

CITY COUNCIL AGENDA

CITY COUNCIL CHAMBERS . 11465 WEST CIVIC CENTER DRIVE . AVONDALE, AZ 85323

WORK SESSION
March 17, 2008
6:00 PM

CALL TO ORDER BY MAYOR ROGERS

1 ROLL CALL BY THE CITY CLERK

2 WORK SESSION ON PROPOSED CITY CENTER SPECIFIC PLAN

The city's consultant will present the public review draft of the City Center Specific Plan and discuss it with the City Council. This item is being presented for information only. No action will be taken, but the Council may provide appropriate direction.

3 ADJOURNMENT

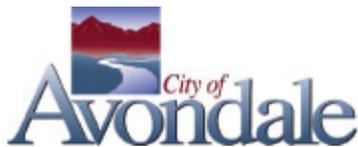
Respectfully submitted,

A handwritten signature in cursive script that reads "Linda M. Farris".

Linda Farris, CMC
City Clerk

Any individual with a qualified disability may request a reasonable accommodation by contacting the City Clerk at 623-333-1200 at least 48 hours prior to the council meeting.

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CITY COUNCIL REPORT

SUBJECT:
Work Session on Proposed City Center Specific Plan

MEETING DATE:
March 17, 2008

TO: Mayor and Council
FROM: Dean Svoboda, Long Range Planning Director
THROUGH: Charlie McClendon, City Manager

PURPOSE:

The city's consultant will present the public review draft of the City Center Specific Plan and discuss it with the City Council. This item is being presented for information only in preparation for a future public hearing. No action is required.

BACKGROUND:

On August 12, 2006, the City Council held a retreat to explore a future vision for the City of Avondale. The development of a new city center along Avondale Boulevard south of I-10 was a key component of that vision.

On December 18, 2006, the City Council adopted goals for fiscal year 2007-2008. One of the objectives under the Community Development Goal was to prepare a specific plan for the City Center area. The stated purpose of the plan was *"...to implement the Council's vision for Avondale Boulevard as a premier destination for shopping, restaurants and entertainment, with exciting mixed-use development to include hotels, higher quality density housing, professional office space, with an atmosphere that is fun, pedestrian friendly and conducive to daytime and night time activities."*

On January 2, 2007, the City Council hired a team of consultants to prepare the City Center Specific Plan. The lead consultant is Dyett & Bhatia Urban and Regional Planners. Other team members include Ten Eyck Landscape Architects, ESI Corporation (economic analysis), Field Paoli Architects, Kimley-Horn & Associates (traffic and civil engineering), Jack Mackie (public art), and Gammage & Burnham (land use law).

The City Council held five public work sessions with the consultants during 2007 to refine the vision for the City Center, identify key urban design elements, review the results of analysis, and discuss various alternatives. A preliminary draft of the Plan was reviewed at the last City Council work session on September 4, 2007. At that time, the consultants were directed to finalize the draft for public review and hearings.

During 2007, the consultants also completed background studies and future impacts analysis; interviewed property owners, real estate brokers, and other stakeholders in the area; held a roundtable with developers experienced in mixed-use development; and held a public meeting attended by over 50 people. City staff and the consultants also met periodically with property owners who had development proposals in or near the area.

The planning area was originally located between I-10 and Coldwater Springs Boulevard from 113th Avenue to 117th Avenue. In December 2007, it was expanded from 272 to 402 acres to include adjacent undeveloped properties. The planning area now extends to 119th Avenue north of Van Buren Street and to 111th Avenue south of Van Buren Street.

On February 20, 2008, the consultants presented the public review draft at a public meeting attended by over 60 people. The first public hearing on the Plan will be held by the Planning Commission on March 20, 2007. A second Planning Commission hearing is tentatively scheduled for April 17, 2008. The Plan will be scheduled for City Council hearing and action once the Planning Commission forwards its recommendation.

DISCUSSION:

Leslie Gould from Dyett & Bhatia will present an overview of the City Center Specific Plan and discuss its key components. The components include: the type of future land use; the physical framework for the area (streets, blocks, parks, and open space), the intensity of development (floor area and density), the form of development (building height, building envelopes, and parking), street design (cross sections; paving materials, and shaded sidewalks); site and building design standards; and a landscape theme for Avondale Boulevard. A proposed strategy for implementation is also included.

The draft Plan proposes a pedestrian friendly, compact form of urban development based on a traditional grid of streets and blocks. Future land use categories include Employment Mixed-Use, Residential Mixed-Use, and Townhouse Residential. A pedestrian retail core is proposed within a portion of the Employment Mixed Use and Residential mixed-use areas. Linear parks and plazas provide focal points, opportunities for recreation, and offsite stormwater retention. A coordinated system of open space corridors will facilitate pedestrian pathways, various amenities, and onsite stormwater retention.

Two additional land use categories are also included in the Plan. The Gateway Employment and Neighborhood Commercial designations will accommodate prior zoning approvals, existing development, and future development along the I-10 freeway frontage. These areas will be characterized by a more suburban style of development.

Avondale Boulevard will continue to be a major arterial street carrying through traffic with limited pedestrian crossings and median breaks. The 30 to 40 foot landscaped setback currently required by the Freeway Corridor Specific Plan will be maintained. A “land art” landscape theme will help to provide a unique image for this corridor.

The public review draft includes two alternative plans for land use and circulation. Both are similar in terms of future land use. The primary differences are the alignments of Corporate Drive and Roosevelt Street, the block pattern west of Avondale Boulevard, and the relationship of Corporate Drive to the pedestrian retail core. Alternative 1 is the preferred choice of city staff and the project consultants.

To date, the most controversial aspects of the Plan have been the grid street system, the minimum FAR (floor area ratio), the minimum average building height, and the maximum surface parking requirements. Area property owners have frequently expressed concern about the cost and timing of future development. Some also question whether this area will ever become an activity center within the region.

The various components of the Plan have been carefully integrated to provide a comprehensive policy for future development. The merits of the overall Plan and whether it will achieve the city’s long term objectives will be debated through the public hearing process. The extent to which each component of the Plan contributes to meeting the city’s objectives will also be subject to debate.

This item will be brought back to City Council for public hearing and action once the Planning Commission makes a recommendation. An updated staff report will be provided at that time.

RECOMMENDATION:

Staff recommends that the City Council review the draft City Center Specific Plan in preparation for a future public hearing. No action is required at this time, but the Council may provide staff and the consultants with appropriate direction.

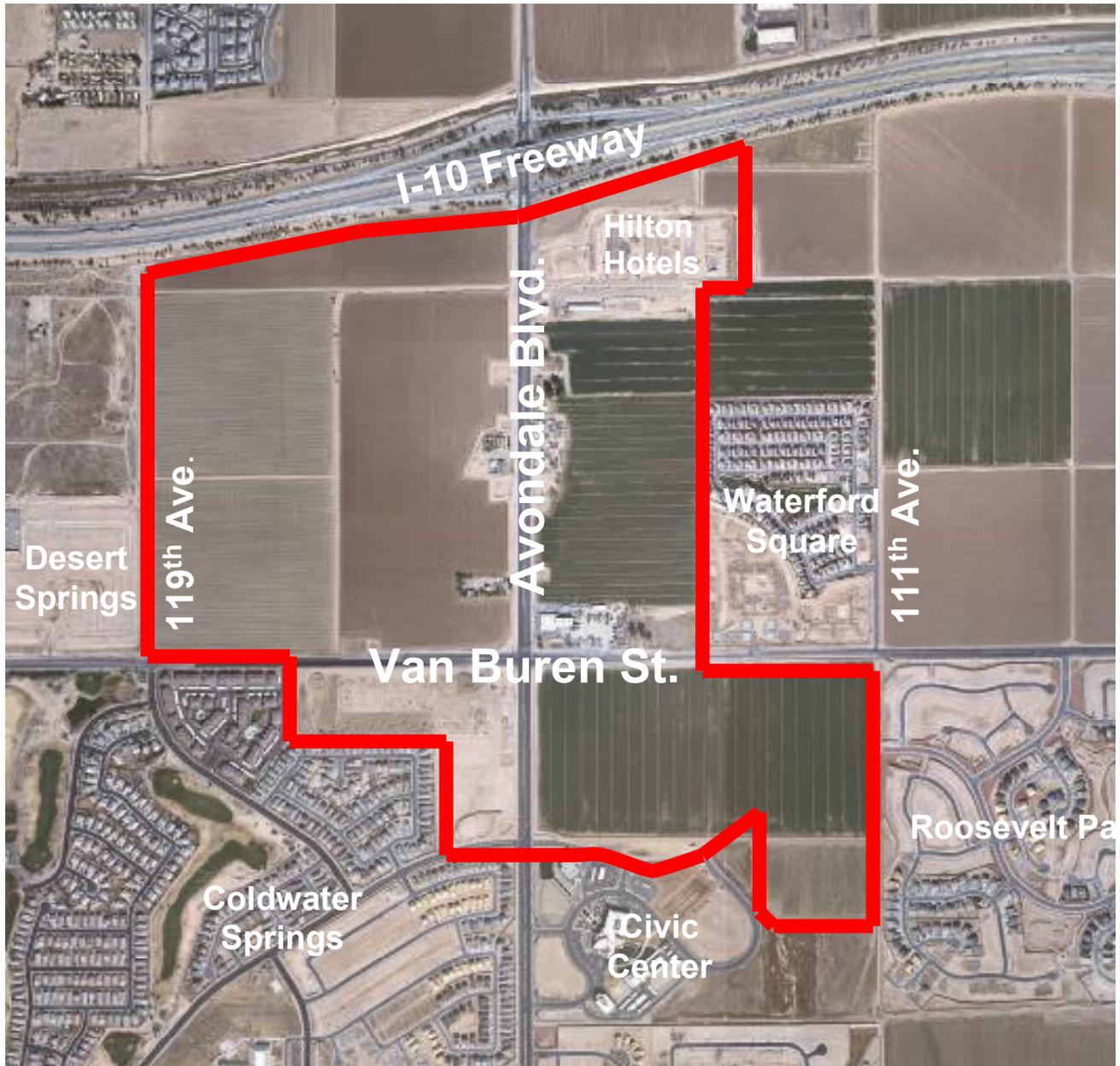
ATTACHMENTS:

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[Exhibit A - Location Map](#)

[Exhibit B - City Council Meeting Minutes](#)

[Exhibit C - Citizen Comments](#)



AVONDALE CITY CENTER

LOCATION MAP

**LIST OF
CITY COUNCIL MEETING MINUTES**

1. January 16, 2007 Regular Meeting
2. February 10, 2007 Mobile Workshop
3. March 26, 2007 Work Session
4. June 4, 2007 Work Session
5. September 4, 2007 Work Session

**Excerpt
City Council Meeting Minutes
January 16, 2007**

Minutes of the Regular Meeting held January 16, 2007 at 7:00 p.m. in the Council Chambers.

MEMBERS PRESENT

Chuck Wolf, Vice Mayor
Jim Buster
Frank Scott
Ken Weis
Jason Earp

EXCUSED

Mayor Lopez Rogers
Council Member Lynch

7. CITY CENTER SPECIFIC AREA PLAN KICKOFF

Dean Svoboda, Long Range Planning Director, addressed the Council. He reminded Council they had approved the Professional Services Agreement for Dyett & Bhatia to work on the City Center plan. He introduced Leslie Gould as the project manager.

