Staff Report: Z-8-15-4  
(3rd on Osborn PUD)  
June 19, 2015

Encanto Village Planning Committee  
Meeting Date  
July 6, 2015

Planning Commission Hearing Date  
August 11, 2015

Request From:  
C-1 TOD-1 (1.67 acres) & P-1 TOD-1 (1.50 acres)

Request To:  
PUD (3.17 acres)

Proposed Use  
Planned Unit Development to allow a mix of uses including multifamily residential and retail.

Location  
Northeast corner of 3rd Avenue and Osborn Road

Owner  
Stewart Title & Trust

Representative  
Stephen W. Anderson, Gammage & Burnham

Staff Recommendation  
Approval, subject to stipulations

<table>
<thead>
<tr>
<th>General Plan Land Use Designation</th>
<th>Residential (15+ du/acre) / Encanto Village Core</th>
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<tbody>
<tr>
<td>Street Map Classification</td>
<td>3rd Avenue Collector 40-foot east half street</td>
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<tr>
<td></td>
<td>Osborn Road Collector 40-foot north half street</td>
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**LAND USE ELEMENT, GOAL 1, NEIGHBORHOOD POLICY 3:** Locate higher density housing in or near the core, and medium density housing near employment, shopping, and transportation facilities, to support and encourage pedestrian, bicycle, and transit trips.

The proposed project will provide high density residential development within the Encanto Village Core and in close proximity to nearby employment centers and regional transportation facilities.

**TRANSIT ORIENTED DEVELOPMENT STRATEGIC POLICY FRAMEWORK – REGIONAL CENTER:** Office employment, industry cluster, high and midrise living, supportive retail. Mid-high rise office and hotel, apartment, town house, row house. High intensity, 5-10 stories.

Although the proposal is less intense, at 60 feet high and 4 stories, than envisioned by the Regional Center Place Type for the Central Avenue and Osborn Road station, the proposed development offers a midrise residential project that promotes a walkable environment with
buildings and entrances near the street frontages as well as parking located internal to the site. A development of this intensity is appropriate at a quarter-mile distance from a light rail station.

<table>
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<tr>
<th>Area Plan</th>
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<tr>
<td>Midtown Transit Oriented Development Policy Plan. See Item Nos. 4 through 7 in the Background/Issues/Analysis Section.</td>
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<tr>
<td>PreserveHistoricPHX. See Item Nos. 8 through 12 in the Background/Issues/Analysis Section.</td>
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**Background/Issues/Analysis**

**SUBJECT SITE**

1. This request is to rezone a 3.17 acre site, located at the northeast corner of 3rd Avenue and Osborn Road, from C-1 TOD-1 (Neighborhood Retail, Interim Transit-Oriented Zoning Overlay District One) and P-1 TOD-1 (Passenger Automobile Parking, Limited, Interim Transit-Oriented Zoning Overlay District One) to PUD (Planned Unit Development) to allow for a mix of uses including multifamily residential, retail and commercial. The site is located approximately one quarter mile west of the Osborn/Central Avenue light rail station. The site has frontage on both 3rd Avenue and Osborn Road.

2. Currently, the subject site is improved with two, two-story office buildings located on the southern third of the site, adjacent to Osborn Road. The remainder of the site is used for surface parking.

3. The General Plan Land Use Map designation for this property is Residential 15+ dwelling units per acre. The PUD proposes to construct 161 residential units, which is consistent with the General Plan Land Use Map designation for the site.

**MIDTOWN TRANSIT ORIENTED DEVELOPMENT POLICY PLAN**

4. The Midtown Transit Oriented Development (TOD) Policy Plan is a community-based vision aimed at transforming the Midtown TOD District into a walkable community by taking advantage of its location along the light rail system. The plan identifies policies aimed at supporting the introduction of a pedestrian-oriented zoning code, mixed-income neighborhoods, historic preservation, neighborhood compatibility, and infrastructure investment.

