BICYCLES; DESIGN PRINCIPLE: Development should include convenient bicycle parking.

The proposed development will provide bicycle parking for both residents and guests. The project is also located on an existing bike lane that extends along 71st Street and will support tenants who prefer using alternative modes of transportation to travel to and from work and seek services, including entertainment.

Applicable Plans, Overlays and Initiatives

Maricopa Association of Governments (MAG) Desert Ridge and Kierland Employment Center – See background item No. 5 below.

Tree and Shade Master Plan – See background item No. 8

Complete Streets Guiding Principles – See background item No. 9

Comprehensive Bicycle Master Plan – See background item No. 10

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Zero Waste PHX – See background item No. 11

Housing Phoenix Plan – See background item No. 12

Surrounding Land Uses/Zoning				
	Land Use	Zoning		
On Site	Retail, Furniture Store and Office	C-2 PCD		
North (across Paradise Lane)	Commercial Office	CP/GCP PCD		
South	Multifamily Residential and Commercial Retail	PUD and C-2 PCD		
East (across Scottsdale Road)	Amusement Park	C-4 (City of Scottsdale)		
West (across 71st Street)	Commercial Office	CP/GCP PCD		

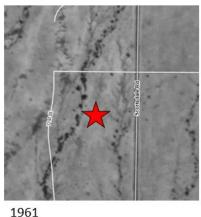
Background/Issues/Analysis

SUBJECT SITE

- This request is to rezone a 6.80-acre site located on the southwest corner of Paradise Lane and Scottsdale Road. The request is to rezone from C-2 PCD (Intermediate Commercial, Planned Community District) to PUD (Planned Unit Development) to allow multifamily residential and commercial uses.
- 2. The subject site consists of one parcel that is under the ownership of 16000 Scottsdale, LLC. The site currently contains a furniture store and two-story office building with surface parking. The subject site was annexed into the City of Phoenix in 1961, at that time the subject site and the surrounding area vastly consisted of vacant land. This area was planned in 1975 as a Planned Community District (PCD) of 1,082 acres, previously known as the Desert Springs PCD and now known as the Kierland PCD, through Rezoning Case No. Z-11-75. Subsequently, the Kierland PCD went through several amendments since its original approval. The current C-2 zoning designation was established through Z-11-C-75. Maricopa County Historical Aerials indicate that the first property to develop near the site was in approximately 1997 just south of the subject site and the subject property began development in approximately 1998. The PCD zoning district is intended to establish a development pattern for a larger area while permitting flexibility for specific developments and safeguards that adequate infrastructure needs are met for the area. The proposed PUD also proposes to remove the property from the

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PCD and the developer will be required to provide new or upgrade existing infrastructure as determined through the Planning and Development Department's site development process.





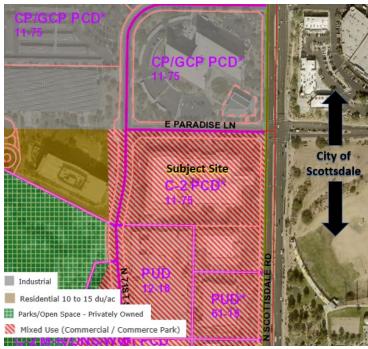


1998

Historic Aerials, Source: Maricopa County Assessor's Office

3. The General Plan Land Use Map designation for the subject site is Mixed Use (Commercial/ Commerce/Business Park). The proposal is consistent with the General Plan Land Use Map designation, as the Commercial designation supports commercial or multifamily uses. This PUD allows for both commercial and multifamily uses on any portion of the site, in compliance with the PUD development standards.

The General Plan Land Use Map designation on the north side, across Paradise Lane, is Industrial. To the south of the site the General Plan Land Use Map designation is Mixed Use (Commercial/Commerce/Business Park). To the east of the site,



General Plan Land Use Map, Source: City of Phoenix Planning and Development Department

across Scottsdale Road, the City of Scottsdale's General Plan Land Use Map designation is Mixed-Use Neighborhoods, Regional Use District and Airpark Mixed Use-Residential (AMU-R) by the City of Scottsdale's Greater Airpark Character Area Plan. To

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the west, across 71st Street, the General Plan Land Use Map designation is Residential 10 to 15 dwelling units per acre.

SURROUNDING ZONING AND USES

4. **North**

The property to the north of the subject site, across Paradise Lane, is an office building (MAX at Kierland) zoned CP/GCP PCD (Commerce Park/General Commerce Park, Planned Community District) approved through Rezoning Case No. Z-11-75.

South 5 4 1

Directly south of the subject is developed with a retail furniture store zoned C-2 PCD (Intermediate Commercial, Planned Community District) approved through Rezoning Case No. Z-11-F-75 and PUD through Rezoning Case No. Z-12-18.

<u>East</u>

Directly to the east of the subject site, across Scottsdale Road, is a family amusement park (Cracker Jax) within the City of Scottsdale city limits. This property is zoned C-4 (General Commercial District).

West

West of the subject site, across 71st Street, is a five-story commercial office building zoned



Surrounding Zoning, Source: City of Phoenix Planning and Development Department

CP/GCP PCD (Commerce Park General Commerce Park, Planned Community District) approved through Z-11-C-75.

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DESERT RIDGE AND KIERLAND MAJOR EMPLOYMENT CENTER

The subject site falls within the boundaries of the Maricopa Association of Governments designated Desert Ridge/Kierland major employment center and is in close proximity to a City of Phoenix designated employment center. The Desert Ridge/Kierland employment center extends east from 36th Street to Scottsdale Road between Deer Valley Road and the Central Arizona Project Canal, including the area from 64th Street to Scottsdale Road between the CAP canal and Acoma Drive.