Leslie Gould stated they were very honored to have been selected for the project. She stated they are excited because the City wants to do something unusual for Avondale. She stated the site is of significant size with hotels at one end, the civic center at the other end, and empty land in between slated to be a premier pedestrian friendly destination and a location for high quality, density housing. She stated they intend to go about the project with a bus tour and visioning session with the Council on February 10th, then alternative plans and another visioning session with alternative plans, and then refining to a preferred plan, and then back to Council. They have already begun a lot of research and will be doing interviews and conducting market analysis. She stated they have architects to help them decide if the plans will fit on the properties. She stated the plan will be previewed with the community and the last step will be to ask the Council to adopt a final plan. She stated they expect to come to Council by mid July with a fully developed concept and preferred plan and wrap up in October. She talked about the history and experience of Dyett & Bhatia. They are currently working in downtown Phoenix doing zoning and master plans for public space and circulation. She introduced some of her team members present in the audience. She stated Gammage & Burnham will be helping them with the legal framework, particularly with issues arising out of Proposition 207.

Ms Gould stated she had three questions that she would like input on from Council members. Question No. 1: What cities or places have you visited, both within Phoenix or around the country, that you think are a good model for what Avondale City Center can become?

Council Member Earp stated he had been to a lot of places and did not know if he had seen any one place that he liked. He liked the idea that they wanted something unique that had not been seen anywhere else. Ms. Gould stated he was right, you never copy another place, but there were certain elements from places you could incorporate, and that was what she was really looking for. Council Member Earp stated he would like pedestrian friendly, shady structures. He would like to be able to park at one end and walk the length of Avondale Blvd.

Council Member Weise stated he agrees with Council Member Earp, but he knows what Ms. Gould is saying, how we can take ideas from other places and make them work here and he thinks that is a good idea. He stated his vision is his family could hop on their bikes on a Saturday morning and ride their bikes to go have breakfast, do some shopping, have lunch, come home and have a nap, then ride back and have dinner with his wife and their friends. He stated he likes the idea of having the buildings closer to the street and walking by and looking in the windows. He stressed he does not want to see beige or gray buildings and he wants to see a nightlife that is supported not only by businesses, but by residents that are there, whether it is a mixed-use town home project or whether it is lofts, if economically viable. He would also like to see something that would become a focal point of the City like the trees that line Avondale Blvd. at Christmas time full of lights and people walking up and down the street and ending up here at this complex. He stated he thinks Avondale can be a destination that people from around the valley want to come to, like Tempe is right now.

Council Member Buster stated he will know it when he sees it. He stated we want to be a destination for the west side to draw in entertainment and shopping. He wants diversity of architecture, pedestrian friendly, shady areas. He stated it will not be historic, but new, and there are great opportunities in having something new. It will be special.

Council Member Scott agrees with all that has been said. What he looks for when he and his wife travel is a place that invites them to come down to shop, browse or have dinner, that says "stay here," with hotels, seeing people sitting out on patios, a place that invites you to stop and walk around. He stated he feels Avondale has a lot to offer and this is a golden opportunity. Council Member Buster offered Desert Ridge Mall as a place which he found very inviting.

Vice Mayor Wolf asked Ms. Gould how many times they had an opportunity to take something completely "green" and build a city center, and had something like this been done outside of a developer that she could think of. Ms. Gould responded typically cities had not been ready at this stage to think about 10-story high density, so it was fairly rare. Vice Mayor Wolf stated in that respect, this could be historic. He stated he wanted to make sure the City included all of the space on either side because some PADs had come

in with the focus on the first or second project only and he encourages utilizing the entire corridor. Vice Mayor Wolf stated he does not think we will see 60-story buildings. He wants everyone to keep in mind we do not want commercial parks only behind the really pretty stuff on Avondale Blvd.

Council Member Weise stated that he thinks landscaping can be used for its color and smells as a priority, as well as lighting. He stated the City has the potential of having three hospitals and he would like the City to talk to the physicians and the hospitals to determine what they are looking for in the area.

Ms. Gould gave Question No. 2: What do you picture yourself doing in the Avondale City Center?

Council Member Buster stated he envisions a great place to shop and eat out. He stated there is a lack of restaurants within the city limits of Avondale, and a place where you can spend an afternoon or evening and not have to go outside the city limits to experience that, and where other people come from outside the city.

Vice Mayor Wolf stated he would like to see a mixture of restaurants from higher-end restaurants to everyday restaurants. He stated he thinks this is an opportunity to provide something residents will not have to drive to central Phoenix for. He stated he would like to see some sort of nightlife that works into the residential uses and other uses, such as a brew pub.

Council Member Weise stated he does not want to see 50 chain restaurants along Avondale Blvd. He stated they need to encourage local restaurants that may have one location to bring them in, such as Manny's, a Mexican restaurant. He wants to get the word out to other restaurants, not chains, looking to expand.

Ms. Gould went to Question No. 3: What do you think it will take to encourage businesses and major employers to locate to Avondale City Center?

Council Member Buster said the City has incredible growth going for it and in terms of job growth, they were among the highest in the country. While growth is a challenge, it is also a catalyst in terms of developing with discretion. With the population of the state doubling every 20 years and being the fastest growing state in the country right now, we have tremendous opportunities that other communities would love to have.

Council Member Scott stated that diversity of housing would be helpful. He stated there is the opportunity to have high-rise condos mixed with a five story hotel with two stories of shopping. Also the City can have one or three acre lots with horse privileges to attract executive housing. He sees Avondale Blvd. as a place where a Capital Grille would come. He stated the biggest asset is that this is a blank canvas and they will get to do some painting.

Vice Mayor Wolf stated he does not think they are looking at one to three acre executive lots in this range. They are willing to do things of that nature in other parts of the city.

Council Member Weise stated it was incumbent upon Ms. Gould and her team to work with the Economic Development Director and ask what projects were in the works right now. He stated he does not think the City can draw off the employment that hotels and restaurants will bring, but needs to shoot a little bit higher. He suggested they need to look at Class A office space which will bring people in for lunch time, but at 5:00 those people will be gone, so what could they do to bring businesses into Avondale that will make the City a past-dusk type of destination. He stated he believes they need to focus on their partnership with PIR, with Estrella Mountain Community College, with UTI, and make sure there are jobs for those people when they graduate from UTI and Estrella in Avondale. He thinks they are looking at an employment corridor for part of Avondale Blvd. with a Class A office space, as well as the hotels and restaurants, and make sure they are here at night having dinner and will eventually move to Avondale. He reiterated Ms. Gould should work hand-in-hand with the Economic Development team to make sure they are on the same page and she is up to date on what is going on.

Vice Mayor Wolf stated Kimley-Horn moved here, a professional engineering firm, and feels the City can attract other professional firms. He asked what the City needs to do to encourage businesses. He stated his biggest concern is that they can lay out the most beautiful plan, but it will take a lot of dedication by this Council and future Councils to make sure they stick to the plan and have a good platform. He stated he believes they can build out Avondale Blvd. very fast, but he does not think it will be anything like they have been talking about. He stated clearly the market demand is there for lower end hotels, regular run of the mill chain restaurants, but they need to know what they need to do as a city now to set the vision in place. He stated he believes they need to develop partnerships with landowners and know what money they will need to spend to put the plan in place. He stated he believes this is not a 10 to 20 year build out, but that the potential in the surrounding area is quicker than that. He stressed that in order to facilitate it so the City gets what it wants, they need to know what elements they have to invest to get it put together, then they can let the Economic Development Department and Planning and Zoning run with it.

Ms. Gould stated that was their job, to tell them what elements they need to invest in for the long term.

Vice Mayor Wolf invited any other comments, and received none. He then invited any other questions from Ms. Gould. Ms. Gould had none and stated they would be bringing a lot of information to the Council on February 10th.

**Excerpt
City Council Meeting Minutes
February 10, 2007**

Minutes of the Work Session held February 10, 2007 at 8:00 a.m.

MEMBERS PRESENT

Mayor Lopez-Rogers and Council Members	Jim Buster Frank Scott Ken Weise Betty Lynch
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EXCUSED

Chuck Wolf, Vice Mayor
Jason Earp

ALSO PRESENT

Charlie McClendon, City Manager
Andrew McGuire, City Attorney
Linda Farris, City Clerk
Claudia Whitehead, Economic Development Director
Megan Neal, Planner
Sammi Curless, Assistant to the Mayor and City Council
Dean Svoboda, Long Range Planning Director

Leslie Gould, Dyett & Bhatia
Monica Makarczyk, Dyett & Bhatia
Judie Scalise, ESI Corporation
Frank Fuller, Field Paoli Architects
Christine Ten Eyck, Ten Eyck Landscape Architects
Jack Mackie, Artist
Michael Grandy, Kimley-Horn & Associates

Leslie Wade, Rose Properties
John Ruggieri, Rose Properties

AVONDALE CITY CENTER SPECIFIC AREA PLAN

Council Members met in the Sonoran Room for breakfast and an orientation for the day. Ms. Gould talked to the Council about what to look for at each development. She talked about the different components to look at and reviewed maps of the places the Council would see.

At 8:30 a.m. the Council began their bus trip to Roosevelt Square and Portland Place in Phoenix, Town Lake and Mill Avenue in Tempe, the Waterfront and Optima Camelview Village in Scottsdale, Kierland Commons and Desert Ridge in Phoenix, and Westgate in Glendale. Council discussed what elements of each development they liked and did not like.

The bus returned to City Hall at 4:00 p.m.

Council agreed to hold a work session on March 26, 2007 to further discuss the Avondale City Center Specific Area Plan.

ADJOURNMENT

There being no further business to come before the Council the meeting adjourned at 4:30 p.m.

**CITY COUNCIL WORK SESSION MINUTES
MARCH 26, 2007**

Minutes of the Work Session held March 26, 2007 at 6:00 p.m. in the Council Chambers.

MEMBERS PRESENT

Mayor Lopez-Rogers and Council Members

Chuck Wolf, Vice Mayor
Jim Buster
Frank Scott
Ken Weise
Jason Earp
Betty Lynch

ALSO PRESENT

Charlie McClendon, City Manager
Andrew McGuire, City Attorney
David Fitzhugh, Assistant City Manager
Rogene Hill, Assistant City Manager
Carmen Martinez, Deputy City Clerk
Dean Svoboda, Long Range Planning Director

Leslie Gould, Dyett & Bhatia Urban & Regional Planners
Frank Fuller, Field Paoli Architects
Heidi Sokolowsky, Field Paoli Architects
Judie Scalise, ESI Corporation

2) WORK SESSION – CITY CENTER AREA PLAN CONCEPT ALTERNATIVES

Charlie McClendon, City Manager, introduced Dean Svoboda, Long Range Planning Director, to present the participants in tonight's meeting.

Dean Svoboda, Long Range Planning Director, stated that the purpose of tonight's meeting was to update the council on the City Center Area Plan and to obtain direction from Council. He stated Council would receive the results of the background studies and early conceptual alternatives for the City Center area. He added that the consultants will use the Council's comments to determine a preferred alternative for public input. Mr. Svoboda then introduced the lead consultant from Dyett & Bhatia, Leslie Gould; Frank Fuller and Heidi Sokolowsky from Field Paoli Architects; and Judie Scalise from ESI Corporation.

