

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, AUGUST 27, 2019**



**CITY HALL KIVA
3939 N. DRINKWATER BOULEVARD
SCOTTSDALE, AZ 85251**

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:00 P.M. on Tuesday, August 27, 2019, in the City Hall Kiva.

ROLL CALL

Present: Mayor W.J. "Jim" Lane; Vice Mayor Linda Milhaven; and Councilmembers Suzanne Klapp, Virginia L. Korte, Kathleen S. Littlefield, Guy Phillips, and Solange Whitehead

Also Present: City Manager Jim Thompson, Acting City Attorney Joe Padilla, City Treasurer Jeff Nichols, City Auditor Sharron Walker, and City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Boy Scout Troop 446

INVOCATION – Pastor Joel Thompson, Scottsdale Bible Church

MAYOR'S REPORT – Mayor Lane invited students to participate in the City's Constitution Day Contest by submitting an essay, art, or video by September 17, 2019.

PRESENTATIONS/INFORMATION UPDATES – None

PUBLIC COMMENT – Lynn Sullivan, Vice President, Sunflower Estates HOA, commented on damage that was done to Lot 8, which she believes was caused by the adjacent Reserve at Black Mountain construction.

MINUTES

Request: Approve the Special Meeting Minutes of June 25, 2019, and July 1, 2019; Regular Meeting Minutes of June 25, 2019, July 1, 2019, and July 2, 2019; and Executive Session Minutes of June 25, 2019, and July 1, 2019.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

MOTION AND VOTE – MINUTES

Councilmember Korte made a motion to approve the Special Meeting Minutes of June 25, 2019, and July 1, 2019; Regular Meeting Minutes of June 25, 2019, July 1, 2019, and July 2, 2019; and Executive Session Minutes of June 25, 2019, and July 1, 2019. Councilman Phillips seconded the motion, which carried 7/0, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

CONSENT AGENDA

1. Over Easy Liquor License (59-LL-2019)

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for a new location and owner.

Location: 11162 N. Frank Lloyd Wright Boulevard, Suite 101

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

2. Pubblico Italian Eatery Liquor License (64-LL-2019)

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.

Location: 7001 N. Scottsdale Road, Suite E-184

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

3. McDowell Mountain Manor Rezoning (18-ZN-2018)

(Moved to Regular Agenda, Page 4)

4. Carefree Ranch Homesteads Covenant to Maintain Easements and Improvements Agreement

(Removed at the request of staff.)

5. Engineering Services Contract for Materials Testing

Request: Adopt **Resolution No. 11546** authorizing Contract No. 2019-140-COS with Speedie & Associates, Inc., in an amount not to exceed \$500,000 annually, for on-call materials testing services.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

6. Wireless Communications Antenna Site Revocable License Agreement

Request: Adopt **Resolution No. 11557** authorizing Agreement No. 2019-147-COS with New Cingular Wireless PCS, LLC, permitting the continued operation of a wireless site.

Location: 28175 N. Pima Road (northeast corner of Pima Road and Dynamite Boulevard)

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

7. Integrated Corridor Management Project Planning and Construction Intergovernmental Agreement

Request: Adopt **Resolution No. 11530** authorizing Agreement No. 2019-105-COS with the Arizona Department of Transportation for integrated corridor management project planning and construction for the Loop 101 Mobility Project.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

8. Certification Acceptance Agreement

Request: Adopt **Resolution No. 11545** authorizing Agreement No. 2019-139-COS with the Arizona Department of Transportation to administer Federal-aid Highway Program Projects funded by the Federal Highway Administration within the City of Scottsdale.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

9. Disc Golf Course Agreement

Request: Adopt **Resolution No. 11544** authorizing Agreement No. 2019-138-COS with Spinners on the Green, LLC, to enhance and maintain the disc golf course at Vista del Camino Park.

Staff Contact(s): Reed Pryor, Parks and Recreation Director, 480-312-1011, rpryor@scottsdaleaz.gov

10. Safe Routes to School Coordinator Grant

Request: Adopt **Resolution No. 11480** to authorize:

1. The acceptance of an additional \$1,886 for the third of three one-year Transportation Alternatives Program federal grants previously accepted by Resolution No. 11042.
2. A budget transfer in the amount of \$47,149 from the adopted FY 2019/20 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the grant activity.
3. The addition of a temporary 0.50 FTE Safe Routes to School Coordinator position in the Transportation Department, for one year, funded by the federal grant and the Transportation Fund for the local match requirement.

Staff Contact(s): Paul Basha, Transportation Director, 480-312-7651, pbasha@scottsdaleaz.gov

11. Emergency Operations Center Intergovernmental Agreement

Request: Adopt **Resolution No. 11539** authorizing Agreement No. 2019-113-COS with the Arizona Department of Emergency and Military Affairs for contingent use of each party's emergency operations center during an emergency in which one or the other party's emergency operations center becomes unavailable or compromised.

Staff Contact(s): Tom Shannon, Fire Chief, 480-312-1821, tshannon@scottsdaleaz.gov

12. City Auditor's Fiscal Year 2019/20 Audit Plan

Request: Approve the City Auditor's FY 2019/20 Audit Plan, as recommended by the Council's Audit Committee at its June 27, 2019, meeting.

Staff Contact(s): Sharron Walker, City Auditor, 480-312-7867, swalker@scottsdaleaz.gov

13. Gila River General Stream Adjudication

Requests:

1. Adopt **Resolution No. 11550** authorizing Intergovernmental Agreement No. 2019-142-COS with the Cities of Avondale, Chandler, Glendale, and Mesa for joint legal representation in the Gila River General Stream Adjudication.
2. Adopt **Resolution No. 11551** authorizing Legal Services Contract No. 2019-143-COS with Engelman Berger, P.C. in an amount not to exceed \$38,400 for the continued legal representation in the Gila River General Stream Adjudication for FY 2019/20; and authorizing the City Attorney to approve a one-year extension of the contract.

Staff Contact(s): Joe Padilla, Acting City Attorney, 480-312-2405, jpadilla@scottsdaleaz.gov

14. Monthly Financial Report

Request: Accept the FY 2018/19 Monthly Financial Report as of May 2019.

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

14A. Daniel Reiss and Courtney Reiss v. City of Scottsdale, et al., Settlement Agreement

Request: Adopt **Resolution No. 11565** authorizing Agreement No. 2019-153-COS with Daniel and Courtney Reiss, in the amount of \$1,500,000, to settle the lawsuit titled *Daniel Reiss and Courtney Reiss v. City of Scottsdale, et al.*, currently pending in Maricopa County Superior Court, Case No. CV2018-010843.

Staff Contact(s): Joe Padilla, Acting City Attorney, 480-312-2405, jpadilla@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilwoman Littlefield made a motion to approve Consent Agenda Items 1 through 14A, absent Item 4, which was removed at the request of staff, and Item 3, which was moved to the Regular Agenda. Councilwoman Klapp seconded the motion, which carried 7/0, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, Phillips, and Whitehead voting in the affirmative.

REGULAR AGENDA

3. McDowell Mountain Manor Rezoning (18-ZN-2018)

Requests:

1. Adopt **Ordinance No. 4412** approving a zoning district map amendment from Single-Family Residential, Environmentally Sensitive Lands (R1-130/ESL) zoning to Single-Family Residential, Environmentally Sensitive Lands (R1-43/ESL) zoning on a 40±-acre site.
2. Adopt **Resolution No. 11562** declaring the document titled “*McDowell Mountain Manor*” to be a public record.

Location: Southwest corner of N. Ranch Gate Road and N. 128th Street

Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

Senior Planner Jesus Murillo gave a PowerPoint presentation (attached) on the McDowell Mountain Manor rezoning request.

Applicant Representative Carolyn Oberholtzer gave a presentation on the McDowell Mountain Manor rezoning request.

MOTION AND VOTE – ITEM 3

Vice Mayor Milhaven made a motion to adopt Ordinance No. 4412 and Resolution No. 11562. Councilmember Korte seconded the motion, which carried 6/1, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, Littlefield, and Phillips voting in the affirmative, and Councilwoman Whitehead dissenting.

15. Bottled Blonde Conditional Use Permit (17-UP-2012#4)

Request: Find that the conditional use permit criteria have been met and adopt

Resolution No. 11535 approving an amendment to an existing Conditional Use Permit for a bar to include a new second floor roof deck addition for a property with Central Business District, Parking District, Downtown Overlay (C-2/P-3 DO and P-2 DO) zoning.

Location: 7340 E. Indian Plaza

Presenter(s): Greg Bloemberg, Sr. Planner

Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

Senior Planner Greg Bloemberg and Applicant Representative Benjamin Tate gave PowerPoint presentations (attached) on the conditional use permit request.

Mayor Lane opened public testimony.

Sonnie Kirtley, Coalition of Greater Scottsdale (COGS) commented on sound issues.

Mayor Lane closed public testimony.

ALTERNATE MOTION AND VOTE – ITEM 15

Councilwoman Whitehead made an alternate motion to adopt the recommendation made by staff with limited hours of operation. Councilwoman Littlefield seconded the motion, which failed 2/5, with Councilmembers Littlefield and Whitehead voting in the affirmative, and Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, and Phillips dissenting.

MOTION AND VOTE – ITEM 15

Councilwoman Klapp made a motion finding that the conditional use permit criteria have been met and to adopt Resolution No. 11535, removing the second sentence in Stipulation No. 10. Councilmember Korte seconded the motion, which carried 5/2, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp, Korte, and Phillips voting in the affirmative, and Councilmembers Littlefield and Whitehead dissenting.

16. Marquee Rezoning and Development Agreement (7-ZN-2015#2 and 3-DA-2019)

Requests:

1. Adopt **Ordinance No. 4413** approving a zoning district map amendment from Downtown/Downtown Multiple Use-Type 2, Planned Block Development, Downtown Overlay (D/DMU-2, PBD, DO) zoning to Downtown/Downtown Multiple Use-Type 3, Planned Block Development, Downtown Overlay (D/DMU-3, PBD, DO) zoning; amending the existing development plan; and proposing a building height of 150±-

feet on 2.5± acres of a 9.5±-acre site located at 4419 N. Scottsdale Road and 7235, 7233 E. Shoeman Lane.

2. Adopt **Resolution No. 11533** declaring the document titled "Marquee Development Plan" to be a public record.
3. Adopt **Resolution No. 11555** authorizing Development Agreement No. 2016-021-COS-A1 with Stockdale Galleria Land Owner, LLC, for property generally located at 4419 N. Scottsdale Road.

Presenter(s): Bryan Cluff, Sr. Planner

Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

Senior Planner Bryan Cluff and Applicant Representative Jason Morris gave PowerPoint presentations (attached) on the rezoning and development agreement requests.

Mayor Lane opened public testimony.

The following spoke in support of the Marquee rezoning and development agreement:

- Ryan Hibbert
- Josh Toney
- Kevin Maxwell, Scottsdale resident
- Yvonne Koehler, Scottsdale resident
- Dan Hinkson, Scottsdale resident
- Bill Crawford, Scottsdale resident
- Bret Sassenborg, Phoenix resident
- Rosana DeMar, Spellbound Entertainment Group
- Ashley Akbar, Scottsdale resident
- Thomas Lawson
- Brett Wojtulewicz
- Ben Shojaee, Scottsdale resident
- Lindsay Johnson, Kattera
- Robert Burns, Scottsdale resident
- Jon Hirt, Kattera
- Kevin Calihan, CBRE Group
- Clifford Paul, Scottsdale resident
- David Cronin, W Hotel

The following spoke in opposition to the Marquee rezoning and development agreement:

- Sonnie Kirtley, Scottsdale resident
- Betty Janik, COGS
- Heather Mrowiek, Scottsdale resident
- James Davis, Scottsdale resident
- Tom Durham, Scottsdale resident
- John Nichols, Scottsdale resident
- Scott Jarson, AZ Architecture
- Andrea Alley, Scottsdale resident
- Jim Haxby, Scottsdale resident

Mayor Lane closed public testimony.

MOTION AND VOTE – ITEM 16

Vice Mayor Milhaven made a motion to adopt Ordinance No. 4413 approving a zoning district map amendment, Resolution No. 11533 declaring the document titled "Marquee Development Plan" to be a public record, and Resolution No. 11555 authorizing Development Agreement No. 2016-021-COS-A1. Councilmember Korte seconded the motion, which carried 4/3, with Mayor Lane; Vice Mayor Milhaven; and Councilmembers Klapp and Korte voting in the affirmative, and Councilmembers Littlefield, Phillips, and Whitehead dissenting.

PUBLIC COMMENT – None

CITIZEN PETITIONS

17. Receipt of Citizen Petitions

Request: Accept and acknowledge receipt of citizen petitions. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager to agendize the petition for further discussion; (2) direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner; or (3) take no action.

Staff Contact(s): Carolyn Jagger, City Clerk, 480-312-2411, cjagger@scottsdaleaz.gov

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS – None

ADJOURNMENT

The Regular City Council Meeting adjourned at 8:25 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

Officially approved by the City Council on _____

C E R T I F I C A T E

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 27th day of August 2019.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 17th day of September 2019.

Carolyn Jagger, City Clerk

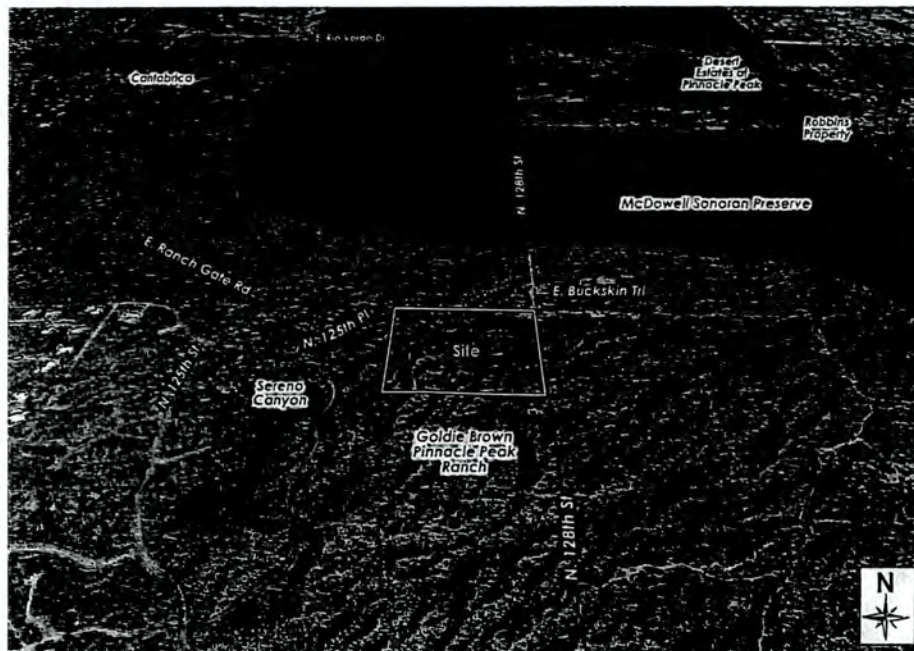
Item 3

**McDowell Mountain Manor
(HHL Ranch Gate)
18-ZN-2018**

**City Council
August 27, 2019**

Coordinator: Jesus Murillo

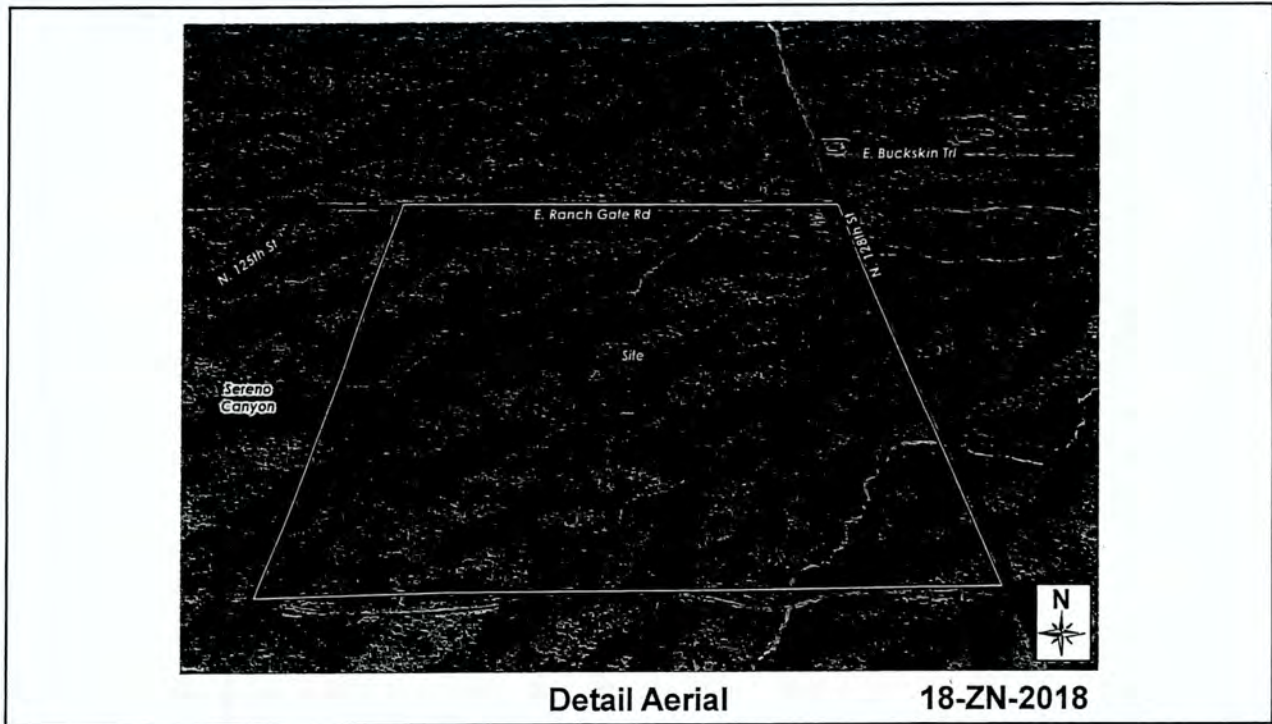
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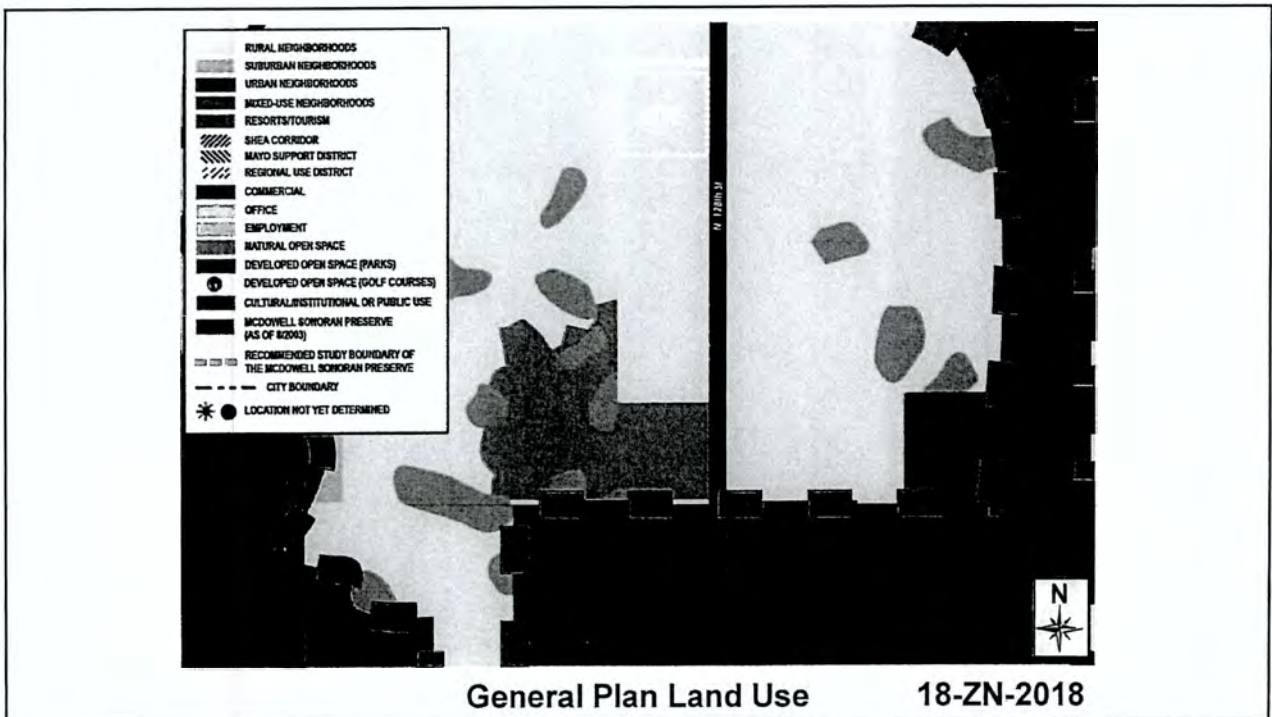
Context Aerial

