

Info #1
Feb 22 2007

MINUTES OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF CHANDLER, ARIZONA, February 7, 2007 held in the City Council Chambers, 22 S. Delaware Street.

1. Chairman Michael Flanders called the meeting to order at 5:30 p.m.
2. Pledge of Allegiance led by Commissioner Irby.
3. The following Commissioners answered Roll Call:

Chairman Michael Flanders
Vice Chairman Rick Heumann
Commissioner Michael Cason
Commissioner Mark Irby
Commissioner Dick Gulsvig
Commissioner Angela Creedon (arrived after roll call)

Absent and Excused: Commissioner Brett Anderson

Also Present:

Mr. Jeff Kurtz, Asst. Planning & Development Director
Mr. Bob Weworski, Principal Planner
Mr. Kevin Mayo, Senior Planner
Mr. Bill Dermody, City Planner
Mr. Erik Swanson, City Planner
Mr. Glenn Brockman, Assistant City Attorney
Ms. Joyce Radatz, Clerk

4. APPROVAL OF MINUTES

MOVED BY COMMISSIONER CASON, seconded by **COMMISSIONER GULSVIG**, to approve the minutes of January 17, 2007. Motion to approve carried (5 to 0) with Commissioner Irby abstaining due to his absence of the January 17, 2007 meeting.

5. CONSENT AGENDA ITEMS

CHAIRMAN FLANDERS explained to the audience that prior to the Commission meeting, Planning Commission members and Staff met in a study session to discuss each of the items on the agenda. He further stated that Staff would read the consent agenda for the record. At the conclusion of the reading, Commission would be voting on the Consent agenda items with one motion. Consent items on the agenda are highlighted by an asterisk. The audience will have the opportunity to pull any of the items for discussion.

MR. JEFF KURTZ, ASSISTANT PLANNING & DEVELOPMENT DIRECTOR, stated items B and I are on the action agenda at this time. The following items are for consent agenda approval along with any additional stipulations.

A. AP06-0005/DVR06-0051/PPT06-0041 DOWNTOWN OCOTILLO

APPROVED.

Request Area Plan amendment from employment and office land uses to commercial and multi-family residential land uses. Request midrise overlay for additional building height for commercial hotel and multi-family residential development on an approximate 11-acre portion of the site. Request rezoning from Planned Area Development (PAD) to PAD Amended for a commercial retail, office, hotel, and multi-family residential development along with Preliminary Development Plan (PDP) and Preliminary Plat approval. The property is located on approximately 30.5 acres at the southwest corner of Dobson and Queen Creek Roads.

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "DOWNTOWN OCOTILLO" kept on file in the City of Chandler Current Planning Division, in file number AP06-0005/DVR06-0051, except as modified by condition herein.
2. Construction shall commence above foundation walls within three (3) years of the effective date of the ordinance granting this rezoning or the City shall schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification.
3. Right-of-way dedications to achieve full half-widths, including turn lanes and deceleration lanes, per the standards of the Chandler Transportation Plan.
4. Undergrounding of all overhead electric (less than 69kv), communication, and television lines and any open irrigation ditches or canals located on the site or within adjacent right-of-ways and/or easements. Any 69kv or larger electric lines that must stay overhead shall be located in accordance with the City's adopted design and engineering standards. The aboveground utility poles, boxes, cabinets, or similar appurtenances shall be located outside of the ultimate right-of-way and within a specific utility easement.
5. Future median openings shall be located and designed in compliance with City adopted design standards (Technical Design Manual # 4).
6. The developer shall be required to install landscaping in the arterial street median(s) adjoining this project. In the event that the landscaping already exists within such median(s), the developer shall be required to upgrade such landscaping to meet current City standards.
7. Approval by the Director of Planning and Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls and the Director of Public Works for arterial street median landscaping.
8. Landscaping shall be in compliance with current Commercial Design Standards.
9. The landscaping shall be maintained at a level consistent with or better than at the time of planting. The site shall be maintained in a clean and orderly manner.
10. All raceway signage shall be prohibited within the development.
11. All pedestrian walkways shall be A.D.A. accessible and shall not be interrupted by any obstacles preventing circulation (i.e. handicap shall have direct access to all indoor and outdoor pedestrian spaces).
12. All ground-mounted equipment shall be screened from public view by landscaping or a concrete or masonry wall equal to or greater in height than the mechanical equipment.
13. The monument sign's sign panels shall have an integrated or decorative cover panel until a tenant name is added to the sign.
14. Commercial uses permitted within the proposed in the Live/Work buildings shall be limited to general office use only, no medical or dental office use. Office use is limited to the areas represented on floor plans within the Development Booklet. Any substantial

change in the use of the building and/or floor plan related to the office use shall require a re-application and approval of a Rezoning and/or Preliminary Development Plan.

15. The source of water that shall be used on the open space, common areas, and landscape tracts shall be reclaimed water (effluent). If reclaimed water is not available at the time of construction, and the total landscapable area is 10 acres in size or greater, these areas will be irrigated and supplied with water, other than surface water from any irrigation district, by the owner of the development through sources consistent with the laws of the State of Arizona and the rules and regulations of the Arizona Department of Water Resources. If the total landscapable area is less than 10 acres in size, the open space common areas, and landscape tracts may be irrigated and supplied with water by or through the use of potable water provided by the City of Chandler or any other source that will not otherwise interfere with, impede, diminish, reduce, limit or otherwise adversely affect the City of Chandler's municipal water service area nor shall such provision of water cause a credit or charge to be made against the City of Chandler's gallons per capita per day (GPCD) allotment or allocation. However, when the City of Chandler has effluent of sufficient quantity and quality which meets the requirements of the Arizona Department of Environmental Quality for the purposes intended available to the property to support the open space, common areas, and landscape tracts available, Chandler effluent shall be used to irrigate these areas.

In the event the owner sells or otherwise transfers the development to another person or entity, the owner will also sell or transfer to the buyer of the development, at the buyer's option, the water rights and permits then applicable to the development. The limitation that the water for the development is to be owner-provided and the restriction provided for in the preceding sentence shall be stated on the final plat governing the development, so as to provide notice to any future owners. The Public Report, Purchase Contracts, and Final Plats shall include a disclosure statement outlining that the Downtown Ocotillo development shall use treated effluent to maintain open space, common areas, and landscape tracts.

16. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner, property owners' association, or homeowners' association.
17. The applicant shall work with Staff to provide a series of minimum 25' to 30' tall fan palm trees (*Washingtonia robusta*) along the building foundations of structures that exceed 45' in height.
18. *The condominiums shall be individual 'for sale only' units at the time of the development.*
19. *The directional signs shall be limited to individual reverse pan channel or push-through letters with halo illumination.*
20. *The applicant shall work with Staff to enhance the "Retail L" building elevations through the use of similar building forms, materials, and colors used on other buildings within the development to reflect the full extent of the Santa Barbara architectural style.*
21. *Mexican fan palms (Washingtonia robusta) shall be prohibited throughout except as accents for the mid-rise buildings.*
22. *The developer shall design and construct a traffic signal at the Queen Creek Road driveway approximately 1100' west of Dobson Road. The developer is eligible for up to 50% reimbursement when properties on the north side of Queen Creek Road develop in the future.*

Staff recommends approval of the Preliminary Plat subject to the following condition:

1. Approval by the City Engineer and Director of Planning and Development with regard to the details of all submittals required by code or condition.

C. DVR06-0017/PPT06-0029 LAYTON LAKES PARCELS 16 & 16B

APPROVED.

Request rezoning from Planned Area Development (PAD) to Planned Area Development (PAD) Amended with Preliminary Development Plan (PDP) and Preliminary Plat (PPT) approval on approximately 5-acres of an approximately 33-acre site for the development of a church facility. In addition, request Preliminary Development Plan (PDP) and Preliminary Plat (PPT) approval for site layout and housing product for a single-family residential subdivision on the remainder of the 33-acre site located at the northwest corner of Lindsay Road and Layton Lakes Boulevard.

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "LAYTON LAKES PARCEL 16 & 16B" kept on file in the City of Chandler Planning Services Division, in File No. DVR06-0017, except as modified by condition herein.
2. Compliance with the original stipulations adopted by the City Council as Ordinance 3250, case DVR00-0025 LAYTON LAKES, except as modified by condition herein.

Staff recommends approval of the Preliminary Plat subject to the following condition:

1. Approval by the City Engineer and Director of Planning and Development with regard to the details of all submittals required by code or condition.

D. PDP06-0051 HENSLEY

CONTINUED TO THE FEBRUARY 21, 2007 PLANNING COMMISSION MEETING.

Request Preliminary Development Plan (PDP) approval for site layout and building architecture for an industrial warehouse and distribution facility located at 2555 N. Nevada Street, Lots 29 and 30 of the Westech Corporate Center.

1. Compliance with original stipulations adopted by the City Council as Ordinance No. 2858, in case PL98-0020 WESTECH PAD.
2. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "Hensley Distribution Center" kept on file in the City of Chandler Current Planning Division, in file number PDP06-0051, except as modified by condition herein.
3. The landscaping in all open spaces and rights-of-way shall be maintained by the adjacent property owner or property owners association.
4. Approval by the Director of Planning and Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls.
5. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.
6. All future signage shall conform to the City of Chandler Sign Codes. Any deviations from such codes require Preliminary Development Plan approval.
7. The landscaping shall be maintained at a level consistent with or better than at the time of planting. The site shall be maintained in a clean and orderly manner.
8. All raceway signage shall be prohibited within the development.

E. DVR06-0057/PPT07-0001 STONEFIELD II

APPROVED.

Request rezoning from Agricultural (AG-1) zoning to Planned Area Development (PAD) zoning to allow for two single-family residential subdivisions, along with Preliminary Development Plan (PDP) and Preliminary Plat (PPT) approval for subdivision layout on approximately 38 acres, and

PDP approval for housing product for the northern portion of the site. The property is located south of the southeast corner of Germann and Dobson Roads.

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "STONEFIELD II", kept on file in the City of Chandler Planning Services Division, in File No. DVR06-0057, except as modified by condition herein.
2. The covenants, conditions and restrictions (CC & R's) to be filed and recorded with the subdivision shall mandate the installation of front yard landscaping within 180 days from the date of occupancy with the homeowners' association responsible for monitoring and enforcement of this requirement.
3. Right-of-way dedications to achieve full half-widths, including turn lanes and deceleration lanes, per the standards of the Chandler Transportation Plan.
4. Undergrounding of all overhead electric (less than 69kv), communication, and television lines and any open irrigation ditches or canals located on the site or within adjacent right-of-ways and/or easements. Any 69kv or larger electric lines that must stay overhead shall be located in accordance with the City's adopted design and engineering standards. The aboveground utility poles, boxes, cabinets, or similar appurtenances shall be located outside of the ultimate right-of-way and within a specific utility easement.
5. Future median openings shall be located and designed in compliance with City adopted design standards (Technical Design Manual # 4).
6. Completion of the construction of all required off-site street improvements including but not limited to paving, landscaping, curb, gutter and sidewalks, median improvements and street lighting to achieve conformance with City codes, standard details, and design manuals.
7. The developer shall be required to install landscaping in the arterial street median(s) adjoining this project. In the event that the landscaping already exists within such median(s), the developer shall be required to upgrade such landscaping to meet current City standards.
8. Construction shall commence above foundation walls within three (3) years of the effective date of the ordinance granting this rezoning or the City shall schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification.
9. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or a homeowners' association.
10. The side yard setbacks for "Site B" shall be a minimum of 5 feet and 10 feet.
11. No more than two identical side-by-side roof slopes should be constructed along arterial or collector streets or public open space.
12. There shall be a minimum of 20 total play stations.
13. All homes built on corner lots within the residential subdivision shall be single story or a combination of one- and two-story with the one-story portion on the street side.
14. The same elevation shall not be built side-by-side or directly across the street from one another.
15. When two-story homes are built on adjacent lots, a 20-foot separation shall be provided between the two-story elements.
16. For lots adjacent to an arterial street, two-story homes are limited to every third lot.
17. A minimum of two trees at a minimum of 2-inch caliper each shall be planted in all front yards.
18. No more than two, two-story homes shall be built side-by-side for more than 50% of the lots adjacent to an arterial street.