Leslie Gould, Dyett & Bhatia, presented the Existing Conditions, Opportunities and Constraints Report to City Council. She reported that the findings in the report presented to Council were gathered by the Dyett & Bhatia consultant team through site visits, discussions with Avondale City staff members, interviews, and independent research. Ms. Gould indicated that the area occupies 272 acres just south of Interstate 10, extending one-quarter mile on either side of Avondale Boulevard to the east and west, and one mile from Interstate 10 to Coldwater Springs Boulevard to the south. She covered the existing streets and PADs and future land uses under the General Plan. Ms. Gould informed Council that interviews were conducted with property owners to learn about their long term plans for their properties and their perceptions related to market demand. She indicated that there are at least 17 different property owners in the City Center area, some property owners are planning to develop their own properties, others are likely to sell, while still others are awaiting the results of the specific plan prior to selling their properties. The conclusion for the City Center area was that the area will continue to have multiple property owners and the properties will be developed at different times. Ms. Gould then discussed specific properties east and west of Avondale Boulevard and detailed which property owners had known plans to sell their properties and which property owners' plans were unknown to the City at this time. Ms. Gould then covered the circulation streets of the City Center area, which are Avondale Boulevard, Interstate 10, Roosevelt Street, Garfield Street, Corporate Drive, Van Buren Street, and Coldwater Springs Boulevard.

Council Member Lynch pointed out that the report's section on Market Analysis lists Neighborhood Centers that have not existed for several years and leaves out future developments that will have a big impact for the City Center such as the Algodón development on the John F Long property. Ms. Gould replied that that was the input they were seeking tonight because while they gathered information from a wide variety of sources, everyone has information the consultants might not have.

Council Member Weise stated that the potential commercial Empire Realty development at the northwest corner of Avondale Boulevard and Van Buren would affect what the City wants to do in that corridor and he asked what Ms. Gould's impression was when she talked with Empire Realty. Ms. Gould stated Empire Realty wants to do a shopping center to include a grocery store and two 20,000 sq ft box stores and one to three office buildings. Council Member Weise asked if Ms. Gould thought that type of development fit with what the City was looking to develop at the City Center. Ms. Gould replied that the Council would have the opportunity to see plans showing the development Empire Realty wanted to do and plans depicting intense mixed-use and pedestrian use that the City wanted to do.

Ms. Gould then invited Judy Scalise, ESI Corporation, to cover the conclusions from the Market Analysis.

Judy Scalise, ESI Corporation, stated that the Market Analysis would identify what the Market Trade Area is, provide a socioeconomic analysis of the demographics within the Market Trade Area, assess the current supply of real estate, and gauge the potential

market demand based on existing conditions and future population projections. Ms. Scalise explained they had defined the Market Trade Area to be the demographics within 10 and 26 minute drive times. Within the Market Trade Area, the socioeconomic study revealed that there are nearly 100,000 people within a 10 minute drive time of I-10 and Avondale Boulevard, which is estimated to grow to 168,000 by 2010, and by 2010 there will be a market of 1.2 million people within a 26 minute drive time. Ms. Scalise stated that Avondale resides within a market called the Western Suburbs and added that Avondale is currently over-served in community retail and underserved in regional and neighborhood retail, and office space in all building heights.

Council Member Lynch stated over the years Council has been told that Avondale would never have a regional mall because of the 10 mile radius rule and a regional mall has been planned for Goodyear and asked if that rule still applied. Ms. Scalise responded that the rule was probably still true. She added that Desert Sky Mall is also in close proximity to Avondale, but its impact is not expected to be as great, however, there are other developments planned along Route 101 that could have a greater impact.

Ms. Scalise explained that based on existing, planned and under-construction retail space, it is estimated that by 2020 Avondale could support another 400,000 square feet of neighborhood retail, and by 2020 Avondale will continue to be underserved in mid-rise office space. Ms. Scalise stated that combined with high-rise space, Avondale is estimated to be able to support 500,000 square feet in high-rise space. She concluded that this is typically not a market for high rise office space. In response to a question from Council Member Buster, Ms. Scalise responded that she did not believe high rise buildings of 13 floors or more will ever develop out of the downtown Phoenix area into other markets. She stated Avondale was probably looking at 5 to 12 story buildings.

Council Member Buster asked if the deficit in high rise office space shown as a deficit in the report was therefore not a realistic deficit. Ms. Scalise responded it was shown as a deficit of square feet that could support high rise office space.

Council Member Buster asked how transportation, or the lack thereof, would affect the development of high rise office space in terms of how far people were willing to commute for jobs. Ms. Scalise responded effect of transportation had not been analyzed. The analysis looked at the 26 minute drive time and the demographics in that area because people today are commuting an average of 26 minutes.

Ms. Leslie Gould, Dyett & Bhatia, added one of the most exciting opportunities they had gleaned from the Market Analysis was that, over time, the West Valley would need to develop office space and not only could Avondale support its own 500,000 square feet, but the west valley would need 5 million square feet of office space; therefore, the economic development opportunity was there for Avondale to capture 1 to 2 million square feet of that needed office space rather than have it spread out between Goodyear, Surprise and Buckeye.

Council Member Weise stated it is in Avondale's favor to be centrally located to many areas and Avondale is perfect for office space development, because as the population increases, people from Buckeye and Goodyear will be less inclined to drive into downtown Phoenix for jobs they can have 10 minutes away from home.

Ms. Scalise responded those people would really be reluctant to drive all the way to Tempe and Scottsdale as growth continues in those areas. She added she found it extraordinary that all of the major employment centers were in the eastern part of the valley, and that Avondale was very well-situated to be an employment center.

There was a discussion regarding high rise buildings and whether the expected population growth particularly in the west valley could demand and sustain high-rise buildings. Council Member Weise indicated he believed that there could be demand for mid-rise buildings of 5 to 12 floors that could represent great employment centers. Ms. Scalise responded there were very major cost increases in terms of building height that rose upwards from 4 to 8 to the 12 story heights. Ms. Gould added that from a land economics perspective, high-rise buildings are not built unless there is a need because with high-rise buildings comes the need for structured parking.

Council Member Lynch stated while that was true, the City needs to stop saying "we can't," as that had been the problem with the West Valley for years. She stated if one looks at the overall picture of the 101, I-10, 801 and the 303 highways, Avondale is in the midst of them and the City's attitude should be "why can't we," and explore the opportunities that will come with the network of highways.

Ms. Scalise then talked about the opportunity for townhouse/condominium development. She indicated that based on projected population growth, there will be a need for 20,494 new housing units and 400,000 sq ft of retail space by 2020 and added that future potential for retail will be dependent on the addition of office and residential developments to the City Center and the surrounding area. She indicated that there will be an opportunity for pedestrian-oriented retail serving both the City Center and the community as a whole. Ms. Scalise indicated that Avondale and the western suburb are currently underserved in office space; there are no mid or high rise office buildings west of I-17 and added that by 2020 Avondale could support 500,000 square feet of office space. She indicated that Avondale is strategically positioned to capture a larger share of the overall supportable office space in the western suburb, which could range from one to three million square feet, adding that there is an opportunity to position Avondale as a unique office area with the development of 5 to 12 story buildings. Regarding residential, Ms. Scalise indicated that high density residential development will help support the demand for additional retail; townhouse/condo development will support the pedestrian-oriented retail desired by the Council; and by 2020, 7.3 percent of the total housing demand could be met with townhouses/condos.

Ms. Gould stated that by doing the market analysis, she had learned three things: 1) there is great competition between cities and Avondale has a tremendous opportunity to do this high intensity office core for the whole western valley and do a pedestrian-oriented

neighborhood, 2) Avondale does not have any townhouses or condos in the city and she perceives this to be a niche market and Avondale could take advantage of this, 3) pedestrian-oriented retail would provide for a wider market than just Avondale. She stated that Avondale could distinguish itself and take advantage of the opportunities in the market.

Vice Mayor Wolf stated there is an opportunity to capitalize on the development of lots valued around a million dollars for certain individuals who are going to want to locate in a nice area that is closer to them than downtown Phoenix. He stated that with the right plan there could be other opportunities within the 26 minute commute.

Ms. Gould stated that Avondale Boulevard is a heavy traveled street and indicated that there are areas designated as hotel/restaurant/office; hotel/retail/office; hotel/office/high-intensity office core/mixed-use district with retail and high density residential; mixed-use district with retail and high density residential/ retail commercial; and mixed-use district with retail and high density residential. She indicated that Council will need to decide whether they will allow housing along Avondale Blvd. She stated that each area is not big enough on its own to support a good pedestrian retail area, so there needs to be connections to other areas to make the City Center a district and not project to project. Ms. Gould proceeded to point out on the charts the areas they have identified for pedestrian connections.

Council Member Lynch indicated that most of the Council had met with individuals who have expressed interest in the property on the west side of 107th Avenue north of Dealer Drive and they have expressed the need to get people to the shopping areas. She indicated this is an important point and that perhaps there could be a tram. She added that the Council has consistently been told that rooftops are needed before retail development comes in and that it is imperative that council defines what those rooftops will look like – town homes, condos, single family homes, etc. She stated the City also has to be careful because whenever the City brings up the issue, developers think the City wants apartment complexes.

Frank Fuller, Field Paoli Architects, presented architectural sketches picturing two different schemes that included pedestrian connections and open spaces, entry and drop off points for people, and signalization. Mr. Fuller indicated that the Council should address the issue of underground parking for the future and shaded, structured parking for the present. Mr. Fuller stated the idea of having a place where people can live, work and shop will make the City Center a special place and would be different from a place where all the pieces are separate with surface parking around them. He stated this City Center would put the City of Avondale in a position to compete with the other cities and would make Avondale the place the City Council wants it to be.

Leslie Gould indicated that they want to communicate their vision for the City Center as a place with streets that connect one property to another even though they may be developed at different times. Ms. Gould added that the plan also mandates where certain centers must be located, and it mandates where the major public spaces must be located.

Council Member Weise stated that he thought the East-West scheme was more interesting with the long, winding corridor. He stated he was not a big fan of the parking structures. Ms. Gould stated that in order to create a pedestrian, mixed-use walking place, you cannot do all surface parking. She stated all of these more intense areas have to have surface parking to support retail and restaurants on the ground floor and to have the walking environment.

Council Member Weise concurred with Ms. Gould and stated that during the tour he noticed that Mill Avenue is interesting because there is something going on at every point.

Vice Mayor Wolf stated he liked a combination of the two schemes.

Council Member Lynch commented that her impression of the East-West scheme was that once again Avondale is being divided, and developers would attempt to develop the north differently from the south and that the City had gotten away from that and they did not want that in the City Center. She stated she agreed with Vice Mayor Wolf and liked the intensity on the left and the right of Avondale Boulevard and she was not interested in what the developers want to put somewhere, but in what Council was trying to create. Council Member Lynch indicated that her experience from other cities is that parking garages can be placed between two hotels or similar structures so the view is not blocked. She stated the problems in Tempe with lack of space causes the need to share parking space and often discourages people going downtown. Council Member Lynch stated she liked the meandering road because it builds continuity within the City.

In response to a question from Ms Gould, Council Member Lynch stated that she felt the East-West Scheme was splitting Avondale in half.

Mr. Fuller stated that the schemes depict a future scenario and it is possible to build phases in, so it would not be exactly as the schemes depict. He added the East-West Scheme with the street down the middle is meant to tie together rather than separate. Ms. Gould added the streets would be one lane in each direction, parking on both sides, with wide sidewalks with shade.

Mayor Lopez-Rogers asked if the North-South scheme did not work for the west and if that was why it was not included. Mr. Fuller stated they could present that scheme but that if they are to have a pedestrian oriented plan, there needs to be at least 150,000 sq ft so that it is neither too long nor too short. He added they wanted to present something that was balanced but was concentrated enough to ensure success.

Council Member Buster indicated he liked the north-south scheme just the way it is.

Mayor Lopez Rogers indicated she liked a combination of the schemes.

