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

RE: SWC of Deer Valley Drive and Black Mountain Parkway; Minor General Plan and Major Specific Plan Amendment Request

To Whom It May Concern:

This firm represents Vestar Development ("Vestar"), one of the preeminent operators of retail properties in the Southwest. On behalf of Vestar, we are submitting this application to request a Major Amendment to the Desert Ridge Specific Plan for the proposed development of approximately 20.5 acres of property located at the southwest corner of Deer Valley Drive and Black Mountain Parkway in Phoenix (the "Property"). The Property is known as a portion of Parcel 12.L, within Superblock 12 of the Desert Ridge Specific Plan. It is also known as Maricopa County Assessor number 212-38-023B and is shown below outlined in red.



It is important to note that the Property is currently owned by the Arizona State Land Department (ASLD). Vestar will be required to procure the land through ASLD's public auction process.

Vestar is proposing to develop the unimproved Property as a retail shopping center called Black Mountain Village. Black Mountain Village will feature a neighborhood grocery store and inline retail opportunities, with pads on the perimeter of the Property for dining opportunities (the "Project"). The Project will also feature appropriate parking, lighting and landscaping improvements. In order to accommodate the development of the Project, Vestar is requesting:

- 1. A minor General Plan Amendment to change the land use designation on the Property from Residential 2-5 DU/AC to Commercial.
- 2. A major amendment to the Desert Ridge Specific Plan to allow Intermediate Commercial (C-2) zoning uses, with exceptions.

By separate application, Vestar is also requesting the rezone of the Property from S-1 (approved R1-6, R-2) to C-2. The general purpose of these requests is to facilitate the development of the Property to accommodate the growing demand and need for additional commercial and retail options in the Desert Ridge area. The proposed Project represents an appropriate type of low-impact commercial development that will transform this vacant site with attractive buildings and related site and landscape improvements.

In their current form, neither the City of Phoenix General Plan nor the Desert Ridge Specific Plan provides for commercial uses in within Superblock 12. Our proposal is to amend the Specific Plan as shown on attached **Exhibit A**, **Proposed Amendment to Development Parcel Regulations.** Upon approval of the Specific Plan Amendment, Parcel 12.C will be created on this property.

The City of Phoenix evaluates Specific Plan Amendments in the same manner as a General Plan Amendment. Accordingly, there are questions that must be answered that will be analyzed by the Village Planning Committee, the Planning Commission and, ultimately, the Phoenix City Council prior to approval of the proposed amendments. The questions and a response to each are shown below:

1. Does the proposed amendment encourage concentration of development intensity in cores?

RESPONSE: The Desert Ridge Core has already been developed in and around Desert Ridge Marketplace. One of the unintended consequences of creating a large commercial core within the Desert Ridge area is that the intensity of the commercial uses has led to traffic congestion and parking issues at Desert Ridge Marketplace and the smaller surrounding retail centers. Residents within Desert Ridge often talk about the traffic issues in the area and, specifically, the lack of choice in the grocery category. The proposed amendments are being deliberately requested to create an

alternative, albeit smaller, retail center to provide additional options for grocery, restaurant and neighborhood retail in this important part of Phoenix.

2. How many potential jobs would be created or lost by approving and implementing the proposed amendment?

RESPONSE: The Property is currently planned for residential uses, therefore no jobs would be created if the Property was developed as currently planned. With the approval of the proposed amendments and subsequent development of the Property for approximately 140,600 square feet of commercial uses, it can be expected that approximately 150 to 200 jobs will be created.

3. How many potential housing units would be created or lost by approving and implementing the proposed amendment?

RESPONSE: The approximately 20.5-acre Property is currently designated for residential uses at a maximum density of 12 DU/AC. Consequently, an absolute maximum (not accounting for streets, open space, and other development requirements) of 246 dwelling units could be developed on the property under its existing land use designation. Given that there are thousands of homes in the Desert Ridge area, the conversion of this property from residential to commercial and the subsequent loss of 246 dwelling units is negligible. The benefit of bringing much-needed commercial to this area far outweighs the minimal loss of housing from the proposed amendments.