A mix of housing types is encouraged in employment centers and commercial corridors to support existing and

Employment Center Map, Source: City of Phoenix Planning and Development Department

new businesses. The Desert Ridge/Kierland employment center profile provided by the City of Phoenix Community and Economic Development Department identifies the Kierland area as being comprised of a of a highly educated, executive and professional workforce with a large inventory of Class A office space. Providing additional residential options in close proximity to nearby commercial developments, including office uses, will help sustain existing businesses within this established employment center and the Kierland area overall.

PROPOSAL

6. The proposal was developed utilizing the PUD zoning district. The PUD is intended to create a built environment that is superior to that produced by conventional zoning districts and design guidelines. Using a collaborative and comprehensive approach, an applicant writes a document proposing standards and guidelines that are tailored to the context of a site on a case by case basis.

Where the Modera Kierland PUD Development Narrative is silent on a requirement, the applicable Zoning Ordinance provisions shall be applied.

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7. Below is a summary of the proposed standards for the subject site as described in the attached PUD Development Narrative date stamped October 29, 2021. The proposed standards were designed to allow for a multifamily development that continues enhancements along the Scottsdale Road corridor for a more pedestrian-friendly environment.

List of Uses

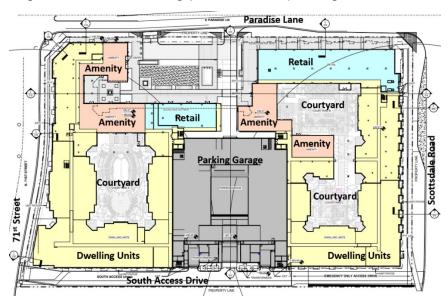
The Development Narrative proposes a number of permitted uses. The proposed uses consist of the permitted C-2 zoning uses found in Sections 623 of the Phoenix Zoning Ordinance. Additionally, multifamily residential is permitted with a maximum of 438 residential dwelling units.

The Development Narrative proposes restricting certain uses that are inconsistent with the Narrative's vision of mixed-use pedestrian-oriented development such as pawn shops, tobacco oriented retailers, non-profit medical marijuana dispensaries and more.

Conceptual Site Plan

The development's main access points are along Paradise Lane and the private drive bordering the southern property boundary with access off of 71st Street. The project proposes a six-story, 75-foot tall multifamily building with a parking garage that is partially enveloped by dwelling units. The remaining portion of the parking structure will

be screened with architectural embellishments consistent with the primary façade. Three amenity courtyards are proposed and are reserved as private common open space. The inclusion of commercial space is proposed at a minimum of 12,500 square feet. No commercial space is proposed to front onto 71st Street, 71st Street,



Paradise Lane and Site Plan, Source: Davis Partnership Architects Scottsdale Road will contain enhanced streetscape with a minimum six-foot detached sidewalk along 71st Street and Paradise Lane. A minimum eight-foot wide sidewalk along Scottsdale Road will be framed by landscape areas that will include trees, shrubs and live ground cover.

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Development Standards

The PUD development narrative proposes development standards based on the C-2 Zoning District. These standards vary from the C-2 standards in relation to height, density, lot coverage, open space and building setbacks. All other development standards are comparable.

Maximum Residential Unit		
Count: Maximum Dwellings	438 dwelling units	
Maximum Density	64.45 dwelling units per gross acre	
Minimum Lot Width/Depth	No Minimum	
Minimum Building Setbacks	From Property Line	
North (Paradise Lane)	8 feet	
West (71st Street)	8 feet	
South (Internal Property Line)	30 feet	
East (Scottsdale Road)	15 feet	
Minimum Landscape Setbacks		
North (Paradise Lane)	8 feet	
West (71st Street)	8 feet	
South (Internal Property Line)	0 feet	
East (Scottsdale Road)	15 feet	
Maximum Building Height	75 Feet	
Maximum Lot Coverage	70 percent of Total Net Site Area	
Open Space	Minimum 15 percent of net site area	
Commercial Area	Minimum 12,500 square feet	

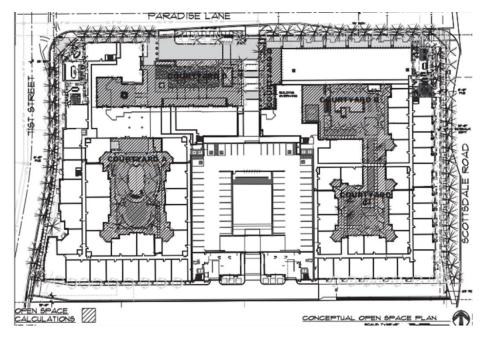
The proposed maximum height of the project is 75 feet. The C-2 standards allow a maximum height of 56 feet with a height waiver. Staff is supportive of the additional height due to the design and placement of the building as well as comparable heights in the area.

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The maximum lot coverage proposed for the project is 70 percent. The C-2 standards require a maximum lot coverage of 50 percent. The additional lot coverage is offset by a generous open space standard of 15 percent of the net site area.

The C-2 zoning district defers to the R-3 zoning district

for multifamily development standards, which require a minimum of 5 percent of the gross site area to be provided as



Open Space Plan, Source: David Partnership Architects

open space. The proposed development will provide a minimum of 15 percent of the net site area as open space. The open space will serve as an amenity to residents and visitors.