Vice Mayor Wolf stated that if the west side of the East-West Scheme is set as the target, it would not preclude the west side of the North-South Scheme from being done, it would

just have to be developed in phases. He indicated he liked the higher intensity so the potential could be maximized.

Ms. Gould stated that property owners and brokers will get a chance to see this same presentation and give feedback. Ms. Gould showed images of the landscape schemes designed for Avondale Boulevard. She stated there are 130 feet of right-of-way, which translates into 16 feet on both sides for sidewalks and landscaping and another 30 feet of landscape setback, for a total of 45 feet for landscape. She showed slides of three schemes to Council, the Arroyo, the Formal, and the Land Art schemes.

Mr. Fuller and Ms. Gould describe the Arroyo landscape as lush and with trees that provide a lot of shade including Cottonwood, Ash, and Mesquite which would grow 40 to 50 feet in height. The formal landscape has two rows of trees and the Land Art landscape uses mounding and berms. Ms. Gould stated they recommend Avondale Boulevard have a signature image and that the buildings on Avondale Boulevard be taller than one and two story buildings, but rather four and five or more stories because of the width of the street. Mr. Fuller added each one of the schemes was using the existing right-of-way in terms of curb-to-curb as a starting point.

Vice Mayor Wolf stated he likes the Land Art concept. He asked what the cost was between the Land Art concept and the Arroyo concept. Ms. Gould replied she did not have that information available and would have to get back to him.

Vice Mayor Wolf asked if covered walkways were going to be incorporated in the plans for City Center. Mr. Fuller responded that they would. He noted the Land Art concept and the Arroyo concept plans required the most space and the Formal concept would take less space, but would push the buildings closer to the street. Mr. Fuller informed Council they could choose a combination of landscapes.

Council Member Earp stated he liked the Land Art concept and found the Arroyo and Formal concepts unattractive and indicated that the cost of the landscape should be born by the developers.

Vice Mayor Wolf stated there is a lot of value to the Land Art concept and it is designed around providing flexibility in the landscaping design. He indicated that his concern was not so much the cost as making sure a certain set of minimum criteria was set that was enforceable.

Ms. Gould added that Kimley-Horn is the consultant for transportation and infrastructure. She informed Council that there was a large, concrete SRP pipe that runs on the west side of Avondale Boulevard and crosses over to the other side that will preclude certain types of trees from being used so an absolutely symmetrical landscape plan could not be done on both sides of Avondale Boulevard.

Vice Mayor Wolf stated the type and cost of power lines should be considered before undergrounding the power lines on Avondale Boulevard.

Ms. Gould indicated the presentation was complete and asked for further comments.

Council Member Lynch stated a big item for her was public art but that funding is an issue that needs to be discussed. She stated the Arts Commission has visited California and is certain that the use of public art within the City Hall complex would make a strong statement. Council Member Lynch stated possibilities for funding were 501c3s and set a percent of the annual Capital Improvement Project (CIP).

Ms. Gould asked for feedback regarding public art from the whole Council. She stated that typically cities who want public art in a particular area allocate one percent of the CIP for that area, and that currently Avondale dedicates one percent of just the General Fund portion of the CIP. Ms. Gould stated another option is to ask the private sector to pay an impact fee for public art, and still another option is to hire professional artists to work with the design engineers on the CIP projects to incorporate artistic elements in the designs; renting art is another idea.

Council Member Lynch informed Ms. Gould that the City already requires new communities to include some kind of public art. She stated it did not have to be expensive for the development community to do their part and in some cases there is beautiful public art available for well under \$100,000.00.

Ms. Gould reiterated they were interested in feedback from the rest of the Council in terms of increasing the percentage of the CIP designated for public art or an impact fee on private development, or a combination thereof.

Council Member Lynch stated Council had tough decisions to make. She asked the City Manager to bring back the issue of funding for public art for Council discussion at a future meeting.

Vice Mayor Wolf stated he was not convinced that one percent of the CIP for public art would generate that much revenue. Vice Mayor Wolf stated it would be good to have another workshop on the issue of funding public art.

Ms. Gould stated the City has tremendous opportunities with the City Center. She indicated that the Council is creating a very visionary idea for the West Valley by incorporating elements that are not customary right now such as setting minimum building heights, minimum densities, requiring the majority of parking to be structured parking, and requiring active ground floor uses. Street layout and width and traffic signal placement are also not typical. She added, however, that these standards are typical for a pedestrian-oriented, mixed use that is not customary for the west valley but attempts to attract new developers to Avondale.

Vice Mayor Wolf stated he believes Claudia Whitehead, Economic Development Director, can sell whatever they put in front of her. He indicated that there is a tendency for developers to think that a strip mall is sufficient. He stated he does not believe Avondale is in a position to wait and that developers have to understand the City's vision.

Council Member Lynch stated she agrees with Vice Mayor Wolf, in that all Avondale has left is the land and she is not worried about what the landowners or the developers want to do. Council Member Lynch stated it does not matter if the City has not done it before; it does not mean they cannot do it now.

Vice Mayor Wolf stated his direction to Dyett & Bhatia would be to continue forward on the same path and for them to tell Council what they need so the plan can be put in place. He suggested they not hold up the reins because they run into feedback from one or two developers.

Mayor Lopez-Rogers stated Dean Svoboda would have to return to Council and make Ordinance, Zoning and General Plan changes. Mayor Lopez-Rogers stated she believed Council was happy with what they had seen tonight.

Ms. Gould indicated they would return in May after an impact analysis with recommendations for a preferred plan.

Dean Svoboda, Long Range Planning director, stated the purpose of this meeting was to determine if there were any concepts that Council was adamantly opposed to or not interested in, and it appeared based on the directions given that the consultants were on the right path. He stated the consultants will consolidate some of the concepts and do the impact studies in April; public feedback will also be obtained. Mr. Svoboda stated that next time they present to Council, the consultants will have their best guesstimate and additional feedback from the development community, property owners and the public as a whole.

Ms. Gould stated the consultants appreciated Council giving them the time to give their presentation.

3) ADJOURNMENT

There being no further business to come before the Council, Vice Mayor Wolf moved to adjourn. Council Member Earp seconded the motion. The motion carried unanimously.

Meeting adjourned at 8:09 p.m.

City Council Minutes - Work Session of June 4, 2007

Minutes of the Work Session held June 4, 2007 at 6:00 p.m. in the Council Chambers.

MEMBERS PRESENT

Mayor Lopez-Rogers and Council Members

Jim Buster

Frank Scott

Ken Weise

Jason Earp

Betty Lynch

MEMBERS EXCUSED

Vice Mayor Chuck Wolf

ALSO PRESENT

Charlie McClendon, City Manager

Andrew McGuire, City Attorney

Dean Svoboda, Long Range Planning Director

Leslie Gould, Dyett & Bhatia

Linda Farris, City Clerk

1) ROLL CALL BY THE CITY CLERK

2) WORK SESSION – CITY CENTER AREA PLAN

Dean Svoboda, Long Range Planning Director, informed Council that Leslie Gould from Dyett & Bhatia will summarize the results of a community open house, a developer roundtable, and a Planning Commission workshop that have been held since the March 26, 2007 Council Work Session. He stated that as a result of some of the feedback, the consultants and he felt it was important to further explore some additional alternatives. Mr. Svoboda stated in the packets given to Council Members tonight were the Center Street concept and five additional concepts that Ms. Gould would be discussing.

Leslie Gould, Dyett & Bhatia, summarized the results of the impact analysis study that the consultants had completed, stating in terms of traffic, they had concluded the transportation system that had been designed would accommodate the amount of traffic that would be generated. She stated they had estimated the number of total students generated by the townhouses and condominiums proposed and concluded that while the existing schools are nearing capacity, a nearby elementary school is planned, as well as a new high school, and the school district is keeping up with growth at this time. Next Ms. Gould covered the community open house, developer roundtable, and Planning Commission workshop. She informed Council there were 60 people present at a community open house who voiced strong support in general, and concerns about building height over five stories, and brokers and property owners present who expressed concerns about the market viability of the project. She stated the Planning Commission was very excited about the project. Ms. Gould stated the developer's roundtable revealed excitement about the project and the view that the City Council had, yet there were concerns regarding market viability. She stated the biggest issue raised was with the

Center Street scheme, which was viewed as not providing enough visibility for the retail on Avondale Blvd. and it was suggested the City would have to take a very big role facilitating the development due to the multiple property owners. Ms. Gould mentioned Empire Realty coming in with preliminary site plans and talking about the development of their property on the west side, as well as the property owner further west with 80 acres has filed an application for a General Plan amendment for mixed use. She continued, discussing the Corporate Drive alignment, suggesting alternatives might work better, and that the 21 acre feet of storm water detention requirement will require a lot of underground work, as well as major landscape features above ground. She stated that everyone had stated if Avondale had any hope of being an office center, the City would have to help attract an office tenant at the beginning of the project by incentives. Ms. Gould then directed Council to slides of schemes: 1) The Center Street Scheme with employment uses along the freeway and down Avondale Blvd. 2) A scheme by DMV depicting the creation of a couplet to force all of the traffic on Avondale Blvd. to go past the retail, but would require rebuilding Avondale Blvd. 3) A scheme using Empire Realty's plan as the first development and then build on that over time with residential mixed use. 4) Working with Empire Realty to make a connected network of streets and make the streets public with a big landscape project along Avondale Blvd. lined with retail and office. 5) Corporate Drive without an S curve, which would put the retail in the right place, the City would not have to acquire that property, and all of the property would have a simple mixed-use designation. 6) A variation of Scheme No. 5 with the retail on Center Street. Ms. Gould stated an interesting comment from the developers was a need for a public place where the community comes together and suggested the park space the City owns be moved near the City Center or toward the corner of Avondale Blvd. and Van Buren. She suggested the City would not want one story buildings with surface parking, as that would be an under utilization of a massive public investment. She concluded with the key issues: 1) The status of the Empire Realty site. 2) The Corporate Drive configuration. 3) The storm water retention. 4) The building heights. 5) City incentives. Ms. Gould stated they would like feedback from Council before developing a preferred plan and would return to Council with a preferred plan in July 2007.

Council Member Lynch stated she would like to see a minimum of 4 story retail with offices above and 2-3 story lofts. She expressed concern with public open space near the highway as it would attract non resident use. She stated she believed forcing the traffic in scheme 5 on Avondale Blvd. to go past the retail would anger people, and she preferred Scheme No. 6. Council Member Lynch stated there still may not be enough retail and she is concerned about using the land for ground parking and would rather see incentives for parking garages. She commented she did not see the developer who wants to know what council is thinking present and was concerned about that. Council Member Lynch inquired if Dean Svoboda was familiar with the Esplanade in north Scottsdale. Mr. Svoboda inquired if Council Member Lynch was referring to the Frank Lloyd Wright area, and Council Member Lynch responded that was correct as there is a great mixed use area there, and she questioned were those office buildings 6 or 7 stories high. Mr. Svoboda responded they were 6 stories and he could familiarize Ms. Gould with that

area. Council Member Lynch stated her biggest concern was locking the City into immediate retail that would not service the needs of the future.

Mayor Lopez-Rogers asked the Council to focus on the key issues, the Corporate Drive configuration, the storm water retention, city incentives, etc.

Council Member Weise stated he likes Scheme No. 6 with the green belt, but likes Scheme No. 5 better as it allows housing on one side and commercial on the other. Council Member Weise suggested the incentives be parking garages and low interest loans for small businesses.