18-ZN-2018

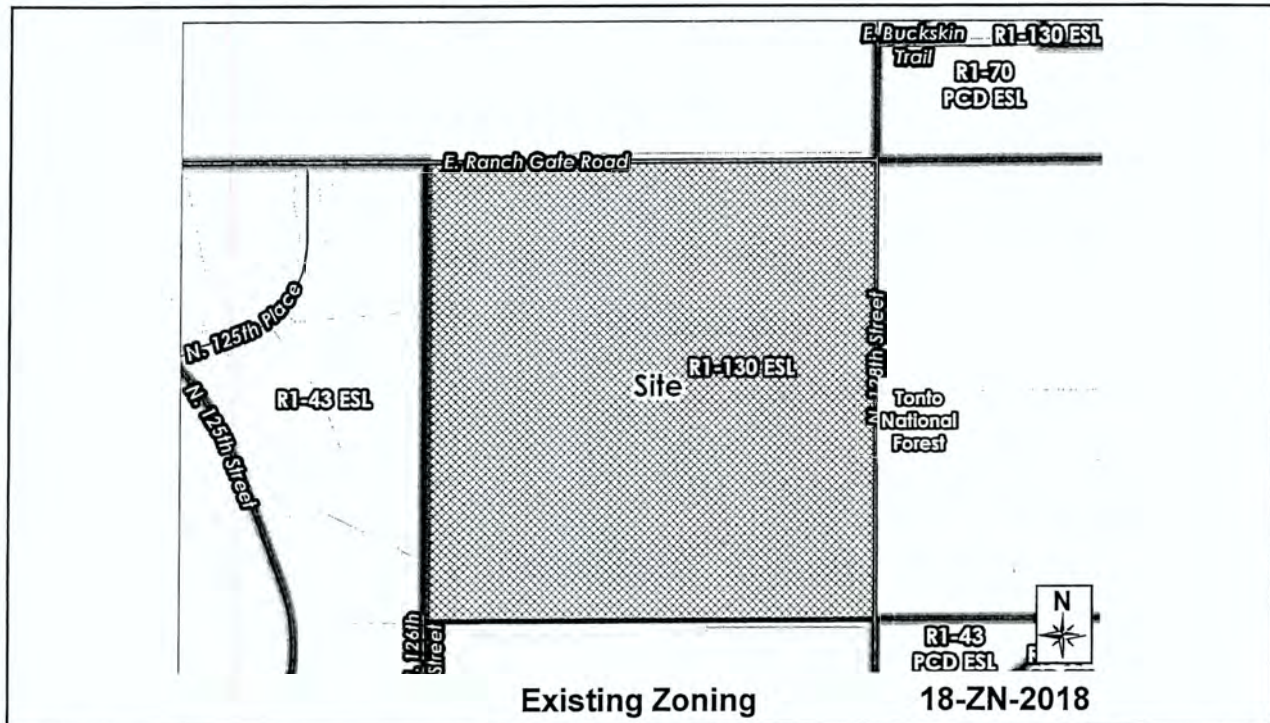
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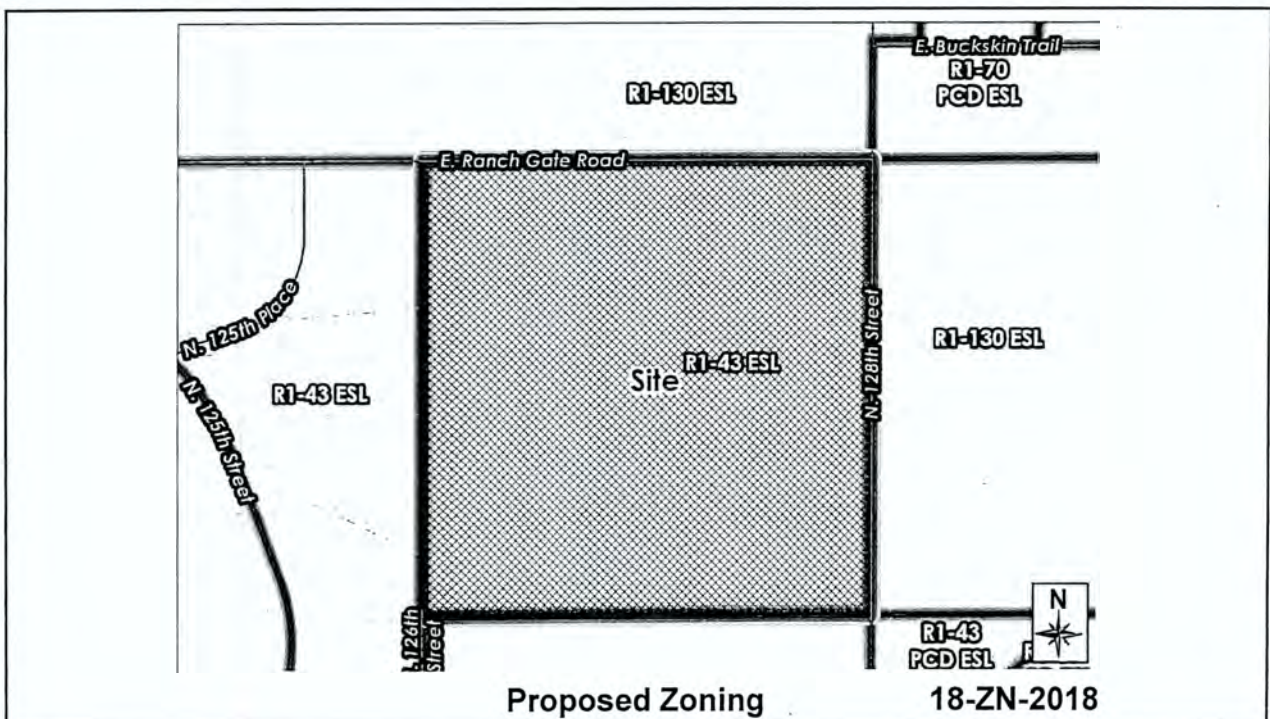
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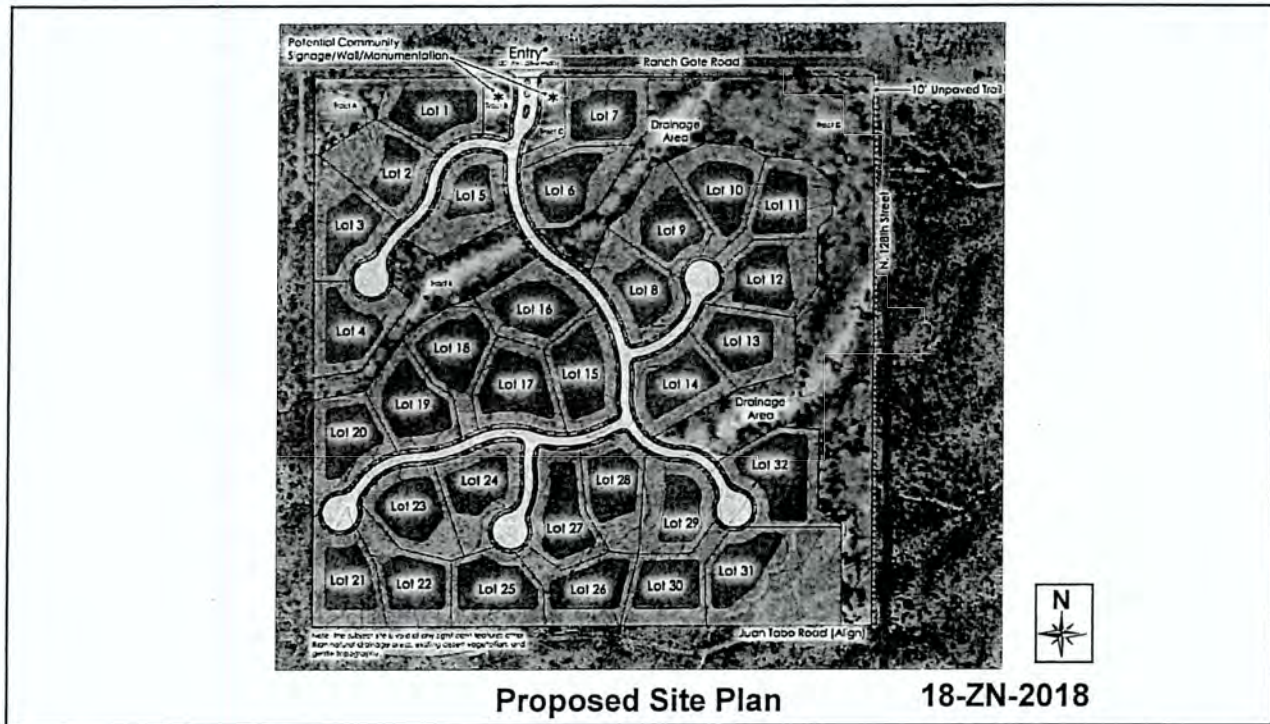
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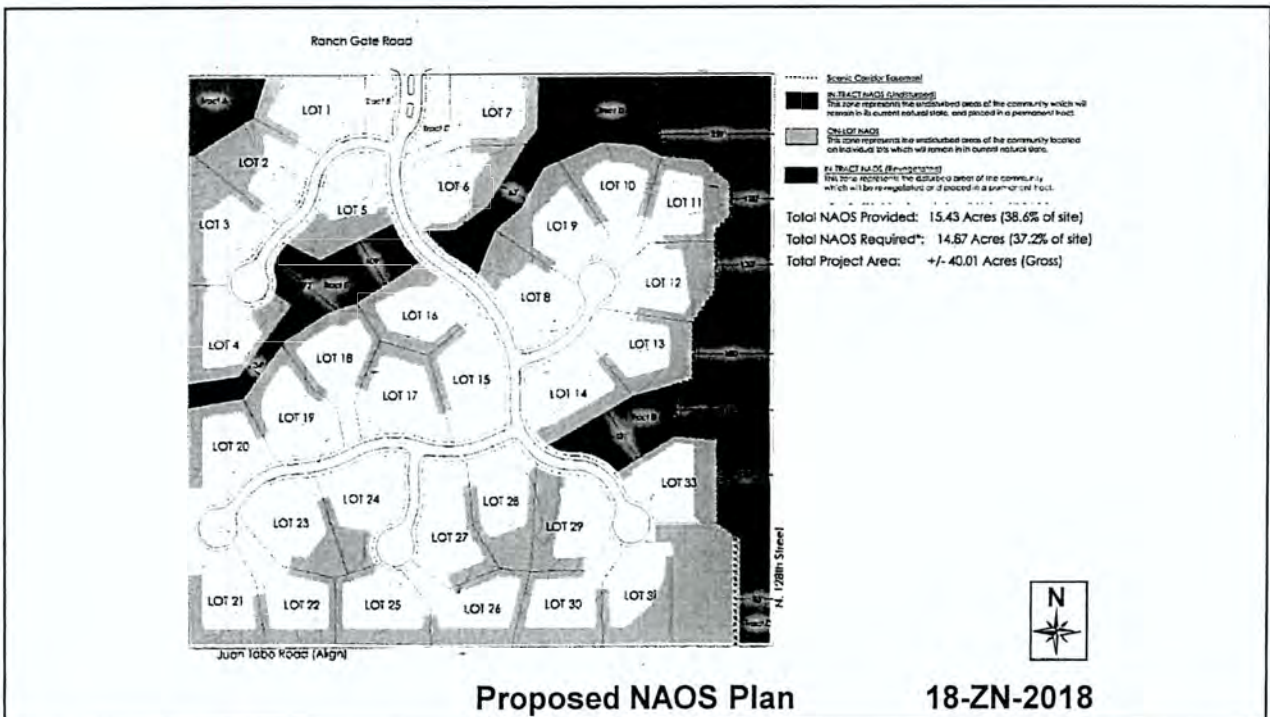
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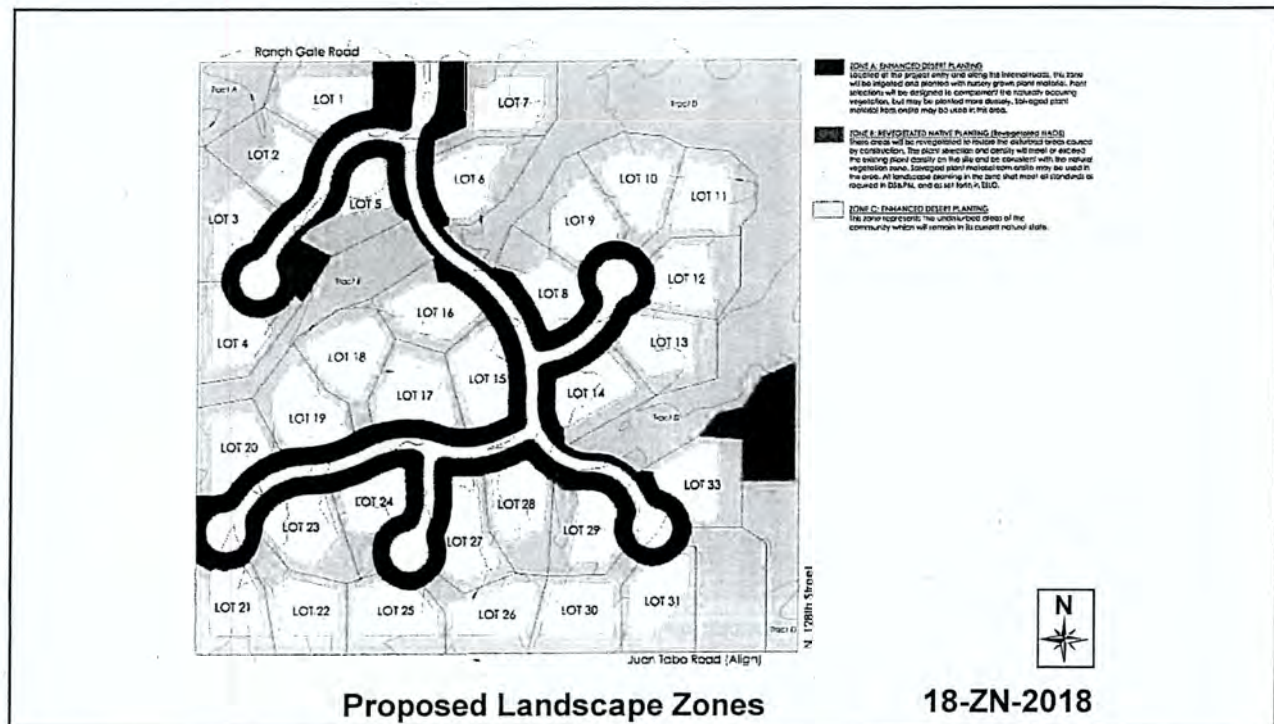
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Public Notification Timeline

- July 6, 2018 - Letter sent by Applicant notifying First Open House (70 recipients)
- July 16, 2018 - "Project Under Consideration" sign posted on-site
- July 18, 2018 - Applicant First Open House (3 people attended)
- August 17, 2018 - CASE SUBMITTAL
- August 23, 2018 - "Heads Up" Postcard sent by Staff (70 recipients)
- October 26, 2018 - Letter sent by Applicant notifying Second Open House (70 recipients)
- November 7, 2018 - Applicant Second Open House (1 person attended)
- June 6, 2019 - Planning Commission hearing sign posted on-site
- June 8, 2019 - Planning Commission Legal Notice published in newspaper
- June 13, 2019 - Planning Commission Hearing postcard sent by Staff (70 recipients)
- June 26, 2019 - Planning Commission hearing (No speakers cards submitted)
- August 1, 2019 - City Council Hearing sign posted on-site
- August 6, 2019 - City Council Hearing postcard sent by Staff (70 recipients)
- August 10, 2019 - City Council Legal Notice published in newspaper

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Citizen Correspondence

During the review process:

2 Phone calls inquiring about the project (No comments provided for the file)

1 Email inquiring about the project (No comments provided for the file)

Since yesterday:

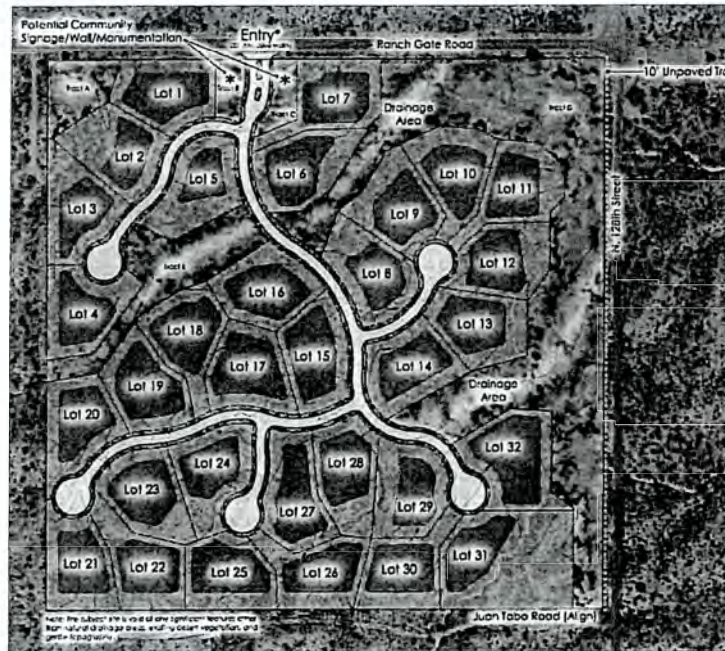
22 Emails in opposition

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Planning Commission

June 26, 2019 - Planning Commission voted to recommend approval to the City Council with a 6-0 vote.

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Proposed Site Plan

18-ZN-2018

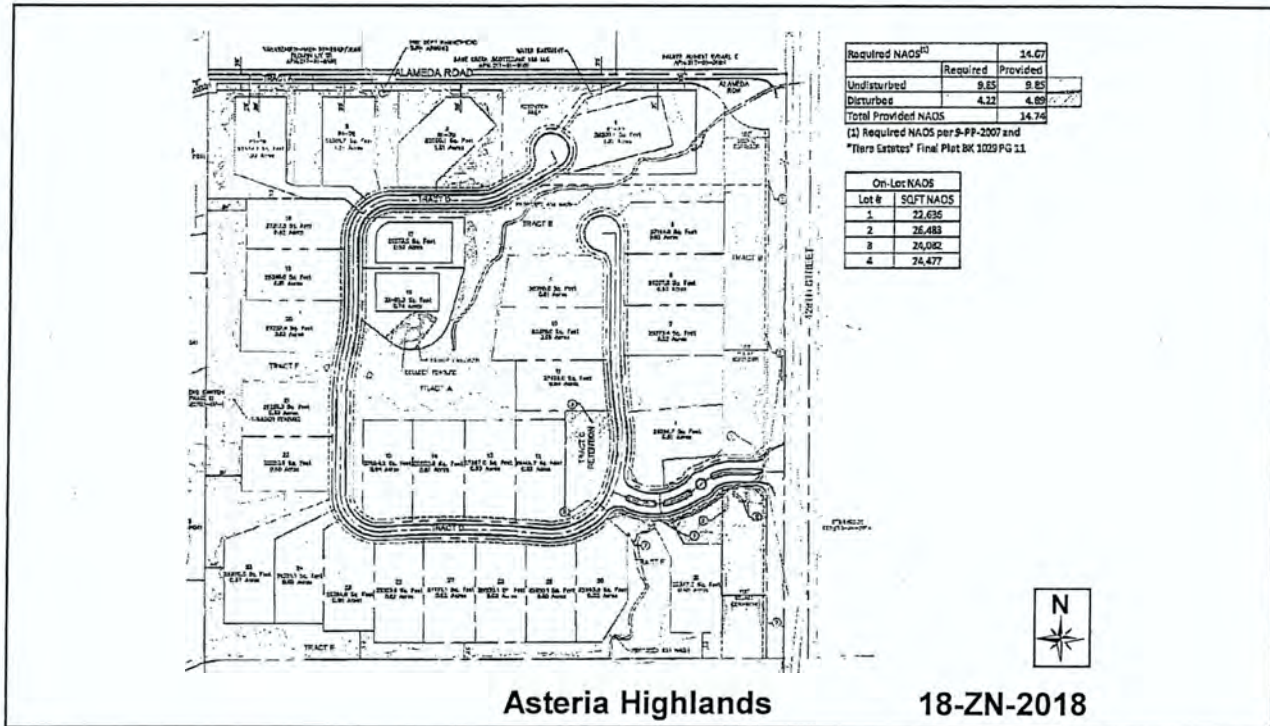
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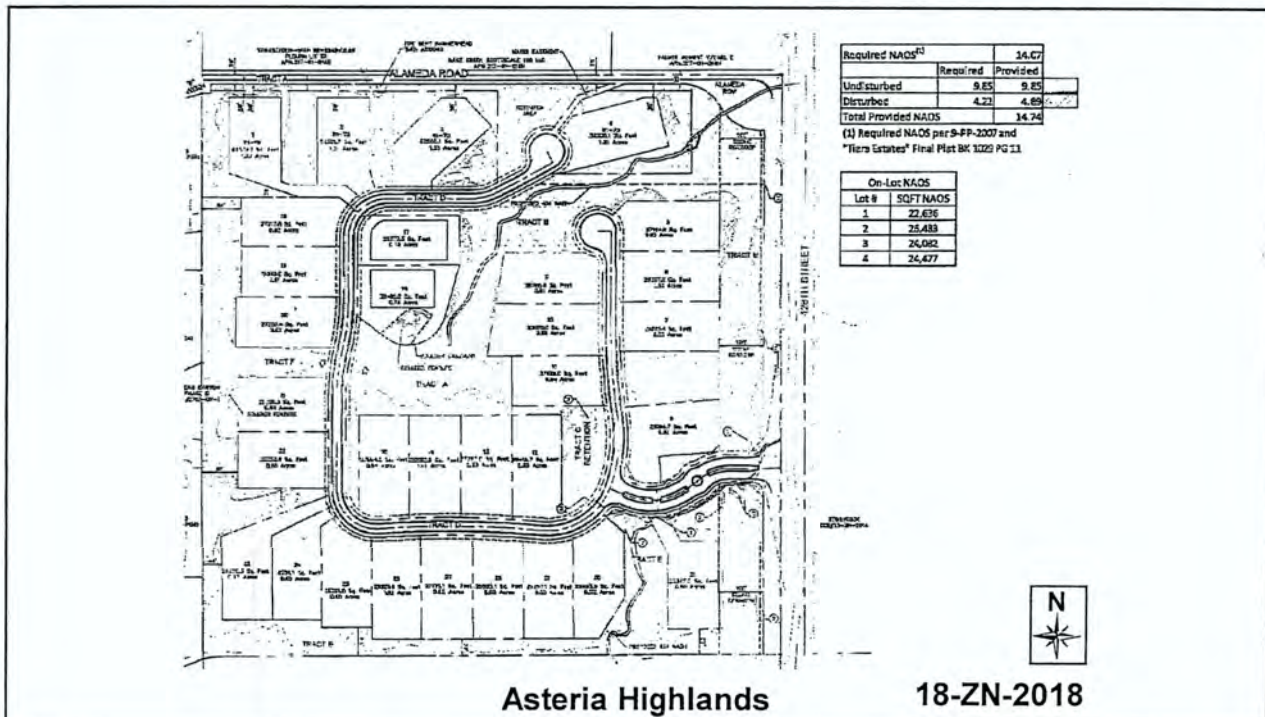
Surrounding Densities