4. Is there a need for the proposed use(s) or density(ies) in the requested location? Explain.

RESPONSE: As previously noted, one of the unintended consequences of creating the large and hugely successful Desert Ridge Marketplace and surrounding retail uses is that the intensity of those uses has led to traffic congestion and parking issues. Regional and local commercial retail are currently commingled in Desert Ridge, therefore local residents would be better served with a wholly separate option for their daily shopping needs. The proposed amendments are being requested to create an alternative, smaller commercial center to serve this need by providing additional options for grocery, restaurant, and retail in this important part of Phoenix.

5. What impact would the proposed amendment have on adjacent or nearby land?

RESPONSE: By absorbing a vacant parcel in this vicinity, dust control and management of stormwater runoff will be provided. The addition of quick service food and retail options at this location will provide a safe alternative to the students at nearby Pinnacle High School before school, after school and during the lunch hour. The applicant met with Pinnacle High School Principal Chad Smith, who indicated

that the proposed development would potentially reduce the number of off-campus trips by car. The applicant will continue to engage the school administration to elicit feedback about proposed users within the shopping center and address joint development issues.

It is also important to note that even after the development of this parcel for commercial uses, there will be over 50 acres of vacant property remaining in Superblock 12 that could be developed for residential purposes.

6. How will the proposed amendment affect traffic generation and the transportation system?

RESPONSE: According to the City of Phoenix Street Classification map, Deer Valley Drive and Black Mountain Boulevard are both Major Arterials adjacent to the Property. As such, Black Mountain Village is proposed at an appropriate location, with streets designed to serve the City's most significant traffic demands.

7. Will the proposed amendment create additional need for recreation and open space facilities? If so, how will the additional need be met?

RESPONSE: The proposed amendments do not create additional residents in this area, therefore there won't be any additional demand for recreation or open space opportunities.

8. Community Benefits: How does the request address the community's unique opportunities and challenges related to prosperity, health and the environment? See pages 18-26 in the Phoenix General Plan.

RESPONSE: One of the visions discussed in the PlanPhx 2015 General Plan, is to make Phoenix a "Connected Oasis." Put another way, residents have expressed a desire for the City to have more places at which citizens can connect with one another. This new shopping center in the Desert Ridge area will provide such a place. Moreover, the addition of a retail shopping center that can more conveniently serve the western portion of Desert Ridge will reduce transportation burdens on residents to reach grocery and other retail opportunities; potentially increase the health of Desert Ridge residents by providing a destination to which they can walk or bike and reduce the emissions from residents driving to Desert Ridge Marketplace which can lead to a healthier environment. A reduction is transportation burdens, increased opportunities for exercise and a cleaner environment lead to an overall increase in health and prosperity.

9. How will the proposed amendment affect the character and image of the adjacent area, neighborhood, and village?

RESPONSE: The proposed amendments will advance the land use principles in the Desert View Village Character Plan and the Desert Ridge Specific Plan.

The Desert View Village Character Area Plan has several principles that are supported by the proposed amendments. The first is a land use principle that suggests that new development in or near residential areas should be compatible with existing uses and consistent with adopted plans. Next is a design principle that seeks to protect and enhance the character of each neighborhood and its various housing lifestyles through new development that is compatible in scale, design, and appearance. Finally, the last principle is design-related and requires impact-mitigating features when new non-residential uses abut existing residential uses or are adjacent to arterial streets or freeway corridors.