Council Member Buster inquired what kind of visibility would retailers have with the landscape features on Avondale Blvd. Ms. Gould responded they were just introducing the idea of big landscape features to deal with the retention, and on Scheme No. 6 the landscape could be concentrated on Avondale 50 feet deep and the retail visibility would be at the corners. Council Member Buster asked where the storm water would empty and Ms. Gould responded it would drain west. Council Member Buster asked on Scheme 5 would there be a neighborhood type of development along the green belt, and Ms. Gould responded yes, a green belt would attract more residential uses. Council Member Buster inquired if Scheme No. 3 had a green belt feature, and Ms. Gould responded that was correct. Council Member Buster inquired why Corporate Drive had the S feature to begin with. Ms. Gould stated there had been a basic logic in following the alignment of the freeway and making one continuous street.

Mr. Svoboda interjected the Corporate Drive concept was approved with the 2002 General Plan and was intended to accommodate through traffic through the major employment area.

Council Member Buster stated creativity must be married with practicality and what the Council does must enhance a successful retail atmosphere. He stated Scheme No. 3 or No. 5 would be his choice.

Mayor Lopez-Rogers asked Council Member Buster what were his thoughts on the intensity, building heights and incentives. Council Member Buster replied he would agree to 3 stories, but would go with 4 or 5, and in terms of incentives, he thinks parking should be considered as an incentive, and perhaps a park.

Council Member Scott stated he liked Scheme No. 6 the best, and his second favorite is No. 5. He stated in terms of building height, he would target 3 or more, and use of parking as an incentive. He stated if the green belt was done right, it could double as a park area.

Council Member Earp stated the scheme should be successful for 20 or more years and he likes Scheme No. 5 with the No. 6 landscaping. He stated he would have no problem with incentives to get the first developments in, and would prefer 3 plus stories.

Mayor Lopez-Rogers stated Scheme No. 6 tended to be more visionary, and she also likes No. 5 because the retail has more visibility. She commented that 21 acres of retention is a lot and should be a key focus. Mayor Lopez-Rogers stated a parking garage would be a good incentive and bike trails and transit stops, and she agrees with 3 stories and up.

Council Member Lynch stated the nearby residents to the west should be educated on how they could be protected by multiple heights, building views and traffic noise, such as they had been with the project at Encanto and Avondale Blvd.

Mayor Lopez-Rogers asked Leslie Gould to touch base with Vice Mayor Wolf, and inquired if she needed further direction. Ms. Gould responded she had a good sense of direction and wanted more time to work with the landscape architect and City Staff and debate implementation strategies, and then would bring Council a comprehensive package in July or August.

3) ADJOURNMENT

There being no further business to come before the Council, Council Member Lynch moved to adjourn. Council Member Weise seconded the motion. The motion carried unanimously.

Meeting adjourned at 6:54 p.m.

Mayor Lopez-Rogers

Linda M. Farris, CMC
City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session of the Council of the City of Avondale held on the 4th day of June, 2007. I further certify that the meeting was duly called and held and that the quorum was present.

City Clerk

Minutes of the Work Session held September 4, 2007 at 6:00 p.m. in the Council Chambers.

MEMBERS PRESENT

Mayor Lopez-Rogers and Council Members

Chuck Wolf, Vice Mayor
Jim Buster
Frank Scott
Ken Weise
Betty Lynch

MEMBERS ABSENT

Council Member Earp

ALSO PRESENT

Charlie McClendon, City Manager
Andrew McGuire, City Attorney
Dean Svoboda, Long Range Planning Director
Leslie Gould, Dyett & Bhatia
Linda Farris, City Clerk

2) CITY CENTER SPECIFIC AREA PLAN

Dean Svoboda, Long Range Planning Director, stated that on June 4, 2007 the City Council had reviewed six alternative concepts and had provided direction to Staff, after which the consultants and Staff began work on a single concept draft plan. He stated that then they became aware that a development application had been filed on property west of the study area to include the proposed realignment of Corporate Drive. Mr. Svoboda stated that then the consultants went back and developed a second alternative and had nearly completed the impact analysis. He stated that tonight Council would see the preliminary draft of the City Center Specific Plan. He discussed the activity taking place in the area and showed the Council slides of the area. Mr. Svoboda then informed the Council that to date Staff had accomplished the research and background analysis, initial visioning, initial public involvement, concept alternatives, the future impact analysis, and had developed the preliminary draft of the Specific Area Plan that is before the Council tonight. Pending the results of tonight's meeting, he stated the next step would be preparation of a final draft of the Specific Area Plan, followed by public review and comment, and then a public hearing and adoption. Mr. Svoboda pointed out to Council they have in their packets a letter from Mr. Paul Gilbert who represents the Empire Group, and that they are adamantly opposed to some of the concepts being proposed to the Council this evening, primarily the minimum building height, the minimum floor area ratio, and the concept concerning a grid pattern of streets which would bisect their property. He added that the preliminary draft was not in the form that is before Council tonight at the time Mr. Gilbert wrote his letter, but he does not believe their position on those key concepts has changed. He then introduced Leslie Gould.

Leslie Gould, Dyett & Bhatia, began by showing the Council slides of the project site and of Alternatives One and Two. She described both Alternatives have Employment north

of the Roosevelt Street alignment near the I-10, and Employment Mixed-Use south of the Roosevelt Street alignment along both sides of Avondale Blvd., which encourages employment uses and allows urban residential in conjunction with retail and office. She described Residential Mixed-Use adjacent to the east of the study area, with such designation intended for urban residential uses, but allowing for retail and office uses on the ground floor.

Ms. Gould described the major difference is that Alternative One shows Corporate Drive intersecting Avondale Blvd., the same as is shown on the City's General Plan, while Alternative Two moves this intersection north about 350 feet to the center of the property owned by Byrd Enterprises, with both Alternatives eliminating the "S" curve east of Avondale Blvd. and adding two new traffic signals on Avondale Blvd. She stated both Alternatives have 117th as a collector street. Other differences Ms. Gould described include that the Alternative One block pattern has a north-south orientation, while Alternative Two shows the blocks west of Avondale Blvd. running east-west, and also the block length in Alternative One is 440 feet on both sides of Avondale Blvd., while Alternative Two shows a block length of 660 feet west of Avondale Blvd. She added that both Alternatives have a linear park and have east-west open space areas that serve as pedestrian pathways, storm drainage, flood protection and water retention.

Ms. Gould stated that moving a major through-street and traffic signals would affect different property owners and that is something the Council would want to consider; though, the consultants were not making a recommendation between the two Alternatives. She then showed the Council slides showing how the property lines would be affected on the Byrd, Kohan, Empire Realty, Devera, Mortenson, and O'Brien properties between the two Alternatives.

Ms. Gould then showed the Council diagrams of land use between the two Alternatives, which were almost identical. Regarding the concerns regarding density and building height, she stated that the consultants have proposed a minimum density of 0.75, at least 2-3 story buildings, with a minimum height of 2 stories and a minimum density of 15 units per acre and a maximum of 45 units per acre. Ms. Gould then showed an open space diagram depicting rows of trees on both sides of the street, a Land-Art scheme, and east-west drainage ways. She then showed Council illustrative slides of the layout and pictures of trees and sketches of landscaping, as well as slides of the linear park and natural area retention plan. Ms. Gould next addressed the street sections, pointing out these street sections would not be standard street sections.

Ms. Gould stated the consultants had given a lot of thought to building setbacks and to creating the type of character that the Council wanted to achieve with the setbacks and block sizes, and into locating the parking behind the buildings and into the open spaces required. She then showed the Council slides envisioning what she believes the Council is trying to achieve, and then invited questions.

Council Member Weise stated he was very impressed with what he saw and stated his favorite part, besides the retail and the restaurants, is the linear parks with the residential abutting them, which he believes creates a sense of community as everyone uses them. He voiced he was inclined to go with Alternative One as he likes the smaller block lengths.

Council Member Buster stated he also preferred Alternative One as it appeared to be more of a district and less of a strip, and it was more pedestrian friendly.

Council Member Lynch asked if Alternative One would achieve the Council's goal for Corporate Drive regarding the site to the west. Ms. Gould replied Alternative One is not the scheme that Mr. Kohan or the Byrd Properties had presented. She said that was her impression. She said she likes alternative two. Council Member Lynch stated she likes what the consultants have done with the landscaping. She stated there is little untitled land left in Avondale, so it is critical to make the best use of the untitled land. Council Member Lynch stated that if a developer has plans that meet the Council's vision, and Council has to move a road in order to meet the developer's plans, she believes that Council should move the road.

Vice Mayor Wolf stated he did not see that big of a difference in the block lengths between the two Alternatives, and that there were a lot of elements in Alternative One that could be incorporated into Alternative Two. He stated he preferred to keep Corporate Drive as close to a thoroughfare as possible. Vice Mayor Wolf voiced he leaned toward Alternative Two.

Council Member Scott stated he liked Alternative Two and agreed that the better aspects of Alternative One could be incorporated into Alternative Two. He stated for development and as to making it easier to partner with the property owners, Alternative Two would be a better plan, and it would make Corporate Drive less of a jog. He added that he was impressed with the presentation.

Mayor Lopez-Rogers opined that Alternative Two would give the City the possibility of a future characteristic for Avondale Blvd. and she would go with that Alternative. She asked Ms. Gould what instruction she wanted from the Council on traffic signals. Ms. Gould responded they were not looking for a decision, but rather the key issue is the location of Corporate Drive. She stated that in order to move traffic you want fewer signals, but in order to provide access to properties you want more signals, so at this point their traffic engineers and City Staff have said in both Alternatives that Council should assume the signal is not there and can then come back and consider adding it later.

Vice Mayor Wolf stated he was not that bothered by the traffic movement, as the signals could be synchronized and could be timed when PIR is bringing traffic in, and he would like to slow traffic down and make the traffic exit on side streets to stop and see things.

Council Member Lynch stated she totally agrees with Vice Mayor Wolf, as the traffic right now on Dysart Road stops at the stores and she would like to see that happen here. She stated regarding building heights and other suggestions Council has made, she believes the consultants have heard the Council very well.

Mayor Lopez-Rogers stated she had a card from Mr. Paul Gilbert, who wished to speak on this item.

Mr. Paul Gilbert, 4800 N. Scottsdale Road, representing Empire Realty, owners of the property at the northwest corner of Van Buren and Avondale Blvd., stated he was concerned that at this Work Session decisions were being made on which Alternative the Council liked. He stated he hoped there would still be ample opportunity for the developers and the public to comment on the plan. Mr. Gilbert stated his group had not had a chance to see this plan and had been told by the Staff that there would be an opportunity to review the plan with the Staff before it came before the Work Session, but that had not happened, but rather they had been referred to the web site, which they could not link to until today. He commented that this appeared to be a Specific Plan and a Specific Plan offers very little opportunity for change if it is adopted as a Specific Plan. Mr. Gilbert stated he did not know if that was Council's intent, but if it is, his group is even more concerned about the lack of flexibility. He stated his group would like the Council to know they are very much aware of the fact the Council has raised the bar for the area, and on their piece of property in particular, and they welcome that and want to work with Avondale to come in with a plan that works with the City, but one that is also a plan they can develop, as they own the property. He added that the property is entitled already. Mr. Gilbert pointed out to the Council that the plan they are working with incorporates multistory buildings, non-traditional main street design, pedestrian-friendly driveways, and a mix of retail and office uses, and there were many things in the City's plan that they embrace and endorse and look forward to incorporating in their development. Mr. Gilbert outlined their three main concerns as: 1) The mandatory FAR of 0.75 is a very, very healthy FAR and has been achieved in very few places throughout the Valley. 2) They are concerned about the mandatory height. 3) They are concerned about the access. He reiterated their position for the record, that they are here to work with the Council and as the property owners they hope they can come to a mutually acceptable concept for development of this very strategic piece of property.