18-ZN-2018

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17



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Item 15

Bottled Blonde

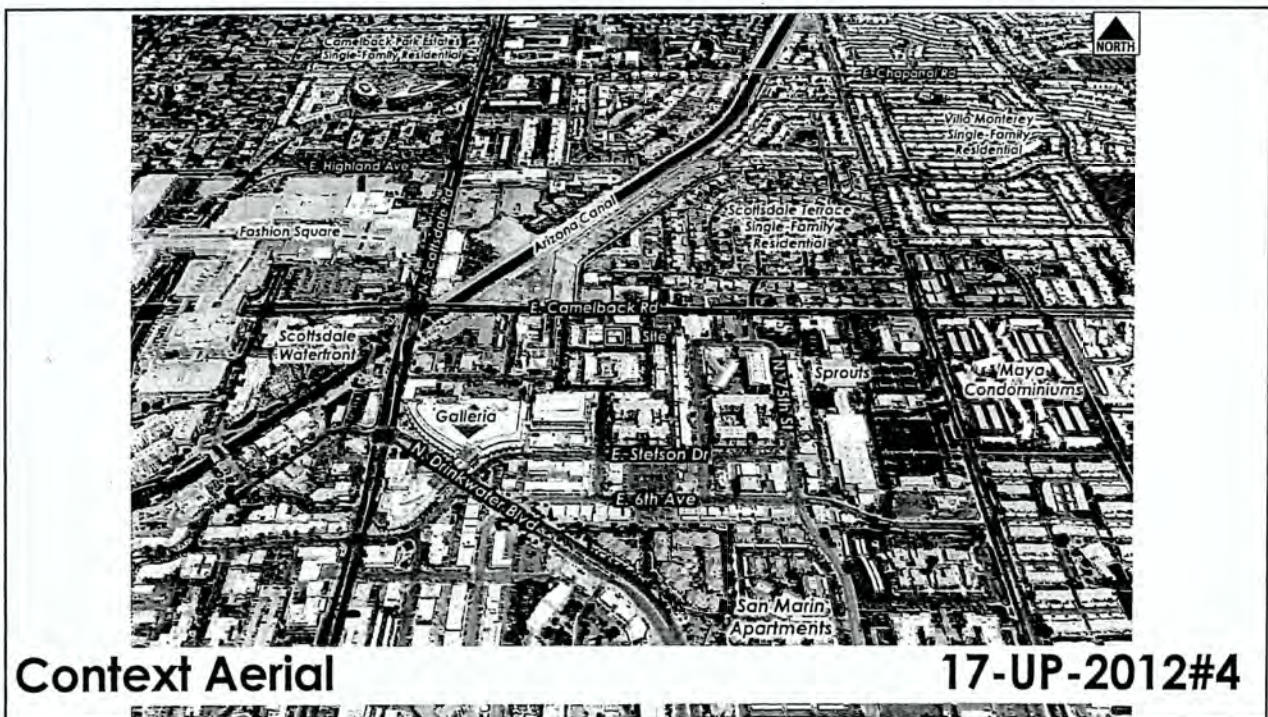
17-UP-2012#4

City Council

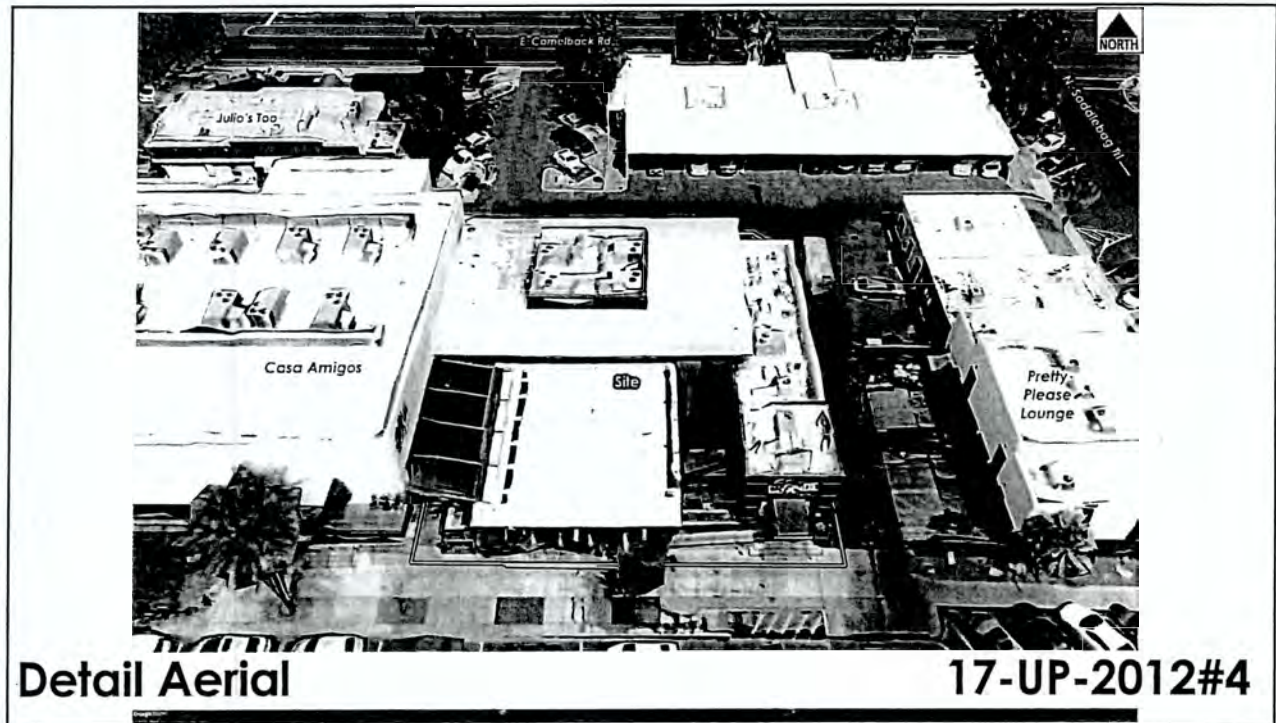
August 27, 2019

Coordinator: Greg Bloemberg

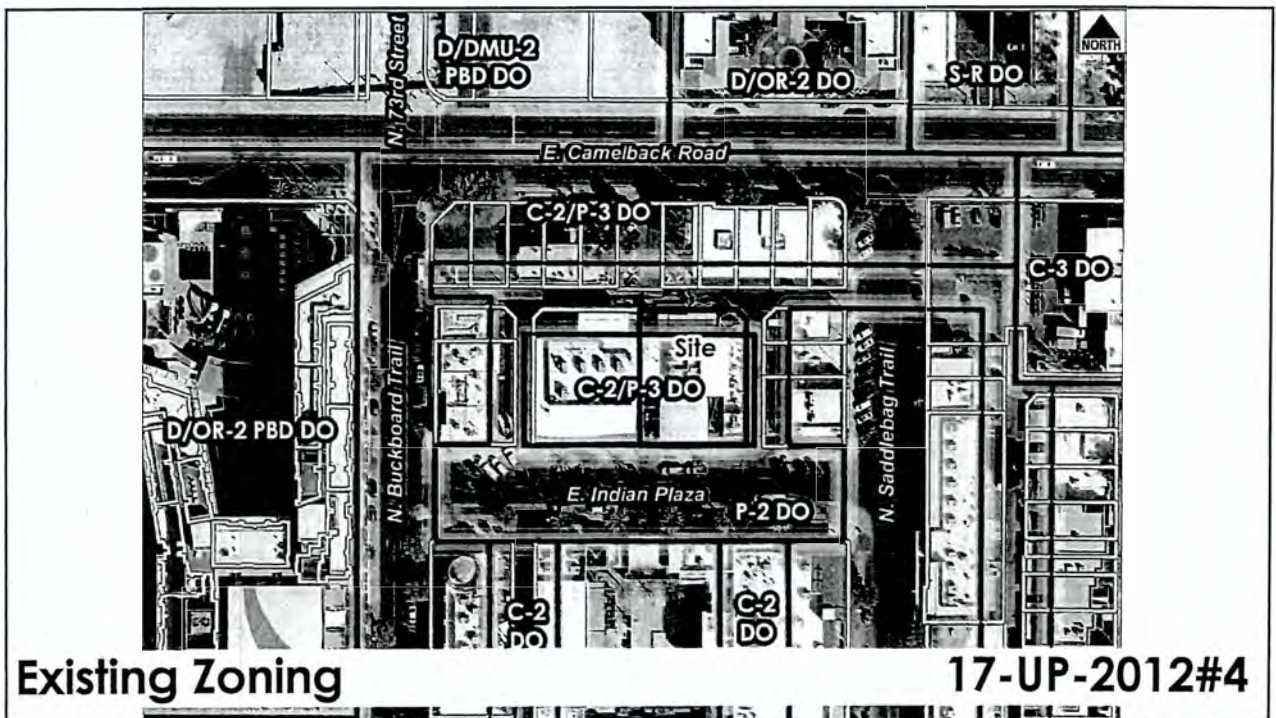
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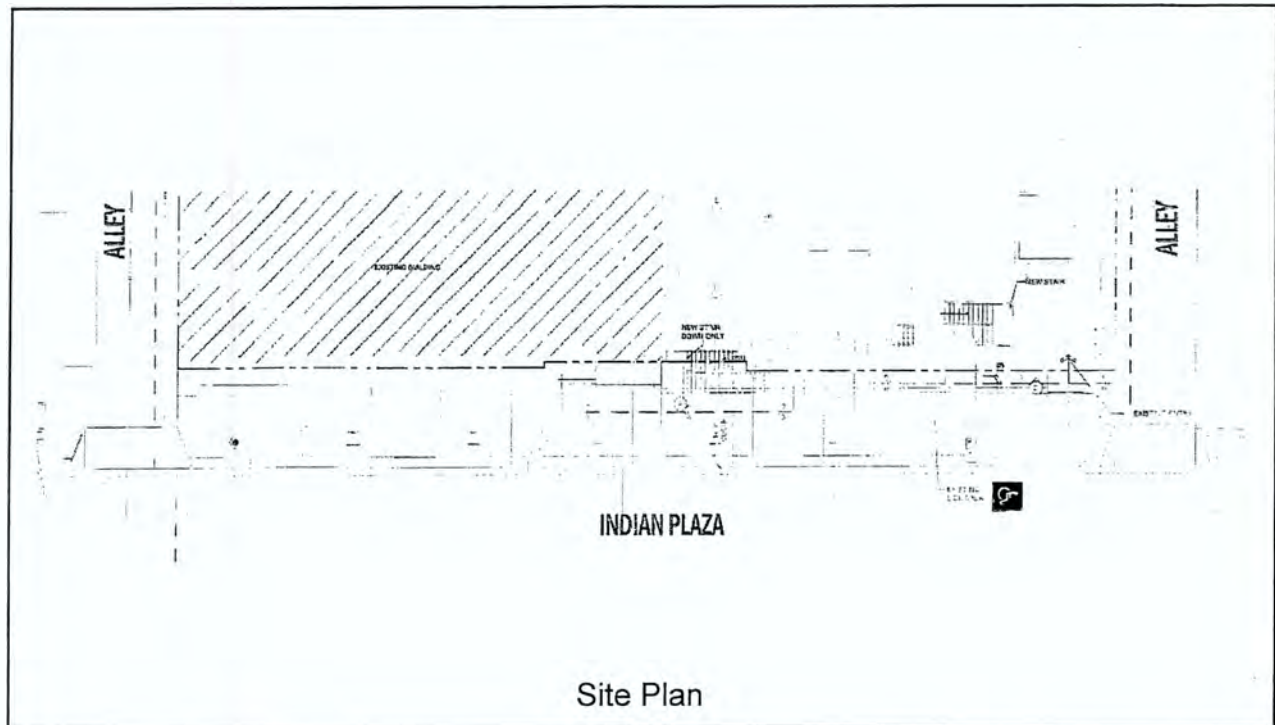
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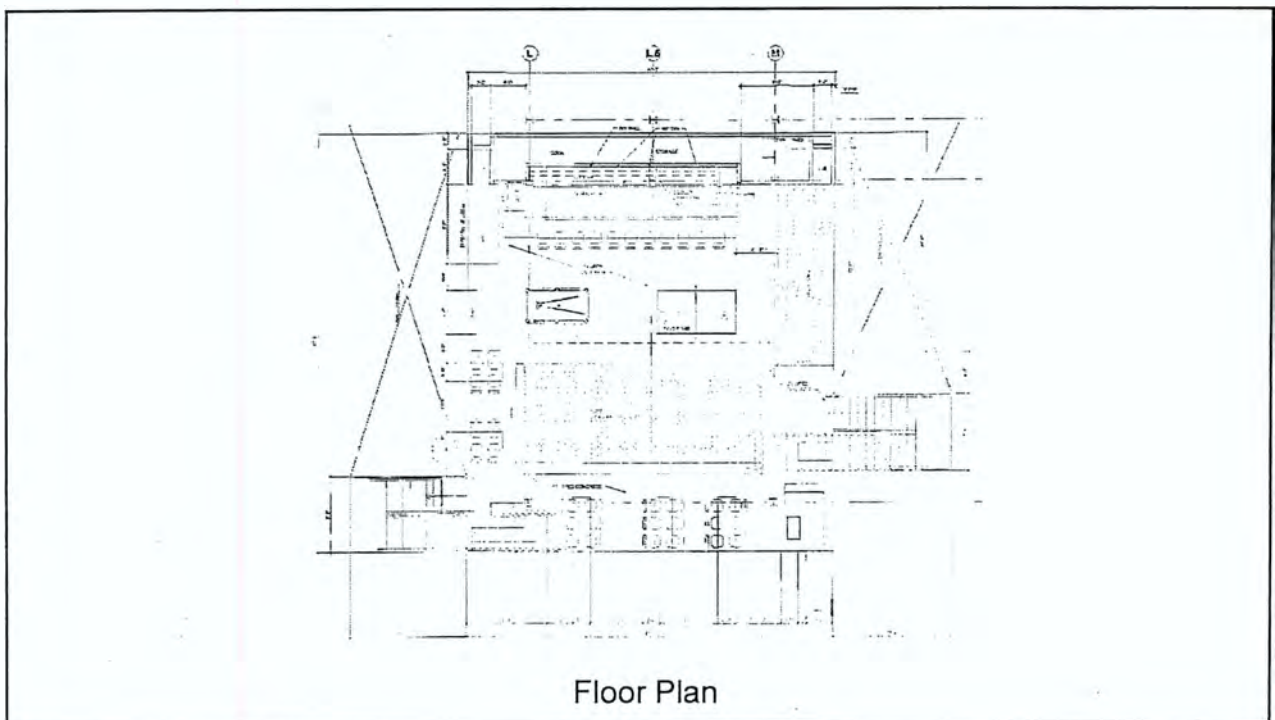
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Considerations

- Updated SMO Plan approved
- 12 remote parking spaces secured
- Public comment expressing concerns about noise
- 18-foot wall proposed to limit noise trespass
- Stipulation #10: intended to limit hours of operation for speakers on roof deck only
- Motion for approval from PC included removal of timing stipulation

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Bottled Blonde

17-UP-2012#4

City Council

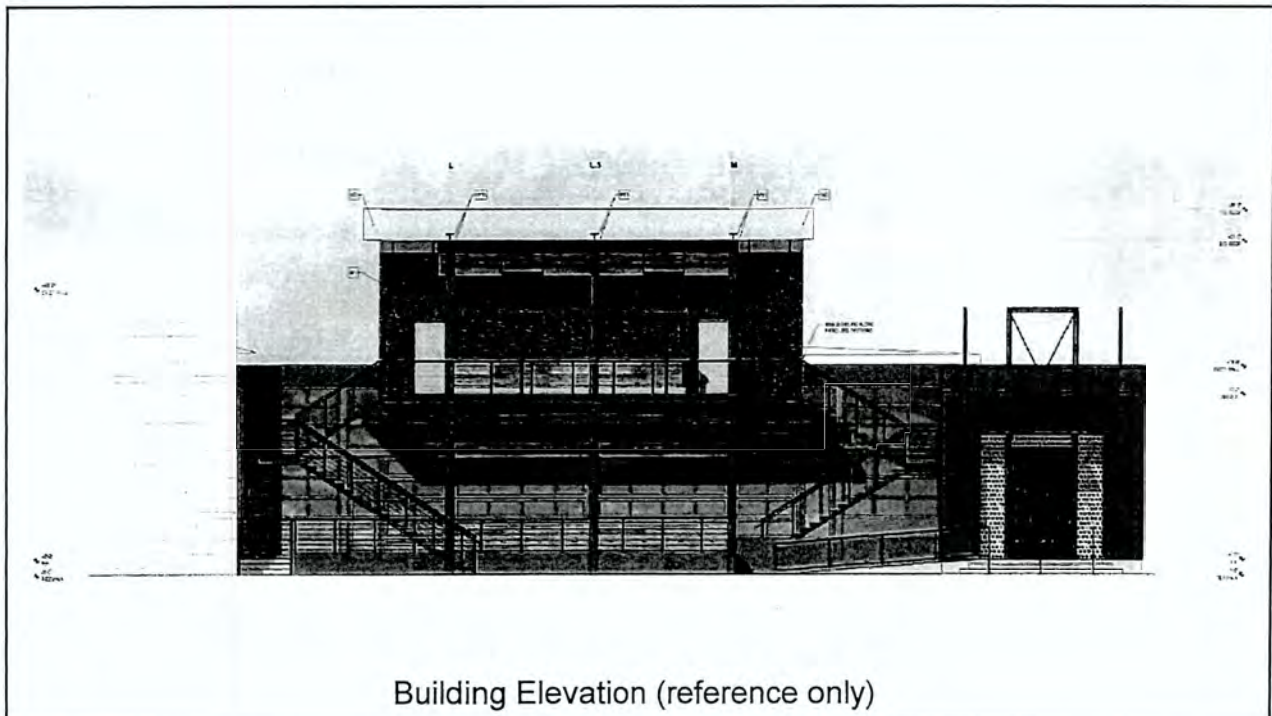
August 27, 2019

Coordinator: Greg Bloemberg

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- Other examples of exterior noise-related stipulations:
 - *Social Tap (4-UP-2010#3)*: limited to 68 decibels within 100 feet of the establishment
 - *DC Hotel (2-ZN-2018)* and *Fashion Square (25-ZN-2015)*: limited to 10:00 Sunday-Thursday, 11:00 Friday, Saturday and holidays

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Item 15
Applicant Presentation

Case No. 17-UP-2012#4



Bottled Blonde

*Amendment to existing Conditional Use Permit for a Bar to enable
a second-floor outdoor roof deck addition for an existing establishment.*