19. Homebuilder will advise all prospective homebuyers of the information on future City facilities contained in the City Facilities map found at www.chandleraz.gov/infomap, or available from the City's Communication and Public Affairs Department. The homebuilder shall post a copy of the City Facilities map in the sales office showing the location of future and existing City facilities.
20. The source of water that shall be used on the open space, common areas, and landscape tracts shall be reclaimed water (effluent). If reclaimed water is not available at the time of construction, and the total landscapable area is 10 acres in size or greater, these areas will be irrigated and supplied with water, other than surface water from any irrigation district, by the owner of the development through sources consistent with the laws of the State of Arizona and the rules and regulations of the Arizona Department of Water Resources. If the total landscapable area is less than 10 acres in size, the open space common areas, and landscape tracts may be irrigated and supplied with water by or through the use of potable water provided by the City of Chandler or any other source that will not otherwise interfere with, impede, diminish, reduce, limit or otherwise adversely affect the City of Chandler's municipal water service area nor shall such provision of water cause a credit or charge to be made against the City of Chandler's gallons per capita per day (GPCD) allotment or allocation. However, when the City of Chandler has effluent of sufficient quantity and quality which meets the requirements of the Arizona Department of Environmental Quality for the purposes intended available to the property to support the open space, common areas, and landscape tracts available, Chandler effluent shall be used to irrigate these areas.

In the event the owner sells or otherwise transfers the development to another person or entity, the owner will also sell or transfer to the buyer of the development, at the buyer's option, the water rights and permits then applicable to the development. The limitation that the water for the development is to be owner-provided and the restriction provided for in the preceding sentence shall be stated on the final plat governing the development, so as to provide notice to any future owners. The Public Report, Purchase Contracts, and Final Plats shall include a disclosure statement outlining that the DVR06-0057 STONEFIELD II development shall use treated effluent to maintain open space, common areas, and landscape tracts.

21. *Lots adjacent to Dobson Road, specifically lots 36, 37 and 38, shall be limited to no more than one two-story home within the lots.*

Staff recommends approval of the Preliminary Plat subject to the following condition:

1. Approval by the City Engineer and Director of Planning and Development with regard to the details of all submittals required by code or condition.

Stipulations #16 and #18 have been eliminated and replaced with additional stipulation #21.

F. DVR06-0054 CLEMENTE RANCH

APPROVED.

Request rezoning from Planned Area Development (PAD) zoning to PAD Amended for a single-family residential neighborhood. Request rezoning to eliminate a zoning condition requiring copper supply plumbing for all water lines under pressure, and to eliminate a zoning condition requiring that no homes be built within the 250'-300' wide area along the northern boundary of the site for 56 lots. The property is located south of the southeast corner of Germann and Dobson Roads, within the Clemente Ranch single-family residential subdivision.

1. Compliance with the original stipulations adopted by the City Council as Ordinance No. 2390, in case Z93-053 Clemente Ranch, except as modified by condition herein.

2. Condition No. 11 of Ordinance No. 2390, providing for no construction on lots within 300 feet of the existing dairies shall no longer apply.
3. ***Future lots adjacent to Dobson Road, specifically lots 38, 39 and 40, shall be limited to no more than one two-story home.***

G. PDP06-0041 FIRSTBANK

APPROVED.

Request Preliminary Development Plan (PDP) approval for a new bank pad in an existing shopping center at the southwest corner of Germann and Alma School Roads.

1. Compliance with original stipulations adopted by the City Council as Ordinance No. 2423, in case Z93-089 SMITTY'S SUPER VALUE, except as modified by condition herein.
2. Compliance with original stipulations adopted by the City Council in case PDP00-0043 FRY'S SHOPPING CENTER, except as modified by condition herein.
3. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "FIRST BANK" kept on file in the City of Chandler Current Planning Division, in file No. PDP06-0041, except as modified by condition herein.
4. The landscaping in all open spaces and rights-of-way shall be maintained by the adjacent property owner or property owners association.
5. The landscaping shall be maintained at a level consistent with or better than at the time of planting. The site shall be maintained in a clean and orderly manner.
6. Approval by the Director of Planning and Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls and the Director of Public Works for arterial street median landscaping.
7. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.
8. Additional intermediate columns with stone and stucco finish shall be installed under the drive-through canopy.
9. ***The screen wall shall be raised to 4 feet in height.***
10. ***Landscaping shall be installed according to the 'Commercial Design Standards.'***
11. ***The applicant shall work with staff to create decorative screening through a 4-foot high green screen trellis at the drive-thru combined with additional shrubs.***

H. PDP06-0050 MONTAGE BY CHARLEVOIX HOMES

APPROVED.

Request Preliminary Development Plan (PDP) approval for single family housing product on 92 lots within a single-family residential subdivision. The site, which is approximately 35 acres, is located ¼ mile north of the northeast corner of Chandler Heights and Lindsay Roads.

1. Compliance with original stipulations adopted by the City Council as Ordinance No. 3607, in case DVR04-0013 AVIAN TRAILS, except as modified by condition herein.
2. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "MONTAGE BY CHARLEVOIX HOMES" kept on file in the City of Chandler Current Planning Division, in file No. PDP06-0050, except as modified by condition herein.
3. Plan 6 shall include a low courtyard wall in front of the house to provide private outdoor open space.
4. A minimum of two trees at a minimum of 2-inch caliper each shall be planted in all front yards.

J. UP06-0060 ZPIZZA

APPROVED.

Request Use Permit approval to sell liquor (beer and wine only) for on-premise consumption (Series 12) to restaurant patrons in a new restaurant. The subject property is located at 7131 W. Ray Road, Suite #9, within the Chandler Pavilions Shopping Center.

1. The Use Permit is granted for a Series 12 license only, and any change of license shall require reapplication and new Use Permit approval.
2. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.
3. The Use Permit is non-transferable to other store locations.

K. UP06-0073 CHINO BANDIDO

APPROVED.

Request Use Permit approval to extend the sale of alcohol (Series 12 Restaurant License) to the patio of an existing restaurant located at 1825 W. Chandler Blvd., Suite #2, south and east of the southeast corner of Chandler Blvd. and Dobson Road.

1. The Use Permit granted is for a Series 12 license only, and any change of license shall require reapplication and new Use Permit approval.
2. The Use Permit is non-transferable to any other location.
3. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.
4. Any substantial change in the floor plan to include such items as, but not limited to, additional bar serving area or the addition of entertainment related uses shall require reapplication and approval of the Use Permit.

L. UP07-0004 TGI FRIDAY'S

APPROVED.

Request Use Permit approval to sell liquor (all spirituous liquor) for on-premise consumption (Series 12 Restaurant License) to restaurant and bar patrons within a new restaurant. The subject site is located at 2920 E. Germann Road, within the Crossroads Towne Center.

1. The Use Permit is granted for a Series 12 license only, and any change of license shall require reapplication and new Use Permit approval.
2. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.
3. The Use Permit is non-transferable to other store locations.

CHAIRMAN FLANDERS stated he will be abstaining from the consent agenda vote on Item A, Downtown Ocotillo. He is employed by the architectural firm representing one of the retail users on this project.

MOVED BY COMMISSIONER GULSVIG, seconded by **COMMISSIONER IRBY**, to approve the consent agenda with the additional stipulations read into the record. Motion to approve carried unanimously (6 to 0) with Chairman Flanders abstaining from Item A.

VICE CHAIRMAN HEUMANN stated that even though Item A has been approved on the consent agenda, he has requested that staff give a brief presentation on this item to benefit the audience members and the people at home, since it ties into Item B.

ACTION:

B. AP06-0006/DVR06-0052/PPT06-0042 - PPT06-0049 THE WATERS AT OCOTILLO,

Request Area Plan amendment from employment and commercial land uses to commercial, single-family, and multi-family residential land uses. Request rezoning from Planned Area Development (PAD) to PAD Amended for a commercial retail, office, single-family, and multi-family residential development along with Preliminary Development Plan (PDP) and Preliminary Plat approval. The property is located on approximately 74 acres south of the southeast corner of Dobson and Queen Creek Roads.

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "THE WATERS AT OCOTILLO" kept on file in the City of Chandler Current Planning Division, in file number AP06-0006/DVR06-0052, except as modified by condition herein.
2. Construction shall commence above foundation walls within three (3) years of the effective date of the ordinance granting this rezoning or the City shall schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification.
3. Right-of-way dedications to achieve full half-widths, including turn lanes and deceleration lanes, per the standards of the Chandler Transportation Plan.
4. Undergrounding of all overhead electric (less than 69kv), communication, and television lines and any open irrigation ditches or canals located on the site or within adjacent right-of-ways and/or easements. Any 69kv or larger electric lines that must stay overhead shall be located in accordance with the City's adopted design and engineering standards. The aboveground utility poles, boxes, cabinets, or similar appurtenances shall be located outside of the ultimate right-of-way and within a specific utility easement.
5. Future median openings shall be located and designed in compliance with City adopted design standards (Technical Design Manual # 4).
6. The developer shall be required to install landscaping in the arterial street median(s) adjoining this project. In the event that the landscaping already exists within such median(s), the developer shall be required to upgrade such landscaping to meet current City standards.
7. Approval by the Director of Planning and Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls and the Director of Public Works for arterial street median landscaping.
8. Landscaping along all street fronts shall be in compliance with current Commercial Design Standards.
9. The covenants, conditions and restrictions (CC & R's) to be filed and recorded with the subdivision shall mandate the installation of front yard landscaping within 180 days from the date of occupancy with the homeowners' association responsible for monitoring and enforcement of this requirement.
10. The landscaping shall be maintained at a level consistent with or better than at the time of planting. The site shall be maintained in a clean and orderly manner.
11. All raceway signage shall be prohibited within the development.
12. All pedestrian walkways shall be A.D.A. accessible and shall not be interrupted by any obstacles preventing circulation (i.e. handicap shall have direct access to all indoor and outdoor pedestrian spaces).
13. All ground-mounted equipment shall be screened from public view by landscaping or a concrete or masonry wall equal to or greater in height than the mechanical equipment.

14. The monument sign's sign panels shall have an integrated or decorative cover panel until a tenant name is added to the sign.
15. The source of water that shall be used on the open space, common areas, and landscape tracts shall be reclaimed water (effluent). If reclaimed water is not available at the time of construction, and the total landscapable area is 10 acres in size or greater, these areas will be irrigated and supplied with water, other than surface water from any irrigation district, by the owner of the development through sources consistent with the laws of the State of Arizona and the rules and regulations of the Arizona Department of Water Resources. If the total landscapable area is less than 10 acres in size, the open space common areas, and landscape tracts may be irrigated and supplied with water by or through the use of potable water provided by the City of Chandler or any other source that will not otherwise interfere with, impede, diminish, reduce, limit or otherwise adversely affect the City of Chandler's municipal water service area nor shall such provision of water cause a credit or charge to be made against the City of Chandler's gallons per capita per day (GPCD) allotment or allocation. However, when the City of Chandler has effluent of sufficient quantity and quality which meets the requirements of the Arizona Department of Environmental Quality for the purposes intended available to the property to support the open space, common areas, and landscape tracts available, Chandler effluent shall be used to irrigate these areas.