Black Mountain Village has been carefully designed with nearby residential (both existing and proposed) and public (Pinnacle High School) uses in mind. As shown on the Conceptual Site Plan provided in the application materials, the large grocery store building has been pulled away from the planned residential development across 34th Street. The retention basins for the project have been located along the southern, eastern and northern perimeters of the site to provide a transitional buffer between the grocery store and both the high school and existing residential uses. Each of the buildings on the site will be single-story, and the fuel sales and quick-service dining options have been placed on the northern portion of the site. Access to the site is proposed from driveways on each of the four streets surrounding the Property, allowing for easy disbursement of traffic in this area. Finally, the parking has been designed to provide more parking than required by the City of Phoenix Zoning Ordinance. Each of these site planning decisions was made to provide maximum buffering of the site, while bringing a well-functioning commercial center to the Desert Ridge area.

10. Additional comments as appropriate

RESPONSE: Vestar has received positive feedback from the Desert Ridge Community Association. As the Site Plan has evolved, the applicant and Vestar have met with the Association in order to keep them informed and updated on the project. The continuous question that has been asked throughout this outreach is "When will you start construction?" The eagerness of this community to have shopping alternatives, grocery in particular, simply cannot be overstated.

The development team looks forward to working with the City of Phoenix to make our visions for this parcel a reality in this important part of the Desert View Village.

Sincerely,

Stephen Anderson

GAMMAGE & BURNHAM

Attachment: Exhibit A

EXHIBIT A GPA-DSTV-3-23-2

Amendment to the Desert Ridge Specific Plan Section 6.C.5.12.L-Superblock 12 to facilitate commercial development at the southwest corner of Black Mountain Boulevard and Deer Valley Drive

Staff proposed language that may be modified during the public hearing process is as follows:

Amend Chapter 6 (Development Parcel Regulations), Section C.5. (Development Regulations by Superblock), Pages 6-45 to 6-46 as follows:

SUPERBLOCK 12

Superblock 12 is located west of a possible future connection to the Squaw PIESTEWA Peak Parkway, which separates this superblock from the balance of the Desert Ridge community. BECAUSE OF THIS SEPARATION, THIS SUPERBLOCK CAN SUPPORT LIMITED COMMERCIAL USES WITHOUT INTERFERING WITH THE DEVELOPMENT OF THE DESERT RIDGE CORE (DEVELOPMENT PARCEL 5.A). RESIDENTIAL development parcels may vary in size by 30 percent (25 percent for R1-6 and more dense zoning categories without a minor plan amendment).

Size: 136 <u>133.41</u> acres

Maximum Number of Dwelling Units: 347

Average Density: 2.55 du/ac

12.L - Development Parcel 12.L

Size: 77 55.24 acres Uses Permitted:

Single-family residential

Density Range: 2-5 du/ac for the entire parcel

Maximum Number of Units: 257; 334 if parcel increases in size 30 percent

Potential Zoning to be Applied: R1-18, R1-10, R1-8, R1-6, R-2

Minimum Lot Size: Zoning controls

<u>Special Requirements (Modifying City Regulations):</u>

- No attached single-family units; no multifamily units.
- Section C.4.B, Chapter 6, Desert Ridge Specific Plan applies.
- No more than 25% of the development parcel may be zoned R-2.

Recommendations:

Clustering permitted subject to minimum lot size.

12.C - DEVELOPMENT PARCEL 12.C

SIZE: 20.52 ACRES

USES PERMITTED:

• ALL USES ALLOWED UNDER CITY OF PHOENIX ZONING DESIGNATION C-2, INTERMEDIATE COMMERCIAL, EXCEPT AS PROHIBITED BELOW.

POTENTIAL ZONING TO BE APPLIED: C-2

SPECIAL REQUIREMENTS (MODIFYING CITY REGULATIONS):

- ADULT USES ARE PROHIBITED.
- RETAIL LIQUOR SALES ARE ALLOWED AS AN ACCESSORY USE BUT ARE PROHIBITED AS A PRIMARY USE.
- RETAIL MARIJUANA SALES (DISPENSARIES) ARE PROHIBITED.

12.S - Development Parcel 12.S

Size: 59 57.65 acres Uses Permitted: • High school

Potential Zoning to be Applied: R1-8