5. The Midtown TOD Policy Plan includes a conceptual zoning plan for the Midtown Transit Oriented Development District that identifies desired transect zoning districts. The Walkable Urban (WU) Code is intended to implement the vision and policy of the Midtown TOD Policy Plan by identifying the development standards for property along the light rail corridor based on the transect district assignment. The WU Code is currently in draft form, and upon adoption, work will be done with property owners to rezone properties in the district based on the recommendations of the conceptual zoning plan. The applicant proposes to utilize the PUD zoning to encompass many of the standards of the draft WU Code.
6. The north portion of the subject site is shown on the conceptual zoning plan with a transect designation of T5:5, which anticipates mixed use development 56- to 100- feet in height. The south portion of the subject site was not included in the conceptual plan due to the existing buildings’ eligibility for historic designation. The plan encourages historic preservation and includes strategies and policies that encourage adaptive reuse and revitalization of older properties. Furthermore, neither the Midtown TOD Policy Plan, nor the WU Code support the removal of historically eligible properties.

7. The proposal is generally consistent with the Midtown TOD Policy Plan. The addition of a dense multifamily development helps to address the anticipated housing shortage in the area. In addition, the proposed project furthers many of the policies of the plan including pedestrian oriented and active street frontages, parking areas located behind buildings, a sensitive height transition from the nearby single-family neighborhood to the southwest, providing a minimum prescriptive amount of bicycle parking, and encouraging the installation of solar energy systems.

HISTORIC PRESERVATION

8. The property includes two office buildings, the Federal Housing Administration Building (western building) built in 1959, and the Murdock Professional Building (eastern building) built in 1958. The Federal Housing Administration Office Building was originally designed as offices for both the Federal Housing Administration and the
Federal Bureau of Investigation. The Murdock Professional Building was the first building in Arizona designed to comply with earthquake-resistant construction standards. Both buildings were featured in the city of Phoenix Historic Preservation Office’s book, *Midcentury Marvels: Commercial Architecture of Phoenix, 1945 – 1975*. Historic Preservation Office staff has determined that the two buildings are eligible for historic designation, but are not currently designated.

9. PreserveHistoricPHX is a comprehensive plan, adopted in 2015, intended to protect and promote the historic and archaeological resources of the city. Removal of the two historic-eligible buildings on the subject property is not consistent with the stated goals of this plan.

10. Preservation of the Federal Housing Administration Building and the Murdock Professional Building are not the desire of the applicant. The applicant, instead, has proposed to retain a portion, approximately the first thirty feet, of the Federal Housing Administration Building for incorporation into the new development as the complex's office.

11. Historic Preservation Office staff has commented that retaining only the façade of a building is not considered an appropriate form of preservation. The practice, “Facadism,” as it is commonly known, is contrary to not only the city historic preservation standards, but also to the standards set forth by the Secretary of the Interior’s Standards for Treatment of Historic Properties as well as the Venice Charter for the Conservation and Restoration of Monuments and Sites. Facadism is strongly discouraged because it creates a false sense of history. The building(s) would no longer be eligible for historic designation if only a portion or the façade is retained.

12. Historic Preservation Office staff has requested that if the buildings are not retained, that they be documented in a manner consistent with the state and national standards. Stipulation #2 addresses this request.

SURROUNDING USES & ZONING

13. **North**
The property to the north of the subject site is zoned R-5 TOD-1 (Multifamily Residence District, Interim Transit-Oriented Zoning Overlay District One) and contains a three-story multifamily condominium complex.

**West**
Directly across 3rd Avenue there is a five-story office building (adjacent to Osborn Road), surface parking and a one-story office building. These properties are zoned C-1 (Neighborhood Retail), P-1 (Passenger Automobile Parking, Limited) and R-5 (Multifamily Residence District), respectively.
South
Across Osborn Road to the south is Park Central Mall. The immediate corner is developed with an auto repair facility and is zoned C-2 H-R TOD-1 (Intermediate Commercial, High-Rise and High Density District, Interim Transit-Oriented Zoning Overlay District One).