Mayor Lopez-Rogers stated this is the third Work Session the Council has had on this issue and there will be opportunities for review, public input and public hearing, and she thanked Mr. Gilbert for his input.

Vice Mayor Wolf asked for clarification that this is not a Specific Plan, but rather this is a master plan concept. Mr. Svoboda responded that the decision on what form this plan will take has not been made yet and had the potential to be a regulatory Specific Plan, but at this point in time it was not mandatory that it be so. Vice Mayor Wolf stated he was under the impression that when the property Mr. Gilbert referred to came forward about two years ago with a different developer, that there were no entitlements on it and asked if the entitlements had just recently appeared. Mr. Svoboda responded that the property still has PAD zoning; however, the development plan has expired and it is the City's position that the property is only partially entitled and it cannot be developed until such time as a new development plan that is an intricate part of the PAD zoning is applied for and approved of by the City Council.

Mayor Lopez-Rogers asked Mr. Svoboda if Staff had enough direction to move forward. Mr. Svoboda stated, yes, and they appreciated the discussion. He explained that from this point forward they would continue to work on some of the analysis and smooth out some of the points, and the consultants would go forward with preparing a final draft. Mr. Svoboda stated it was Staff's intent at this time to leave both of the Alternatives in the draft plan for public review, and ultimately a final recommendation will be made for the Council.

3) **ADJOURNMENT**

There being no further business to come before the Council, Vice Mayor Wolf moved to adjourn. Council Member Weise seconded the motion. The motion carried unanimously.

Meeting adjourned at 6:56 p.m.

Mayor Lopez-Rogers

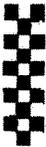
Linda M. Farris, CMC
City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session of the Council of the City of Avondale held on the 4th day of September, 2007. I further certify that the meeting was duly called and held and that the quorum was present.

RECORD OF CITIZEN COMMENTS
(Revised 3-12-08)

1. Letter from Paul Gilbert dated August 20, 2007
2. Letter from Wally Trace dated October 2, 2007
3. Public Meeting Summary - February 20, 2008
4. E-mail from Angela Cotera dated February 22, 2008
5. Letter from Iain Vasey dated February 26, 2008
6. Letter from City Center Property Owners Coalition dated March 3, 2008



City Center Property Owners Coalition

March 3, 2008,

Mr. Dean Svoboda
City of Avondale
11465 West Civic Center Drive
Avondale, AZ 85323

Via Facsimile

Re: City Center Specific Plan

Dear Dean:

As you no doubt observed at the Work Shop meeting this past Wednesday, February 20, 2008, there was considerable concern by the affected property owners regarding the draft of the City Center Plan as presently constituted. Indeed, the majority of the property owners who would be affected by the plan were in attendance at this Work Shop meeting and voiced their concerns.

In response to the numerous concerns which were raised, Leslie Gould was kind enough to invite the property owners to meet with her to further articulate their concerns and propose some alternatives to the City Center Plan as presently drafted.

Subsequent to the Work Shop meeting, the property owners have met to discuss this matter in general and Leslie's offer to us in particular. A coalition has now been formed by the owners to evaluate the impact of The City Center Plan on our respective parcels and to facilitate conveyance of our respective concerns with the proposed City Center Plan to the City. The members of the coalition who have been tasked with coordinating meetings and transfer of information are signatories to this correspondence. On behalf of the property owners listed

3 Marchy 2008
 Page 2

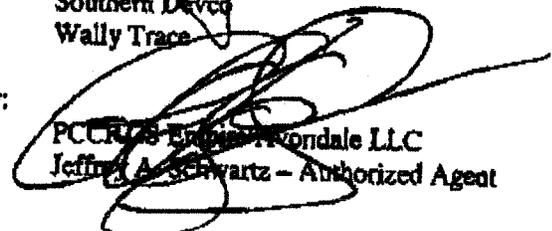
below, which we are calling the City Center Property Owners Coalition, we wish to notify you that we want to take you up on your offer to meet and to receive direct feedback from the property owners regarding their views and concerns dealing with the City Center Plan. We would appreciate you notifying any of these coalition members as to the time, date and place where this meeting can take place. These coalition members in turn will notify the other property owners. We thank you in advance for your willingness to meet with us and to address the strongly felt concerns by virtually all of the affected property owners. We look forward to hearing from you.

City Center Property Owners Coalition

By:


 Southern Devco
 Wally Trace

By:


 PCCP CS Empire Avondale LLC
 Jeffrey A. Schwartz - Authorized Agent

Property Owners:

- Ted Kohan -Seven Investments
- Wally Trace -Southern DEvco
- Dianna Morrow CPA, Byrd Enterprises
- Jeannette Ammon - Levetron Investments
- Jeremy Toles / Maureen Maxon
- Helen Hurley Smith
- Tom Mortensen
- Forrest Allison
- Sean O'Brien - Carlos O'Brien
- Geoff Jacobs - PCCP CS Empire Avondale

Cc: Charlie McClendon
 Leslie Gould



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Commercial, LLC

February 26, 2008

Mr. Dean Svoboda
Long Range Planning Director
City of Avondale
11465 W. Civic Center Drive
Avondale, AZ 85323

RE: Comments on City Center Specific Plan

Dear Mr. Svoboda:

Thank you for your diligent work on the Specific Area Plan. The Plan is a good vision for developing Avondale Boulevard, and a road map to help guide development in the area. As you know I advise developers (primarily office and mixed-use projects) in the West Valley, and speak with them on project feasibility every day. In addition, I have worked in Economic Development, with private developers, and as a commercial broker for more than 15 years. I also have managed the creation of more than a dozen specific area plans for cities, so I understand the purpose of these plans.

I do wish to advise you of several technical concerns regarding the details of the City Center Specific Area Plan which have come to light based on discussions with potential developers who have considered developing in Avondale.

Minimum Floor Area Ratio of 0.5 for Employment Areas

In order to promote economic development in Avondale, corporate employers will need to locate there. This means office buildings need to be developed that are compatible with the West Valley Market. The 0.5 FAR minimum standard is simply too high for today's employers, and will cause them to look elsewhere. Corporations looking at suburban locations (across the entire Valley) are typically seeking minimum 25,000 square foot floor plates, in buildings of 2-4 stories. These buildings need to be surface parked at 5.0 per 1,000 square feet of usable space. Canopied parking is often desired by tenants at no charge to users. Rental rates need to be in the range of \$24.00 to \$30.00 for Full Service Leases for the majority of users. The standards outlined above are unique to the Phoenix-suburban market and not always found in other western markets.

The reason that surface parking is critical is that surface spaces cost approximately \$2,500 per space, as opposed to \$15,000 per space for structured parking, and \$30,000+ for underground parking. The costs of the parking are typically built into the rental structure of an office lease in suburban locations. There are cases in urban areas where individual employees pay for their own parking, but this rarely happens in suburban areas. In order to remain competitive from a leasing perspective, and be able to lease buildings at a rate of \$24.00-\$30.00 per square foot, on a full service basis (the current market for all suburban Phoenix space), surface parking is critical

because it is more affordable. An alternative would be for the city to agree to pay for parking structures for new office buildings, but this could be very costly.

Simply put, from an economic perspective, requiring structured parking (which the 0.5 FAR effectively does), will severely impact Avondale's ability to secure development of Class A office buildings, and thus impact its economic development potential. As a critical mass of office developments occur, then the city could consider raising the FAR for new projects.

Recommendation:

- For Office/Employment developments, change the minimum FAR to 0.35, reduce office parking requirements by allowing cross-parking easements between adjacent sites. Do not require Structured Parking for Office Developments. As a critical mass of development takes place, companies may elect to construct parking structures, this should be a business decision, and not a city requirement (resulting from a minimum FAR).
- Create a regional retention basin network at a remote location, to be developed by the city. This should allow a higher density of developments if the on-site retention requirements are reduced.

Minor Street and Park Development

Leslie Gould outlined that Private Developers and Land Owners will have to dedicate these minor streets and parks in order to get approval for projects. I have estimated that this public dedication would reduce the developable parcels by approximately 30-35% (when including the double-lined tree sidewalks). This is a potentially significant impact, which could be a substantial hardship on developers.

The cost of developing these minor streets and parks will also be substantial, and will have a major negative impact on economic development if developers believe that it puts Avondale at a competitive disadvantage compared to surrounding cities. Developers typically try to cap dedications of public streets, sidewalks, parks, etc. to a maximum of 20 percent of gross site area.

In addition, the proposed 300 by 600 foot (180,000 sq. ft.) blocks are too small to accommodate office and corporate employment development projects. In order to develop a 100,000 square foot office building (25,000 SF plate, 4-story) with adequate parking and on-site retention (even utilizing under-parking lot retention), the block would need to be around 300,000 sq. ft. or larger (600 by 500 or greater).

Recommendations:

- Cap minor street and park dedications to no more than 20% of gross site area on an individual site basis. This 20% has to include any public streets, parks, and also sidewalks (with tree-shaded areas). Allow site storm water retention in landscaped areas adjacent to streets. If a developer can show they are dedicating 20% of a site to public ownership (street/park, etc.), no further dedication will be required. Anything over that percentage that the city desires may be purchased by the city at a fair market price.
- Construction of streets and parks is a public benefit. In order to off-set these public amenities, developers could be offered a \$1 for \$1 credit against impact and development fees. Developers are unable to incur non-standard street, park, trail improvements at the same time as cities raise their impact fees, simply because tenant lease rates do not also increase to off-set these costs. If the city really wants to see the plan implemented, it should eliminate impact

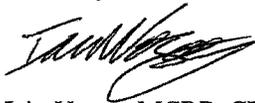
fees within the area provided that developers are building to the approved development standards.

- Increase the blocks to 600 by 500 feet or greater (net developable area) by reducing the number of north-south and east-west minor streets. This should be able to accommodate employment uses, and be more functional for development.
- Create a Special Incentive District, in which incentives for employers will be offered, no impact fees will be charged (as used by City of Phoenix – which does not charge impact fees in areas such as the West Loop 101), and credits towards other building/development fees will be offered. This should stimulate economic development along Avondale Blvd, by offsetting additional and enhanced development standards which may cost more to build.

On the whole, the draft plan is a good vision, and a lot of good work has gone into it. However there are several technical amendments needed to make the development standards feasible given the market constraints which exist. In addition, implementation will require some form of financial and economic incentives to make the plan a reality.

I would be happy to answer any questions or discuss any issues. In addition, if you were to seek further input or create an advisory round table group, I would be happy to help.

Sincerely



Iain Vasey, MCRP, CEcD
Vice President
Grubb & Ellis/BRE Commercial, LLC
(602) 682-8283

E-mail to City Staff dated February 22, 2008

Hello all,

As if the P&Z committee doesn't already have enough reading, may I recommend an article in this month's "Atlantic Monthly" magazine entitled "The Next Slums", (<http://www.theatlantic.com/doc/200803/subprime>)

The article speaks directly to the desirability of the proposed City Center plans presented at last night's P&Z meeting. One of the points that the article makes is that the sort of "new downtown" envisioned in last night's presentation will help keep Avondale a vital place to live in the coming decades. I would note, however, that in addition to available parking, the article stresses the need for combining these areas, and those surrounding them, utilizing public transportation. This will help insure they continue to be accessible and vital as we move out of our cars and back onto buses and trains.