In regard to the building setbacks, the proposed development will provide a 30-foot wide setback along the south property line, where 0 feet is required by the C-2 zoning district standards.

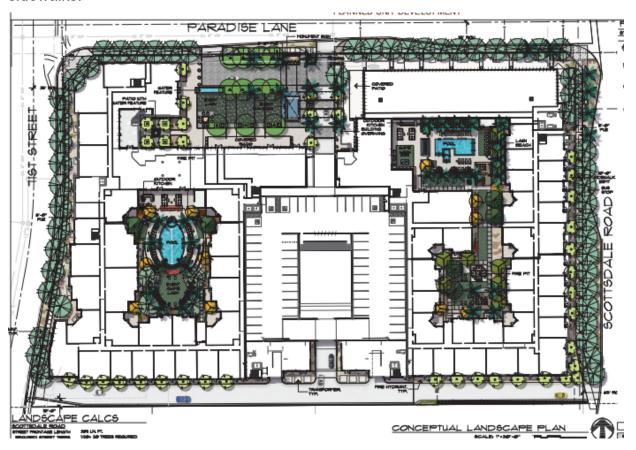
Landscape Standards

The PUD proposes a landscape setback along three sides of the proposed building. The Development Narrative will require a minimum landscape setback of 15 feet along Scottsdale Road, including two-inch and three-inch caliper trees, utilizing existing trees where possible. In addition to the trees, the developer shall install a minimum of five five-gallon drought tolerant shrubs per tree and to achieve a minimum of 75 percent live ground cover.

The streetscape along Scottsdale Road will include a minimum eight-foot wide detached sidewalk and a mixture of two-inch (75 percent) and three-inch (25 percent) caliper trees along the public right-of-way. The streetscapes along Paradise Lane and 71st Street will include a minimum 7 foot wide detached sidewalk and a minimum 8 foot wide landscape strip located between the sidewalk and back of curb planted with a mixture of two-inch (75 percent) and three-inch (25 percent) caliper trees. The landscaping will provide for a

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pedestrian-friendly environment with 75 percent shade at maturity along the public sidewalks.



Conceptual Landscape Plan, Source: Davis Partnership Architects

Design Guidelines and Standards

The Development Narrative includes design standards that promote pedestrian circulation on and around the site. Design standards ensure that the building facade will contain a minimum of 10 percent brick masonry, fiber cement, and composite panel, 54 percent stucco, and 30 percent glazing as depicted in the graphic below. Elevations of the building will provide one private balcony per unit and building corners will provide a change in color or material. The final elevations and building plans submitted to the City will incorporate the provisions outlined in the development narrative in addition to the Design Guidelines of Section 507.Tab A of the Phoenix Zoning Ordinance.

The garage structure visible from the public right-of-way shall be screened with perforated metal panels. The remainder of the parking structure shall be screened with architectural material consistent with the primary building façade or dwelling units as outlined in the development narrative. The landscape design shall have a uniform

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streetscape and perimeter design. Several residential amenities are also proposed, which are outlined below.



Conceptual Elevations, Source: Davis Partnership Architects

Parking Standards

The proposed vehicular parking standards required in this PUD exceed the Zoning Ordinance requirements. The Zoning Ordinance requirement is a minimum of 728 parking spaces, while this PUD will require a minimum of 1.53 spaces per dwelling unit totaling 753 vehicular parking

Parking Standards a. Minimum Parking Standards Residents 1.53 spaces per dwelling unit Unreserved Retail/Visitor 58 spaces **Compact Spaces** Maximum 5% of total parking **Bicycle Parking** 60 bicycle parking spaces b. Parking Location, Automotive All parking areas shall be located within a garage structure, except for any on-street parking depicted on the Site Plan. See Section E1.e for garage screening requirements. Ordinance Section 702.B.2.b.(5) does not apply. c. Parking Location, Bicycle To be installed in conformance with Ordinance Section 1307.H, except as follows: (i) Inverted-U style bicycle racks or artistic style racks consistent with the City of Phoenix preferred designs (see Comprehensive Bicycle Master Plan, Appendix K) shall be provided and (ii) secure resident bike storage shall be located within the parking garage. d. Loading Bay One (1) off-street loading space shall be provided.

Parking Standards, Source: Snell & Wilmer

Spaces to include a minimum of 58 guest and retail parking spaces.

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The PUD proposes a minimum of 60 bicycle parking spaces, which shall comply with Section 1307.H. of the City of Phoenix Zoning Ordinance.

Fences/Walls

All site fences and walls will be consistent with Section 703.A of the Phoenix Zoning Ordinance. In addition, all screen walls shall include architectural detailing consistent or complementary to the building facade.

Amenities

The PUD proposes amenities intended for use by residents and guests to include a clubhouse no less than 3,000 square feet, fitness center no less than 2,000 square feet, dog park, swimming pool or spa and at least three of the following:

- Lounge deck
- Shaded outdoor dining area
- Water features
- Barbeque grills
- Fire features
- Seating nodes
- Trellis areas

Shade

The proposed shade standards require that a minimum of 75 percent of shade cover be provided at maturity over public sidewalks. As stipulated, 75 percent shade shall be provided over private pathways as well. This is addressed in Stipulation No. 1.d.

Lighting Plan

All lighting will be consistent with the standards of Section 704 (Environmental Performance Standards) and Section 507 Tab A. of the Phoenix Zoning Ordinance and Section 23-100 of the City Code.