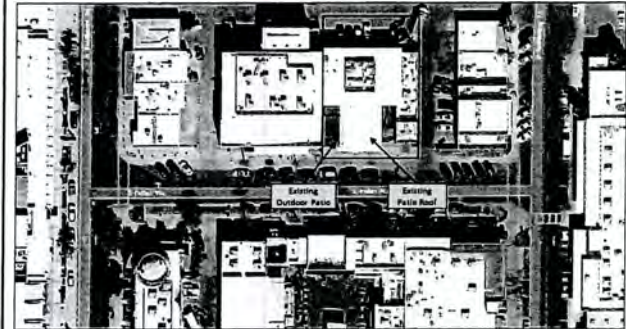
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Site Context



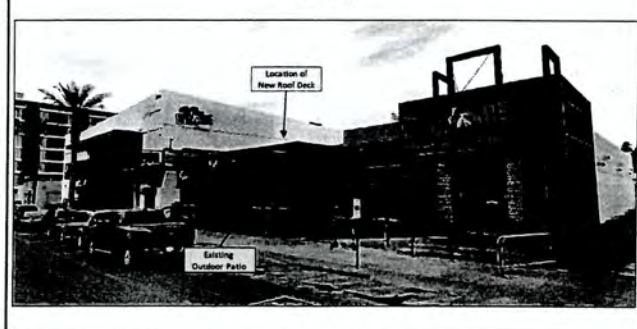
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Site Context



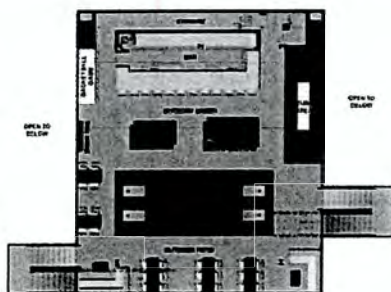
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Street View



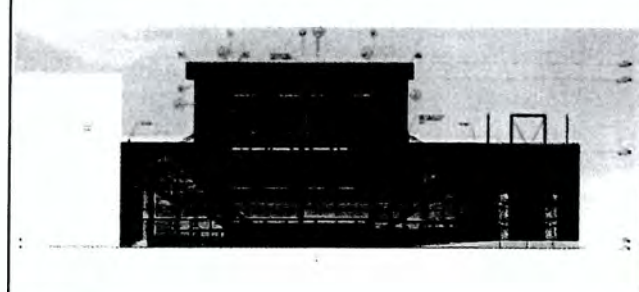
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Roof Deck Floor Plan

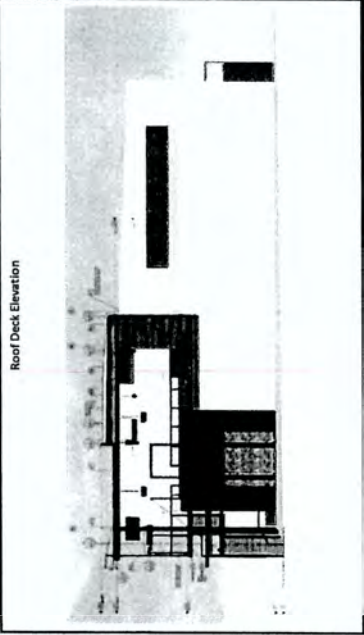


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Roof Deck Elevation



6



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Conditional Use Permit Criteria

A. The granting of this CUP will not be materially detrimental to the public health, safety or welfare. The Commission may consider, but not be limited to, the following factors:

- 1. Damage or nuisance arising from noise, smoke, odor, dust, vibration or illumination.**
 - Proposal is not anticipated to result in any damage or nuisance
 - Located within an established entertainment area and the use is in line with existing ambient conditions
 - Existing business has operated since 2013, however a bar has operated at this location in one form or another since 1997
 - No live entertainment proposed on roof deck.
 - Over 400 ft to nearest residential district.
 - Speakers and lighting must be directed downward.
 - The existing and proposed use faces south towards existing entertainment area and venues

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Conditional Use Permit Criteria

A. The granting of this CUP will not be materially detrimental to the public health, safety or welfare. The Commission may consider, but not be limited to, the following factors:

- 2. Impact on surrounding areas resulting from an unusual volume or character of traffic**
 - No impact anticipated on existing volume or character of traffic
 - Improvement represents a negligible increase in square feet
 - This area of downtown is highly pedestrian and ride-sharing oriented
 - This business has been in operation since 2013. This is not a new establishment.
- 6. The characteristics of the proposed conditional use are reasonably compatible with uses permitted in surrounding area.**
 - This is an existing use in a well-established area of similar and compatible uses.

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Conditional Use Permit Criteria

C. The additional conditions specified in Section 1.403.C (bar) have been satisfied

- 1. The use will not disrupt existing balance of daytime and nighttime uses**
 - The business has been operating since 2013. The addition of a roof deck will not disrupt the mix of daytime/nighttime uses.
- 2. The use shall not disrupt pedestrian-oriented daytime activities.**
 - This is an existing use in a well-established area with entertainment venues operating with varying daytime hours. Pedestrian-oriented daytime activity will not be disrupted.
- 3a. The use shall not encourage displacement of daytime retail uses unless it can be demonstrated the use promotes diversity of first floor uses along the street.**
 - The use will not displace daytime retail. The first floor use of the existing business remains in place.

10

Conditional Use Permit Criteria

The additional conditions specified in Section 1.403.C (bar) have been satisfied

- 3b. The required parking for the use shall be within 600 feet of the property and not be separated by a major or minor arterial street.**
 - Parking has been secured in the area (4430 Civic Center) for the use of 12 remote spaces located within 600ft and an Assurance of Remote Parking Agreement has been provided.
- 4. If located within 500 feet of a residential use or district, the use shall not have an adverse effect on residential uses and the use shall provide methods of buffering residential uses.**
 - The existing establishment is located roughly 400ft from single family residential and separated by other building and a large thoroughfare of Camelback Road. Nonetheless, the establishment has and continues to take steps to buffer from residential, including downward facing speakers, sound mitigating materials, no pre-recorded music or sound from TV, and ongoing monitoring of sound emitting from the establishment. Additionally the establishment points south and the applicant is agreeable to an 18ft tall, sound mitigating wall along the north side of the use to further buffer noise.

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Conditional Use Permit Criteria

The additional conditions specified in Section 1.403.C (bar) have been satisfied

- 5. An active management and security plan shall be created, approved, implemented, maintained and enforced.**
 - An amended SMO plan has been reviewed and approved by the Police Department. Conditions of the SMO will be enforced by the Applicant, the City Code Enforcement and the Police Department.
- 6. The Applicant shall create a written exterior refuse control plan for approval with the SMO.**
 - A written Refuse Control Plan was submitted as part of the amended SMO and approved by the Police Department
- 7. The Applicant shall demonstrate how noise and light generated by the use is mitigated.**
 - The proposal includes an 18ft tall sound mitigation wall along the norther edge of the roof deck to contain and reflect noise back into the establishment. Speakers have individual volume controls and are professionally installed to deliver sound to the specific area without excessive spill over. Speakers must also be pointed downward. No live entertainment is proposed. String lights over the roof deck must be down-shielded and compatible with lighting in the area.

12

Conditional Use Permit Criteria

C. The additional conditions specified in Section 1.403.C (bar) have been satisfied

8. The Applicant shall demonstrate that the use meets required parking and shall not exceed capacity for traffic in the area.

- The additional of 1,975 sqft for the roof deck results in an increase of 10 parking spaces. An Assurance of Remote Parking for 12 off-site spaces within 600ft of the establishment has been provided

9. Afterhours establishments must maintain a valid after-hours establishment license.

- No after-hours activities are proposed as part of this application.

13

Bottle Blonde Approval

A known entity and successful establishment operating at this location since 2013

A long and outstanding record of compliance and cooperation with City Enforcement and the Police Department

Proposal meets the Conditional Use Permit Criteria of the City Zoning Ordinance

14

Case No. 17-UP-2012#4

Thank you.

Bottled Blonde

15

Item 16

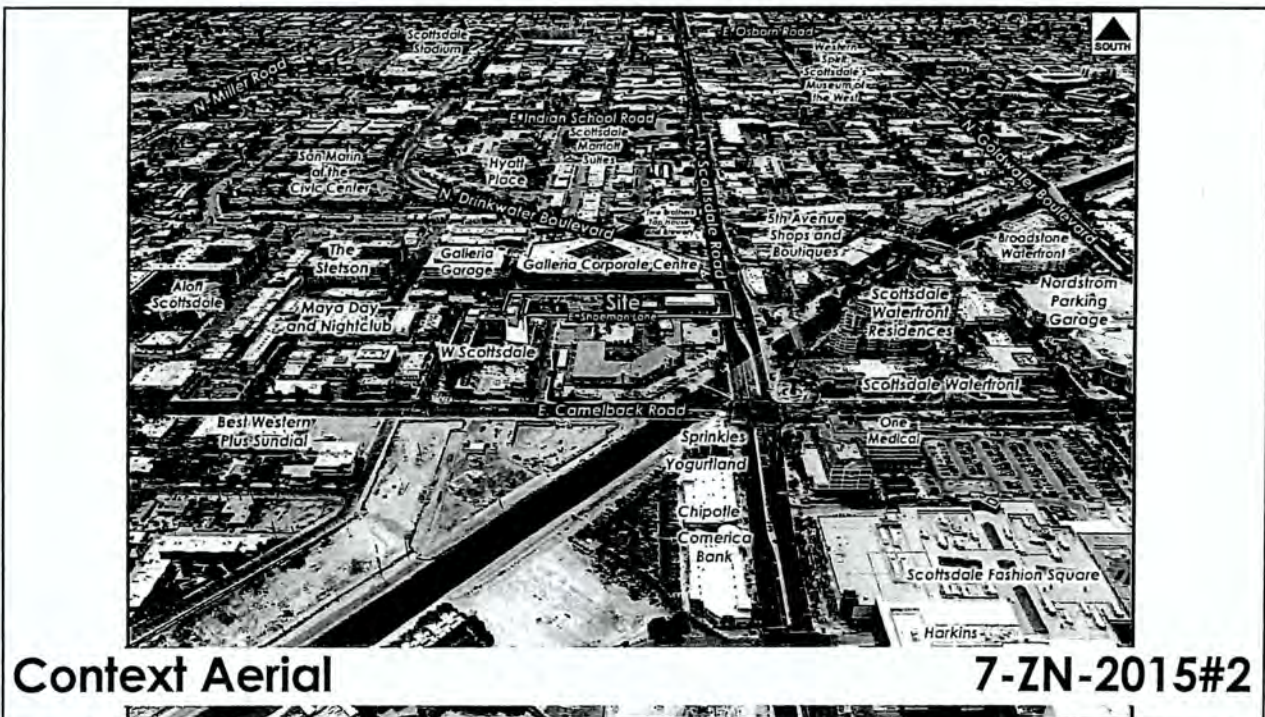
Marquee

7-ZN-2015#2

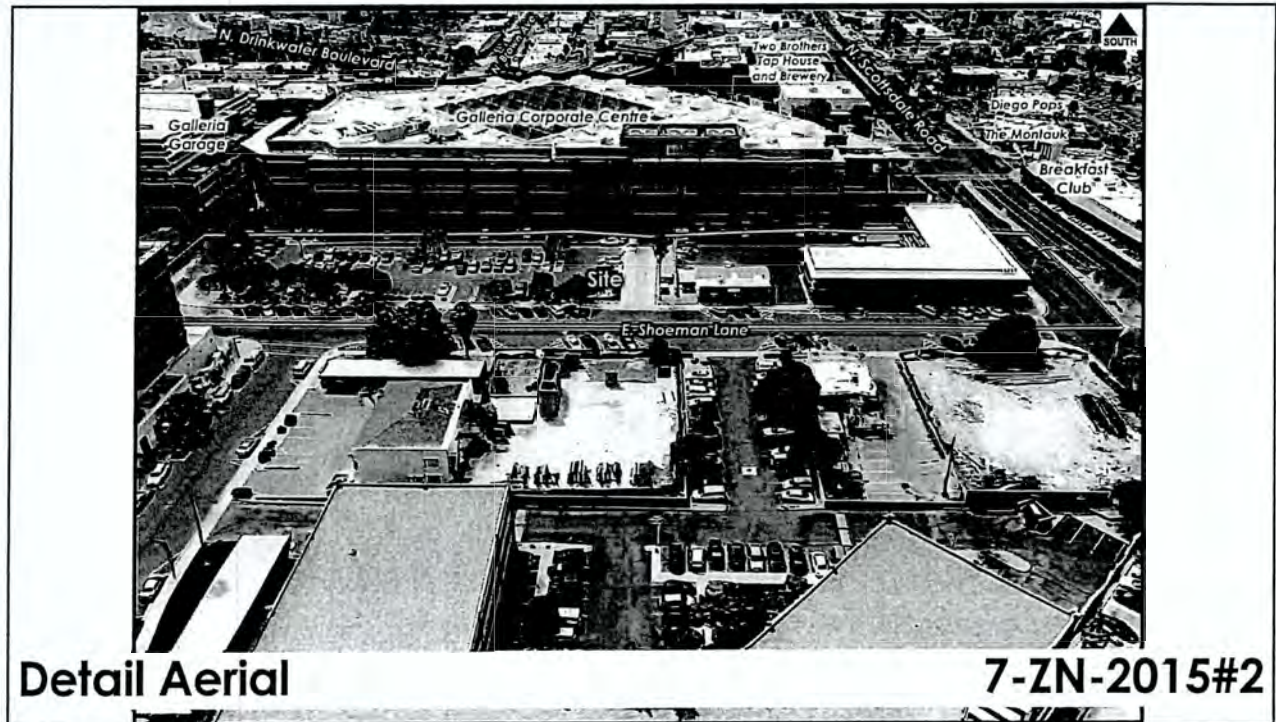
City Council
August 27, 2019

Coordinator: Bryan Cluff, LEED AP

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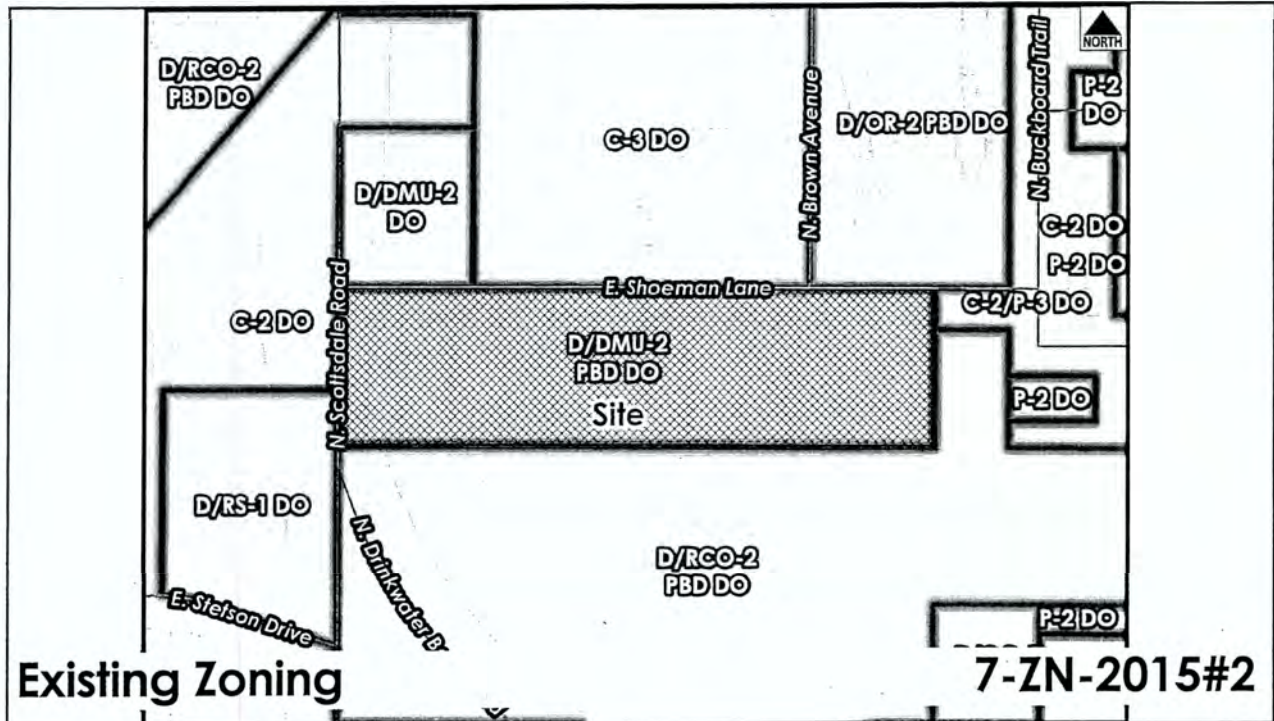
Request:

- Zoning District Map Amendment from D/DMU-2 PBD DO to D/DMU-3 PBD DO
 - Existing entitlements 7-ZN-2015 (reference)
- Development Plan with amended standards
- Amended and restated Development Agreement