In the event the owner sells or otherwise transfers the development to another person or entity, the owner will also sell or transfer to the buyer of the development, at the buyer's option, the water rights and permits then applicable to the development. The limitation that the water for the development is to be owner-provided and the restriction provided for in the preceding sentence shall be stated on the final plat governing the development, so as to provide notice to any future owners. The Public Report, Purchase Contracts, and Final Plats shall include a disclosure statement outlining that the Waters at Ocotillo development shall use treated effluent to maintain open space, common areas, and landscape tracts.

16. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner, property owners' association, or homeowners' association.
17. The shared monument signs for parcel 7 shall be limited to reverse pan channel letters with halo illumination.
18. The applicant shall work with Staff to include additional Date Palm trees along the streetscape and a pedestrian colonnade at the parcel 8 office development that extends along the entire building frontage at Price and Dobson Roads.
19. The applicant shall work with Staff to provide an alternative design for the monument signs at the parcel 8 office development that incorporates similar design, materials, and colors of other monument signs within the development.
- 20. The multi-family units, including the garage court and condominium flats, shall be individual "for sale only" units at the time of the development.**
- 21. Mexican fan palms (*Washingtonia robusta*) shall be prohibited throughout.**
- 22. The applicant shall work with Staff to ensure that the bike paths and pedestrian paths throughout the neighborhood are accessible where it is necessary to have six foot wide paths.**
- 23. The pedestrian bridges shall be designed at an equivalent standard or better than the Master Ocotillo development, with height clearances to accommodate local recreational boats.**

Mr. Bob Weworski, Principal Planner, stated this is a multiple request for both the Area Plan Amendment, a Rezoning, Preliminary Development Plan, and Preliminary Plat. This is for a

mixed-use development on approximately 74 acres. It's an area bounded by Dobson Road, Price Road to the south, and the Marketplace Loop to the south end of the site. This is a mixed-use development that completes this area, the Ocotillo community. Ocotillo was established back in the early 1980's through a master planned site development, which envisioned a combination of uses in a balanced structure that identified residential development and commercial employment development. This portion of the Ocotillo area had shown a series of employment areas as well as commercial developments with some residential areas.

Mr. Weworski said the companion of "The Waters at Ocotillo" is what's referred to as "Downtown Ocotillo". It's a site that is sort of a triangular piece located on the south end of Queen Creek Road directly west of Dobson Road. This development is in combination with "The Waters at Ocotillo" as being a Master planned development that completes the area. What is proposed at this portion of Downtown Ocotillo is a combination of commercial retail, office, a six-story hotel structure, as well as a condominium development on the central southeastern portion of the site. Along Queen Creek Road, there is primarily retail, commercial development with a specialty grocery store at the Dobson and Queen Creek Roads corner, office development and a combination of one and two story developments for commercial. As you get into the site, the condominium development is the portion where there is a series of different structures ranging from two to five stories in height. The taller structures trigger what we call a mid-rise requirement where these are mid-rise overlay. This is part of the request as well. Any structures that are above forty-five feet in height would need the overlay, so it's the condominium structures as well as the hotel structure which is 6 stories in height. Staff is in support of this do to the fact of the location and some of the measures that were made to mitigate those high structures; both the architecture and the location requirements. As a combination of how this mixed-use development was represented, it seemed to be very compatible and appropriate for this site. "The Waters at Ocotillo" development is again a continuation of that "Downtown Ocotillo" which is primarily residential in nature. It does include a combination of single-family developments on the site. The single-family development encompasses two parcels on the south end of the site, which would include detached single-family structures primarily one story with some two-story elements. The other residential development includes two residential types. It's what is referred to as "garage court" townhouse style development. There are primarily two story structures and the entrances to a garage court area. Each unit has individual two car garages and are very low density and very low scale in nature. The condominium flats encompass some other parcels on the development, which include units that are primarily two and some three story structures that have subterranean garage parking. The garage is underneath the units and guest parking happens to be surface parking. It allows for these types of development and also providing opportunities for open space, amenity features and so forth.

The other portion of "The Waters at Ocotillo" does include some commercial developments, primarily the northwest corner and the southeast corner of Dobson and Price Roads. These commercial developments are primarily office related. The immediate southeast corner does have a retail component combined with an office component. This fulfills the continuation of the employment area of the South Price Road corridor, which is directly west of this site. It does tie in as a compatible transition to the residential development and it primarily embodies the Santa Barbara style of architecture, which is throughout the entire development. The Santa Barbara style architecture is generally characterized as having a rustic atmosphere and an old world type of character with smooth stucco facades on the buildings, red roof tile roof structures, variation of roof planes and facades, amenity features and accents on the buildings. This has been tied to the pedestrian areas as well. You will see on the plans that there is existing infrastructure on here by the streets themselves on Dobson Road and the Marketplace Loop. There are existing waterways

that have been developed as part of the overall master planned community for Ocotillo, which exists. That has defined these different parcels and created these village type of residential developments whereby the different parcels have the ability to create different types of lifestyle opportunities and residential options for people. Again, from a streetscape point of view, the residential structures are going to be very much low profile in nature with two stories on many of those and the single-family structures are going to be primarily one story. But again, very much a pedestrian oriented community. Besides the waterways, there will be some pedestrian bridges that interconnect all those different parcels together. Many of these will be public access where they will have approximately six-foot wide walkways for bike paths and connections throughout the development where it embodies the live, work, play and eat environment where someone could have a sustainable type of development.

Through the process we have had a series of neighborhood interaction. The applicant is very much proactive on the type of neighborhood interaction. There has been a series of neighborhood meetings held at the Ocotillo Clubhouse. There was an Open House meeting where we had about 50 people in attendance. Generally, it was very well received and people were excited about the aspect of completing this part of the development as well as the quality of it. It's very much of a resort style lifestyle that they are providing with amenities such as community clubhouse and sales types of features. It was very reflective of what is expected in the Ocotillo area. They did have some feedback from some neighbors recently about concerns of having a multi-family type of development. Again, these are going to be condominium "for sale only" as well as single-family structures "for sale only" and they do have a stipulation to that effect. It will not be apartment rentals. Nothing has been represented to that extent at all. The neighbors do have some concerns and you will probably hear some testimony tonight on a particular parcel, parcel 4. It's on that loop of the Marketplace Loop on the northeast end of it. They have concerns where they would rather see the single-family development as opposed to the condominiums as being represented. From an impact standpoint, a traffic study has been conducted. All of the development represents the fact that the overall impact to the area is going to be very low intensity compared to if it were commercial development. The streets are more than capable of accommodating the traffic volume for these types of developments, but the concern by the neighbors has been that it would be more compatible to have single-family development rather than the condominiums being proposed. Overall, again Staff is very supportive of the quality of the development and what's being proposed. It's a complete package. Everything from the Area Plan Amendment down to the Preliminary Development Plan and every detail in the extensive outlining of the development books. Staff thought it was very, very comprehensive in nature.

The one concern they did express with the applicant was the commercial office building at the northwest corner of Price and Dobson Roads. They had a series of meetings with the applicant. They appreciate what they represented. It's primarily a contemporary glass structure building and Staff had questioned whether or not that really fits the atmosphere of the Santa Barbara style architecture that is prevalent throughout what's being proposed. The applicant has done a lot of things by creating a wave in the wall of the façade of the building and other things as far as landscaping along the streetscape. Staff has added a condition in the memo to state, "The applicant will work with Staff to provide additional date palm trees within the development along the streetscape and also architectural features such as a pedestrian colonnade trellis along the full extent of the façade of the building. That way, maybe the glass structure would reflect those pedestrian amenities and highlight those from a streetscape point of view. They thought that might be a solution that would be perhaps positive and would work out. Again, this is a multiple request for different things besides the Area Plan Amendment, the Rezoning, the Preliminary

Development Plan and the Preliminary Plat. Mr. Weworski said that with that they do recommend approval and he would be glad to answer any questions.

CHAIRMAN FLANDERS asked if there were any questions of Staff. He said it was very nice.

VICE CHAIRMAN HEUMANN said he would hold most of his comments to the end, as he would like to hear from the audience, as he knew they had some concerns. He also thought it was a pretty exciting project.

CHAIRMAN FLANDERS asked the applicant to come forward and state their name and address for the record.

MIKE PERRY, 575 W. CHANDLER BOULEVARD, SUITES 1-3, CHANDLER said he was going to be brief because this is an extensive package and stated that Mr. Weworski gave a great presentation. He said they have been working with Staff for over three years on this project. He was here a couple of meetings ago at a City Council meeting on another project on Alma School and Willis Road and they had some issues on that. A lot of the same people are here tonight, coincidentally, and he wanted to make one point. They've talked several times about a project that was going to knock your socks off and it was mentioned twice during that meeting. This is another one of those projects that's going to knock your socks off. The difference is he checked them and they had their socks on, but his socks are knocked off. It really is a fantastic opportunity and he briefly wanted to introduce some people because there has been a lot of people working a long time on this. Lawrence and Geysler on the parcel that was approved on "Item A". Gilbane Development is the application before you right now. Michael Culbert was there and Torben Arend from Gilbane was there. The land planner and landscape architect did a great job. The thought that went into this, the detail that went into it and every little space and pedestrian connections and vehicular connections. It's been just a joy and a fun project. That's Belt Collins USA and Murray Hutchins is from them. The single-family architect has done some projects in Chandler before. Custom home architect and high-end residential that specializes in Santa Barbara architecture. Ed Bull from Burch & Cracchiolo was there.

What an opportunity for the City of Chandler to bring nine parcels together in essentially one application even though they are two separate applications. This very easily could have been sold off to individual developers, nine different applications, and nine different products. He said he could testify to that because when he first started working on this, they were going to sell off to alley loaded corridor single-family entry-level product. Jeff Kurtz, Planning Manager, put that to a stop the very first meeting. It's just by coincidence that everybody came together on this. He was working on the parcel with Spike Lawrence and the eight parcels before you tonight with another person that ended up selling to Gilbane Development. What a great, great marriage that was that both applicants were willing to work together. They have been working together for over three years to make a cohesive synergetic project. Mr. Perry said this was a dream project for him. As you all know, the current zoning, PAD commercial, was originally slated in the area plan to be Downtown Ocotillo. Unfortunately, RTC came along. Queen Creek Road was realigned and Alma School and Queen Creek Roads became the commercial corridor. The good news is that this allows us to do this type of project and to bring adversity of residential housing. It brings less impact from a traffic standpoint. It's essentially a down zone. They have had a neighborhood meeting, which was an open house and well attended. They had a second follow-up meeting for Application "A". Signs have been posted a long time. There are some issues with Parcel 4 and said he would just focus on that not to downplay the rest of the project, because it's very exciting. When they designed this they did take into consideration the surrounding areas. It

is very important to the viability of the whole project to provide a diversity of housing types. Townhouse projects, townhouse condominiums (Staff calls them multi-family) technically that is the destination because they are attached. Mr. Perry put up a rendering. He showed the townhouse product. It was designed specifically as an interior courtyard loaded product. It takes the traffic off the street and focuses to the inside and it puts the exciting side of the architecture to the street. They did a variation of one story, two and three story. The three stories are always master bedrooms. They pop up just in certain areas to provide a variety in the detailing. The units are set back quite a ways from the street. The unique thing about the community is the total walk ability of the community with the exception of the single-family. All the townhouse and all the condominiums are open. You can walk down the street and cut through the unit across the pedestrian bridge over to the retail area. A very unique concept in an area where we tend to see projects walled off. The thought that went into the pedestrian corridors, the access that is developed along the lake, many, many hours were spent on that. They are gated to the cars, but pedestrians are able to walk through. Parcel 4 has 83 units on it. You heard the price ranges mentioned. Those are just estimates based on current market conditions. You can't be exactly sure on those. Needless to say, it's an upper end type product. The synergy of the whole diverse product is really what makes this work and the mix that they put together was not done randomly. It was based on a market study. 80% of the projected tenants here are singles, young couples and empty nesters. It is a different kind of lifestyle. He does have the letter from the school district if they want copies. Jeanette has reviewed their proposal and is prepared to provide students quality education and appreciates their support. Mr. Perry said he didn't want to go into everything because he is sure there will be questions. He would like to hear what the neighbors have to say and obviously, have a chance to rebut that if possible. The most important thing when they started this is they had many meetings with the Ocotillo Association, Bernie Hoogestraat and Mike Palermo. From the very beginning, the issue was quality. For those of you that know Bernie, you know the story-quality and authenticity. That is what he preached to us. Many meetings and many iterations of the site plan. Obviously, you have seen some of the letters and they are in support. Ultimately, they ended up with a high-end, high-quality integrated, synergetic, authentic mixed-use community. He thanked the Commission for their support and offered to answer any questions.