East
The property to the west of the subject site is zoned C-2 TOD-1 (Intermediate Commercial, Interim Transit-Oriented Zoning Overlay District One) and C-2 H-R (Intermediate Commercial, High-Rise and High Density District, Interim Transit-Oriented Zoning Overlay District One) and is developed with a 10-story and a 6-story hotel.

PROPOSAL
14. The proposal was developed utilizing the PUD zoning designation, which allows an applicant to propose uses, development standards and design guidelines for a site. One of the goals of this process is to allow the applicant to develop standards that respond to the surrounding environment more so than conventional zoning districts allow. The end result is property rezoned with standards crafted specifically for the site. Where the PUD narrative is silent on a requirement, the applicable Zoning Ordinance provisions will be applied.

15. The PUD proposes to develop eight, four-story, 60-foot high, multifamily residential buildings. The approval of this PUD will allow the site to develop as a transit oriented development of 161 residential units. The front portion of the existing western building will be retained and incorporated into the new design to serve as the complex’s office and provide communal space for residents. Ten units will be constructed adjacent to 3rd Avenue. The remaining 151 units will located on floors two through four and will be built on a podium over grade level parking. Elevated, open walkways will connect the buildings. Resident parking will be accessed from 3rd Avenue and will be screened from view by the buildings along both 3rd Avenue and Osborn Road.
16. Below is a summary of the proposed standards for the subject site as described in the attached PUD Development Narrative date stamped June 18, 2015.

**Land Use**
The narrative proposes providing 161 multifamily residential dwelling units. In addition, all T5:5 land uses specified in the Walkable Urban Code including several outdoor dining and outdoor recreation uses are permitted. Roof, ground and pole-mounted solar energy systems are also allowed uses. Adult-oriented businesses, auto title loan establishments, check cashing facilities, pawn shops and tattoo/body-piercing studios are listed as prohibited uses.

**Development Standards**
The proposed development standards are consistent with promoting a walkable development. The development standards would limit the building height to 60 feet and provide maximum building setbacks of 12 feet along 3rd Avenue and 10 feet along Osborn Road. In addition, buildings are required to comprise a minimum of 70% of each street frontage. Parking would be required to be located behind buildings or behind a minimum 30 foot setback. Detached sidewalks of 5 feet along 3rd Avenue and 6 feet along Osborn Road are also proposed. Pedestrian access will also be provided along both street frontages.

**Landscape**
Landscaping will be provided in 5 foot landscape areas located between the street and sidewalk along both street frontages. The landscape areas will provide a mix of 2- and 3-inch caliper trees.

**Parking**
The narrative proposes providing a total of 172 parking spaces. A total of 161 spaces will be provided for residents with the remaining 11 spaces devoted to guest parking. Parking standards for commercial uses are also proposed in the narrative, however no parking is devoted to these uses at the current time.

**Bicycle Parking**
Minimum standards for bicycle parking are defined in the development narrative. Bicycle parking will be provided in secured areas throughout the complex.
Fence and Wall Standards
In order to enhance the pedestrian experience along Osborn Road, staff has added Stipulation #3 to address fence and wall height, limiting any fence to 40-inch view fencing.

Vehicular and Pedestrian Access
Two vehicular access points are proposed to be provided from 3rd Avenue. Pedestrian access will be provided to the leasing office along Osborn Road, as well as via a dedicated pedestrian accessway along 3rd Avenue. In addition, ten residential units will be located at ground level along 3rd Avenue and will be oriented toward the streetscape.

Amenities
A pool, fitness center, and outdoor seating areas with firepits are proposed as amenities for the buildings’ occupants.

Shade
A minimum of 75% of the sidewalk will be provided with shade along the entire right-of-way frontage with the exception of driveways. Trees and/or building mounted shade elements will provide the prescriptive shading requirement.

Design Guidelines
The narrative proposes several elements to promote a pedestrian-friendly development design. These include:

- Incorporation of ground-story activation elements including windows, awnings and outdoor patios.
- A minimum of 70% building frontage for streets and open space.
- Retention of a portion of the existing western building in order to create a corner focal point at the intersection of 3rd Avenue and Osborn Road.
- Blank walls adjacent to streets or sidewalks are proposed not to exceed 20 feet in length and will be mitigated with landscaping, finishes or other treatment.