Regards, Angela Cotera

CITY CENTER SPECIFIC PLAN (SP-08-01)
PUBLIC MEETING SUMMARY
FEBRUARY 20, 2008

A city sponsored public meeting was held on February 20, 2008 at 6:30 p.m. in the Council Chambers at City Hall, 11465 W. Civic Center Drive, Avondale, Arizona. The topic of the meeting was the proposed City Center Specific Plan. This City Council initiative includes about 400 acres along both sides of Avondale Boulevard from I-10 to the Avondale Civic Center.

A total of 1249 meeting notices were mailed to property owners within the planning area, property owners within 500 feet of the area, and other interested parties on February 4, 2008. Meeting notice signs were posted at 8 locations within the planning area on February 4, 2008. A 1/8 page public meeting notice was published in the West Valley View on February 5, 2008.

The attendance sheet was signed by 58 people, but a head count showed 62 people in attendance. A show of hands indicated that about one half of the attendees were Avondale residents and about one third were area property owners. The rest were brokers, developers, attorneys, reporters, or other interested parties.

Dean Svoboda, Long Range Planning Director, introduced the topic and went over the history of the project. Leslie Gould from Dyett & Bhatia Urban and Regional Planners then presented the key elements of the Plan and answered questions. The Plan addresses future land use, minimum and maximum development standards, building and site design guidelines, and the framework of streets, parks, and open space needed to create a pedestrian friendly environment. The planning horizon is 20 years, but build out will depend on market conditions.

One resident stated her support for the vision, but was concerned about the potential for crime if parking and pedestrian ways were provided in back of buildings.

A broker stated that the proposed 0.5 FAR would require parking structures. He said the cost of structured parking could not be supported by current lease rates and noted that offices with structured parking have not been built in the West Valley. He also stated that Westgate has an FAR of 0.5 and they have not been able to lease their office space due to its high cost. He asked if the City was willing to consider impact fee credits or other development incentives.

A member of the Littleton Elementary School Board said the district has no school sites north of Van Buren Street and asked where the children will go to school. She noted that Coldwater Springs was originally planned to be a retirement community without a school site and they now have 1,000 students in that square mile alone. She said Avondale tends to have younger households with more children than other communities.

Several property owners / developers expressed concerns about specific components of the plan as well as the overall concept. The concerns were as follows: 1) average minimum height of two stories and proposed intensity of development; 2) amount of land required for public streets and parks; 3) amount of onsite open space; 4) current market viability and the length of time it

will take to build out the area; 5) increased costs associated with this type of development; and 6) large size and last minute expansion of the planning area.

One property owner said that Mill Avenue in Tempe is on its third or fourth generation and cannot be compared to raw land in Avondale.

One property owner said that it is not realistic to compare this area to Kierland Commons. Someone has to pay for the cost of development and it is usually the tenant. Developers will not build what tenants cannot afford. Kierland type tenants will not come to Avondale now and a property owner is not going to wait 25 years to develop.

One citizen stated that he did not understand why the surrounding cities were developing and nothing was happening in Avondale.

Questions from residents included the following: 1) Will the site under development on the southwest corner of Avondale Boulevard and Van Buren Street be built to this standard? 2) Will there be enough population and job growth to support this level of development? 3) Will the Avondale Civic Center be expanded? 4) Could the City tunnel under or bridge over Avondale Boulevard? 5) Will incentives be offered to encourage developers to build to green standards?

One resident stated that the City Center concept is exciting. She is tired of going other places to shop, eat and work. Scottsdale and Tempe did not happen overnight, but if you build it they will come. The City does not need another Dysart Road that looks like everywhere else.

One resident said the City Center concept is very exciting, but she does not know where all the people and jobs will come from.

Ms. Gould and Mr. Svoboda addressed the various questions and concerns. Mr. Svoboda said that copies of the public review draft would be available the week of March 3rd and encouraged everyone to participate in the upcoming public hearings. He announced that March 20, 2008 was the date of the first Planning Commission hearing.

The meeting ended around 8:30 p.m.

Attachments: 1) Public Meeting Sign-In Sheet
2) Meeting Agenda



Public Meeting Sign-In Sheet

Meeting: City Center Area Plan

Date: 2-20-08

Location: City Hall Council Chambers

PLEASE PRINT		
Name	Address	E-Mail
Vanessa Hrdeman	2525 E. AZ Blinn Cir Ste A-212	vph@mtheymomis pk.com
Edith Weber	10902 W. ADAMS ST	
Melita Smith	10902 W Adams St	
Latoria Page	11646 W. Monroe St.	
Luigi Benvia	15333 N. Pima St 305 Scottsdale AZ 85260	lbenvia@cavan.net
DAVID SOURS	12406 W. LEWIS AVE AVONDALE	DAVID.SOURS@COX.NET
WALLY TRACE	20019 N 95 TH ST SCOTTSDALE AZ	
Adam and Sally Marshall	11571 W. Madison St	
Jeff Schwartz	6277 N. Scottsdale Rd. Scott. AZ	jeff@theempiregroup.com
Jeff Bunker	4800 N. Scottsdale Rd Scott AZ	jbunker@brewsgerbert.com
Theodore Kohan	1333 S. Beverly Hills LA, Ca 90024 #706	
Tim & Deb Wilt	11618 W. COCOPAH ST	
Kathie Gillen	11301 W. Orange Blossom Lane	



Public Meeting Sign-In Sheet

Meeting: City Center Area Plan

Date: 2-20-08

Location: City Hall Council Chambers

PLEASE PRINT

Name	Address	E-Mail
JAIN VASEY	2375E CAMELBACK #300 PHX 85016	100SE9@BREPACENIX.COM
Rita Clift	11573 W Pine St Avondale	
Paula Walker	6335 114th Av AVONDALE	psgiven@yahoo.com
Gloria Allison	13633 Keadapali Pt. Sun City, AZ 85351	
Donna Allison	PO Box 1510 Payson, AZ 85547	fiduciary1@hotmail.com
Faisal Elhalis	11964 w. pierce st 85323	elhalisf@hotmail.com
Frankson	26 Rhodes Ave Av 85323	
MATT TERREL	11387 W PINE ST AVONDALE	ROASTINGBONES@IBMSEI.COM
F Morris	West Valley View	fmorris@westvalleyva.com
Carlos Duarte		carlos.duarte@seivusaz.org
Drews Bosch	Scottsdale	dbosch2@cox.net
Trent Smith	Phoenix	
Ken Burnett	Avondale	Kmburnett@sundt.com



Public Meeting Sign-In Sheet

Meeting: City Center Area Plan

Date: 2-20-08

Location: City Hall Council Chambers

PLEASE PRINT

Name	Address	E-Mail
Kelli Watson	10882 W. Chase Ln	kwatson10882@cox.net
Jeremy Tobes	2241 E Baseline Rd	Phx AZ 85042
Brian Holmstrom	11610 W Washington St	jojo789@turner.com
Julie Richard	Goodyear	
Maureen Lapp	11634 W SAGE	MOELAPP@cox.net
DAN LAURITZ	"	DLAURITZ@city.net
Curtis Nielson	11574 W. Cocopah	nielsonaz@cox.net
Steve Smith	7961 E. Rosita	
Helen Husley Smith	Sh. Long Beach, CA 90808	
Trent Smith	13943 N 91st Ave Suite #1 Peoria AZ 85381	kg6id@hotmail.com



Public Meeting Sign-In Sheet

Meeting: City Center Area Plan

Date: 2-20-08

Location: City Hall Council Chambers

PLEASE PRINT

Name	Address	E-Mail
Sonny Copeland	11960 W. Pierce St Avondale, AZ	live2rideaz@a.com
Cody Collins	5525 S. Decatur Blvd Las Vegas NV ⁸⁹¹¹⁸ 89129	ccollins@kypw.com
Pamela & Aaron Malinis	11017 W. Woodland Ave Avondale 85323	pamela.malinis@gmail.com
SEAN O'BRIEN Jeff Ripson	1133 E. Northern 1133 E. Northern	
Sandi Nielson	11574 W. Cocopah St	nielsonaz@cox.net
Melissa VanLauwen	17102 W. Flanagan St	cropwithme@msn.com
Ernest Martin	633 S. 114 Ave Avondale	emartin2@cox.net
Marilyn Cabingabay	10851 W. Woodlan Ave Avondale	-
Vicki Ambersch	224 N. 5th Ave Phoenix, AZ 85004	STUDIOARCH@QWEST.NET
Megan Lefever Titter	11387 W PIMA ST AVONDALE	MEGAN.LEFEVER-TITTER @LUXURYCOLLECTION.COM
Lindsay Olesak	The Wester Goodyear, AZ 85338	LOLESAK@yahoo.com
Margaret Halbon	602 S. 118th Lane Avondale, AZ 85323	mhalbon1330@aol.com
Ann Romero	11914 W MINNIE ST AVONDALE AZ 85324	ZELDALAUNICAC@aol.com



Public Meeting Sign-In Sheet

Meeting: City Center Area Plan

Date: 2-20-08

Location: City Hall Council Chambers

PLEASE PRINT

Name	Address	E-Mail
Paula Egan	1518 S. 124th Dr Avondale, AZ 85323	pr-egan@hotmail.com
Ashley Hardt	1518 S 124th Dr. Avondale, AZ 85323	
Cil Gomez	146 N 110th Dr 85323	AA-SJL@YAHOO.COM
PERRET, ALFREDO, P.E.	11210 WEST FILMORE STREET AVONDALE, ARIZONA. 85323	PERRETALFREDO@AOL.COM
Brian Murphy	10862 W. Locust Ln Avondale, AZ 85323	b1900dcaptain@ hotmail.com

Avondale City Council Members:

I own the property located at the SW corner of Avondale Blvd and Van Buran. We have been working with the city for almost a year trying to reach some sort of development plan that might work for this site. I have been a full time commercial Real Estate Developer for over 30 years and consider myself knowledgeable.

In the beginning of our development process, the message we received from your staff was they didn't want "Big Box Retail". This wasn't a problem because first of all I do not develop that category of retail and secondly we only have 5 acres of land. Next they didn't want a Drug Store on the hard corner. I have done that type of product but we said, "Okay, we will not do that". I believe it was in May that we met with staff and presented a plan we thought met their criteria. I believe the full staff was present and I have thought it was interesting that we have never received any minutes or comments from them. I did hear Dean tell you at the last Council September meeting that we have been in discussion and certainly he knows of our intentions and thoughts about a development on our sight.

I was somewhat shocked at the last meeting when the Consultant presented their plan which included "FAR's" with minimums of .50 and .75 which I believe are totally contrarian to the Kierland type project we have for so long been led to believe you were looking for.

I should also say I think that is a vision without hope for these reasons: 1) Kierland does not have Avondale Blvd through the middle of it. For the Consultant not to address the barrier this presents is simply malpractice. 2) Kierland was developed by a single sophisticated Developer not an eclectic of people of whom some are inexperienced and some who are Dreamers. 3) Avondale is not Scottsdale; this is not a criticism it is just a fact. As a person who develops Retail projects; the first thing we have to look at is the customer. For us this is "The Retailer". I ran some demographics comparing these two markets. Some simple statistics are: 1) in a 10 mile ring Avondale has 513,000 people; Kierland has 610,000 people, which is really not much different. 2) In this same 10 mile ring Avondale has only 2.4% of their Homes valued at over \$250,000 while Kierland has 31%, which is a big difference; 3) finally, total household expenditures in Avondale's 10 mile ring are \$7.1 billion while Kierland's is \$16.7 billion. The obvious insight is that while your population is plus or minus 80% of theirs, the expenditures are only 42.5%. In retail that is a big difference. Retailers pay rents based on projected sales. This is a significant challenge on this sight.