CHAIRMAN FLANDERS asked if there were any questions of the applicant.

CHAIRMAN FLANDERS said he wanted to thank Mr. Perry and his development team for all the time they dedicated to this to create a totally unique project. As an architect, he can appreciate work like this when he sees it. He the stated he had a speaker card for Mr. Murray and asked him to please come forward and state his name and address for the record.

MR. RICHARD MURRAY, 2094 W. PENINSULA CIRCLE, CHANDLER, said he was here tonight on behalf of himself and some of his neighbors. He stated he was opposed to "The Waters" development as it is layed out today. Additionally, he would like to convey that this is a very nice development. They are not here asking that this development start from scratch. There is one element of this development that they feel is not compatible. He asked them to look at parcel number 4 and look at the surrounding area and you will see that those are single-family homes. He doesn't think that it is too much on the developer's part to take into consideration their proximity and compatibility to his neighborhood. Eighty-three multi-family homes are planned there. Based on parcels 5 and 6, which are single-family gated, there would be approximately 28 or 30 single-family homes put in that area. That would be a loss of 30 to 50 units. The word that they ask you to consider is compatibility of parcel 4. He attended the meeting in September at the Ocotillo Country Club. It was very well presented by the developer.

He would like to let them know, as far as his concern, was that parcel 4 was not displayed that night. That presentation was very well done, but it was very conceptual. When he left there and his neighbors left there, all of them felt that this is going to be a nice development. They certainly needed to see more of the particulars. In October, he went to Planning and Zoning and asked for Mr. Weworski, who was gone that day, so the front desk gave him basically the amended plan as you see before you today. It was at that time, that he became aware that parcel 4 is going to be multi-family. Since then, he called and talked to Mr. Weworski a few times. His fellow neighbor went in and they had a meeting and they could see that this development was pretty far along. They felt change probably was not going to be made at the City level as far as planning the areas concerned. Last Saturday, he printed up 110 letters that you have in front of you; he and his daughter passed them out to the neighbors in the vicinity. He received back over 30 responses from his neighbor opposing multi-family in parcel 4. All he asks is that they please take a look and see how parcel 4 is to single-family and then look at the total of multi-family units proposed-779 units. He doesn't think making parcel 4 with thirty single-family homes is going to be detrimental to this project in any way, shape or form.

CHAIRMAN FLANDERS asked if there were any questions of the speaker.

VICE CHAIRMAN HEUMANN thanked Mr. Murray for coming tonight. He looked at the letter that went out to his neighbors. He said the word multi-family has a connotation of being apartments versus a condominium. He asked if Mr. Murray's neighbors asked what the word multi-family meant or did they just hear multi-family and assume apartments? Is the concern apartments? He is trying to feel what the concern is. The level of quality on these is incredible. The price points he thinks would be on a square footage basis and will be as good or higher than the homes in the surrounding area. He is trying to get a feel for what the concern is. Is it traffic?

MR. MURRAY said that nobody thought they would be apartments. They thought they would be multi-family homes. To quote the architect before Mr. Perry, the quality is great. The problem they have is with the quantity. All they are asking about is a small portion that is adjacent to their neighborhood and that portion be compatible with their neighborhood. He believes their request is not out of line or in any way should it be detrimental to this development.

VICE CHAIRMAN HEUMANN said that the parcel under the area plan is really calling for commercial employment. Is a shopping center or a manufacturing office more compatible? This is actually a down zoning of the area. Mr. Murray said he thought that was stretching it a little bit. It could happen, but he doesn't foresee it. Doctor offices or something like it are sitting over on Price Road and is probably what most of them figured was going to be there. He thought they could live with that. He said he knows that they are looking at an overall project that is very well done. All they are asking is that sometimes there are mistakes and things are overlooked. If you would just look at this small portion of it and say these people are asking that their neighborhood and the adjoining new construction be compatible. That is where they are at. He truly feels that what they are asking is not out of line. **VICE CHAIRMAN HEUMANN** thanked him.

CHAIRMAN FLANDERS asked if there were any other questions.

COMMISSIONER GULSVIG said to Mr. Murray that they talked on the phone regarding this project and discussed that northeast of Site 1 is also multi-family. Does that mean that his argument applies to Site 1 as well? Mr. Murray said he is only concerned with parcel 4. **COMMISSIONER GULSVIG** asked why doesn't his argument apply to parcel 1 as well? Mr. Murray answered that it very well could. He received responses and some e-mails from neighbors

that they were surprised that the multi-family was going there. **COMMISSIONER GULSVIG** also asked was there an objection to the multi-family homes when that went in by the same neighbors? The existing multi-family that exists up north of Site 1 now, was that same objection your talking about now conveyed at that time as well? Mr. Murray replied he didn't know because he wasn't there then. **COMMISSIONER GULSVIG** was wondering that if he surveyed neighbors, what geographical area were those neighbors in? Mr. Murray said the neighbors he surveyed were in the Harbor Club and probably did thirty or forty homes in the close proximity of parcel 4. They did the complete peninsula and again, over at Corona Del Mar they probably did another thirty homes near the entrance and close to parcel 4. Everybody he spoke to was against the multi-family development; every one of them. There was not one person that said that was fine. **COMMISSIONER GULSVIG** said he was trying to get a sense of the areas they are talking about. Right now they are focusing on parcel 4 but it seems to him his argument is beyond that. Mr. Murray said no that the argument they see before them today is parcel 4.

CHAIRMAN FLANDERS asked the next speaker to come up and state their name.

GENE PAULSEN, 3180 S. CASCADE, CHANDLER, stated his residence is backed up to Jacaranda and he has lived in the home ten years. When he moved in, he understood it to be planned something similar to a real estate office that has gone in and filled in on the back part of Jacaranda by the tennis courts. His concern is first, the higher density and traffic. With the entrances it seems like it's going to put a huge load of traffic on Jacaranda for parcel no. 1 in particular. The talking point is the concern for increased traffic and the three stories is a lot taller than what was supposed to be there.

COMMISSIONER GULSVIG thanked him for coming up. He asked if he was living in his home ten years ago before the multi-unit went up? Mr. Paulsen said it was already under construction at that time. **COMMISSIONER GULSVIG** inquired if that was troublesome for him now? Mr. Paulsen answered that it is not troublesome at all and the reason is the traffic for it comes in on Dobson and Queen Creek. There is no traffic on Jacaranda due to that at all. **COMMISSIONER GULSVIG** asked if he feels that those multi-family units have deteriorated the value of his home any? Mr. Paulsen said he thinks they do, but it's water under the bridge for him. He agrees that this is a beautiful development. His concern is for the residential in that area as it is a pretty high density.

VICE CHAIRMAN HEUMANN said he had a question for Staff. In regards to the height along Jacaranda, the setback from the street is what? Mr. Weworski answered that parcel 1 is showing two and three story and also one story units. He believes the three story portion might extend to thirty feet or so. It's well below forty-five feet. Setbacks are probably at least thirty feet. Jacaranda is not an arterial street. **VICE CHAIRMAN HEUMANN** said that would be a two-story home across the street. Two stories can go up as high as 28 to 33 feet. Mr. Weworski said yes, depending on the plate heights of the buildings. **VICE CHAIRMAN HEUMANN** said there are parcels in here that are more commercial that are going to go a little higher as part of the mid-rise. This along the street is not, is that correct? Mr. Weworski said there was an exhibit showing the streetscape view of those types of units. The three-stories are pushed back quite a bit away from the street. **VICE CHAIRMAN HEUMANN** said he was going to ask Paul Young, Senior Transportation Engineer, to come up and talk about traffic. In regards to one of the questions about traffic, this parcel is actually in an area plan for employment and commercial. Regarding the normal traffic levels for commercial office type of project versus resident, what is the difference in terms of trips generated? Mr. Young said a real rough guess would be three to four times the amount when you are comparing trip rates commercial office compared to single-

family or town home. **VICE CHAIRMAN HEUMANN** said doctors' offices could even go higher than that traditionally? This is really a down zone in terms of traffic that's going to generate through the neighborhood? Mr. Young said yes.

CHAIRMAN FLANDERS asked if there were any comments. He went to the audience to see if there is anybody else that would like to speak in regards to this item.

DON ZELMER, 2102 W. PENINSULA CIRCLE, CHANDLER, said he thinks that this is a wonderful project. He does have concerns and he shares the concerns that Mr. Murray expressed. He won't address those. He is concerned about the pedestrian bridges. The reason he is concerned about them is that one of the advantages that many Ocotillo residents enjoy is boat traffic. His concern would be that the pedestrian bridges do not interfere with boat traffic. Not only from his point of view, but also from the individuals that would be buying the residences that are planned. In total they have about 6.5 miles of water frontage that is accessible to the majority of the people in the community. He would ask the developer to address that and let us know what the plans are on that.

CHAIRMAN FLANDERS asked the applicant to step forward and address the waterway issues as far as any conflict.

MR. MIKE PERRY said the pedestrian bridges (4 on the water side) are plus or minus 6 feet from the bottom of the bridge to the water level and they are not engineered yet. They used the example of the bridge they put in over by the clubhouse. **CHAIRMAN FLANDERS** said in regards to the bridges themselves, what do they have to comply with as he knows there is ADA issues? Mr. Perry said they have to meet all the ADA requirements to the slope and the ramp. If they get them much higher than that you have to run them a considerable distance back into the project. They went as high as they could possibly go. They think they match the existing pedestrian bridge out there now. Not the road bridge, but the pedestrian bridge. **CHAIRMAN FLANDERS** said you would have to be standing up in a boat to hit the bottom of the bridge.

VICE CHAIRMAN HEUMANN asked Staff if this falls under the Ocotillo Master Plan? Mr. Bob Weworski said yes, it is part of the overall Ocotillo Master Plan. He actually received some inquiries from residents who ride their boats out there and they made requests to say that the bridge that they go under near the golf course (if it was modeled after that and had a six foot clearance), it works for them perfectly. They use pontoon type boats and that's what the development details in the book show. About a six-foot clearance and they were more than satisfied with that response. **VICE CHAIRMAN HEUMANN** said we could always stipulate it that it would be equal to or better than the bridge that is already there. We'll just cover that for the member of the audience that had a concern.