Signage
Signage standards will adhere to the standards specified in the Walkable Urban Code.

Sustainability
The development proposes several elements addressing sustainability principles including recycling services for residents, native plantings, outdoor courtyards, building placement and the addition of shaded walkways.

Phasing
The project will be completed in one phase.

MISCELLANEOUS
17. The Aviation Department has reviewed the rezoning application and requests that the property owner record a Notice to Prospective Purchasers of Proximity to Airport
in order to disclose the existence, and operational characteristics of Phoenix Sky Harbor International Airport to future owners or tenants of the property. Stipulation #4 addresses this request.

18. The Water Services Department has noted that there are no water or sewer infrastructure concerns. Water and sewer capacity for the proposed development will be assessed during the site plan review process. The design and construction of any facilities needed to connect to or increase the capacity of the existing infrastructure are the responsibility of the developer.

19. The Floodplain Management division of the Street Transportation Department determined that the parcel is not in a Special Flood Hazard Area (SFHA), but is located in a Shaded Zone X, on panel 2205 L of the Flood Insurance Rate Maps (FIRM) dated October 16, 2013 maps.

20. Development and use of the site is subject to all applicable codes and ordinances. Zoning approval does not negate other ordinance requirements. Other formal actions such as, but not limited to, zoning adjustments and abandonments, may be required.

Findings

1. The development conforms to the General Plan Land Use Map Designation of Residential 15+ dwelling units per acre.

2. The request is consistent with the Regional Center Place Type assignment from the Transit Oriented Development Strategic Policy Framework of the General Plan.

3. The proposal is generally consistent with and will further the goals of the Midtown Transit Oriented Development Policy Plan.

4. The development will provide additional housing choices for the area, thereby addressing the anticipated housing shortage for the Midtown Transit Oriented Development District.

Stipulations

1. An updated Development Narrative for the 3rd on Osborn PUD reflecting the changes approved through this request shall be submitted to the Planning and Development Department within 30 days of City Council approval of this request. The updated Development Narrative shall be consistent with the Development Narrative date stamped June 18, 2015, as modified by the following stipulations:
   a. Page 24, Sustainability, Third Paragraph: Applicant shall replace word “preserve” with “retain.”
2. The property owner shall complete documentation of the existing buildings prior to the approval of any demolition permits. The documentation shall be completed in a manner consistent with Part IV of the Arizona Reporting Standards for Cultural Resources, as approved by the Historic Preservation Office.

3. Fences or walls adjacent to Osborn shall be a maximum of 40-inches in height. Fence or walls shall be constructed utilizing view fencing materials, as approved by the Planning and Development Department.

4. The property owner shall record documents that disclose the existence, and operational characteristics of Phoenix Sky Harbor International Airport to future owners or tenants of the property. The form and content of such documents shall be according to the templates and instructions provided which have been reviewed and approved by the City Attorney.

**Writer**
S. Keating
6/19/2015

**Team Leader**
Joshua Bednarek

**Attachments**
Sketch Map
Aerial
3rd on Osborn PUD Development Narrative date stamped June 18, 2015
APPLICANT'S NAME: Gammage & Burnham

APPLICATION NO.: Z-8-15

GROSS AREA INCLUDING 1/2 STREET AND ALLEY DEDICATION IS APPROX. 3.17 Acres

MULTIPLES PERMITTED
C-1, P-1
PUD

REQUESTED CHANGE:
FROM: C-1 TOD-1, (1.67 a.c.)
P-1 TOD-1, (1.50 a.c.)

TO: PUD, (3.17 a.c.)

* UNITS P.R.D. OPTION
29, N/A
No Maximum

* Maximum Units Allowed with P.R.D. Bonus
The information provided on this map is based on record drawings submitted by others. Users of this information are cautioned that independent verification of actual conditions may be necessary.