

MEETING SUMMARY

PALM SHADOWS NEIGHBORHOOD MEETING MAY 8, 2014

Koch Chapel, Our Saviour's Lutheran Church

1200 N. Campbell Avenue

Notice Meeting Time: 6:15 PM to 7:45 PM

Introductions and Project Overview.

The meeting started at 6:20 p.m. with a welcome and introduction of team members. Keri Silvyn began the presentation with an overview of the general plan amendment ("Plan Amendment") process. She explained the difference between the Plan Amendment process and the rezoning ("Rezoning") process that will occur if this Plan Amendment is successful.

Next, Richard Shenkarow introduced himself as the developer of the project as well as a life-long resident of Tucson. He described some of the projects that his company, Shenkarow Realty Advisors, has built, renovated, and/or managed, including Casas Adobes Plaza and El Dorado Square. He also provided background on the current project, explaining that he purchased Palm Shadows 20 years ago with the intent to make it into a gateway project in coordination with the City and the University of Arizona ("University"). He understands the Speedway & Campbell intersection is a "gateway parcel" and he is ready to move it forward with this exciting project.

Rick Joy of Rick Joy Architects introduced his firm as the project's lead architect, and provided a brief history of his connection to Tucson, both personally and professionally. He described some of the international projects his firm has recently worked on, including the Aman Resort in Utah and the Princeton University Station. He added that he is excited because this is the first project in eight years that will allow him to contribute to his hometown, a project where design and human use will be the main priorities.

Philipp Neher of Rick Joy Architects then provided an overview of the project site (with slides), focusing mainly on the current state of the project area. He began by providing an overview of the location, describing it as a gateway to the City of Tucson, adjacent to the new modern street car and appropriate for urban concentration. He described the area as lacking services, which could be partly remedied by the commitment of a major grocery retailer to this project. He noted that this project is also appropriate for the area because of the University, the University Health Science Center, and University Medical Center (collectively the "UHSC/UMC"), all of which make this a high density population area. Mr. Neher continued by

describing the current traffic and parking issues, and the focus of the project on the current site of Palm Shadows.

Mr. Neher then focused on the proposed project, providing an overview of the site design. He described the evolution of the site concept, beginning with what is currently allowed and progressing to what could be developed based on the addition of positive architectural features and the elimination of undesirable features. The result is a mixed-use development that would include a major retail grocery, office space and high-end residential units. The design and policies for the Plan Amendment would include additional height along the edges of the project with appropriate pedestrian scale, open space, and a 20-story (250-foot) tower near the center of the site. He also described the future traffic patterns for the site.

Mr. Neher concluded by stating that the Plan Amendment process would define the areas where the height will occur, and noted that height would be distributed based on the proximity to the neighborhoods, university, and the intersection. He added that the design will focus on creating outdoor space, developing an orientation based on the local environment, and creating an environmentally intelligent building façade (i.e. a façade that will protect from the sun in the summer, harvest the sun's heat in the winter). He then showed preliminary renderings of the building from the ground level.

The introductions and overview lasted until approximately 6:55 p.m.

Question and Answers. Questions and comments took place from 6:55 p.m. until just after 8:00 p.m., at which time many in attendance began to leave. Those remaining seemed generally satisfied that the meeting had fully covered the topic at hand, and the meeting became a series of small-group and informal discussions with various members of the project team. Below is a list of the questions and comments received during the Q&A period, together with a brief synopsis of the response given by the project team:

How much parking is needed? How will you coordinate with the University to prevent students from parking there? Neighbors don't want parking spillover into neighborhood.

While the numbers provided at this Plan Amendment stage are all estimates, the approximate number of parking spaces should be around 1000 spaces (this could change as the process moves forward). Parking likely will be located in two below-ground levels, and five above-ground levels, with the ground floor dedicated to mixed uses. Standard parking controls will be used to control who uses the parking lot.

A "two-step" project means you need the G.P. Amendment to be able to rezone?

Yes, if we are not successful at this stage, we can only move forward with the zoning we have, which is C-3 and R-3.

Why should an area plan be changed? Will this set a precedent for surrounding areas?

General Plans are regularly amended every ten years. In the interim, there are changing conditions that can be addressed with property-specific amendments to the General Plans. Growth, sustainability, and the physical conditions of a specific site all are reasons that amendments to the Plan are requested. City staff reviews these amendments to determine whether or not they are justified; The Mayor and Council make the final decision. Regarding precedent, our amendment is geographically limited to this area, which is appropriate for transit-oriented development. It does not extend to other areas of the University Area Plan. The University Area Plan has been amended many times throughout the years as well.

What height is permitted now in the University Area Plan?

Current height allowance in the Plan is 100 feet based on surrounding context, which translates into 8 to 9 stories.

What kind of square footage and uses are being proposed?

The numbers provided at this Plan Amendment stage are all estimates, and we are proposing a mix of uses. We believe the total square footage for the grocery store will be approximately 40,000 square feet, with another 20,000-40,000 sq. ft. of additional retail. We are hoping the residential would be approximately 100 units and then a large component of office space. As the market changes, the mix might change as well.

An attendee stated that she was excited about this project, especially because she would be able to walk to the grocery and restaurants, and she thinks it will be an incredible “shot in the arm” for Tucson’s economy and growth.

An attendee stated that everyone he knows is excited about the market/grocery store, but that height is a concern for some people in adjacent neighborhoods.