CHAIRMAN FLANDERS asked if there was anybody else in the audience that would like to speak on this item. He went back to the applicant for any response.

MR. MIKE PERRY said he wanted to address a couple of the comments. Mr. Murray did call him on Monday to tell him he would be here tonight in opposition of the project and in twenty seven years he never has had anybody call him and tell him that. He really did appreciate that. The traffic report which Paul addressed they submitted a long time ago. City Staff made some comments and they've addressed those comments and resubmitted the traffic report. The comment that he made about the difference in traffic between commercial and residential is very obvious. It's a substantially lower load. On the three-story buildings, 35 feet is the height not 45

feet. They have no need on "The Waters" to apply for any variances on height. He did prepare an exhibit that is looking from the peninsula across the road to parcel 4. You can see the way they broke up the roofline with the one story, two story and three story. The other thing to keep in mind here is parcel no. 4 which is about seven feet below the road as it crosses over the bridge. As you see in the elevation, the one story roof is almost at grade. From the opposite side of the bridge the second floor patios are almost at grade. Obviously, the road does start to slope back down but it takes a while to get down and then it goes up again as it crosses over the next parcel. They took that into consideration as well. Just to summarize this, it wasn't a random decision they made with the mix and the number of single family and the townhouse product and the condo product with the underground parking and garage courts. It was, again, a three-year process they went through. It's what allowed them to conceive this project from an overall basis. They are confident that they have taken a lot of issues into concern with the neighbors. They've designed the buildings specifically to address those; the setbacks, the landscape is substantial and the traffic they feel is really not an issue. He appreciated their time and asked for their support.

CHAIRMAN FLANDERS asked if there were any questions of the applicant.

VICE CHAIRMAN HEUMANN said during Study Session there was a conversation of the bike lanes going through in terms of making sure they are six feet wide. Mr. Perry said the main path that goes around the perimeter is six feet wide. The paths that you can cross through the project that the public has access to are not six feet. They are four and five feet depending on the hierarchy of the traffic. The perimeter that goes around the lake which is accessible to the public, with the exception of single-family, is six feet. **VICE CHAIRMAN HEUMANN** asked if he could just throw it up on the ELMO. Mr. Perry showed the path that goes along the perimeter of the waters edge is the six-foot path. The interior paths that go through the projects are four and five feet. **VICE CHAIRMAN HEUMANN** said it looks like there are some that go through a little bit that are six feet. The whole concept of this plan was to have people be able to walk, bike and the whole nine yards. That is his interpretation of it. He just wants to make sure that somebody doesn't have to walk 50 feet or 200 feet to get to the bike path. Obviously, you are going to have some of that. He would like to make sure there is enough of that bike path going through there and maybe stipulate that to work with Staff. Mr. Perry said that was fine and again, it's a six foot wide path. It's not going to have a designated bike lane. **VICE CHAIRMAN HEUMANN** said he understood that but when you have walking paths, you have strollers and you have moms that are going to go out for their walk. Mr. Perry said that was fine and he could work with that.

CHAIRMAN FLANDERS asked if there were any other questions for the applicant.

COMMISSIONER GULSVIG said to Mr. Perry in regards to the concerns that Mr. Murray has that these multi-family units are going up (beside the traffic), he feels that this is going to have a material effect on the value of their homes in that area. Obviously, your developer should have been able to say that by putting this quality home in if the homes that are existing there are going to bring the value of these homes down, it's complimentary. It goes both ways. Can you elaborate on that? Mr. Perry said this would definitely not bring the value of the homes down. They are talking about a product that is going to be in the \$250 to \$300 square foot range. Again, that is an estimate of prices, but if you look at the square footage that runs our prices anywhere up from \$300,000 approximately, for an entry level to over a \$1,000,000. Just the synergy of the overall project and the amenities that it will bring to the area, it's going to be a destination location. It will definitely not hurt the property values.

CHAIRMAN FLANDERS said at this time he is going to close the floor for commission discussion and motion.

VICE CHAIRMAN HEUMANN said he appreciates the audience. There seemed to be a pretty large turnout tonight. This is a pretty exciting project and he does understand the concerns from some of the neighbors and the multi-family word that comes out bothers people. It should in some cases, but he doesn't think this is one of them. Some of the things that have come up from the letters was the school district issue. We have a letter of support from the school district here signed by the Assistant Superintendent in terms of welcoming them into the neighborhood. The concerns of the schools handling it are not a problem. He thinks the traffic issue is actually going to be a major down zone. Traffic is going to be a minimum of three to four times less than what could go in there. The price points economically you are looking at are \$300,000 to well over \$1,000,000. What this project is going to offer to the city is a 100-acre parcel, two parcels put together, versus having eight or nine or ten splits all over the place. This is something exciting for the city. There are trade offs to everything. The quality of this product will only lend to the neighborhood. It will enhance the neighborhood as well. The traffic will be less. They have stipulated 'for sale only'. This can't turn back into multi-family apartments. That's protected in here as well. He is excited about it. There were two huge books that they all got to look at and there is every detail you could possibly want. He would encourage the neighborhood between now and even Council to sit down with the developers and look through them.

MOTION BY VICE CHAIRMAN HEUMANN to approve Item B, AP06-0006/DVR06-0052/PPT06-0042 – PPT06-0049 THE WATERS AT OCOTILLO with the stipulations that are here now and additional stipulations that they have put in which are:

- Multi-family units including the garage court and condominium flats shall be individual 'for sale only' units at the time of development.
- Mexican fan palms (*Washingtonia robusta*) shall be prohibited throughout.
- The applicant shall work with Staff to ensure that the bike paths and pedestrian paths throughout the neighborhood are accessible where it is necessary to have six-foot wide paths.

CHAIRMAN FLANDERS asked Mr. Weworski if there were any additional stipulations that they may have missed. Mr. Weworski said that there might have been one on pedestrian bridges. He had something in writing which read, "The pedestrian bridges shall be designed at an equivalent standard or better than the Master Ocotillo development, with height clearances to accommodate local recreational boats". **VICE CHAIRMAN HEUMANN** stated that would be stipulation no. 23. Stipulation no. 22 would be the bike path ones, the "for sale only" would be stipulation no. 20 and the Mexican fan palm elimination will be stipulation no. 21.

CHAIRMAN FLANDERS stated he had a motion for approval from **VICE CHAIRMAN HEUMANN, SECONDED BY COMMISSIONER IRBY**. He asked if there was any further discussion.

COMMISSIONER GULSVIG asked for a clarification. Should they do three different motions? **Glenn Brockman, Assistant City Attorney**, said they could split the Area Plan from the other ones and that would be fine.

VICE CHAIRMAN HEUMANN amended his motion for **AP06-0006, SECONDED BY COMMISSIONER IRBY.**

COMMISSIONER IRBY stated he went through the booklet pretty intensely and thinks it's a beautiful project. The detailing of it is incredible. He was surprised by the opposition. If he were going to oppose this multi-family concept, he would be complaining about parcel 1, which traffic flow comes out into Jacaranda. Parcel 4 comes out mainly into the marketplace. He didn't really see the justification for reducing parcel 4 to a single-family product. From the waters edge and from the public view and how it attaches to the multi-family to the north, he thinks you are going to find this a very comfortable and pleasing development. He thinks it's going to increase land values and is very happy to see this project come along and see this dirt get developed.

CHAIRMAN FLANDERS said he does have a motion by **VICE CHAIRMAN HEUMANN** for approval of the Area Plan, **SECONDED BY COMMISSIONER IRBY.** The Area Plan on Item B was approved unanimously 6-0.

VICE CHAIRMAN HEUMANN made a motion for **DVR06-0052/PPT06-0042 – PPT06-0049 THE WATERS AT OCOTILLO** with the stipulations through no. 23 that have previously been read in regarding the "for sales units", the Mexican fans, the bike paths and the bridges. **SECONDED BY COMMISSIONER IRBY.**

CHAIRMAN FLANDERS said he has a motion for approval for the PAD, PDP and Plat by **VICE CHAIRMAN HEUMANN, SECONDED BY COMMISSIONER IRBY.** This was passed unanimously 6-0. He said to the members of the audience that spoke against this that Planning Commission is a recommending body to City Council. This item will go to Council on February 22, 2007. At that time you can go ahead and make your voices heard at that.

I. PORTICO PLACE

Request rezoning from Planned Industrial District (I-1) zoning to Planned Area Development (PAD) zoning to allow a commercial retail and office development with Preliminary Development Plan (PDP) approval on approximately 14 acres. The property is located at the southwest corner of Chandler Boulevard and Dobson Road.

MR. BOB WEWORSKI presented the project for Staff. This is a request for rezoning from Planned Industrial I-1 zoning to Planned Area zoning (PAD) to allow commercial retail and office development along with Preliminary Development Plan approval. The property is approximately 14 acres in size and located at the southwest corner of Chandler Blvd. and Dobson Road. The area is bounded by commercial retail developments and industrial manufacturing facilities on the other intersection corners. The existing site had been occupied by a manufacturing facility and has changed businesses over the years. It's been here since at least the 1970's. The site is currently abandoned, there is no business being conducted. A demolition permit has been approved for the site, but no excavation work has begun. The proposal is to change the existing development and introduce commercial retail on the eastern portion of the site along with office buildings on the western side. The site is surrounded by employment areas. The General Plan has identified this parcel, along with the stretch of parcels on Chandler Blvd. from Dobson Rd. west to Price Rd., as employment type development. That includes industrial uses, offices, etc. Staff's finding is that this request is not in conformance with the General Plan, as a result of the retail being proposed, and not being supportive of employment businesses. The General Plan outlines employment as being manufacturing, industrial and offices, allowing retail

development that is incidental to the employment area it serves. Staff finds this proposal is not in conformance with that land use. It isolates itself from the adjacent employment area and is not integrated in any real fashion. There have been other retail developments that have been successful at integrating with the employment areas. Mainly on West Chandler Blvd. at 54th Street, as well as Chandler Blvd. and McClintock Drive. There are developments that have retail components, whereby the retail has direct access from the employment areas. They don't have to go out onto arterial streets to access those sites. The retail serves the employment area as well as the general public. Staff feels this proposed development doesn't meet those standards. It isolates itself and the retail portion doesn't serve the immediate employment area. There are abilities for retail and commercial development to be compatible with employment areas when it's an incidental use, such as restaurants or services that serve employment, daytime uses. The area is identified as employment in the General Plan. There is a Gateway Area Plan that identifies it as industrial. What is being represented on this plan is a big enough difference to require a General Plan Amendment. The applicant does not agree with staff on that point. They believe the retail development, as shown, does serve some employment and the proposed office development replaces the amount of building area that currently exists on the site, which is approximately an 80,000 sq. ft. manufacturing facility being replaced by just over 80,000 sq. ft. of office development. Staff does not see this as an appropriate substitution for the area. By today's development standards this site could have a much larger ability to serve the employment by way of manufacturing and office development. There is still demand for those types of uses as is evidenced by Countrywide, directly west of this site. There are other manufacturing facilities in the area, unfortunately, Staff feels this development turns its back on those other developments. It doesn't serve those other areas very well. The applicant is not proposing a General Plan Amendment. Originally, in 2003, there was an application made for this site that included exclusively commercial retail development. The applicant had included a General Plan Amendment to propose commercial development as an area plan amendment. Upon finding Staff wasn't in agreement with the proposed development, the applicant withdrew the General Plan Amendment request and ultimately changed their proposal from commercial retail exclusively, to include commercial office. The applicant felt that met the standards of the General Plan as support for the employment area. Staff has found potential commercial retail could be supportable if it was supporting the employment area and was a unique and innovative development. The applicant conducted a market study of commercial retail demand in the area and found the demand had already been met in the immediate area. The other three intersection corners already have existing commercial retail. The development to the north, which includes an MCI facility, is potentially being replaced with retail development where it was originally about 90,000 sq. ft. of office, diminishing the ability to have more retail in this particular area. Staff felt there could have been other types of uses introduced that might have been compatible with the surrounding development that would help transition and serve the area better.