<u>Signage</u>

The proposed sign standards shall comply with Section 705 of the City of Phoenix Zoning Ordinance.

Sustainability

The Development Narrative proposes several options to incorporate sustainability principals including drought tolerant landscaping, LED landscape and exterior building

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lighting, and recycling receptacles. The project also proposes retaining established trees where possible along 71st Street, Paradise Lane and Scottsdale Road and the utilization of low flow water fixtures.

Phasing

The project will be constructed in one phase.

Staff Recommended Changes to the Development Narrative

The PUD proposes detached sidewalks ranging from six feet to eight feet in width along adjacent public streets. Shade at 75 percent coverage at maturity will be provided on the sidewalks to increase pedestrian comfort and encourage activity.

Balconies and patios shall not encroach int the required setbacks. This is addressed in Stipulation No. 1.c.

AREA PLANS, OVERLAY DISTRICTS, AND INITIATIVES

8. Tree and Shade Master Plan

The Tree and Shade Master Plan has a goal of treating the urban forest as infrastructure to ensure that trees are an integral part of the city's planning and development process. In addition, a vision in the master plan is to raise awareness by leading by example. The proposal includes landscaped pedestrian walking paths, open space areas and greater planting standards than otherwise required by the City of Phoenix Zoning Ordinance.

9. Complete Streets Guiding Principles

In 2014, the Phoenix City Council adopted the Complete Streets Guiding Principles. The principles are intended to promote improvements that provide an accessible, safe, and connected transportation system to include all modes, such as bicycles, pedestrians, transit, and vehicles. The proposed development will provide detached sidewalks along adjacent public streets and internal multi-use pathways throughout the site which provide a safer and more comfortable pedestrian experience.

10. Comprehensive Bicycle Master Plan

The Comprehensive Bicycle Master Plan also supports options for both short-and long-term bicycle parking as a means of promoting bicyclist traffic to a variety of destinations. The proposal requires bicycle parking spaces be provided on the site. Bicycle racks shall consist of an inverted-U or other decorative design and installed per the requirements of Section 1307. H. Secured bicycle parking for tenants shall be provided within the parking garage.

11. Zero Waste PHX

The City of Phoenix is committed to its waste diversion efforts and has set a goal to become a zero-waste city, as part of the city's overall 2050 Environmental Sustainability Goals. One of the ways Phoenix can achieve this is to improve and expand its recycling and other waste diversion programs. Section 716 of the Phoenix Zoning Ordinance

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establishes standards to encourage the provision of recycling containers for multifamily, commercial and mixed-use developments meeting certain criteria. The provision of recycling is addressed in the PUD narrative.

12. Housing Phoenix Plan

In June 2020, the Phoenix City Council approved the Housing Phoenix Plan. This Plan contains policy initiatives for the development and preservation of housing with a vision of creating a stronger and more vibrant Phoenix through increased housing options for residents at all income levels and family sizes. Phoenix's rapid population growth and housing underproduction has led to a need for over 163,000 new housing units. Current shortages of housing supply relative to demand are a primary reason why housing costs are increasing. The proposed development supports the Plan's goal of preserving or creating 50,000 housing units by 2030 by contributing to a variety housing types that will address the supply shortage at a more rapid pace while using vacant land in a more sustainable fashion.

This proposal will help to meet the goals of the Housing Phoenix Plan by providing new housing units for existing and new residents to the area.

COMMUNITY INPUT SUMMARY

13. At the time the staff report was written, staff has received one letter of concern since the application was submitted. This letter expressed concerns regarding building height, view corridors, pedestrian safety, pet accommodations, entrance to proposed project off of Paradise Lane, and traffic management at the intersection of Paradise Lane and 71st Street.

INTERDEPARTMENTAL COMMENTS

- 14. The Street Transportation Department has proposed stipulations requiring that all streets within and adjacent to the development, shall be constructed with required elements, including meeting ADA standards. Furthermore, since 71st Street is a designated bicycle way, that a public amenity for bicyclists be provided along the street frontage. These are addressed in Stipulation Nos. 1b., 1e., and 2.
- 15. The City of Scottsdale Aviation Department expressed concern with the location of this project as it relates to the airports flight paths and the 55 and 60 DNL noise contours of Scottsdale Airport. The City of Scottsdale comments and proposed stipulations were provided to the City of Phoenix Aviation Department for review.
- 16. The City of Phoenix Aviation Department has noted that the site is within the Scottsdale Municipal Airport (SDL) traffic pattern airspace, therefore, the developer shall provide notice to prospective purchasers of the existence and operation characteristics of the Scottsdale Airport and shall provide documentation that Form 7460-1 from the FAA. The requirements are addressed in Stipulation Nos. 4 and 5.

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17. The Phoenix Fire Department has noted that they do not anticipate any problems with this case and that the site and/or buildings shall comply with the Phoenix Fire Code.

- 18. The City of Phoenix Transit Department has noted the developer shall construct a bus stop pad along southbound Scottsdale Road. Further, all pedestrian pathways, both public and private, shall be shaded to 75 percent, be constructed of alternative paving materials and connect entrances, bus stop pads and public sidewalks using the most direct route for pedestrians possible. These are addressed in Stipulation Nos. 1d. and 3.
- 19. The City of Phoenix Water Services Department has noted the property has existing water and sewer mains that can potentially serve the proposed development. However, there is potential need to up size existing water and sewer infrastructure mains so that any remodels or new buildings will be able to meet domestic and fire code requirements.