So what do FAR's have to do with this? The answer is structured parking. What the Consultant has proposed will require most if not all of the parking to be structured. On the one hand you have gone from "Big Box" retailers to big parking structures. Surface parking is the Retailer's preference. Do you think Barnes and Noble, Orvis, Sur la Tab, Restoration Hardware, P.F Changs and Starbucks would have gone to Kierland without Surface Parking? Now do you think all the sidewalk retailers would have gone there

without the Large Brand Boutique retailers? In retail it just does not work that way regardless of your Consultant's ideas.

Next we must consider the impact of the Structured Parking. As a rule of thumb I think you could say that above ground structured parking costs about \$24,000 per stall and below ground costs about \$34,000 per stall, whereas Surface Parking (depending on the cost of the land) is about \$10,000 per stall. Whether you are doing Retail or an Office component in this proposed zone with a customer demand of 5 stalls per thousand you are adding between \$70,000 and \$120,000 per 1000 square feet. In rent figures that means that anything built in this zone in these two categories will need to rent for between \$6 and \$10 per square foot more than their West Valley competitors. There is no way that any meaningful office project will come to this zone with this cost built in. One might get some small space users but not in significant numbers considering the Land area of the zone. Without surface parking you will also eliminate the "Barnes and Nobles" of the world which means no "Ann Taylor's".

The third component of your mix is Residential which I have never developed so I can only speak as an observer. By your Consultants' own admission, she stated that your market is not ready for about half of the slides she showed. Here is what I see as the difference in what you can build and what you think you are getting.

The expectation is that with all that density in housing you will create customers for your sidewalk Café; however, those residents' will not in meaningful numbers cross Avondale Avenue. With this said wherever the retail goes it will only benefit from half the site. The residential component will have to fit the market. Whether this is three story or five story construction it will be wood frame construction. This is not going to be the Steel and Concrete buildings of Kierland, Fashion Square or the Camelback Corridor that sells for \$750 per square foot and up. This will be the same product we find all over the Southwest Valley. Structured parking will not impact this category like it does Retail or Office components. Maybe it will require only 1.5 parking stalls per 1000sf. Today's land cost, with the density suggested, could possibly absorb the cost of structured parking but in the end that is nothing different than what you have any other place in the Southwest Valley. This resident's record as a customer for your sidewalk Café should be evident. If they were good customers you would see that side walk Café many places other than your local Neighborhood Shopping Center. At best the people that live on this site will shop in meaningful numbers on only Saturday and Sunday morning. This does not make any form of retail work. For Retail to work at this site it needs the "suburban" component of the Market; by this I mean those people that get in their car and drive to shop. This won't happen in what is being suggested. It happens at Kierland because there are lots of other reasons to go there, like Barnes and Noble, Restoration Hardware, Orvis and Sur la Tab. There is also Surface parking. There are reasons that you don't see structured parking on the Westside of the I-17; cost is only one of them. For a retailer security is a significant issue. Just the perceptions of dangers keep many people away. Note at Kierland that the only Retailers that use the structured parking to any meaningful extent are The Ocean Club and Tommy Bahama's which do it with Valet parking. I

Forwarded to City Council Members 10-2-07

would bet that their own employees who close at night are not allowed to park in those structures.

I guess my point is this: If I didn't think there was hope I would not have purchased the property. I am very disappointed in what your Consultants have given you. For whatever you paid the Consultant, in my opinion, you deserve better. It is not Rocket Science. You can make this area a Special Place; all you need is a better reasoned approach.

Sincerely

Wally Trace

BEUS GILBERT
PLLC

ATTORNEYS AT LAW

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(480) 429-3000
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PAUL E. GILBERT
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EMAIL: PGILBERT@BEUSGILBERT.COM
31101-010

20 August 2007

VIA FACSIMILE

Charlie McClendon
Avondale City Manager
City of Avondale
11465 W. Civic Center Drive
Avondale, AZ 85323-6804

Re: NWC Avondale Boulevard and Van Buren Road – Empire Group
Follow-up from Meeting of Avondale City Center Plan

Dear Mr. McClendon:

As a follow-up to our meeting earlier this week and per your suggestion, this correspondence is to list our specific concerns with the current proposed City Center plan. However, before I do that, I would like to sincerely thank you and the City for taking the time to meet with us. I also wanted to confirm that staff will be making no recommendation to the City Council concerning the City Center plan prior to or during the September 4th work session.

We appreciate your clarification that you have not commented on our conceptual plan because we have not formally submitted. Initially, per staff's request, we did not submit a plan. The hope at the time was that we would be able to work with staff while the City Center plan was evolving so that the City's plan would take into account some of our needs and concerns and our plan would do the same, however it seems we were misguided and we will now submit. We very much look forward to working with you as we move through the development of this project.

As you know, we have met with staff and the City's consultant throughout the development of the City Center plan and we have drafted a conceptual plan for the property which we have reviewed with staff on multiple occasions. We have not received any feed back on our conceptual plan, however we now understand why, as noted above. We tried to incorporate many of the City Center goals in our plan including multi-story buildings, non-traditional main street design, pedestrian friendly driveways and a mix of retail and office uses. As a result of our meetings however, we still have several concerns with regard to the impact this plan would have on Empire's property. In addition to the other issues we have raised, there are

three basic core issues that substantially and potentially negatively affect the ability of Empire to develop their property. These three issues are:

HEIGHT

First, is the issue of a proposed minimum height requirement. As we have noted in our meeting and as shown on our draft conceptual plan, we are prepared to work with the City in providing some combination of single and multi-story buildings on the property. However, it is important to understand the potentially adverse affects of requiring a significant amount of height on any development. A minimum height requirement would put a burden on the site that could very well limit its opportunity in to be built in this market. Whether it is market acceptance of the product; competing developments in the area not hampered by height requirements; or the significant additional costs required to build such a product, including underground parking, etc., minimum height requirements may make the property impossible to develop. A potential solution to this issue may be to set an achievable average height for the site, as well as the ability to phase the project over time to ultimately achieve the average height requirement.

FAR

Our second major issue is the high Floor Area Ratio that has been suggested by the consultants for the property. The consultants have offered up a proposed FAR of 1 to 1, which is, in our opinion, not only impossible to achieve in this market, it is in fact more dense than downtown Phoenix. Understanding that the Town is hoping to achieve an urban type development for this area we note that we have proposed an urban, pedestrian friendly conceptual plan which increases the floor area ratio over what is typical for a development in this area. We understand the Town's concept in trying to create a more dense, urban area, and increasing floor area ratio beyond what would be typical is a part of that vision, however this ratio should be on a sliding scale proportionate to the distance from the I-10 Freeway. For instance, a higher floor area ratio could be expected to be achieved directly adjacent to the freeway (as would height), however, once one moves away from the freeway particularly as far south as Van Buren, one is at a competitive disadvantage in trying to achieve higher floor area ratios based on a number of different factors the most important of which is visibility from the freeway.

NEW PUBLIC ROAD

Finally, our other major issue with the draft City Center plan is the proposed public road going right through the middle of Empire's property. This middle road is simply not necessary and is overly burdensome particularly since it is not necessary for the development of Empire's project. It is not that Empire has a problem with the idea of a development that includes connecting roadways and pedestrian walkways, and is, in fact, showing this on the conceptual

site plan that has been submitted, however, dedicating these roadways, especially this early on in the process, bifurcates the property with roads that will be nearly impossible to relocate. This will severely restrict any flexibility we might have in placing tenants on the property. Additionally, public roadways, as opposed to private drives, would require a whole new set of standards for development adjacent to these public roads.

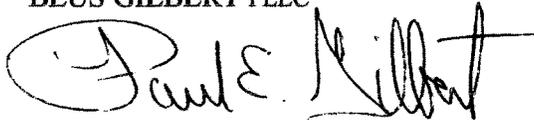
I would like to remind you that we are not alone in our concerns, as many of these same concerns, as well as others, have been expressed by many other experienced development professionals, as referenced in your own consultant's summary. A copy of these concerns is attached for your reference. These concerns are ones that should not be disregarded.

In closing, we would like to reiterate our enthusiasm in working with the City and trying to establish a unique plan, one that the City of Avondale will be proud of and one that will be successful for Empire. In fact, I would like to remind you that Empire is not only the owner of the property; they are also the ultimate developer of the property. They are not a speculating nor do they plan on flipping the project. As you know, the hardest part of a plan is trying to implement it immediately after adoption. Empire presents a great opportunity in being able to step up to the plate and begin to implement the City's plan immediately following adoption. Through this partnership, we believe that we can come to a mutually acceptable resolution and create a situation that is a win-win for both parties.

Again, thank you for your time and I will contact you next week to discuss this letter further and hopefully come to a resolution before the work session on September 4th.

Very Truly Yours,

BEUS GILBERT PLLC



Paul E. Gilbert

PEG:ich

cc: Brian Berndt, City of Avondale (via facsimile)
Dean Svoboda, City of Avondale (via facsimile)
Geoff Jacobs, Empire (via facsimile)
Jeff Schwartz, Empire (via facsimile)

DYETT & BHATIA

Urban and Regional Planners

Serious Concerns about Market Viability and Implementation

All of the developers raised serious concerns about the market viability of the proposals and challenges in implementation. Comments about the market feasibility of the proposals included the following:

- This is a very big area to fill up, when you think about how much development there is in downtown Tempe, and this area is the same size, and Tempe has ASU.
- The retail and restaurants proposed for Center Street would have absolutely no visibility from Avondale Boulevard, and that could be a fatal flaw. A developer and/or business tenants could go bankrupt.
- The City would probably have to act as a master developer to make the Center Street happen. The City would have to buy the land, put in the streets and infrastructure, and then sell development sites. City would have to end up banking the land for some period of time. It's very difficult if not impossible to achieve this scheme with multiple property owners building at different times.
- It is difficult to attract this type of development right now given the market. The area of the valley doesn't have amenities yet like a university, jobs, or restaurants. The plan could work well in the long run, but not right now.
- It is very difficult to attract medical office uses, given the State and City of Phoenix projects that are concentrating medical and biotech uses in downtown Phoenix. This site is not close enough to the new Banner hospital.
- It is difficult to compete with the cheaper office space in the area with surface parking. The City would have to provide parking if they want it to be structured.
- Construction of condominiums is not realistic in the current market, given the low prices of single family homes in Avondale. It is cheaper to build a single family home than a condominium. Townhouses are feasible, built at approximately 18-22 units per acre, in a project where the property owners own the land and the project can be phased. The typical demographic is a professional without children, typically middle aged, such as: health care workers, teachers, community college employees, airplane pilots, and attorneys.
- There is major competition in the West Valley for higher intensity office development. Westgate and a new development proposed for I-10 and 101 are also proposing mid-rise and high-rise office development.
- It will be very difficult to protect the big vision during down cycles in the market place. The City will be persuaded to give permits to projects that don't fit with the desired character.

Strategies the City Should Pursue

- Attracting a major known business to the area is key. The City would need to be aggressive and offer incentives to a major corporation to locate in the City Center area.
- The City will need to build parking structures and streets as an incentive for this type of development. Several different mechanisms were suggested. The City could create a parking district that would develop surface parking lots first, and then parking structures later. Developers could buy in to the parking structure over time, rather than hav-