The proposed plan shows the commercial office and retail development, which is essentially segregated on the site. The office is separated from the retail by a central driveway that extends to the south with parking fields on either side. The office development is two 2-story buildings with parking. The parking calculations are slightly under on general parking for office, so there wouldn't be the ability to have medical office, let alone meeting the parking requirement standards for office today. The retail development, as proposed, features a series of pad buildings. One along Chandler Blvd. representing a bank and drive-thru the other being a pharmacy building at the intersection corner area with a parking field and a drive-thru. Buildings to the south are retail in-line shops and another pad building with a drive-thru. Staff feels the site could have been better integrated. The office is definitely separated from the retail. There is no sense of the retail supporting the office development, let alone the extending employment area

around it. There are other pharmacies at this intersection and in the area. The proposed office development is approximately 87,000 sq. ft. Staff did feel the architecture was very innovative for both the retail and office developments. There is a contemporary appearance to the buildings, and staff felt that was the right approach, but from the land use and site plan layout perspectives, don't believe what this site could yield has been achieved. It could showcase a niche in the area that isn't there yet. This plan is a duplication of what is already out there. It over-saturates the market and doesn't support the employment area. This site is near the mall area and has a certain dynamic that begs for something innovative from a site plan and use point of view. Staff is recommending denial.

COMMISSIONER CREEDON confirmed with staff that the 90,000 sq. ft. of office space in the MCI building was potentially going to change to retail, so the proposed 87,000 sq. ft. office development could offset that loss. Additionally, **COMMISSIONER CREEDON** asked how much vacant office space there was in Chandler right now.

MS. CHRIS MACKAY, Economic Development Specialist, stated the overall office vacancy rate right now is approximately 6%. That includes the office/condo market. The class A market is now at 0%, and the class B market is just over 4%. Projects under construction are not counted. Some of the large projects under construction such as The Park at San Tan and Chandler Midway, won't be counted in the vacancy rate until they are able to be occupied. **COMMISSIONER CREEDON** asked if Ms. Mackay has reviewed this proposal? **MS. MACKAY** responded Economic Development has looked at this project and agrees with Planning, that the site could develop with more office. They feel this should remain an employment area with retail complimenting the project. From an employment standpoint, originally there were about 680 jobs on that site. At build-out, it is anticipated Chandler will have about 210,000 jobs. Currently, there are around 109,000 jobs so Economic Development and Planning still have a lot of work to do to ensure there are enough jobs for our citizens at build-out. There are 4 redevelopment projects going on right now. The one farthest along is the 157,000 sq. ft. former Northrup Grumman facility. It is going from being a stealth skin manufacturing building to a data center. There's about \$50,000,000 of capital investment being put back into the building. The Gould site will be coming before the Commission later this year. That is around 128,000 sq. ft. of industrial manufacturing space proposing to be replaced with 604,000 sq. ft. of class A office, and about 3,000 jobs. This Commission reviewed the Ryobi case in 2006. It has been re-approved for around 589,000 sq. ft. of mixed industrial and office space. It will replace Ryobi's 1,200 jobs with approximately 1,950 jobs.

COMMISSIONER CREEDON stated she is always reluctant to give up employment land. It's something she's very passionate about. They've heard from many of the neighbors, and this site needs to be redeveloped. Her concerns are with this particular piece of property. Anyone who has been by it, knows it looks terrible. What hope could they give the neighbors of something happening with this property soon if this project is not approved. **MS. MACKAY** responded you always have to look at what's on the table now and it solves a situation that is causing extreme grief to the surrounding neighbors, and also to people driving by. Before Armstrong acquired this site, there were several office developers who wanted to acquire the site to build office mid-rise, but Armstrong beat them to the project. She doesn't know if those developers are still in the market. She knows of one who was in second position on the Gould site, and was still interested in redeveloping. He is looking for property for office development in Chandler. There were 6 submittals for Gould. However, Gould does have 3-way frontage and is double the size. **COMMISSIONER CREEDON** asked Ms. Mackay if, in her viewpoint, there was not enough office being proposed with this project? **MS. MACKAY** responded she has been in this field for

23 years and has an understanding of how a site can be maximized. In her opinion, this proposal doesn't have enough office. Office would be better served on this site than additional retail that is already existing on the other three corners. She feels the jobs on this site would outweigh any benefit the retail would bring. When you look at a retail pie, unless you bring something unique to the market, you're just splitting up that pie into smaller portions. You're not adding additional sales tax into the market.

VICE CHAIRMAN HEUMANN asked Ms. Mackay if this site were developed with more office and more incidental retail, pulling it together more, would Economic Development feel more comfortable that the site was being maximized? There could still be a drugstore if it was tied in together more. **MS. MACKAY** responded from an Economic Development standpoint that would give them a better comfort level that this site was really being redeveloped as what it should be. Giving back the 680 jobs that were lost on that site. They're not opposed to retail on that site if it provides services to the office use. **COMMISSIONER HEUMANN** asked if putting a larger amount on this site was viable because they are losing a lot of land with other projects? If this site isn't developed as proposed today, is there reasonable expectation that it would be developed over the next 3-5 years? **MS. MACKAY** responded she believes this would be a developable site. Sometimes it's more challenging to redevelop than if it was a vacant site. She still gets calls from developers asking what the disposition of this property is.

MR. JASON MORRIS, WITHY, ANDERSON AND MORRIS, represented the applicant. He stated he will begin with the General Plan. The corridor they're talking about tonight includes the Price Road corridor, but their site is at the very tip of the employment area. He is pointing that out because the employment designation at this location really reflects what was built at the time. This is a 30-year old facility, which pre-dates the General Plan. It wasn't a matter of looking at a land use map and saying this is the key corner for future employment. It was reflecting what was existing at the time, which is why they are at the very corner of the overall employment area. Mr. Morris continued with the history of the site. This is a building that is no longer usable for its original purpose. This building has had a lot happen to it, especially since it has been shut down. There has been flooding, a death as a result of robbery of the copper and hitting a live wire, 8 incidents that resulted in arrests by the police, 11 incident reports other than those 8 arrests and numerous times when the alarm system was tripped. This has all happened trying to keep the building secure over the last 3 ½ years. As time went on, the thieves and vagrants were more aggressive in getting into the building, trying to find something of value. As a result, the building has become unsightly. As Staff pointed out, there is a demolition permit underway. That is the next step in this process. However, demolition of a building that old is not easy. It involves more than just taking down the building. There's remediation of the materials within the building itself. Beyond that, and what was referenced by the Economic Development Staff, is an underlying remediation issue. It doesn't put this site on a par with all of the other sites referenced up and down the employment corridors. Mr. Morris displayed an exhibit showing the employment corridors and some of the vacant properties within those areas. He noted that he is pointing out vacant properties because that's the competition for this site. If this 14-acre site were being offered entirely for employment, it has to be a level playing field. The only way it can work economically is if it can compete with other areas. There is a significant amount of vacant land within those employment areas. That doesn't mean the Commission has to accept the first offer that comes their way. It is his hope that this presentation will give the Commission a sense of the steps this applicant has taken to evaluate every possible opportunity. This is not an opportunity where a developer has come in and tied up the land to see if they can make something work. This landowner has had this property for some time. As Staff pointed out, this began years ago with the same applicant, with an application for retail use at this corner because of the

demands justified by the amount of traffic at the Chandler and Dobson intersection. This is much more a suburban retail site than a traditional employment site. Since that time the applicant met with Economic Development staff and Planning staff and recognized there was resistance in making this site entirely retail, which is what the General Plan originally designated in light of that site plan. The idea was to draw from the surrounding residential areas and the major traffic area, and make this a specialty grocer site or specialty furniture site. In working with Staff, they realized there was no support. But the studies referenced in the staff report actually show that based upon population growth retail could be supported there. However, taking the resistance into consideration and recognizing it's easier to try and compromise, the developer went out and found an office user for this site who would replace the square footage taken down in the existing building. The existing building did not support the 600+ jobs mentioned earlier. When this building was last operating, it was with around 150 employees. There is only so much room on this site. There may have been 600 jobs between Rogers and Durel, but not from this building. This proposal is not only a net increase over the zero jobs on that site today, but an increase over the previous user and a good utilization of the site.

MR. MORRIS continued that in dealing with the site itself, there are constraints in that the neighboring property owners (Microchip, Rogers, Durel) operate as employers, and more importantly, control the western access point which has a signal, at Carriage Lane and Chandler Blvd. This access point, as you go south, is a private roadway. That private roadway is not benefited by this site. There is no ability to automatically access that roadway, therefore, the traffic light. The only way to do that is with Microchip's permission, the owner of the roadway. Microchip was very sensitive, as owners, as to how much traffic there would be on that roadway, which becomes a limiting factor for office development at this location. They believe they are maximizing the development potential of the office in light of their agreement to use this site. Very early on, the City told them that access to Carriage Lane would be a requirement. They had to negotiate the access with the owners. They also had to sign off on the site plan, which also meant signing off on the number of users available. The sites discussed along the Price Road Corridor are not similar to this site. They're not similar in size and are also a different configuration. This is a very narrow site which limits the ability to place both parking and buildings on the site. They worked with Staff and withdrew the General Plan Amendment, knowing staff would not support an entirely commercial site at this location. They came back with a proposal that included almost 90,000 sq. ft. of office and also had support retail. Support retail is not a defined term by square footage, but indicates it's located in proximity and acts as a support service to the surrounding employment area. Not necessarily to the surrounding buildings on site, but to the surrounding area. The 35,000 sq. ft. of retail is a support function on the site plan. As was pointed out in the staff report, they are dealing with the office buildings at the west end of the project. The eastern end of the project, which is the Chandler Blvd. and Dobson Road side, is the retail site. It has a total shop space building of less than 15,000 sq. ft.; and about 35,000 sq. ft. total of retail. That's smaller than some of the single retail buildings the Commission has seen. However, the retail essentially allows the development of office. This is not a competitive site because it's not a vacant site. It's a site that has had some challenges. The way to make this work and still have an office site at a competitive price is to put the retail in place to support the surrounding employment area. A lot of thought has gone into the design of both the buildings and the retail. The 15,000 sq. ft. retail building is not a competitive retail site with any of the other corners at this intersection.

MR. MORRIS reiterated they began this process with the idea it would be a General Plan Amendment for an entirely commercially dedicated site. They recognized the opposition and Chandler's desire to keep an employment aspect to this site and not change the General Plan.