OTHER

- 20. The site has not been identified as being archaeologically sensitive. However, in the event archaeological materials are encountered during construction, all ground disturbing activities must cease within 33-feet of the discovery and the City of Phoenix Archaeology Office must be notified immediately and allowed time to properly assess the materials. This is addressed in Stipulation No. 6.
- 21. Development and use of the site is subject to all applicable codes and ordinances. Zoning approval does not negate other ordinance requirements. Other formal actions such as, but not limited to, zoning adjustments and abandonments, may be required.

Findings

- 1. The proposed development is in conformance with the General Plan Land Use Map designation and more housing choices within an employment center.
- 2. The proposed development is compatible with the existing land use pattern in the area.
- 3. The proposed development contains enhanced standards that will result in a more walkable, shaded and pedestrian-friendly environment.

Stipulations

- 1. An updated Development Narrative for the Modera Kierland PUD reflecting the changes approved through this request shall be submitted to the Planning and Development Department within 30 days of City Council approval of this request. The updated Development Narrative shall be consistent with the Development Narrative date stamped October 29, 2021, as modified by the following stipulations:
 - a. Front Cover: Remove "HEARING DRAFT" and revise submittal date information on bottom of the cover page as follows:

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1st Submittal: June 28, 2021

2nd Submittal: September 10, 2021 Hearing Draft: October 29, 2021 City Council adopted: TBD

- b. Pages 10 and 12; Streetscape adjacent to Paradise Lane and 71st Street: Both Paradise Lane and 71st Street require the X-E Street Section. An E section requires detached sidewalks where a minimum 5-foot-wide sidewalk is required and a minimum 8-foot-wide landscape area is required.
- c. Page 10; Remove the notes at the bottom of the page regarding encroachments into the required setbacks and indicate that balconies and patios shall not encroach into required setbacks.
- d. Page 14, Section D5; Update verbiage to indicate that shade requirement is for both public sidewalks and private pathways to require 75 percent shade on all public sidewalks and private pathways.
- e. Page 18; Amenities: The applicant shall add the following language to the development narrative: One bicycle repair station ("fix it station") shall be provided and maintained along the 71st Street frontage. The bicycle repair station ("fix it station") shall be provided in an area of high visibility and separated from vehicular maneuvering areas, where applicable. The repair station shall include: standard repair tools affixed to the station; a tire gauge and pump affixed to the base of the station or the ground; and a bicycle repair stand which allows pedals and wheels to spin freely while making adjustments to the bike.
- 2. The developer shall construct all streets within and adjacent to the development with paving, curb, gutter, sidewalk, curb ramps, streetlights, median islands, landscaping and other incidentals, as per plans approved by the Planning and Development Department. All improvements shall comply with all ADA accessibility standards.
- 3. The developer shall dedicate right-of-way and reconstruct bus stop pad along southbound Scottsdale Road south of Paradise Lane. The bus stop pad shall be compliant with City of Phoenix Standard Detail P1260 with a minimum depth of 10 feet. The bus stop pad shall be spaced from the intersection according to City of Phoenix Standard Detail P1258. Trees shall be placed to provide 50 percent shade coverage to the bus stop pad at full maturity, as approved by the Planning and Development Department.
- 4. The property owner shall record documents that disclose the existence, and operational characteristics of Scottsdale Municipal Airport (SDL) to future owners or tenants of the property. The form and content of such documents shall be according to the templates

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and instructions provided which have been reviewed and approved by the City Attorney.

- 5. The developer shall provide documentation to the City of Phoenix prior to final site plan approval that Form 7460-1 has been filed for the development and that the development received a "No Hazard Determination" from the FAA. If temporary equipment used during construction exceeds the height of the permanent structure a separate Form 7460-1 shall be submitted to the FAA and a "No Hazard Determination" obtained prior to the construction start date.
- 6. In the event archaeological materials are encountered during construction, the developer shall immediately cease all ground disturbing activities within a 33-foot radius of the discovery, notify the City Archaeologist, and allow time for the Archaeology Office to properly assess the materials.