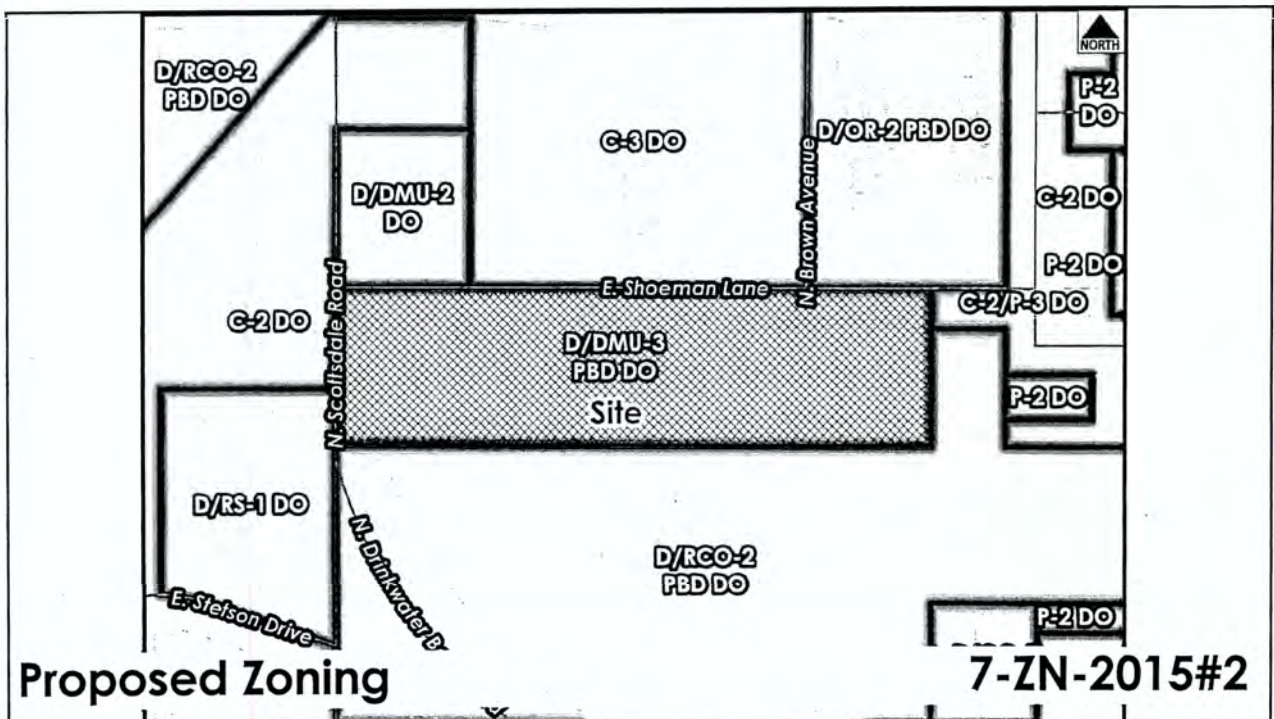
Request

7-ZN-2015#2

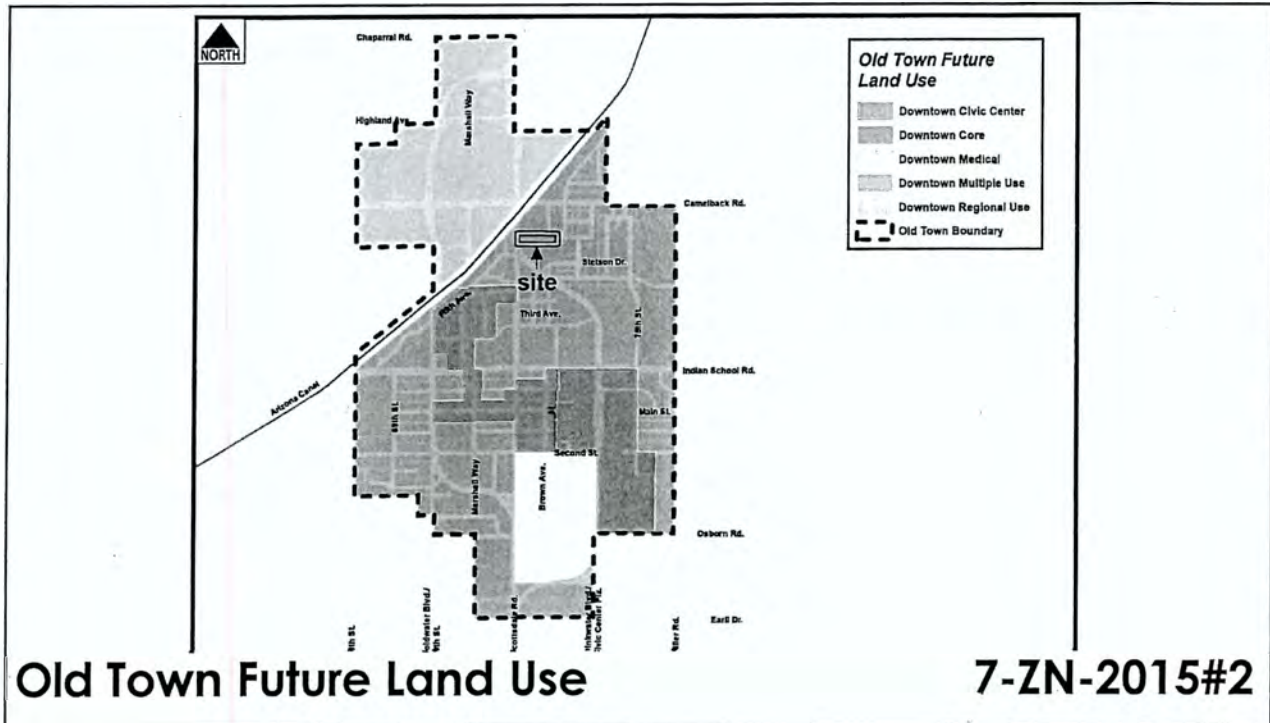
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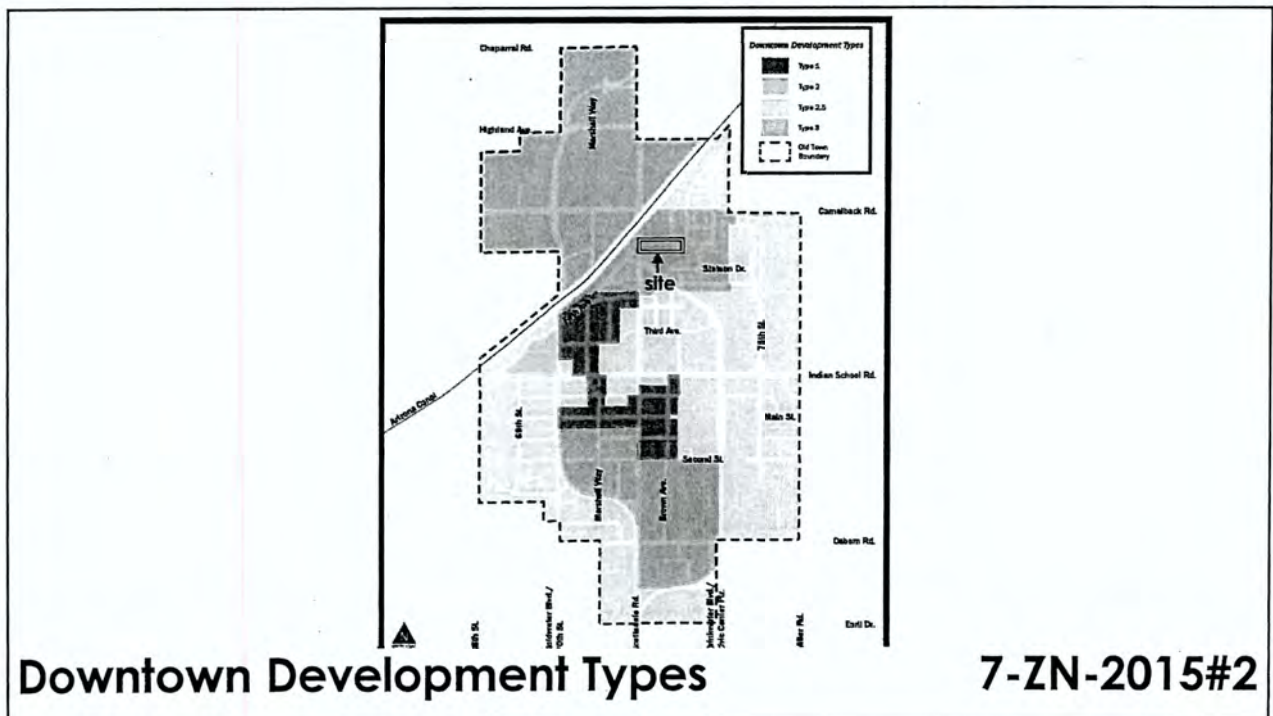
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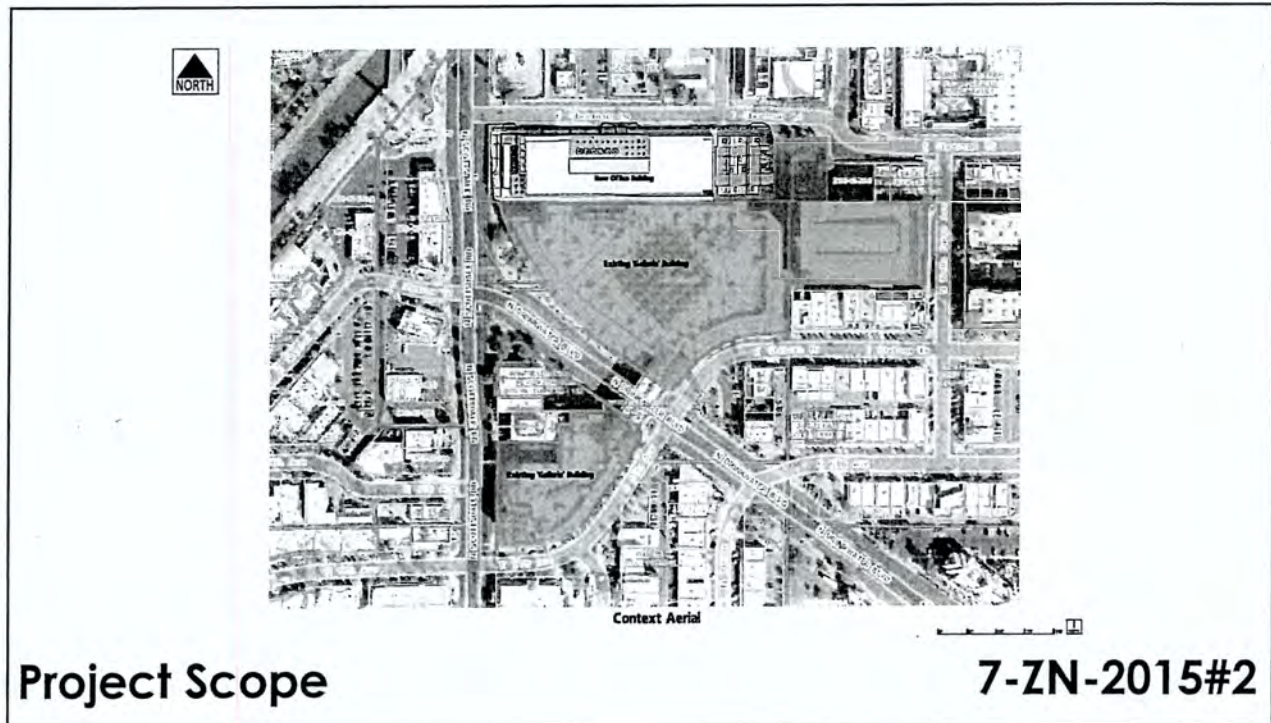
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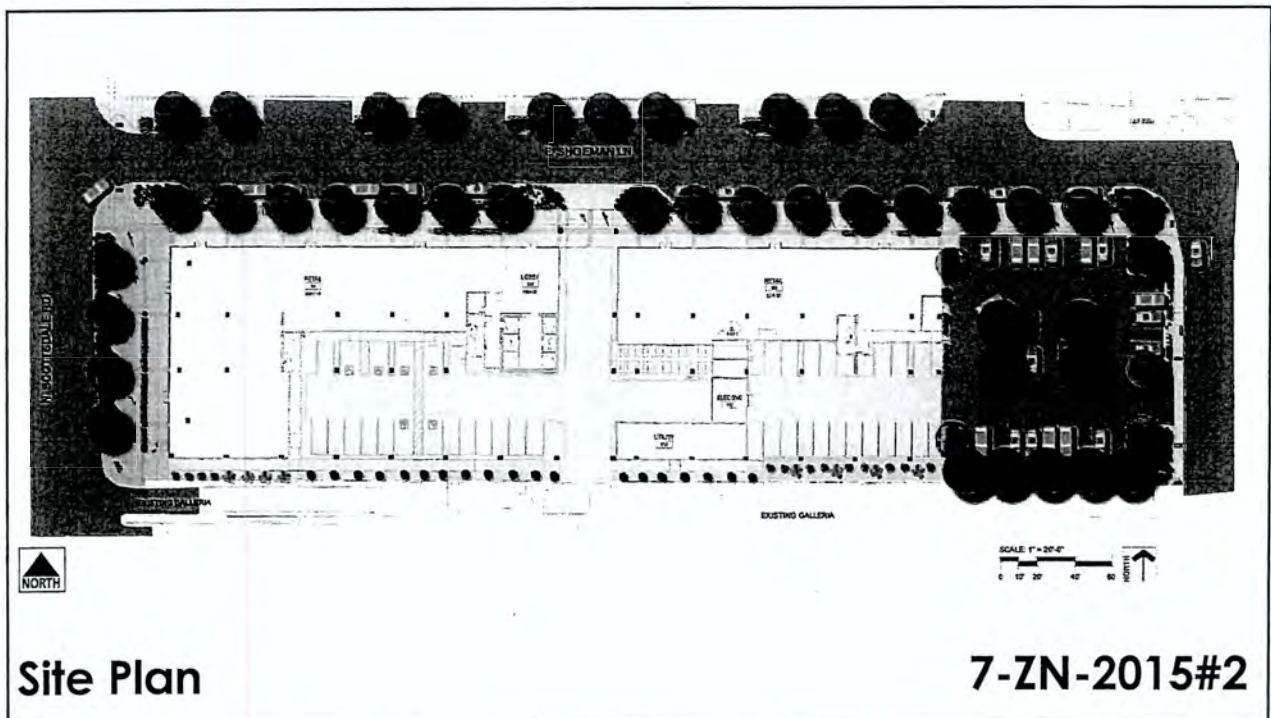
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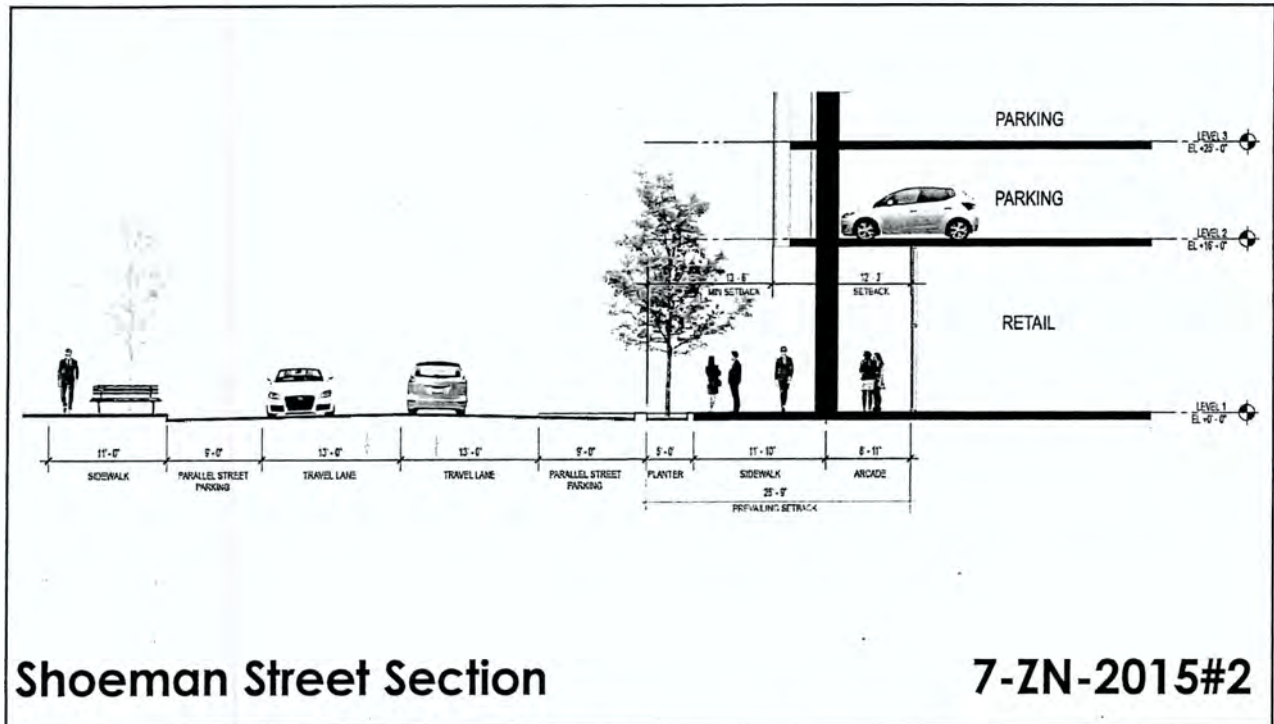
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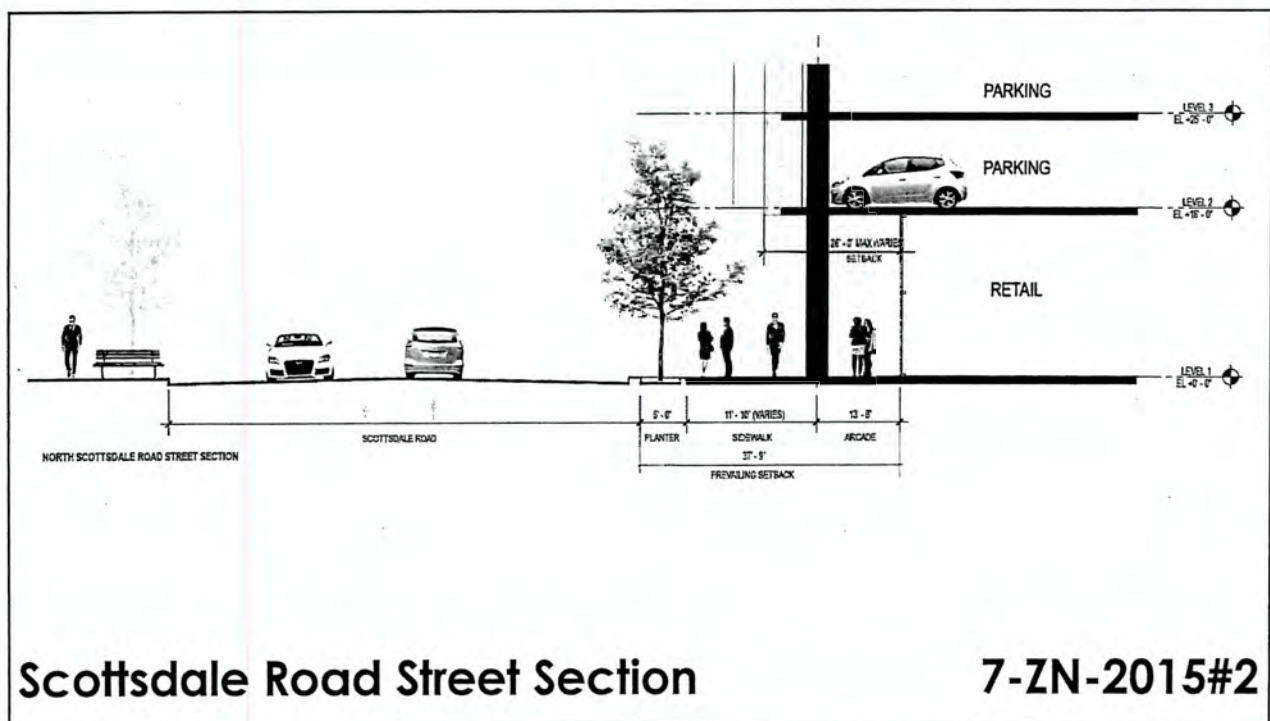
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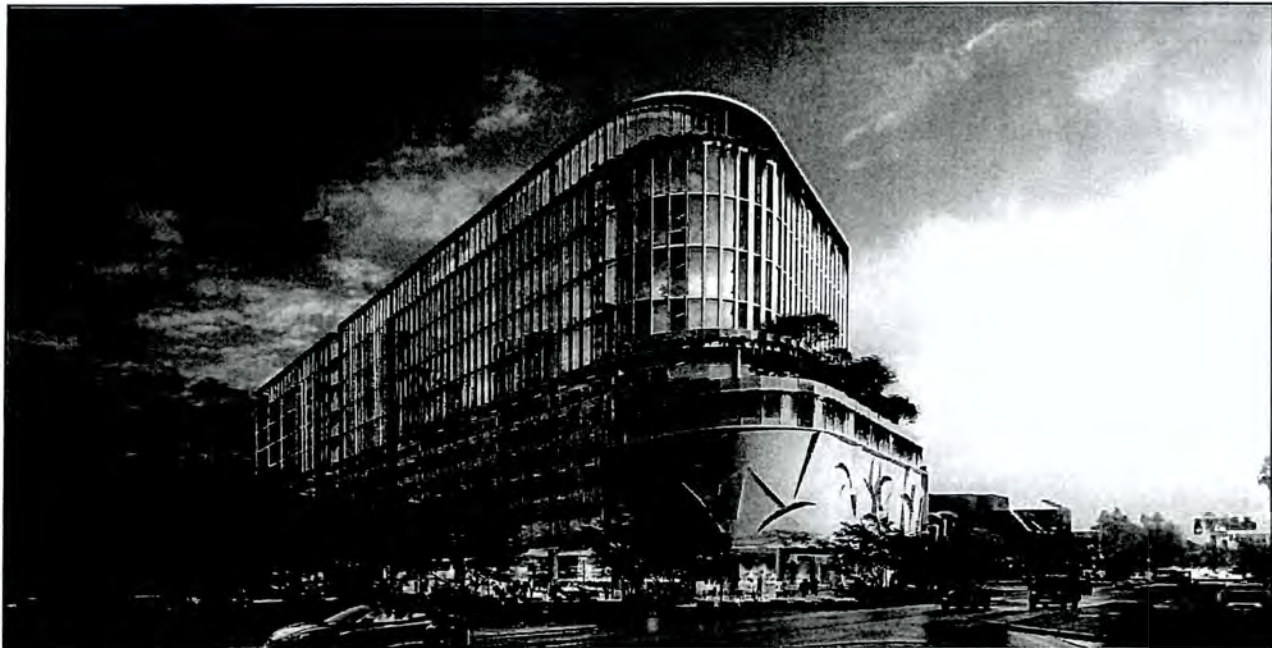
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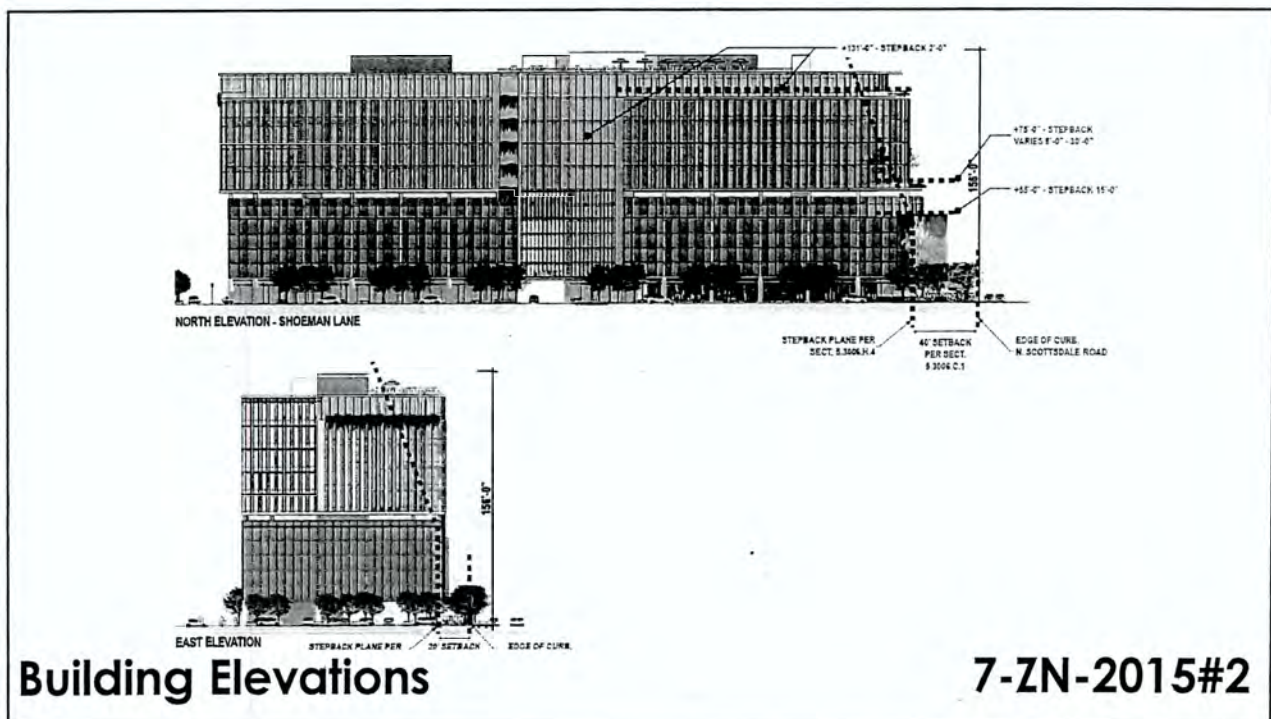
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Proposed Design