They verified with staff before they withdrew the General Plan Amendment, that a General Plan Amendment was not necessary to move forward with the understanding that City Council can approve a case in conformance with the employment area. The disagreement is really whether this is support services or stand-alone retail. Staff objected based on the General Plan consideration. There was a General Plan Amendment application filed in 2004 that never went to hearing. It was only withdrawn in 2006. During that time the owner not only had control of the property, but owns the property, and looked for users. Although Economic Development staff say there are plenty of users out there, this property owner marketed the site for 2 years, alone and in conjunction with Economic Development, and came back with the office user believing that would be the key to success and that there would be a recommendation of support. Instead, staff's recommendation is for denial based upon the fact this isn't support services. The proposed retail on this site is only a little over a third of the site. The previous owner sold this site as a zoned site. Still they have not been able to find a similar user because of the challenges associated with this site. The focus of this application is, in fact, the office component. This is a Class A suburban office project with support retail. Staff commented about integration into the site in terms of walking distance. Mr. Morris displays an exhibit which shows the distances that would have to be traveled to make the connections. The closest restaurant to the office building is 260 feet door to door. The farthest route is 550 feet door to door. Extra effort went into this site to use pavers to create connections and make this as pedestrian friendly as possible. There were also examples of good support services in the staff report. McClintock Dr. and Chandler Blvd. was referenced as a site where there had been integration that was truly support. He assumes Staff is referring to the vacant property that will be developing as employment in the future. However, the other uses at this intersection are a stand-alone gas station, office condominiums, and a very segregated street system. Not the integration you would think after reading the staff report. The other site mentioned was 54th St. and Chandler Blvd. At that location there are a series of buildings: a Circle K, a stand alone Super 8, an oil and lube, a restaurant, some in-line retail, a gas station and a stand alone restaurant. It's within proximity to some of the industrial and employment users that surround it, but no more integrated, no more supportive than this proposed site. In fact, he feels that site is less integrated and pedestrian friendly than their site. One of Microchip's justifications in their letter of support was the neighborhood retail component will provide daily needs and services within walking distance of the surrounding campuses. This is an opportunity to bring employment back to a site that has zero employment today.

COMMISSIONER CREEDON asked when Armstrong purchased the vacant site and how long it has been vacant? **MR. MORRIS** responded his involvement with this property predates Armstrong. He believes his initial involvement was late 2003. At that time the site had already been vacant for some time. Armstrong's involvement began in mid 2004. He believes the site has been vacant since 2000 or 2001.

VICE CHAIRMAN HEUMANN commented that he was confused as to why Staff used the Chandler and McClintock corner as an example because basically it's dirt to the corner. He asked staff if there had been discussion with the applicant about a General Plan Amendment, and would staff support a General Plan Amendment for this site. **MR. WEWORSKI** responded Staff has had a series of discussions with the applicant over many years about the need for a General Plan Amendment based on what is proposed. There was also discussion about what type of proposal would trigger an amendment. This type of proposal, that identified retail and office, and the fact staff felt the retail was not incidental and didn't directly support or serve the office or manufacturing area, would require a General Plan Amendment. The applicant does have the ability to ask for a rezoning of the property without requesting a General Plan Amendment. If

Commission and Council find this proposal doesn't necessitate a General Plan Amendment, and is in keeping with the General Plan, it could potentially go forward and get approved without it. It's Staff's recommendation that if Commission sends this application forward with a recommendation of approval, that it include a General Plan Amendment and go through that process. Staff does not believe the retail is supportive of an employment designation. Given the proposal the way it is today, staff doesn't support the application. The applicant has admitted that retail is really driving the whole development proposal, and not the office. Staff feels there needs to be much clearer integration and it doesn't meet the goals of the General Plan.

MR. MORRIS stated there was a General Plan Amendment in place. It wouldn't have been any extra effort on their part to leave that amendment in place as they moved forward with this revised PDP application that included office. They discussed this with staff and went through what the requirements would be. They withdrew their General Plan Amendment almost a year ago. In a letter to staff it stated 'Based upon our meeting, it is our intention to move forward with an application for rezoning of the property. It is my understanding, based upon our conversation, no General Plan Amendment will be required provided the City Council finds our proposed rezoning to be in conformance with intent of the current Chandler General Plan.' Essentially, the dispute is not whether they filed a General Plan or not, but what is considered support retail. At what point does retail become stand-alone retail instead of support retail. They believe, given the number of square feet they're dealing with, versus the primary use on the property being office, and this being a support use to the rest of the employment area, that this is support retail. There is no number or formula in the General Plan. Further, the examples given of what is good support retail doesn't provide any clarification.

VICE CHAIRMAN HEUMANN stated he still has some issues. Economic Development Staff said there had been 600+ jobs on this site at one time. He asked staff how many drugstores there are within a 3-mile radius of this site and what other corners around Chandler have the potential for 3 drugstores on a corner. **MR. WEWORSKI** responded Staff prepared a map that identifies existing pharmacies citywide. Other than Alma School and Queen Creek, which has upwards of 4 pharmacies, there's no other intersection in the City that have 3 or more pharmacies. That includes grocery stores, freestanding pharmacies, Target, etc. **VICE CHAIRMAN HEUMANN** asked staff how many abandoned drugstore sites are in Chandler right now besides the Osco at Ray and McQueen. **MR. WEWORSKI** responded no others come to mind.

VICE CHAIRMAN HEUMANN asked the applicant about their discussions with Microchip relating to the access issue. If this development generates 500 trips a day, is there a number that Microchip said they can't go above, or did they want to see more Class A office there? If the project goes vertical, there could also be underground parking? He's looking for the best utilization of this site and maybe having office more towards the corner of Dobson. **MR. MORRIS** responded he would first like to point out, in light of the exhibit showing pharmacies, that many grocery stores have deli's, but they're not looking at limiting how many restaurants are on any given intersection. Chandler is the only municipality that asks an applicant to show how a pharmacy building could be re-used if it's part of the application. The use of this 12,000 sq. ft. building shouldn't weigh heavily on the Commission in light of the 150,000 sq. ft. that's going on this site. Additionally, in response to Vice Chairman Heumann's question, Mr. Morris stated there was not a specific number as to how many trips a day Microchip would allow before it became intolerable. This is a narrow site so there's a parking field they have to deal with. Going underground at this location was not feasible. An above-ground parking deck could add additional parking, therefore, additional square footage in the office. But that would maximize the private drive, which is the signalized access. It was a point of negotiation just to get the

existing buildings. Originally, Microchip envisioned this as a retail site and were in support of the original retail application. When they came back with an office use, which would potentially compete with their shifts, allowing even the existing office became a negotiation point.

VICE CHAIRMAN HEUMANN inquired what access the previous projects employees used? **MR. MORRIS** responded there were two parking lots, one adjacent to Dobson and one that went to Chandler Blvd. There was a license agreement but it's not by right, it was essentially an access.

VICE CHAIRMAN HEUMANN stated the drugstore stipulation Mr. Morris is referring to was one added 4 or 5 years ago at his request when there were two new users coming into Chandler. He feels there could be more office on this site and maybe there should be a traffic study. Also, he feels there could be better integration of the drugstore and some of the other uses into being something unique. Chandler and McClintock sat vacant for years and now there's a lot of Class A things being developed there. **VICE CHAIRMAN HEUMANN** asked the applicant if the current site plan is the only one they've looked at or is there a way of pulling the project together and putting in more office? If the office survived before going out onto Dobson and Chandler Blvd., has there been a traffic study done to see where this traffic would go? **MR. MORRIS** responded this was a manufacturing facility not an office facility, so there was not the peak load and number of cars that a true office would generate. There is a different load factor for manufacturing. There was an office component, but it was a manufacturing facility. Although this is the first opportunity the Commission has had to see a site plan, over the years this application has been pending, there have been 15 different site plans. Some generated by Staff's comments, some generated by marketing and sales concerns and some generated by traffic and physical constraints of the property. The site plan before the Commission is the applicant's last best effort to try and make something work on this site. It gives the balance of bringing employment back to the site, adding 90,000 sq. ft. of office and offsetting that with a small amount of retail to make the office work. This is not the mall site. He will be bringing a project before the Commission next month for a site at Chandler and Hearthstone that is a mixed-use, integrated site that has a lot of the sizzle the Commission is talking about in terms of residential upstairs which allows retail downstairs and supports office. Without a residential component, it can't be integrated. You can't put retail underneath the office and hope it works. Although the General Plan would allow residential at this location, they cannot do residential for two reasons. There is some remediation on the site which would probably not be optimal for residential development, and more importantly, the surrounding developers and owners will actively oppose residential development at this location because of their manufacturing concerns.

VICE CHAIRMAN HEUMANN asked if the biggest constraint of going vertical on this site was the traffic load going out onto Carriage Lane? **MR. MORRIS** responded that's correct and also the physical constraints of the site.

COMMISSIONER CASON asked the applicant why there is no access from the south neighbors? **MR. MORRIS** responded they offered the possibility of pedestrian or other access from the south, but because of security concerns and the desire of the existing manufacturing facilities to keep control over their parking areas, they were asked not to show that and not to have any entry points on that access. **COMMISSIONER CASON** asked what percentage of the applicant's overall cost is involved in the land remediation? The percentage of the remediation of the land versus the overall remediation cost of both the land and building. **MR. MORRIS** responded he doesn't have that information, but will try and provide the Commission with those numbers. He knows the areas and types of remediation, but doesn't know what the overall

percentage would be. It is two-fold. One is the remediation of the demolition of the building, the other is the ground. **COMMISSIONER CASON** asked if there is any phasing on this project? **MR. MORRIS** responded, at a minimum, the first phase of development would include all of off-sites, the perimeter; also the east office building and the pharmacy building. Virtually everything but the bank building and the pad adjacent to the retail shops.

COMMISSIONER CASON inquired how many jobs these buildings were going to bring to the site? **MR. MORRIS** responded they have done an analysis based on load factors and found a rough estimate for the entire site is 500 to 550 jobs. Additionally, Mr. Morris stated the remediation percentage Commissioner Cason was asking about earlier is approximately 75% for the land.

COMMISSIONER GULSVIG confirmed with the applicant that the site would bring 500 jobs to the area. Additionally, he confirmed with Economic Development staff that there were 600 jobs at this location before and asked what staff expects to be there if it stays employment. **MS. MACKAY** responded staff has run numbers to get an idea of what could potentially be on this site if it remained employment. If it was all office, there could be up to 1,570 jobs on this site. However, there would have to be a deck. That many cars couldn't be surface-parked on the site. Mr. Morris' calculations are very accurate in what could potentially be there by its existing site. The information for the number of employees was taken directly from the applicant's information that they provided to any industrial directory in 2000. **COMMISSIONER GULSVIG** asked what impact that would have on local traffic; they couldn't all be employed at the same time during an 8-hour shift. The footprint seems to small to have 1,000 employees working and parking in that space. **MS. MACKAY** responded they based that number on 3 stories of office, which is approximately 313,849 sq. ft. of office. There would have to be a deck as opposed to surface parking. She is not qualified to talk about the ingress and egress of the site from a traffic engineering standpoint. It is a lot of employees to move in and out of the site. **COMMISSIONER GULSVIG** stated that from his experience, the traffic pattern on Chandler Blvd. right now is pretty extensive. Adding another 1,000 employees, that corridor will get very jammed. That's certainly a consideration from a use standpoint.

CHAIRMAN FLANDERS commented he doesn't have a problem with pharmacies for the most part, it's just a question of how many an intersection can support. He asked the applicant when they expected to start demolition of the site. **MR. MORRIS** responded he doesn't have that information, however, the demolition involves some remediation of the building prior to demolition. He believes that remediation has already started. **CHAIRMAN FLANDERS** asked if tearing down the building has anything to do with the approval of this zoning case? If this case were denied, would it stop the demolition process? **MR. MORRIS** responded he can't imagine moving forward if it were denied. There are hazards in just owning this business, between the death that's already occurred in the building and the constant vandalism and vagrancy. The owner recognizes it's a good idea to take the building down which is why they've moved forward. He doesn't believe it's dependent upon the approval, but the approval is what's driving the development of the site. Hopefully, they have created a balance between office and retail.