Writer

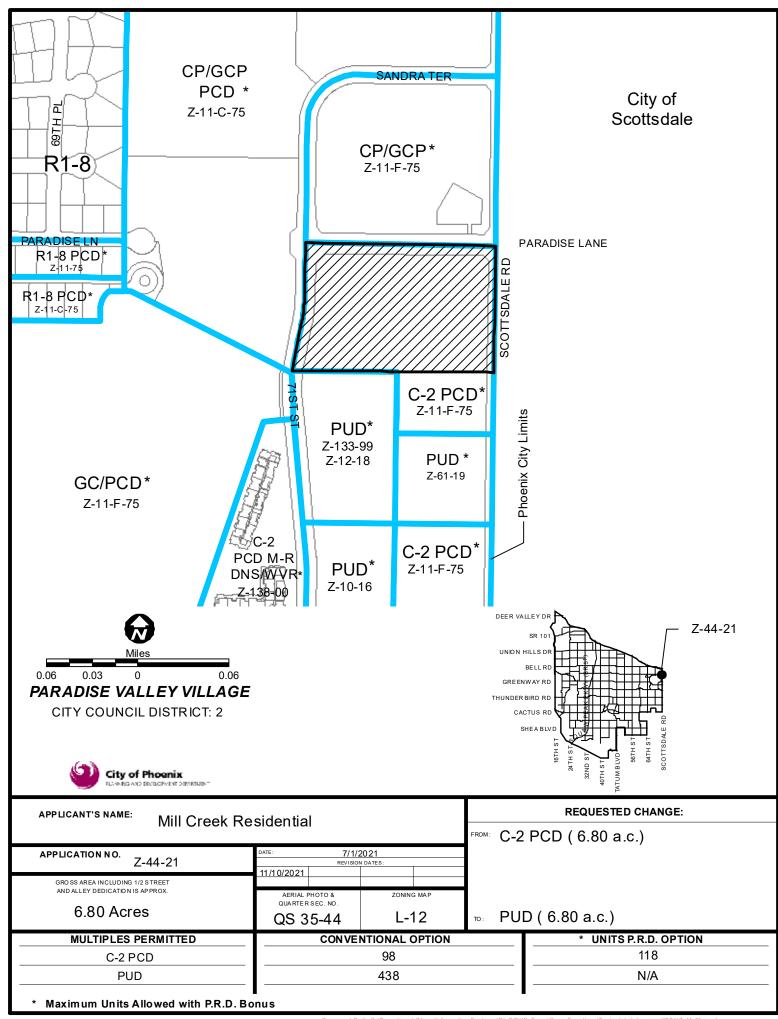
David Simmons
December 1, 2021

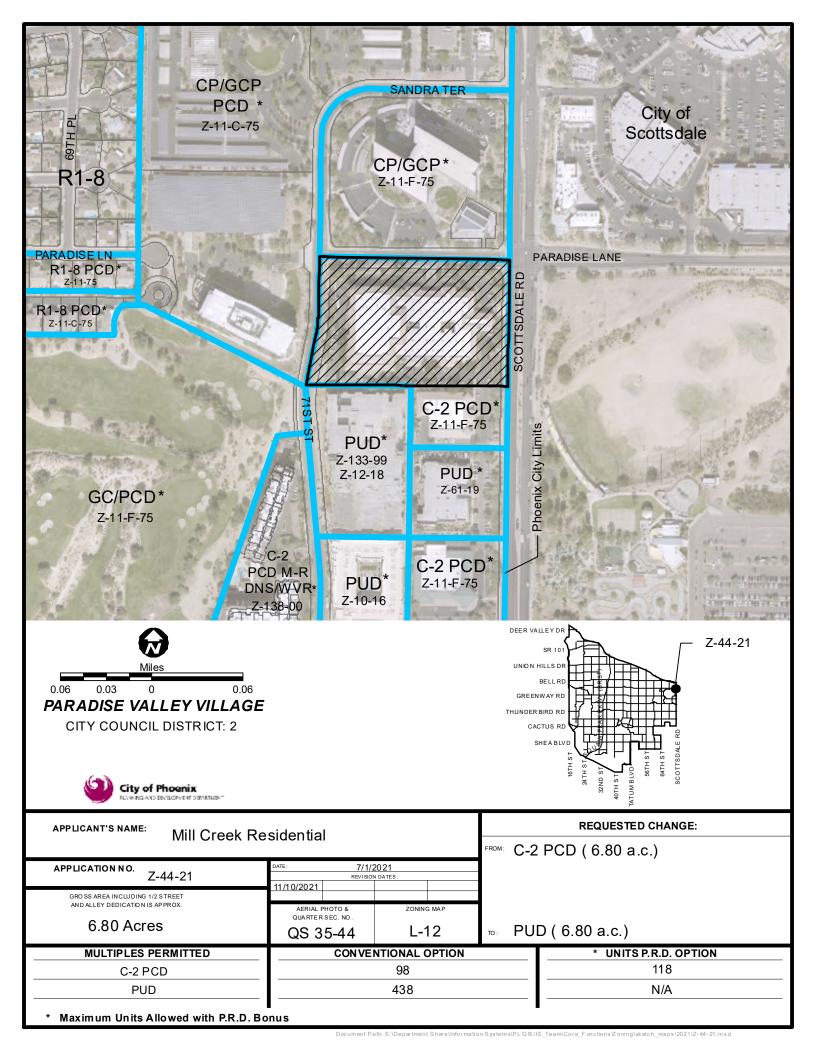
Team Leader

Samantha Keating

Exhibits

Zoning Sketch Map
Zoning Aerial Map
Community Correspondence (6 pages)
Modera Kierland PUD Development Narrative date stamped October 29, 2021





September 7, 2021

City of Phoenix Planning and Development Department 200 West Washington Street 2nd Floor Phoenix, AZ 85003



CITY OF PHOENIX

SEP 1 3 2021

Planning & Development Department

RE:

Case No. Z-44-21-2 Mill Creek Residential

16000 North Scottsdale Road, Phoenix, AZ

I am the President and CEO of Development Services of America, Inc. (DSA), the owner of the SGA Corporate Center at Kierland. Our property is located directly West from the above subject site, which is now occupied by Ladlow's Furnishings. We received a written notice from the Mill Creek group counsel regarding the pending application for the proposed development of a mixed-use project. Additional correspondence, online Zoom informational meetings, and a scheduled discussion with the Mill Creek planning and land use counsel has also been completed. This letter is our response to the proposed project, along with input that has been provided to the developer's counsel.