7-ZN-2015#2

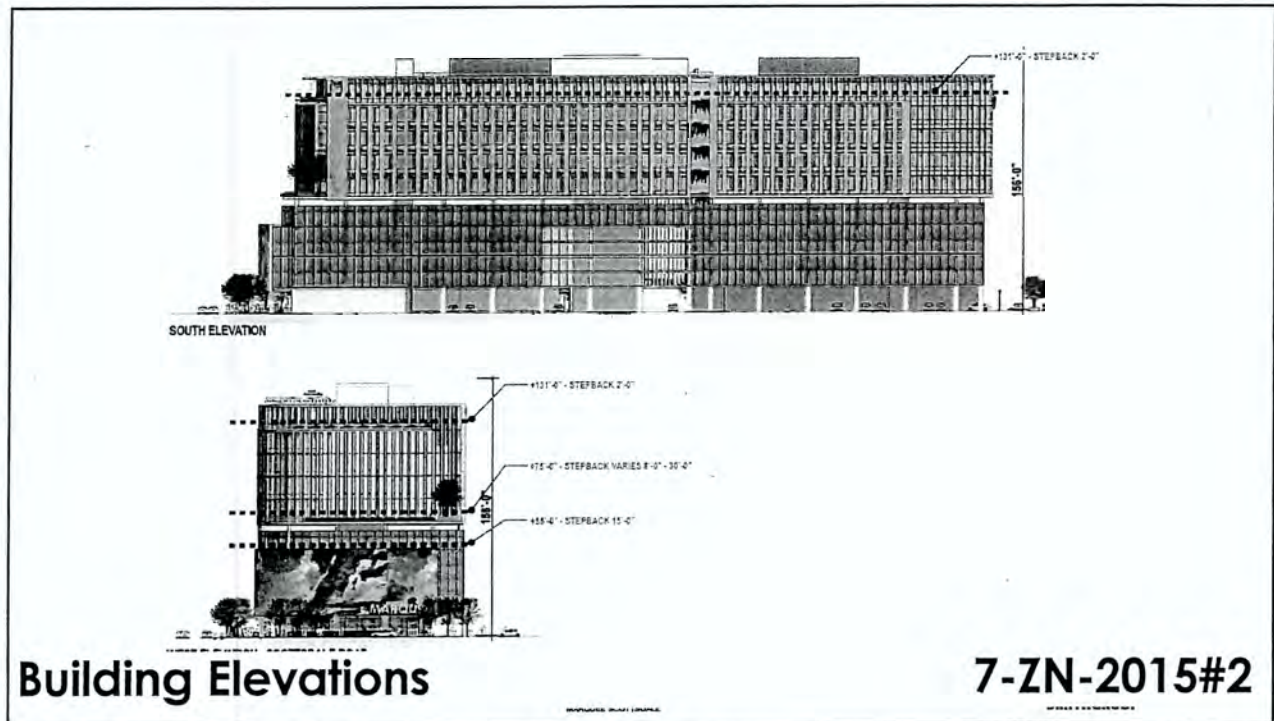
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Building Elevations

7-ZN-2015#2

14



15

Criteria for PBD (1):

- The proposed development supports the Land Use elements of the General Plan and Downtown Plan.
 - Mixed-Use Neighborhoods
 - Downtown Multiple Use
 - Class A office and retail in a mixed-use format is consistent with these Land Use elements.

PBD Criteria **7-ZN-2015#2**

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Criteria for PBD (2):

- Criteria to add land uses to the Table 5.3004.D., Land Uses
 - Not applicable (no additional land uses proposed)

PBD Criteria

7-ZN-2015#2

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Criteria for PBD (3):

- The proposed Development Plan reflects noteworthy investments to provide public benefits, improve the quality of life in the community, and assist in achieving the goals and policies of the General Plan, Downtown Plan and City objectives, in the vicinity where the development is located.

PBD Criteria

7-ZN-2015#2

18

Criteria for PBD (3 Cont.):

| Table 2 Special Improvement Bonus ¹ | |
|--|----------------------|
| Bonus Mechanism | Cash Equivalent/Cost |
| North side of the East Shoeman Lane improvements: street, curb, driveway, gutter-drainage, pavement, landscape, hardscape, pedestrian lighting, and street furniture, and related improvements | \$445,527.00 |
| South side of the East Shoeman Lane improvements: Tree grates, pedestrian lighting, and street furniture, | \$111,735.00 |
| Cash payment into the Downtown Special Improvement Trust Fund | \$1,561,253.10 |
| Total | \$2,118,515.10 |
| Note: 1. Bonus: a. 72 feet in building height, inclusive of rooftop appurtenance; and b. 100,709 square feet of gross floor area | |

PBD Criteria

7-ZN-2015#2

19

Development Agreement (3-DA-2019):

| Table 2 Development Agreement Updates (key items) | | |
|--|-------------------------------|------------------------|
| Provision | 7-ZN-2015 (Previous Approval) | 7-ZN-2015#2 (Proposed) |
| Building Height | 120 90 Feet | 156 Feet |
| Floor Area | 204,660 SF | 271,900 SF |
| Private Parking to be Constructed (Total) | 970 spaces | 906 spaces |
| Parking Allocated to Office | 920 spaces | 838 spaces |
| Parking Allocated to Retail | 50 spaces | 68 spaces |
| In-Lieu Payment | \$268,795.43 | \$1,561,253.10 |
| Shoeman Lane Improvements | \$416,270.25 | \$557,262.00 |
| Special Improvement Requirements (Total Bonus) | \$685,065.68 | \$2,118,515.10 |

PBD Criteria

7-ZN-2015#2

20

Development Review Board Recommendation:

- June 20, 2019 DRB Hearing
 - DRB Criteria and Amended Development Standards
 - Staff presented options which suggested additional building stepbacks based on the Old Town Urban Design and Architectural Guidelines
 - Approved as submitted by the applicant (5 – 0)

DRB Recommendation

7-ZN-2015#2

21

Planning Commission Recommendation:

- July 10, 2019 PC Hearing
 - Planning Commission Criteria
 - Staff summarized recommendations that were presented to the DRB
 - Approved as submitted by the applicant (4 – 2)

DRB Recommendation

7-ZN-2015#2

22

Public Outreach:

- Applicant Open House: 7/23/18
- Applicant & City Notifications: 750' radius
- Newspaper
- Site Posting
- Internet, Subscriptions, Social Media
- Public comment included in report (Attachment 12)

Public Outreach

7-ZN-2015#2

23

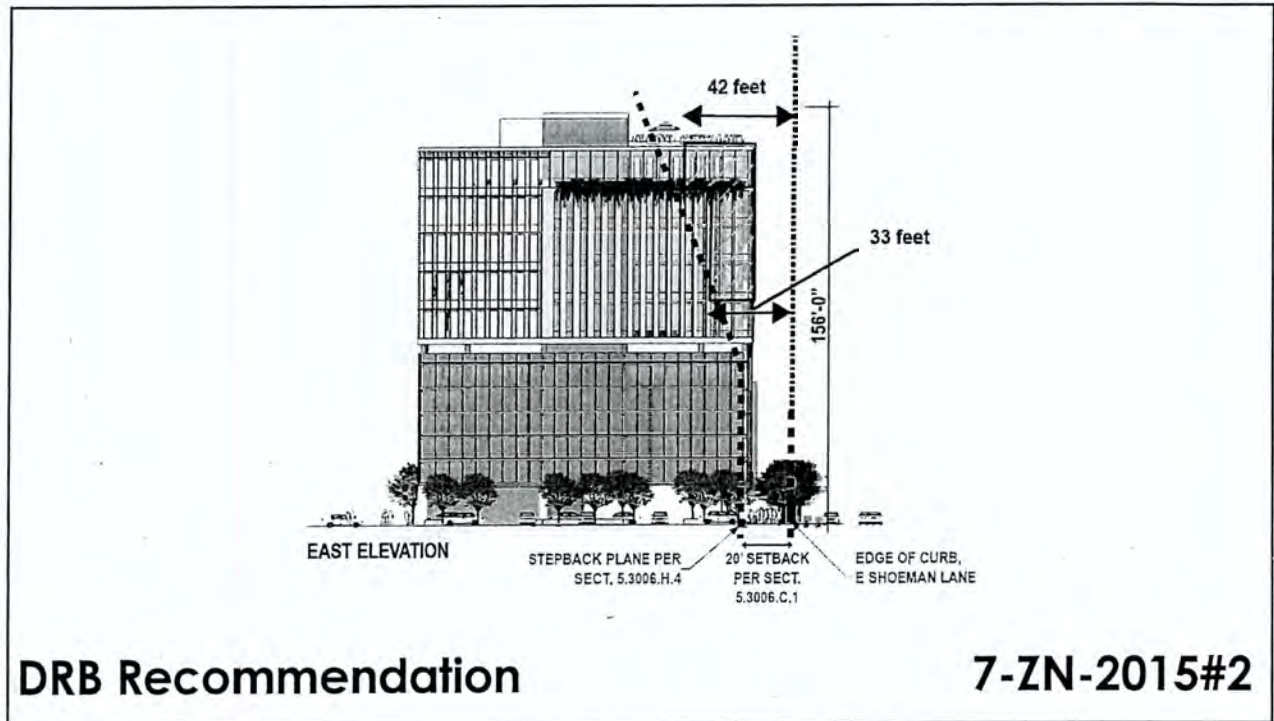
Marquee

7-ZN-2015#2

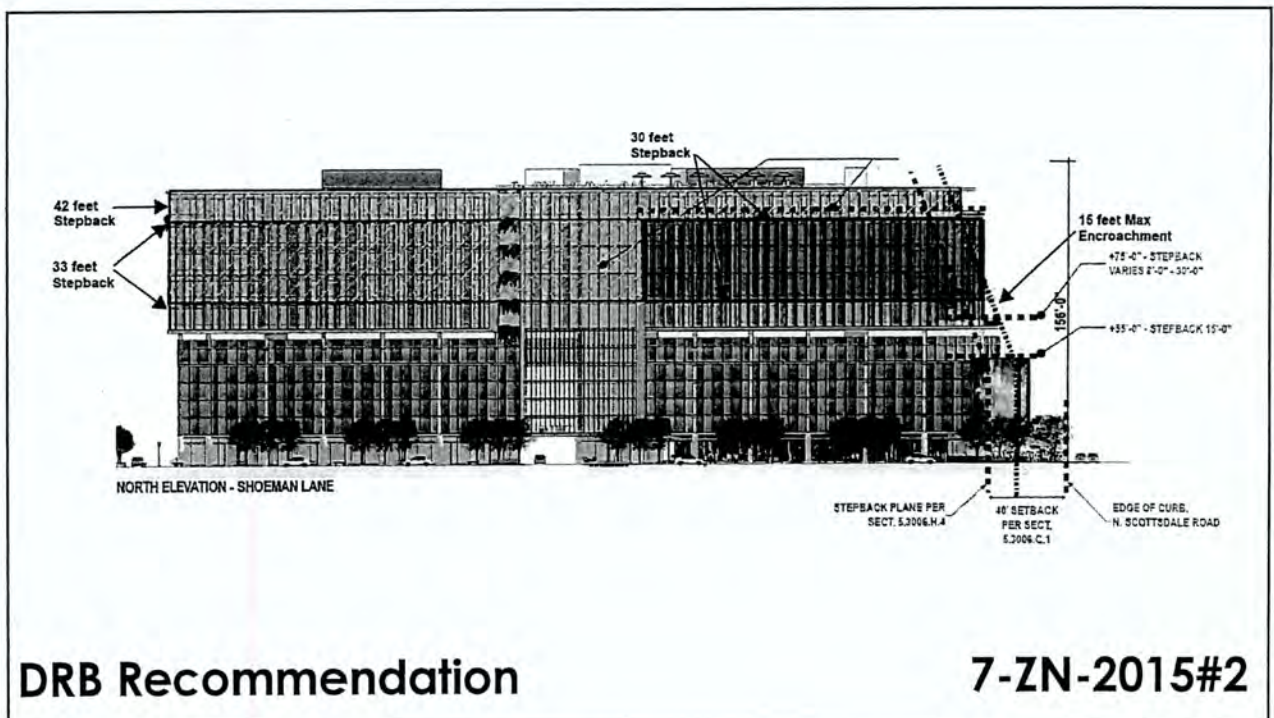
City Council
August 27, 2019

Coordinator: Bryan Cluff, LEED AP

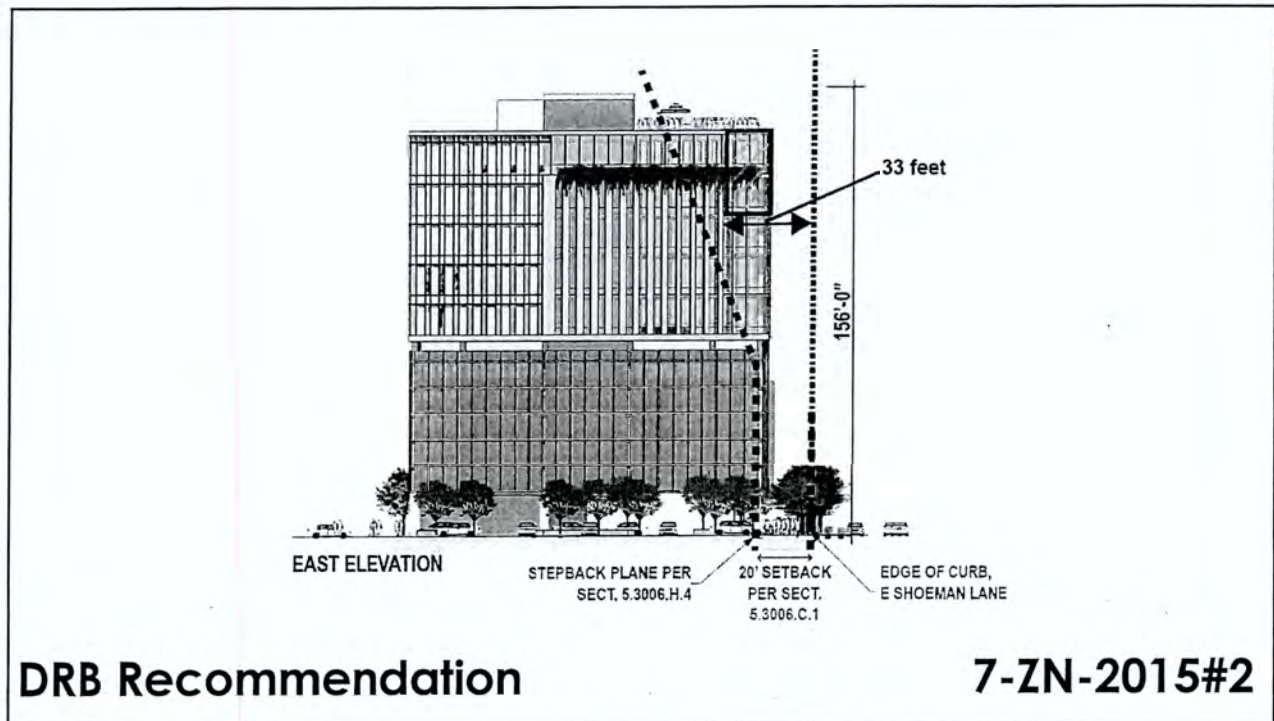
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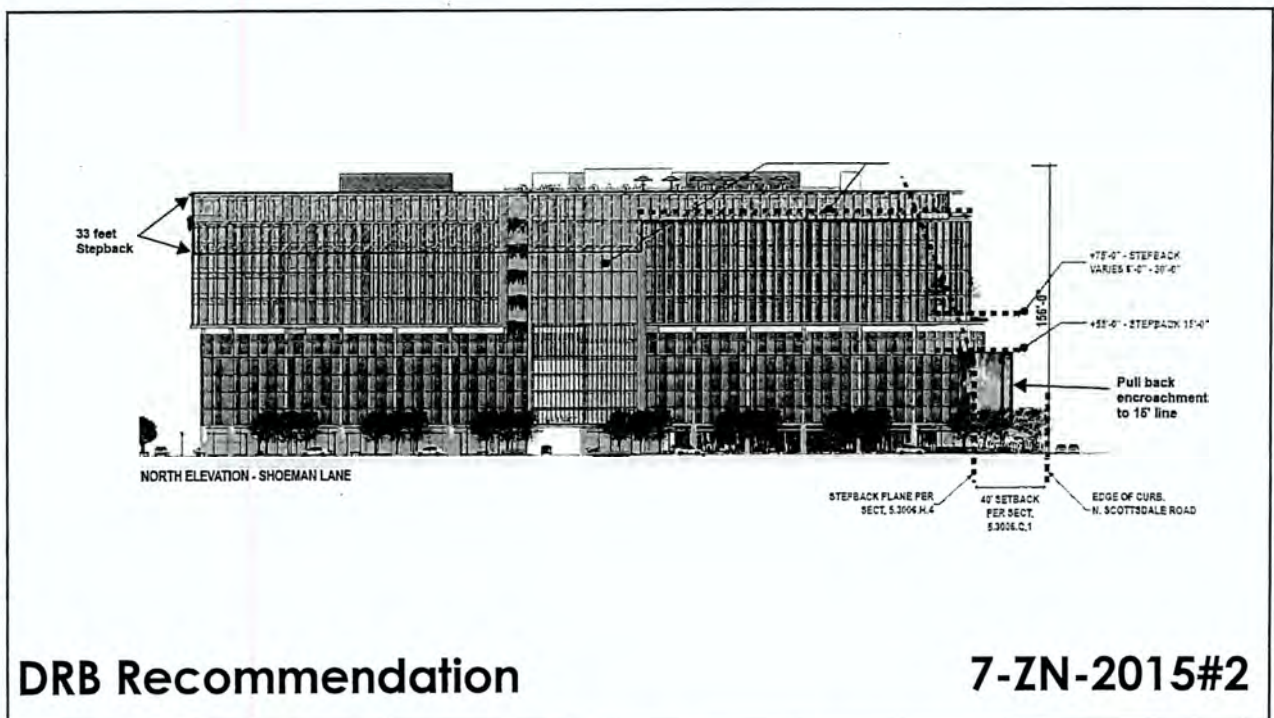
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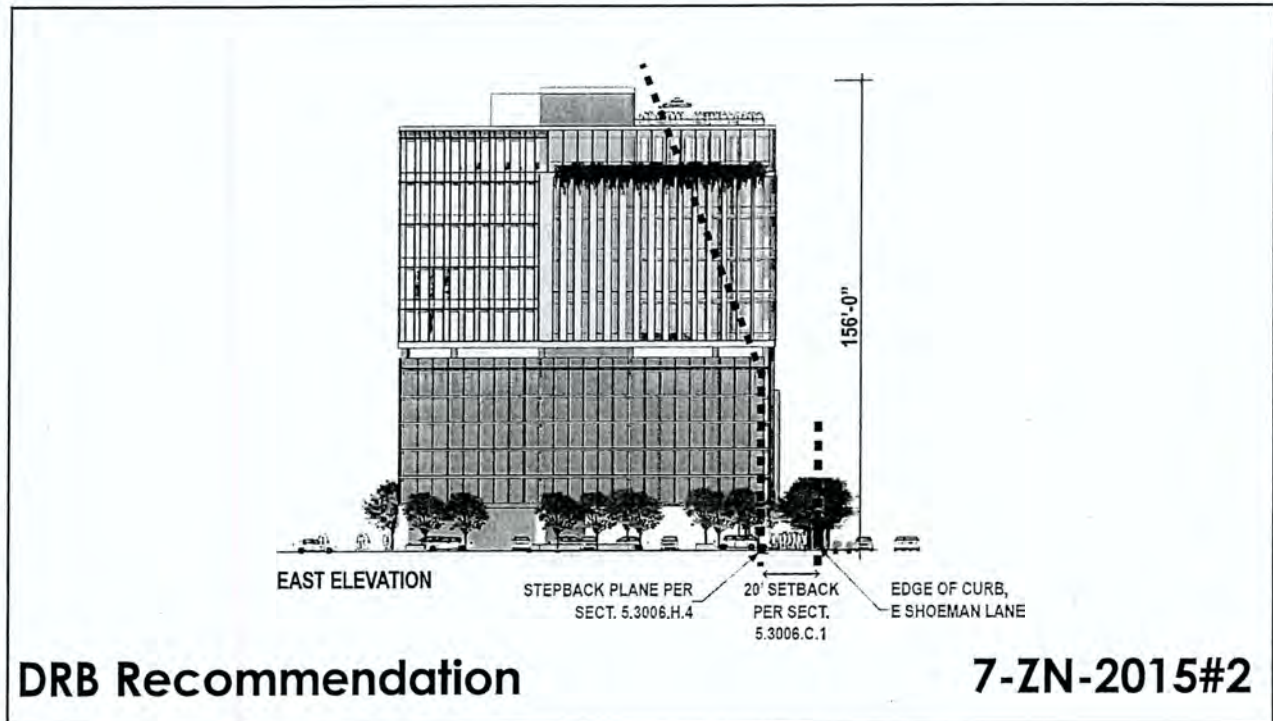
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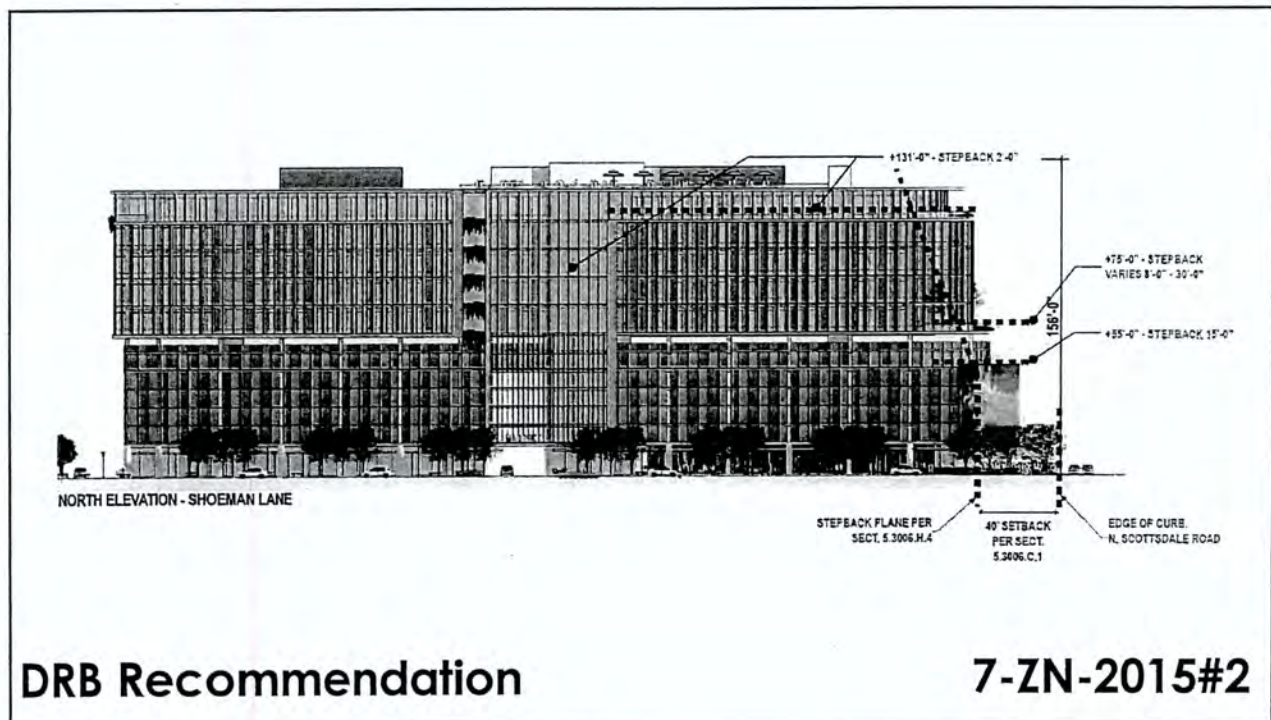
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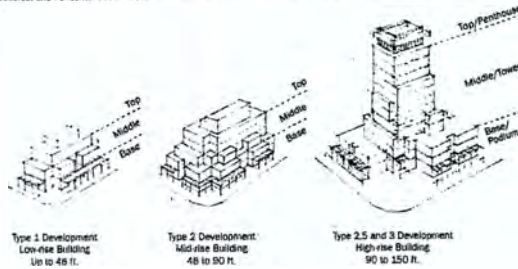