CHAIRMAN FLANDERS commented he thinks the demolition of that building would make the residents to the south feel better about the site. **MR. MORRIS** added the remediation of the land can't begin until the building is down.

VICE CHAIRMAN HEUMANN asked staff if there was any discussion about the traffic impact on Chandler Blvd. and Dobson Road with this project. **MR. WEWORSKI** responded staff was

looking at the project from a land use perspective as to what would be the most appropriate uses on the site. Staff's evaluations are based on what is existing today. Obviously, it doesn't generate as much traffic as if it were intensive office and parking structures. There hasn't been an evaluation on how traffic would be impacted if there was a maximum amount of office. **VICE CHAIRMAN HEUMANN** stated he believes traffic has to be part of the conversation.

VICE CHAIRMAN HEUMANN asked if staff would be more supportive if the site layout were different; more integrated, more incidental retail? Would that lend itself more towards staff support in terms of traffic implications, the site plan, and maybe even integrating the drugstore? **MR. WEWORSKI** responded it most definitely would. If the retail uses were incidental and clearly served the employment, staff would be much more in support. There also probably would not be a General Plan Amendment required because it would meet the goals of the General Plan. **VICE CHAIRMAN HEUMANN** stated he looks at a project like this as being a corner that's important to the City. He could support this project more if he felt it was integrated better. That may mean moving the office. He would consider Design Review so they could look at the site plan and be a little more creative than just throwing a 12,000 sq. ft. drugstore on a corner. He doesn't have a problem with mixed-use, as long as it is mixed-use.

COMMISSIONER IRBY stated he doesn't have a problem with the use, it's a site plan issue for him. It looks like a bunch of spread out pads and there isn't a lot of excitement. It's hard to support the way it's set up. There are a lot of issues he doesn't know how to solve. Retail Building C is hidden from street view, so he can't see a fast-food company buying it. He feels the site plan needs a lot of work. It seems too spread out. He would support Design Review on this project. He thought about trying to create parking in the center portion with the buildings wrapped around so when you pull into the project you feel you're on a nice court that has nice hardscape features that made you want to mingle and go from building to building. The corner itself doesn't have a lot of punch to it; it just looks like a typical corner intersection. The bank has almost zero queuing space in front of the drive-thru lanes. He likes the architecture, but feels there are a lot of issues with pulling the whole site together.

CHAIRMAN FLANDERS stated he agrees with several of Commissioner Irby's points. He agrees with what's being proposed to a certain extent on the land use, as far as the office and retail. He's also in agreement with Staff as far as making sure we maintain those areas for employment. He's had a problem with the site plan from the beginning. He feels the pharmacy at the corner is what's driving this development. He's not sure it makes sense to put another CVS Pharmacy at this intersection when there's already one at Ray and at Warner. That's one every mile. He's hesitant to approve a site with those buildings being a mile apart. He agrees with Vice Chairman Heumann about integrating the office with the retail a little better. It doesn't have to be part of the office, but it can be a little more intimate; adjacent to the office without having to go 250 or 500 feet across the parking lot. This particular site plan is set up like a typical retail center that you see every day. It's not very unique. He feels something unique needs to be provided on this site; maybe less retail and a little more office. There's enough retail at this intersection.

COMMISSIONER CREEDON asked staff if the Commission will have any control over the MCI Building changing from office to retail? **MR. WEWORSKI** responded that site would be limited to C-2 type retail uses. **COMMISSIONER CREEDON** asked if the Commission was going to get in the business of dictating what business goes where. Is that their goal? She is concerned that they are looking at how many pharmacies there are. She understands good planning and the concerns with the site plan, but she is also concerned about the argument over

the number of pharmacies when you're looking at a Fry's or a Target. She doesn't necessarily consider them pharmacies. **CHAIRMAN FLANDERS** stated the question is, "Are that many pharmacies good planning?". The Commission has reviewed, approved and denied cases based on the use even though there were other factors. **COMMISSIONER CREEDON** stated what she is asking the Commission to consider is if the market forces are going to drive that, and they're stating that as a business they can go in here and make a profit, then the Commission is getting into the business of dictating whether or not that business is going to be successful there, whether or not they want it. At what point, does the Commission say we're only going to have so many restaurants, so many bars, etc., and where does it stop. It can't just be done with pharmacies, it would have to be applied to everyone who wants to do business in Chandler.

VICE CHAIRMAN HEUMANN stated he thinks the conversation is a land use issue. As planners, their job is maybe not to dictate what can go on a corner, but what is a reasonable expectation. His feeling with this whole site plan is that there's nothing unique. Would we want 3 gas stations or would we want 4 grocery stores on a corner; probably not. Good land planners get a good diversification of what is wanted for their City. If this was a better site plan incorporated with something unique, he could live with the fact there's another drugstore, but it wouldn't be a drugstore sitting on a corner. His argument right now is more the site plan because there's nothing unique; there needs to be a trade-off. He is concerned about having sites vacated. A stipulation on new sites was added 5 years ago so it could be re-used in certain ways. About 6 weeks ago an applicant came through transferring liquor licenses because of places they just closed; they were too close in proximity. As planners, that's one of the things they do have to look at. Not dictating what business necessarily, but what's good for a corner. How much commercial is enough. How much residential is enough. If you give up all your employment areas to residential, is that the right thing to do.

COMMISSIONER CREEDON stated that's the argument they should be making. More along the lines of what it's going to be, not necessarily specific to a pharmacy.

COMMISSIONER IRBY stated he doesn't have a problem with the pharmacy at this location. He has a problem with it maybe going away in the future and it's not incorporated into the retail. If the pharmacy was attached to retail and goes away, it can be adapted into something better than an empty pharmacy. There are safeguards in place to try and avoid that, but you still end up with vacant corners.

VICE CHAIRMAN HEUMANN commented they didn't ask the applicant to buy this property, which has a dilapidated building. That's their prerogative, and now you have a site that's been vandalized. That's on the applicant, not the Commissioners. He agrees with Commissioner Irby about having something that ties together so if the site fails, for whatever reason, there's something to go back to. On this site it's somewhat of a compromise looking at the traffic implications, what can the site handle; and looking at the economics from the development side, what is going to drive this site. The retail is going to drive it.

COMMISSIONER GULSVIG commented this site is currently earmarked for employment and the applicant has come forward with an employment feature. There are other areas in the City where they have taken away employment and put in mixed use. Not too long ago, they did it with a huge development at Arizona Avenue and Queen Creek. In this particular case, because of the footprint of the property, the applicant has come forward with what appears to be an optimum use of limited land space. However, he has a lot of concern about the traffic. Chandler Blvd. isn't going to be made any wider, nor is Dobson Road going to be made any wider. From a land use

standpoint, the applicant is coming up as estimated with 500+ jobs. He has trouble with the Commission trying to figure out whether or not there's going to be vacant buildings in the future. In Downtown Chandler there's a bank building that was vacant for a long time, and now it's being converted to something else. That's part of business. Even though a portion of this plan is not employment, it's putting back almost as many jobs as were lost when the previous business closed. He's still on the fence with this case.

COMMISSIONER CASON stated he feels the overriding factor on this property is the economics of the demolition. When 75% of the cost of renovating a site are involved with the ground renovation, the property has economics which force it into the type of design it has. The risk is, if they don't allow a developer to make their best opportunity on this property given the existing remediation problems, the property will sit vacant. No one will be willing to invest that money in the renovation of the land, specifically, without having some type of reasonable return on their investment. Having the same amount of jobs is nice (it could be a little nicer), but he feels the plan they're seeing is what the developer thinks they can do the best given their additional costs they would have, over and above, if they were to develop someplace else. He feels this is an unusual piece of land that requires an unusual outlook to try and resolve the issues associated with it.

MS. CHERYL BRADLEY, 1682 W. MERCURY DR., stated she lives just a few hundred feet away from this building. She drives by everyday hoping something would be done with it. It is an eyesore, and she's concerned with the crime going on. The people going to this building walk through her neighborhood to get there. Every since Countrywide came in, it takes her two times at each traffic light to get through. The other day, she waited through four traffic lights to get through Dobson. If more employees are put at that corner, she will have to take a different way home. She doesn't shop at the businesses on this corner because they're in buildings she doesn't care to look at. A nice, new building does attract shoppers. She shops in other areas where the buildings are newer. She's very concerned that so much cost has to be put into remediation of this land. It makes her concerned environmentally. She agrees with the comments about this being a small piece of property; 14 acres. It's difficult to develop and difficult to get in and out. She likes the proposed plan. Maybe it doesn't have the office space that's wanted for an employment area, but she doesn't know how much more traffic the area can accommodate without widening the roads.

MR. MORRIS commented he can tell the Commission is struggling with this item. They now have a sense of what the applicant has struggled with. If they tip too far in one direction they will lose the neighborhood and surrounding property-owner support, and if they tip too far the other way, they may get the City support but that's not all that will be needed to make this project successful. The overriding concern is this project has to be economic. He cautioned the Commission in trying to move around existing uses to make it an acceptable site plan. He doesn't know if there's a lot of flexibility left; if anything can be done they are always willing to make a project better. Mr. Morris asked the Commission to keep in mind that all the talk about fear of a vacant building, the pharmacy, is somewhat ironic since they are talking about redeveloping a vacant building. You never know what buildings may become vacant. They have plans in place that not only will make this project successful, but should any aspect of it not be successful, make it marketable.

VICE CHAIRMAN HEUMANN commented this has been a long process for a lot of people. There are a lot of different opinions on this project. Traffic is an important part and the site remediation is an important part. He is okay with the uses based on the amount of jobs and in

terms of traffic. He believes the corner of Chandler and Dobson is scheduled to be widened this year. He still feels the project needs to be integrated better and made a little more unique. The uses on the plan now, but integrated better, would be acceptable to him. He would be inclined to make a motion to refer this case to design review in terms of the site layout, to try and come up with better integration of the uses that are there. He agrees with Commissioner Irby that Retail Building C has almost no visibility from Dobson Road coming from the south, and zero visibility from Chandler Boulevard.

MOVED BY VICE CHAIRMAN HEUMANN, seconded by **COMMISSIONER IRBY**, to continue DVR06-0034 PORTICO PLACE to the March 7, 2007 Planning Commission meeting in order to allow time for a Design Review Meeting.

CHAIRMAN FLANDERS addressed the applicant and said he appreciates everything they've done on this site. He doesn't have a problem with the land use and the architecture works very well together. He feels if they can get to a Design Review they can work out some of the site uses and the site plan itself. Seeing what the developer is willing to do on this site is an important step.

VICE CHAIRMAN HEUMANN agreed that the architecture is well done.

COMMISSIONER IRBY commented if this goes to Design Review he would recommend pulling Building C to the east, maybe pulling the pharmacy closer to Chandler Boulevard and the bank needs to rotate 90 or 180 degrees. The landscaping along Carriage Lane needs to be upgraded; maybe they could talk to the property owner next door. There also needs to be a pedestrian connection for Microchip and Durel. He would like to see those issues addressed.

Motion to continue for a Design Review Meeting failed (3 to 3).

MOVED BY COMMISSIONER GULSVIG, seconded by **COMMISSIONER CREEDON**, to approve DVR06-0034 PORTICO PLACE as presented.

Motion to approve failed (3 to 3).

6. DIRECTORS REPORT

There was nothing to report.

7. CHAIRMAN'S ANNOUNCEMENT

The next regular meeting is February 21, 2007.

8. ADJOURNMENT

The meeting was adjourned at 8:36 p.m.

Michael Flanders, Chairman

Douglas A. Ballard, Secretary