The Mill Creek project, or Modera Kierland as we have been informed, is an attractive proposal. Our firm, along with our parent company, Services Group of America, Inc., relocated to Arizona from Washington State back in 2006. We purchased our current location in 2007 as a new home for our company headquarters to house multiple companies operating under our parent organization's umbrella. Our building is a Class A, 5 story office building that is located at the intersection of Paradise Lane, and 71st Street. We front the Westin golf course to the South, and maintain views to the North, East, and West of the surrounding mountains, and developing areas. The goal from our late founder, Thomas J Stewart, was to provide sweeping views to all users of the SGA Corporate Center. In our planning, we insured that all workstations had views to the exterior from the most interior workspace location.

Several years ago, The Optima group notified us of their intended development to the South of our location. At the time, while we were NOT in favor of the development, we understood that there would be economic benefits to surrounding businesses gained by having a higher end living development in close proximity to the Kierland Commons, and now the Scottsdale Quarter. We mostly opposed the building height and voiced great concern for pedestrian traffic safety from their development to the Kierland Commons and the Quarter. Since that initial development was completed, Optima continues to develop additional towers, and will soon be comprised of over 900 living units. Additionally, there have been three more separate developments permitted. None resemble the other, but all are comprised of rental units for higher end clientele, and 55+ adult living users.

Our ongoing response to each new development that approached us, beyond our general objection to height, has been pedestrian safety, and traffic management at the intersection of Paradise Lane and 71st Street. Each time, the developer recognized our concerns, but no changes have been developed that show consideration for the continual pedestrian traffic crossing 71st Street, and the growing vehicular traffic using Paradise Lane and 71st Street.

Then came Covid 19. Business centers, like ours are impacted by tenants changing their use, and occupancy to accommodate for the safety of their associates, and tenants. Meaning that vehicular traffic dropped off dramatically beginning in 2019. Prior to Covid SGA sold five of its subsidiaries which created a vacancy in our building of over 94,000sf. We have been working steadily to back fill those spaces to date. Our marketing advantages are numerous, but a big draw is the sweeping views all around our center. However, with the myriad of new developments to the South and East, our views are now becoming dramatically reduced. Add to that the Westin developing a second hotel center on their campus, and we lose a portion of our scenic views to the South due to a high-rise hotel building.

All of this brings us to the current proposal by Mill Creek. DSA, as a developer recognizes that when there is a demand, someone will work to fulfill the need. Currently, along 71st Street and Scottsdale from Paradise Lane South to Greenway Hayden, we have what WILL BE six different residential developments. One can also assume the remaining furniture locations will eventually be sold and become added developments to the inventory in the future. None look the same, the architectural appearance varies, each have their own marketing approaches, and each believe they have something more to offer users. But all of these projects are adding both vehicular and pedestrian traffic to the area. This is a significant problem.

The Mill Creek proposal DOES APPEAR to have put some true thought into what they can bring to the area. The architectural design provides for different features, and appearances that represent at least three differing concepts. Couple with that, the provision of some retail dining, and other business locations on the ground level, and they have an attractive plan that our area is lacking.

In our meeting with Mill Creek land use counsel, and planners, we discussed items of our concerns. Pedestrian safety and vehicular traffic management was first and foremost. We also discussed a few other points of consideration since the proximity is directly across from our business center. To be honest, we don't want another multifamily development, but if one is permitted, then the Mill Creek plan is acceptable with some considerations needed. The following are our points of consideration:

- 1. **Visual block, and view management.** The current planned building height is 75', with rooftop patios. We ask that those patios that front our property have horizontal fenestration that will allow our views to be LESS obstructed. This may be accommodated by horizontal louvers that can open/close, thereby reducing the visual block from our offices.
- 2. **Pet accommodation.** With multifamily developments, come multi-pets! We have the largest grass area in the proximity where walkers bring their pets to relieve themselves. We greatly discourage this, but we cannot stop them all. Our suggestion is that Mill Creek consider a rooftop pet park. Since the roof top will already have owners using rooftop patios.
- 3. **Pedestrian safety measures.** Our City sidewalk along the southside of our building is a part of the Kierland pathways that circumnavigate around the golf course. That being said, with an anticipated increase in living units on the East side of 71st, there currently are NO managed crossings along 71st street until you get to the intersection of 71st and Greenway Hayden. People are now taking risks by crossing on their own currently. Vehicular traffic along this straight roadway is also not following the speed recommendations. Add in bicycles, and other modes of transportation, and the roadway can be extremely hazardous to all traffic. Some sort of traffic-controlled cross would alleviate the risk, whether crossings are added at the intersection of 71st and Paradise Lane (a stop sign in all directions is definitely needed), or an intermediate cross walk at a lesser intersection. Better yet, multiple safety crossings since some users will not want to walk the entire length of 71st Street to cross at a safety crossing.