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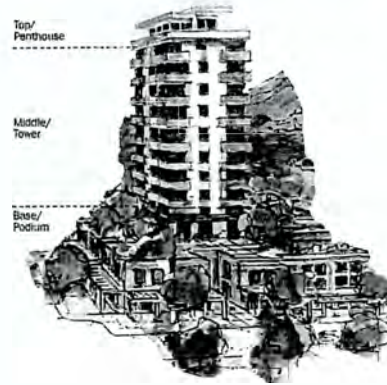
Figure 14 - Old Town Development Types, Building Design

(Refer to Section 5.3000 of the Scottsdale Zoning Ordinance)

Methods to visually reduce building size and mass include, but are not limited to, setbacks, setbacks, architectural features, and horizontal subdivision.



High-rise Building Example



Type 2.5 and 3 Development

Top/Penthouse

The top, or penthouse, is the finishing element that defines the building from a distance. It is distinguished from the middle/tower section through setbacks, enhanced material variation, and/or a unique articulation of building form.

Middle/Tower

The middle, or tower, is the main body of the building that gives the high-rise building its vertical orientation. Different uses will influence tower appearance and overall building identity. An obvious transition from the base is provided through setbacks, articulation of wall patterns, shade elements, and/or balconies.

Base/Podium

The base, or podium, visually supports the tower and responds to the design of surrounding buildings and the pedestrian context. Incorporation of a ground-level arcade, frequent entrances, heavier materials, colonnades, and other base treatments all contribute to the appearance of the base anchoring the entire structure to the ground.

Old Town Guidelines

7-ZN-2015#2

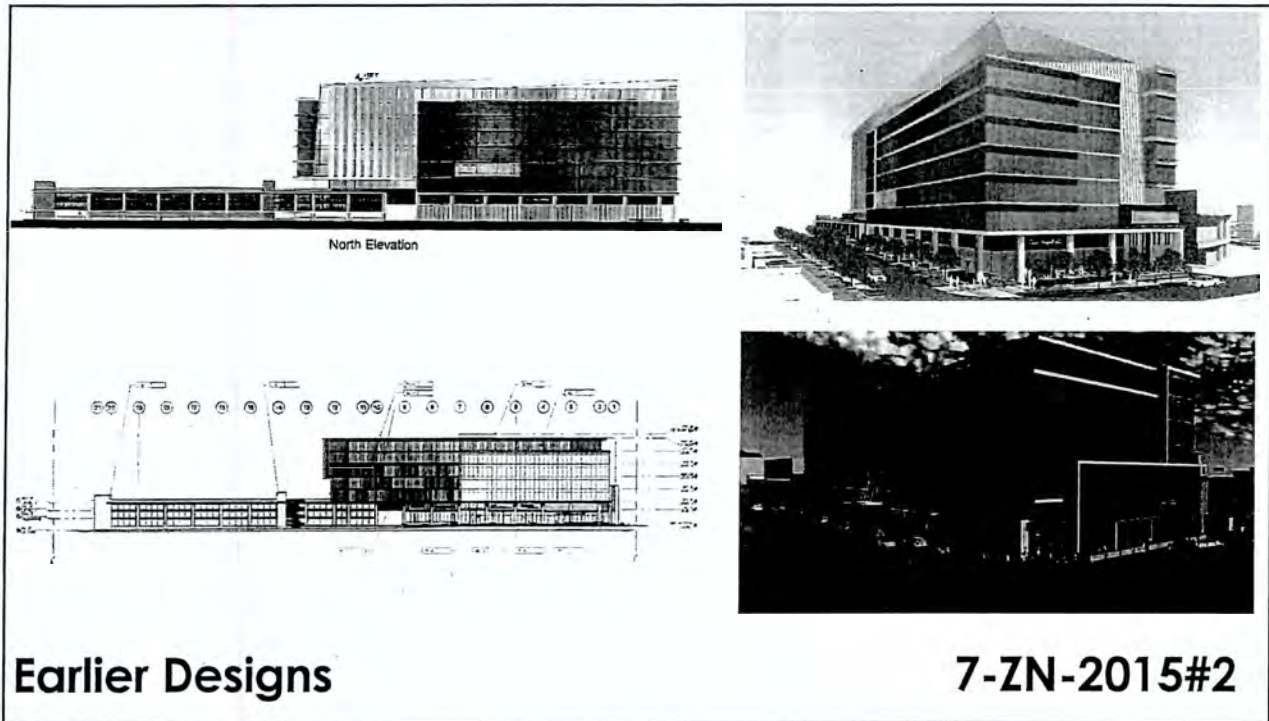
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| Marquee | | Galleria (Existing) | |
|---|---|---------------------|--------------------------------|
| Required | 250,000 Office 21,000 Retail 906 spaces | Required | 537,000 Office 1,790 spaces |
| Provided | 934 spaces (67 at grade open for retail) | Provided | 2,058 spaces** |
| On-street (existing) | 44 spaces | | |
| On-street (proposed) | 26 spaces* | | |
| <p>*\$13,800.00 per space (\$248,400.00) removed will be paid into the in-lieu parking fund to be used on future parking in the area.</p> <p>** Includes 127 all day public parking spaces and 200 additional nighttime only public spaces.</p> | | | |

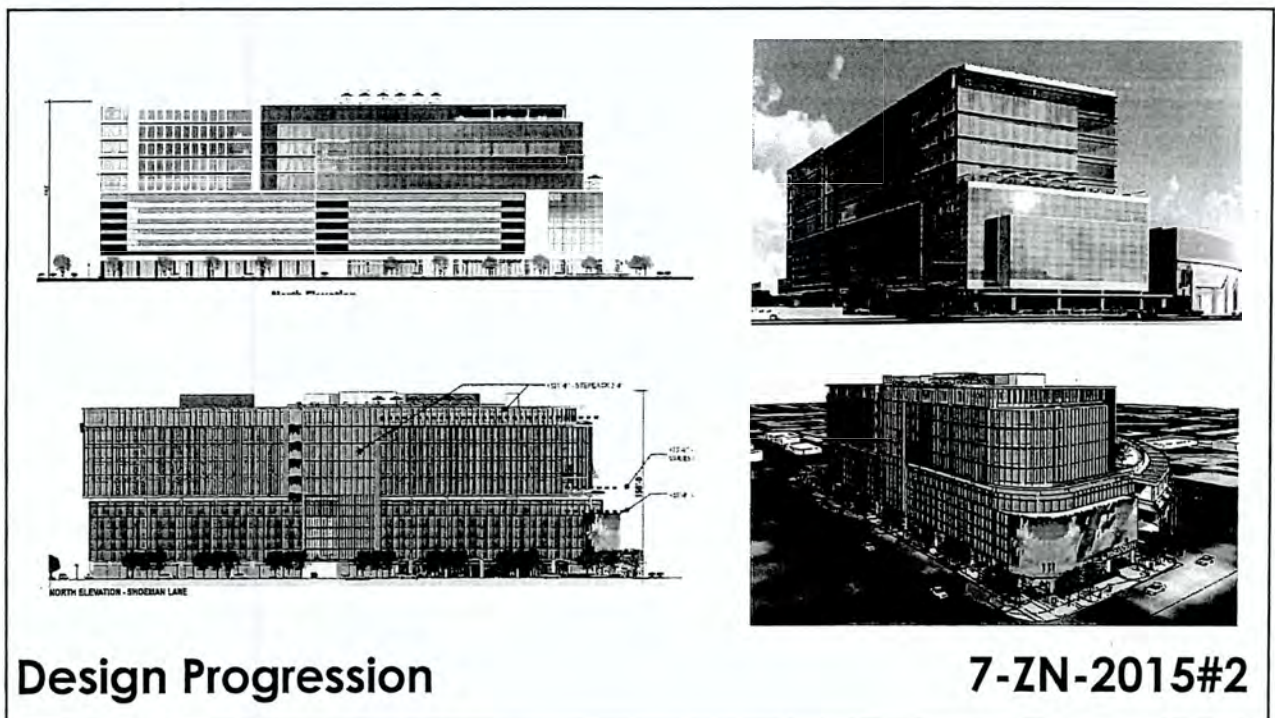
Parking

7-ZN-2015#2

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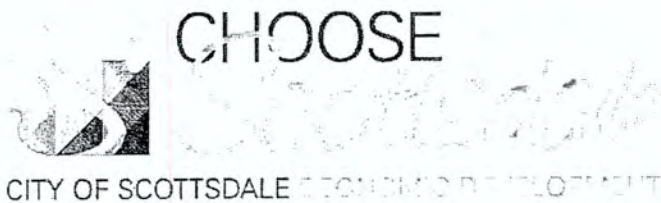


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Item 16



MARQUEE DEVELOPMENT
ECONOMIC IMPACT ANALYSIS

1

Economic Impact

Construction

- Direct Jobs- 415
- Indirect and Induced Jobs- 267
- Total Jobs- 682 (total payroll \$37 million)
- Regional Impact- \$98.5 million

Operations

- Direct Jobs (office and retail)- 1,427
- Indirect and Induced Jobs- 1,584
- Total Jobs- 3,011 (total payroll \$182.5 million)
- Regional Impact- \$414.2 million

Source: Elliott D. Pollock & Company, Marquee Office Building Impact, August 2019

2

2

Economic Impact

Construction

- Construction tax - \$625,000
- Use tax - \$175,000
- Dev/impact fees - \$4.2million

Operations

- Property tax
- Sales tax
- Commercial Lease tax
- Utility taxes
- Employment taxes

Source: Elliott D. Pollock & Company, Marquee Office Building Impact, August 2019

Item 16
Applicant Presentation

Scottsdale City Council – August 27, 2019

Case No. 7-ZN-2015#2
Southeast Corner of Scottsdale Road & Shoeman Lane

*Amendment to Existing Development Plan
Map Amendment to Adopt Type-3 Designation
(DMU-2, PBD, DO to DMU-3, PBD, DO)*

SCOTTSDALE MARQUEE

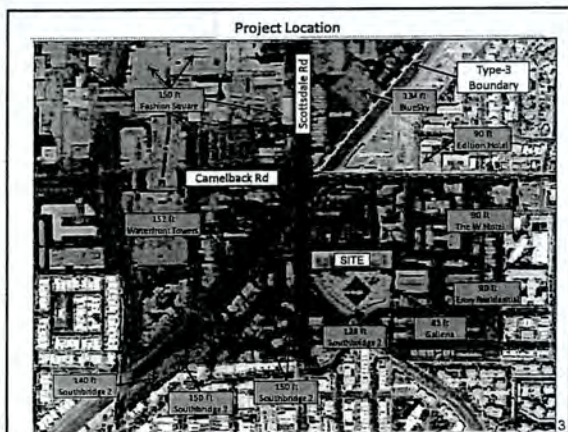
Jason Morris
Withey Morris, P.L.C.

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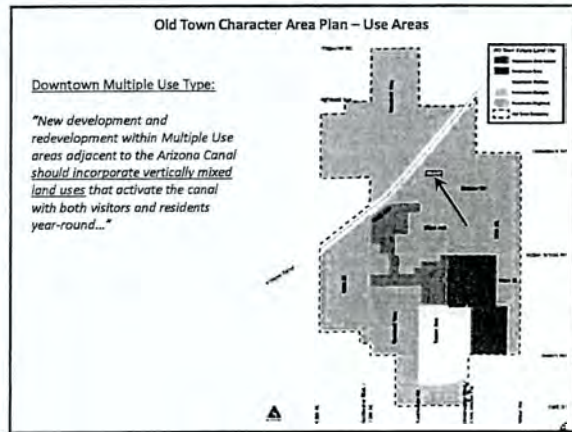
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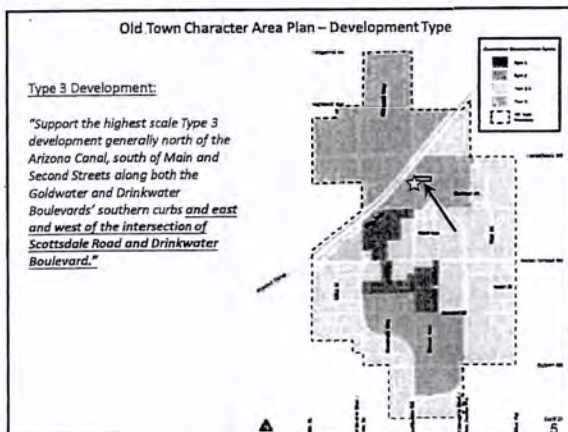
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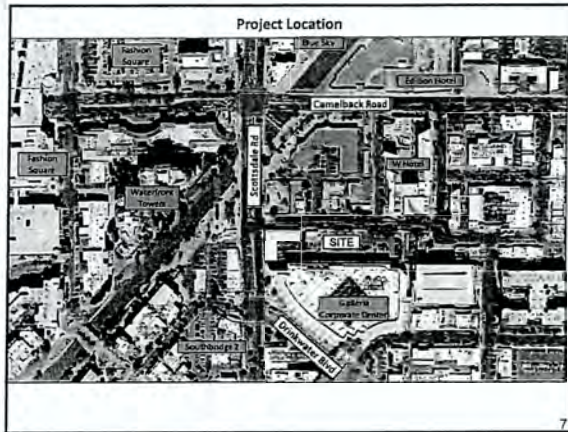
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Development Summary

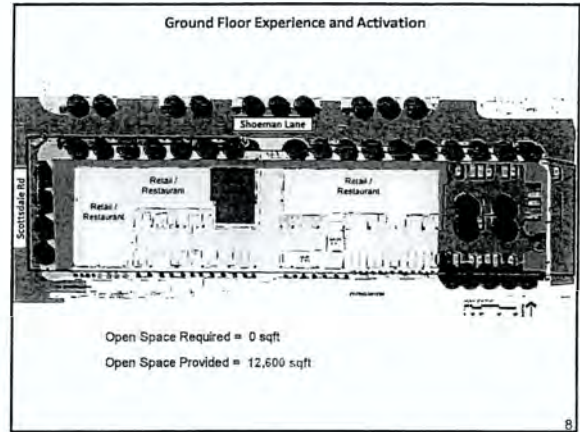
- 2.5 acre infill site. (Part of larger 9.5 acre Galleria campus)
- Same development concept as approved in 2016.
- 250,000 sqft of Class-A Office Space (45K+ sqft floor plates)
- 21,000 sqft of Ground Level Retail/Restaurant Uses
- Completely improved pedestrian experience on both street frontages, including the north side of Shoeman Lane
- Over \$2M in payments to City to use for downtown improvements
- Same request for Amended Development Standards as approved in 2016 (setbacks, stepbacks, building location, height, FAR)
- Project works in unison with Galleria to continue to retain and attract top-notch companies and talent to Scottsdale