Can we run entitlements (Plan Amendment and rezoning) concurrently?

No, they are two separate processes that cannot run concurrently by state law.

What is the earliest developers can get entitlements, start construction, and open?

The earliest for the approval of the Plan Amendment would be November 2014. After the Plan Amendment is approved, then the rezoning planning and preparation will take at least eight months, then another six months (or more) to go through the rezoning process.

An attendee complimented team on the work, design, and the thought that is going into the project. He stated he missed the ease of living in a pedestrian neighborhood, and he hopes this project will provide this once again.

When can we see the language for the Plan Amendment?

We are currently finalizing the amendment language, and will submit to the City in two to three weeks. The application and all the City staff comments are public record, and will be available. This is a dynamic process that will most likely involve changes as we proceed forward.

I like the mixed use concept; what about student housing versus market housing?

This is not a dorm, and not targeted towards students. The target market is faculty, University employees, empty nesters, and retirees who want to be closer to the hospital. These will be high-end units, and at this stage we estimate we will have 50-100 units.

Will the residences be condominiums or apartments?

At this stage, we are not sure if they will be apartments or condos.

Who will own the project once it is built? Will you sell it once it is constructed?

Mr. Shenkarow and his partners will own the project, and they have no plans to sell the project after it is built. They consider themselves "generational owners" and have no plans to change that concept for this project.

Neighbors have storm water runoff concerns. Neighborhoods bear the brunt of these issues; please keep this in mind while designing (rainwater harvesting, etc.). This is the headwater of the adjacent flooding area; go above and beyond to deal with this issue.

At the rezoning stage, we are required to provide an explanation of the drainage plan and follow the City's floodplain regulations. We will also incorporate rainwater harvesting. The process requires that we put a lot of energy into this issue, which we will do.

Impact fees: will this project take advantage of the timing of City impact fee update and be exempt from Impact Fees?

Because impact fees are paid at building permit stage, and we have 2 years of basic zoning entitlement work required prior to any building plans, we expect this project will pay impact fees.

Where are other buildings in the Tucson area that are a similar height?

Williams Center; 5151 E. Broadway; Downtown.

Can you point to other buildings constructed with similar architectural concepts?

Mr. Joy said that the beauty of this project is that it's the first time we have attempted this type of design, and that it will drive them to work harder.

What is the overall budget for the project?

At this stage of the project, it is impossible to determine the total budget.

What is the philosophy of stopping the height at 20 stories/ 250 feet?

We looked at what is a "gateway", the view sheds, shading, the balance of the parking with mixed-use space, and these all went into the current design. We balanced this with the fact that higher can be more elegant.

What about the UMC helicopter negotiated flight pattern and impact of noise in the neighborhoods?

We are aware of this issue, and have been provided a copy of the Memorandum of Understanding between UMC and the adjacent neighborhoods. We have already spoken to a person who does noise analysis related to helicopters, and understand the negotiated flight path. At the rezoning stage (once we have a better idea of the actual location of the tower and building materials), we will work with the adjoining neighborhoods on any required noise studies and/or issues with the flight path.

An attendee expressed concerns about the project team working with City staff.

We work with City staff on a regular basis, and will continue to do so on this project.

An attendee said that the project team should show artwork in presentations that reflects the proposed heights.

Future presentations will include renderings to show full height.

Will the City participate in increasing capacity on adjacent streets?

If a project has an impact on streets, then that project pays to mitigate the impact. This will be worked out at the rezoning phase.

What is happening to the west/south on University land?

The University is updating its Comprehensive Campus Plan (CCP). The University controls the adjacent land; we are moving forward with our project on the land we control, and will participate in the University's update to its CCP.

Peak traffic hours are crazy at that intersection; how much more traffic will this bring?

At the rezoning stage, we will do a traffic impact analysis to help us understand the impacts and the possible mitigation of those impacts.

What about the lights? You will need to mitigate the spillover into neighborhoods.

We are aiming for a project with a "soft glow" and will work hard to keep foot candles down. We must comply with the City's Outdoor Lighting Code as well.

An attendee commented that people will be living in a vertical structure and using the streetcar, and that these two factors will reduce the impact of the development on the area. She added that this will enhance the area.

What is your expectation of how this development will impact land across Campbell?

We are hopeful that this will raise the bar for the area, as this project will have world-class architecture. We also expect that this development will prompt the City, University and surrounding neighborhoods to think about the entire intersection as a gateway.

Is this being designed so adjacent properties can be master-planned with this site?

We have flexibility, but the University has discretion regarding its participation.

An attendee commented that he is happy with this project, but wished Babcock was coming down.

An attendee brought up traffic concerns, and noted that the Planning Commission will be asking hard questions.

The rezoning will address the traffic issues, and the Planning Commission is accustomed to handling these types of questions and issues.

An attendee commented that she chose to live in a historic neighborhood – with single-story and two-story smaller houses – and worried that the height of this project changes that context. She chose not to live downtown and is worried about changing context. This project feels incongruous.

An attendee commented that this is a really positive step in restoring connectivity that the University disrupted.

An attendee commented that she is looking forward to a well-designed project by a world-renowned architect.

An attendee commented that there are examples across the country of projects like this that help to enhance adjacent historical neighborhoods.

Conclusion: The meeting concluded shortly after 8:00 p.m.