- 4. Vehicular traffic control at the intersection of 71st Street and Paradise. There is only one stop sign in place for traffic traveling West on Paradise. The North and South bound lanes on 71st Street have free travel in both directions, AND free turns to the East onto Paradise. Morning traffic loading the commercial office buildings in the area do not have much issue with accessing campuses. The issue becomes exaggerated when the same buildings unload at the end of the day. Typically, from 4:00pm to 5:30pm, all the buildings along 71st Street exit their respective campuses, and then turn onto Paradise Lane so they get the benefit of the traffic signal at Paradise Lane and Scottsdale Rd. This period has a history of traffic backups from the traffic signal at Scottsdale Rd all the way to 71st Street. This occurred during the time when all the local commercial buildings occupancy was up. The stack of traffic causes "interesting" driving habits for drivers who don't want to wait. Drivers will perform illegal U turns in front on oncoming traffic. They'll drive around turn lane islands, so they don't have to wait in line for the Scottsdale signal to change to green. During this wait, our campus traffic gets backed up into our own lot as well. We are requesting that all direction stop signs be placed to better "meter" traffic flow onto Paradise Lane. It also will aid in pedestrian safety crossings.
- 5. **Modera entrance from Paradise.** The current plans show two drive entrances on Paradise Lane into the Modera development. While we don't disagree with the plan, we object to a traffic pattern traveling West on Paradise Lane and then turning South into one of the drives. This conflicts with afternoon traffic mentioned in request #4. It also creates a risk to drivers heading North on 71st Street and free turning to the East onto Paradise Lane. We would recommend that traffic entering the drive only enter while heading West on Paradise Lane. Exiting traffic should only turn East bound (right) towards the traffic-controlled intersection at Paradise Lane and Scottsdale Rd.
- 6. Construction traffic controls at 71st Street since there is no on street parking along 71st Street and Paradise Lane adjacent to the subject site. During the construction of each project South and East of our site along 71st Street, on street parking for trades, and delivery vehicles has been accommodated. However, 71st Street South of our site widens, and on street parking and bike lanes are in place. Our concern is the restriction and risk control for delivery vehicles along 71st Street. The street narrows into a West bound turn lane, and North of that 71st Street remains narrowed with no space for parking. We encourage the developers to ensure that traffic control measures, and accommodations for general traffic and access to our site be maintained continuously. This will greatly reduce potential accidents, or conflicts with business campus' like ours, and The Max.

Items #1 thru 6 were all discussed with the Mill Creek development planning team. There was recognition on traffic and pedestrian control measures, and an apparent interest in other input to mitigate pet problem use, and visual interruption to our campus along with traffic controls during construction.

Development Services of America, Inc. has been exceedingly successful to date in our back fill and leasing of vacant space. By this time next year, we will have three new international companies whose market capital share combined exceeds \$120,000,000,000.00. Improved safety measures around our campus will continue to draw high quality users to us, and the neighboring business centers.

DSA is merely requesting that mitigation improvements are placed to protect the ongoing use of the local streets, and sidewalks so the enjoyment is maintained for ALL users. These improvements will also aid in maintaining the economic viability of the current Class A offices in the area. The Kierland

Commons area, along with the Scottsdale Quarter have added many attractions beneficial to users, visitors, and residents in the area. All the above requests are simple additions that maintain the high level of overall appearance and usefulness to the entire community. We respectfully request consideration on all the above to aid in blending the new plan into the existing community. Thank you.

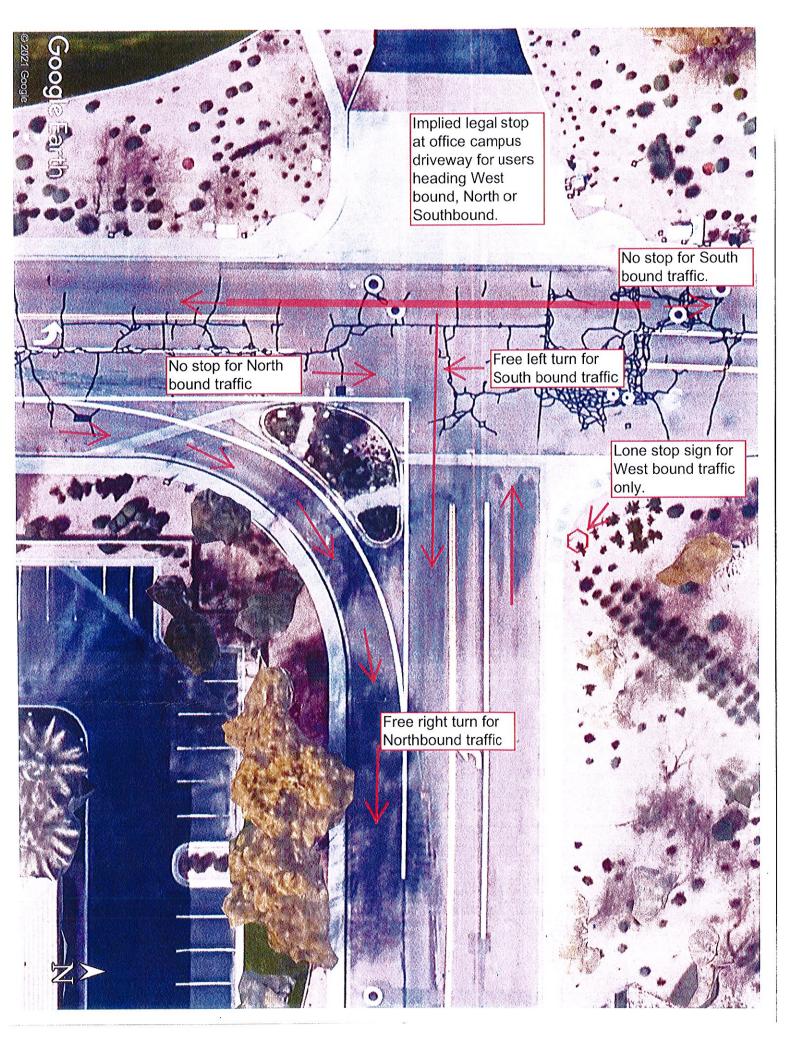
Sincerely,

Richard H. Wilson President/CEO

Development Services of America, Inc.

Encl.

Cc. David Simmons, City of Phoenix Village Planner Nicholas Wood, Snell & Wilmer City of Phoenix Councilman Jim Waring



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