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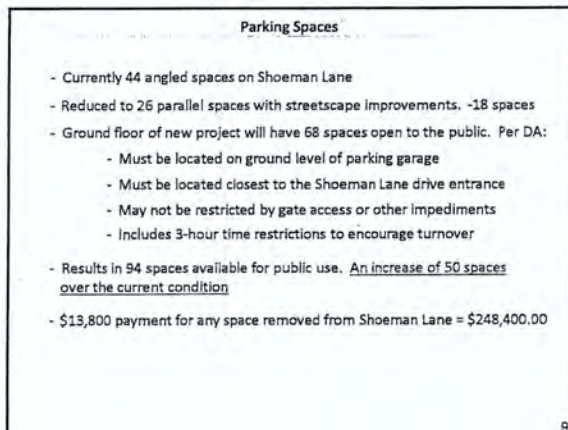
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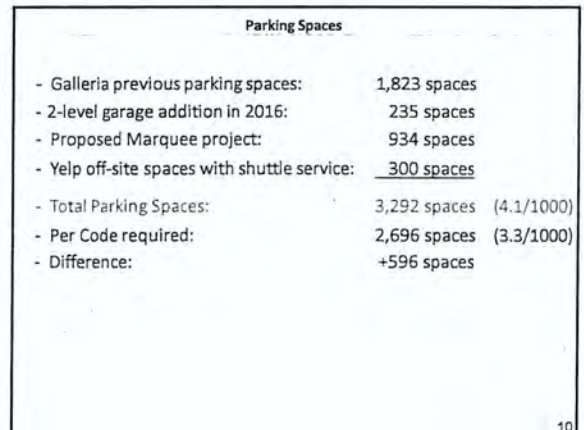
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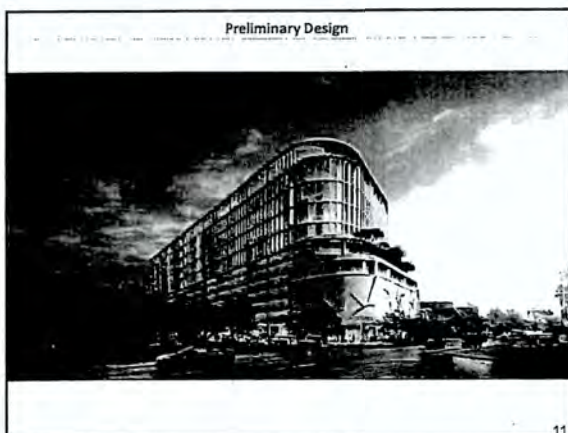
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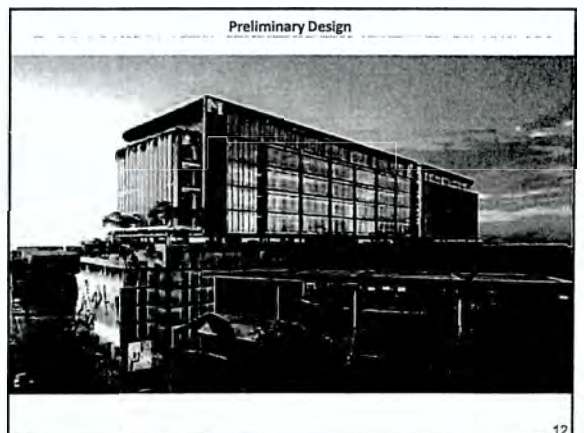
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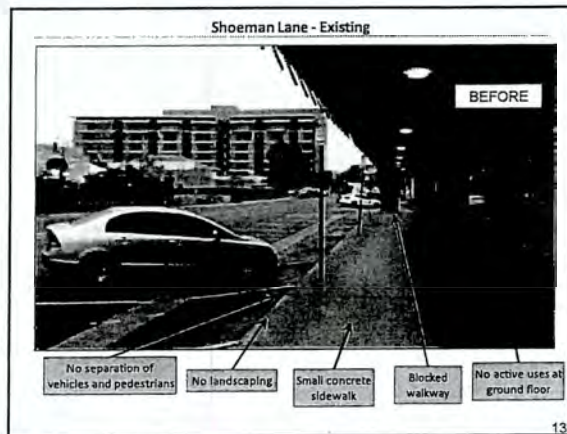
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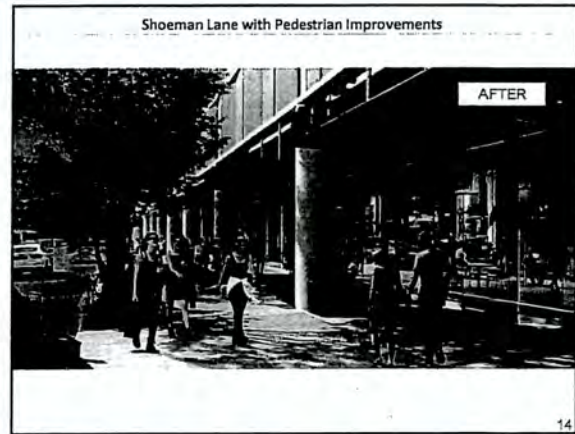
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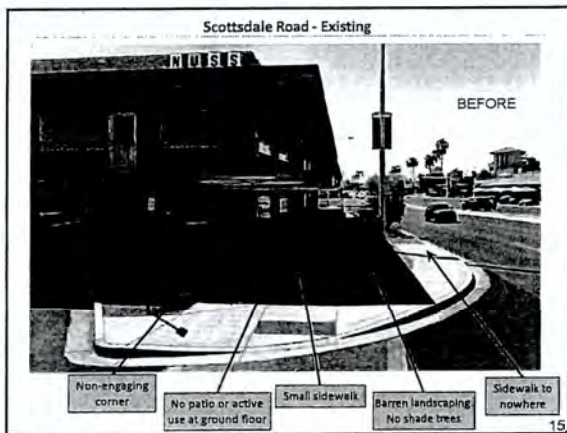
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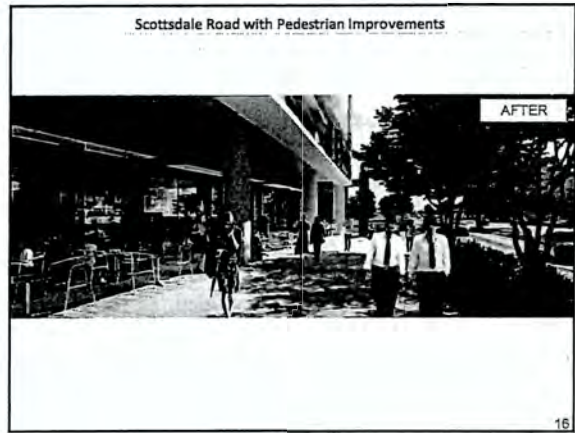
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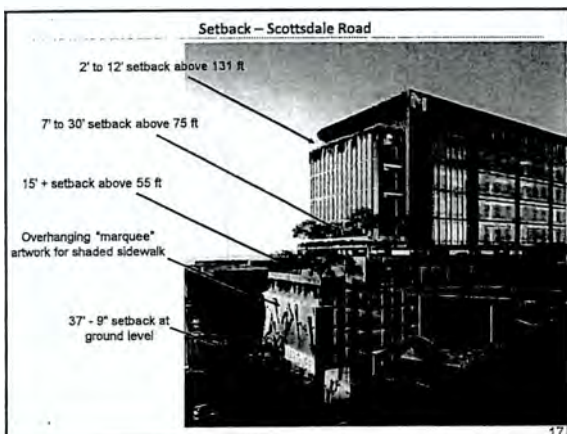
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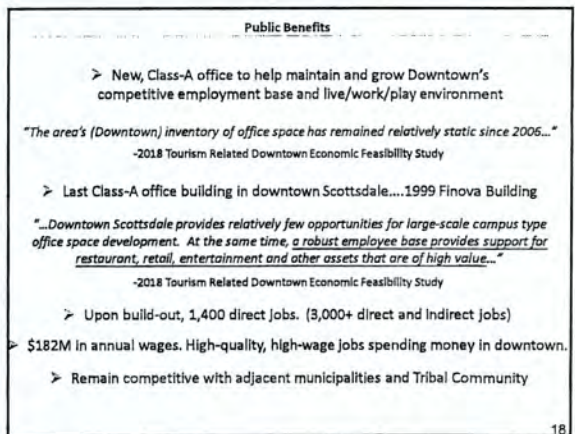
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17



18

Public Benefits

- Over \$2M in bonus payments for use in downtown improvements
- 17 ft dedication of land to City for 50 ft Scottsdale Road ROW
- 15 ft dedication of land to City for 35 ft Shoeman Lane ROW
- \$556K in "above and beyond" public realm improvements along Shoeman Lane
- \$550K towards art improvements through City of Scottsdale Cultural Improvement Plan (1% for the arts)
- \$5.2M in construction related revenue to Scottsdale (construction sales tax, permit fees, etc.)
- 415 direct jobs during construction (700+ direct and indirect jobs)
- Completely improved Shoeman Lane (including North side) with new shade trees, tree grates, landscaping, sidewalks, benches, lighting, etc.
- Completely improved Scottsdale Road frontage with new, iconic shade overhang, landscaping, wide sidewalks, pedestrian connection, and active ground floor uses

19

Scottsdale City Council – August 27, 2019

- Project represents a significant private investment in Downtown
- Directly addresses pent up need for Class-A office space in Downtown
 - Exceeds the City parking ordinance requirements
 - Recommended for Approval by Staff
- Amended Standards (Option #2) Unanimously Recommended for Approval by Development Review Board
- Recommendation of Approval by the Planning Commission (Option #2)
 - Applicant is Agreeable to all Stipulations
- Requesting Approval of Option #2 Per DRB and PC Recommendations

20

Scottsdale City Council – August 27, 2019

QUESTIONS?

Jason Morris
Withey Morris, P.L.C.

21

Scottsdale Road – Setback / Stepback

2016 Approval **Updated Design**

Stepback Plane

20 ft setback required
20 ft provided at ground floor

40 ft setback now required
37'-9" provided at ground floor

22

Shoeman Lane – Setback / Stepback

2016 Approval **Updated Design**

Stepback Plane

20 ft setback required
15'-6" setback approved

20 ft setback required
25'-9" provided at ground floor / 13'-8" requested above

23

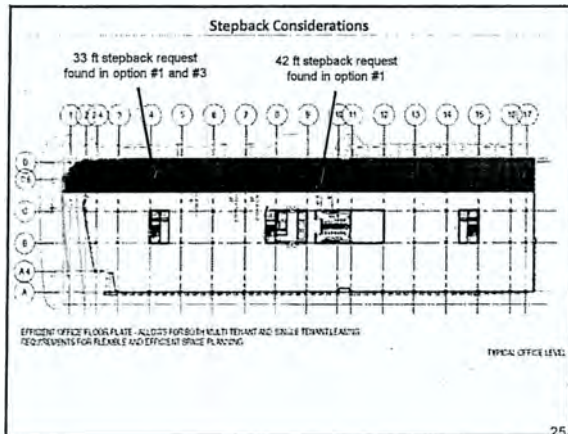
Stepback Considerations

EAST ELEVATION

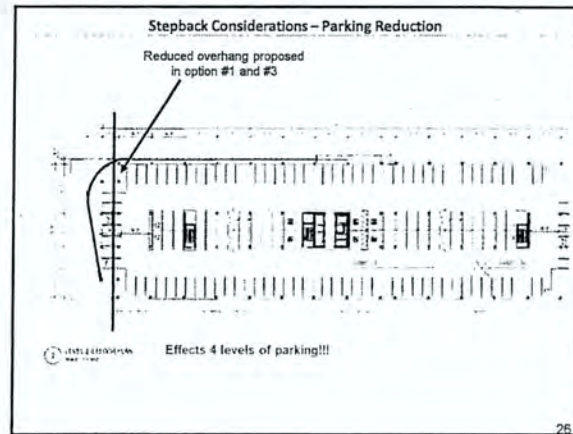
STEPBACK PLANE PER
SECT 5.3606 H.4

20' SETBACK
PER SECT.
5.3005 C.1

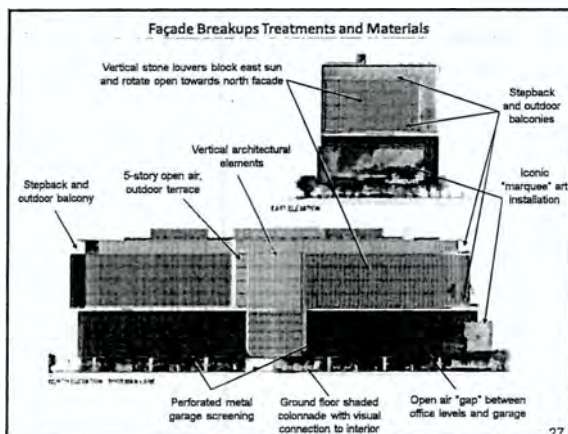
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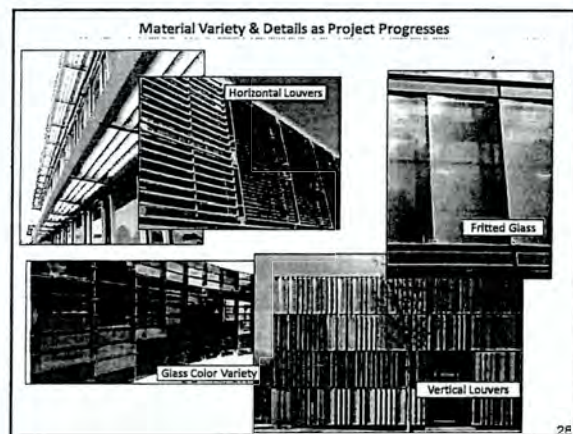
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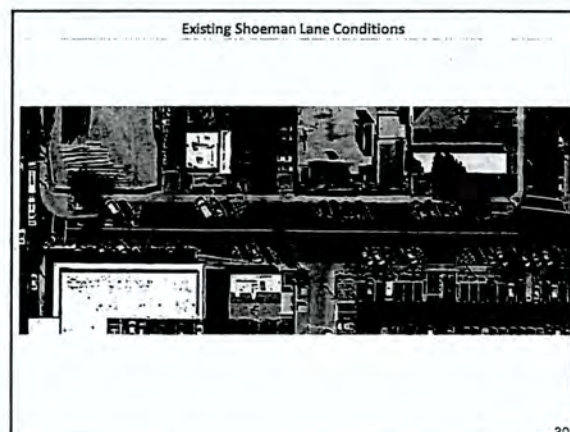


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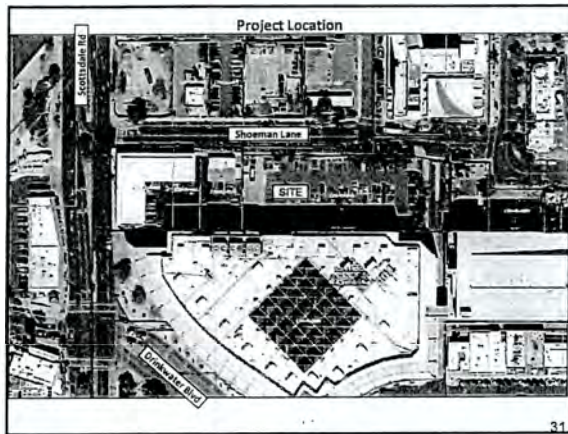
Parking - Sample Office Ratios

| | |
|------------------------|---|
| <u>Tempe</u> | |
| - Office = | 3.3 / 1,000 sqft |
| - New Downtown Code = | 2.0 / 1,000 sqft (first 5,000 sqft is waived) |
| <u>Phoenix</u> | |
| - Office = | 3.5 / 1,000 sqft |
| - Downtown = | No parking requirement |
| - Warehouse Downtown = | No parking requirement |
| <u>Chandler</u> | |
| - Office = | 4.0 / 1,000 sqft |
| <hr/> | |
| Scottsdale = | 3.3 / 1,000 sqft |
| This Project = | 3.5 / 1,000 sqft |
| | 934 spaces provided. |
| | 906 spaces required. |

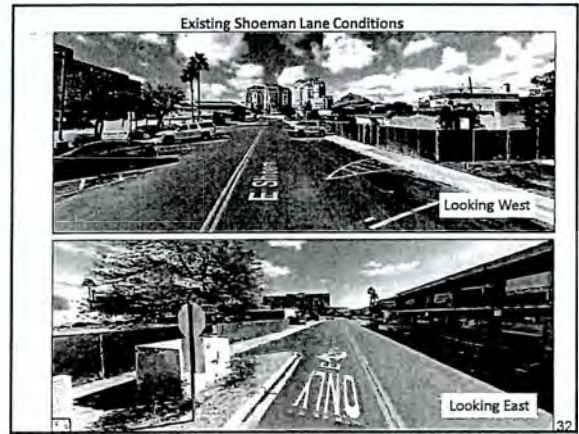
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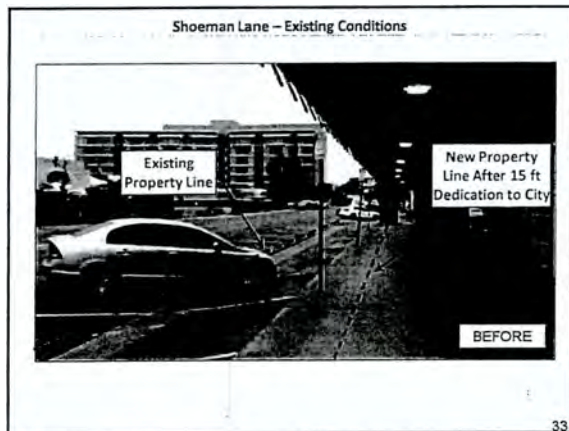
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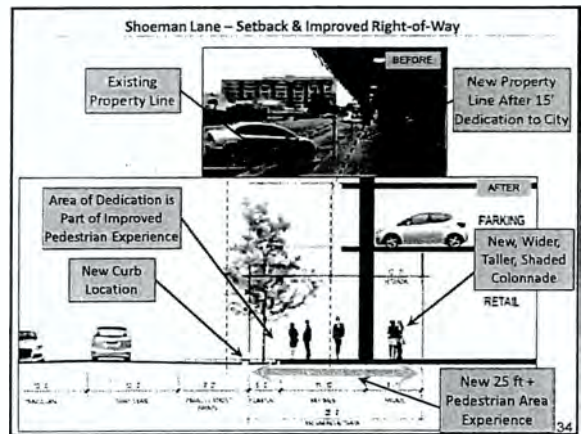
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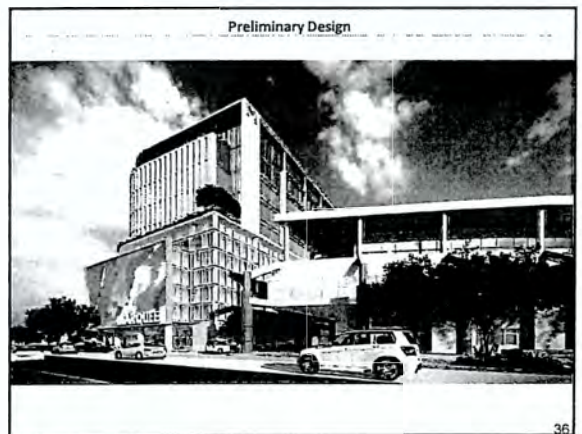
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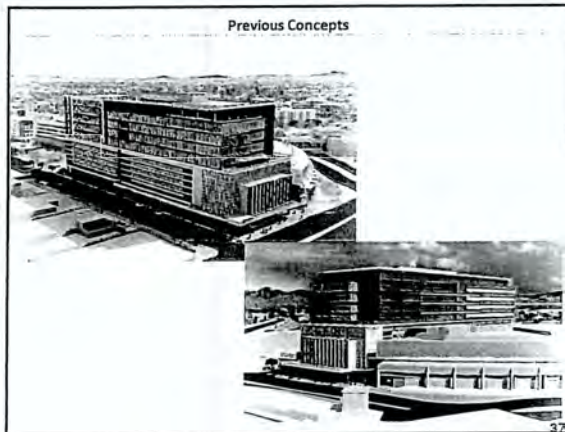
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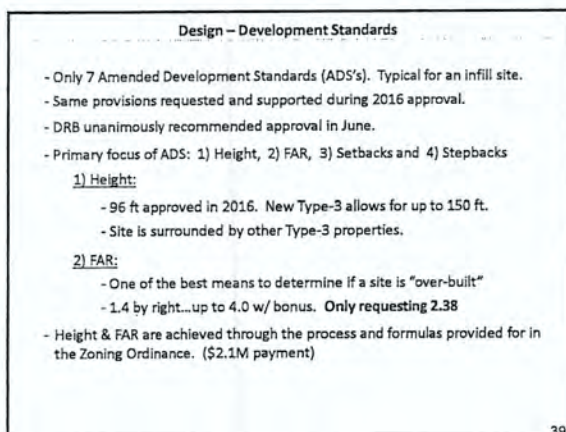
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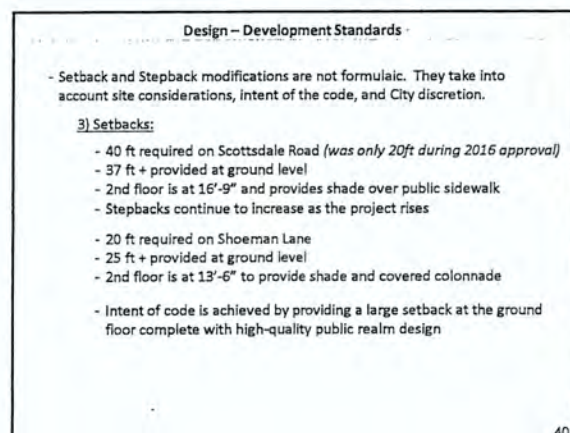
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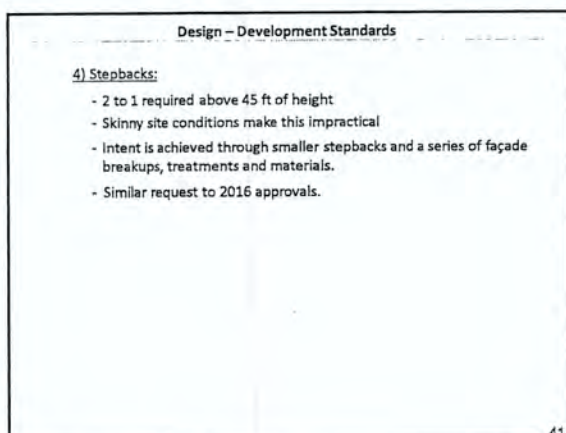
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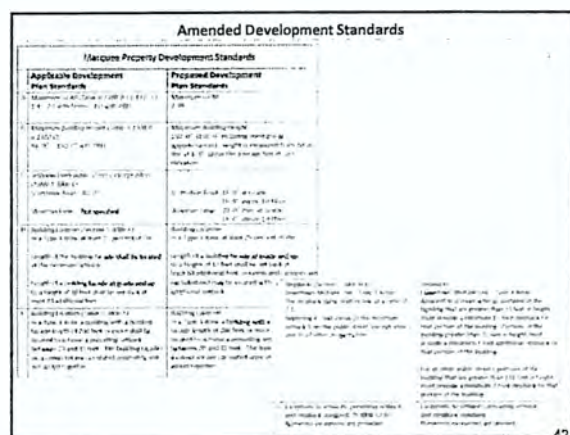
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