

# CITY OF TEMPE

## SMITH INDUSTRIAL INNOVATION HUB DEVELOPMENT GUIDELINES



October 2020



# Smith Industrial Innovation Hub

## A Business Hub Poised for Reinvention

With manufacturing, distribution, service businesses and newer office uses linked to the tech sector, the Smith Industrial Innovation Hub takes full advantage of its access to the Loop 101 and the Valley's state and interstate highway system. The Smith Industrial Innovation Hub will also benefit from the potential extension of High Capacity Transit on Rio Salado Parkway.

Smith Industrial Innovation Hub is bounded by the Loop 101 to the east, Rio Salado Parkway to the north, University Drive to the south, and McClintock Drive to the west. It is adjacent to one of the most travelled freeway exits in the East Valley, just south of a major retail and entertainment center (Tempe Marketplace) and a new mixed-use business park (RIO 2100). Smith Industrial Innovation Hub was traditionally industrial and in recent years has begun to transition with more than 40 percent of the businesses now classifying as office or retail uses. Its location makes it ideal for a variety of uses and it is ripe for reinvention and growth.

The City is implementing an Innovation Hub Initiative involving eight key employment corridors where the City will attract or help employment growth and development, enhance connectivity and bring businesses and educators together to enhance their talent pipeline. The Smith Industrial Innovation Hub is the pilot area for the initiative and was selected based on four key factors – 1) Proximity to major redevelopment to the north and west, 2) Adjacency to the proposed future transit opportunities, 3) Recent interest in the area including designation as a federal Opportunity Zone and 4) Identification as a growth area in General Plan 2040.

The area is well located with easy access to three freeways, proximity to over 500,000 workers within a 30-minute commute, a major university (ASU) within a mile, and Phoenix Sky Harbor Airport within a 10-minute drive. Other business assets in the area include two new mid-market hotels, a new 4,000 employee business park, and a master planned 330-acre redevelopment project (ASU's Novus Innovation Corridor) directly west of Smith Industrial Innovation Hub.

Smith Industrial Innovation Hub is entirely commercial/industrial in use and was a county island before the City of Tempe annexed it beginning in the 1950s and culminating in the 1990s. There is a small cluster of automotive-related businesses in the northeast section of the Hub. Additionally, various small manufacturing

companies are located throughout the area. While the area was traditionally industrial, in recent years, it has begun to move away from industrial uses in favor of mixed commercial, office uses, and retail, in keeping with local and national urban trends. The design features of the older buildings lend themselves to these newer uses and in many cases, no longer align with current industrial trends which require higher ceilings, wider and taller bays, wider turning radiuses on the site, and larger lots. The majority of the buildings are single story with limited transportation access to the site. Certain areas in the Hub have matured trees. Some roads such as Smith Road and Fifth Street are wide enough to accommodate truck traffic for industrial uses.

Property vacancy rates in the Hub have hovered between 4 and 6% for the last several years. Recent redevelopments or new investments have included the adaptive reuse of a circuit board manufacturing site to accommodate office uses, the conversion of a small manufacturing building into a design and construction company headquarters, and the building of a new fine-food facility and headquarters office for a regional restaurant chain. Proposed projects include a new eight-acre strip center along Rio Salado and a 9,000 square foot two-story vehicle storage facility at Third Street and Smith Road.

Availability of and access to amenities for employees in the area is generally limited. The exception is the large shopping and entertainment area to the north at Tempe Marketplace. However, the access between the Smith Industrial Innovation Hub and Tempe Marketplace is car-centric, and there are no sidewalks, bike paths, or bus routes connecting the two facilities. In general, there are few options for employees at the Hub to walk or bike to at lunch or after work within the Hub. There is also a lack of green open areas or gathering spaces.

# Smith Industrial Innovation Hub Boundaries



Figure 1. Smith Industrial Innovation Hub Concept



- Project Area
- Union Pacific Railroad
- Light Rail Route
- Light Rail Stop
- Streetcar Route
- Streetcar Stop
- Potential High Capacity Transit
- Regional Connection
- District Connection
- Neighborhood Connection
- Regional Bicycle/Ped Connection
- Regional Grade Separation
- 1/4 mile
- Heights Area
- Parks and Preserves
- Downtown Plazas

With respect to infrastructure in the area, the existing water and sewer capacity can accommodate a modest growth in development. Area residents and business owners have communicated that the Hub is often seen as a barrier for connectivity between residential neighborhoods to the south and commercial activities to the north of the Hub. They have expressed interest in improved pedestrian and bike access from the Hub to Tempe Marketplace to the north.

For the Smith Hub to grow beyond its current state and maintain relevancy over time, taller building heights and additional new uses should be considered. According to the recommendations made in April 2019 by the Urban Land Institute Arizona Technical Assistance Panel (ULI AzTAP), appropriate types of residential development could be gradually included on the north side of 5th Street to realize the vision of the Innovation Initiative and support the economic activity in the area. The panel noted that it could be appropriate to have some residential uses in parts of the area for retail uses to be successful within the Hub. ULI also expressed that it would be desirable to have more arts, and mixed-use development that include loft style and live-work type residential development to house residents such as artists and crafts persons. Of particular note was a need to support density in parts of the area to support ridership for the proposed transit system along Rio Salado parkway and reduce area congestion by providing live/work opportunities. As the land-use will change over time, appropriate residential/mixed-use units can be gradually introduced to the western to eastern border from Fifth Street to Rio Salado. Free-standing residential projects are not included in this vision. The ULI panel recommended live-work and townhome and loft-style buildings in the area. Traditional apartment complexes should be discouraged, and mixed-use development should be promoted. The panel further recommended that generally, buildings should be limited to 3 stories in height, and possibly up to 4 stories in some locations. Traditional 4 story multi-family residential development should also be strongly discouraged as the area does not have adequate infrastructure and amenities to support high density residential development.

## Smith Industrial Innovation Hub Goals

**Improved commercial and mixed-use presence:** Increased building height and new residential density along Rio Salado Parkway extending south to 5th Street will help the area meet evolving needs while taking advantage of the hub's well-connected location. Examples of residential use to be a part of mixed-use development are two to three story live-work units, townhomes and loft-type mixed-use projects including retail, office, and/or housing. The buildings should be a maximum of 3 stories tall, and possibly some four stories in appropriate locations. Such projects will be reviewed by the staff on a case by case basis during the rezoning process for approval by the City Council.

**New amenities and variety of uses:** Employers and employees expect access to amenities near the businesses. To be regionally competitive, Tempe's Innovation Hubs must include required amenities. Examples of local amenities in the Hub include retail shopping and dining services, art at intersections, grab and go market, food-truck areas, green space, and collaborative office and incubator spaces.

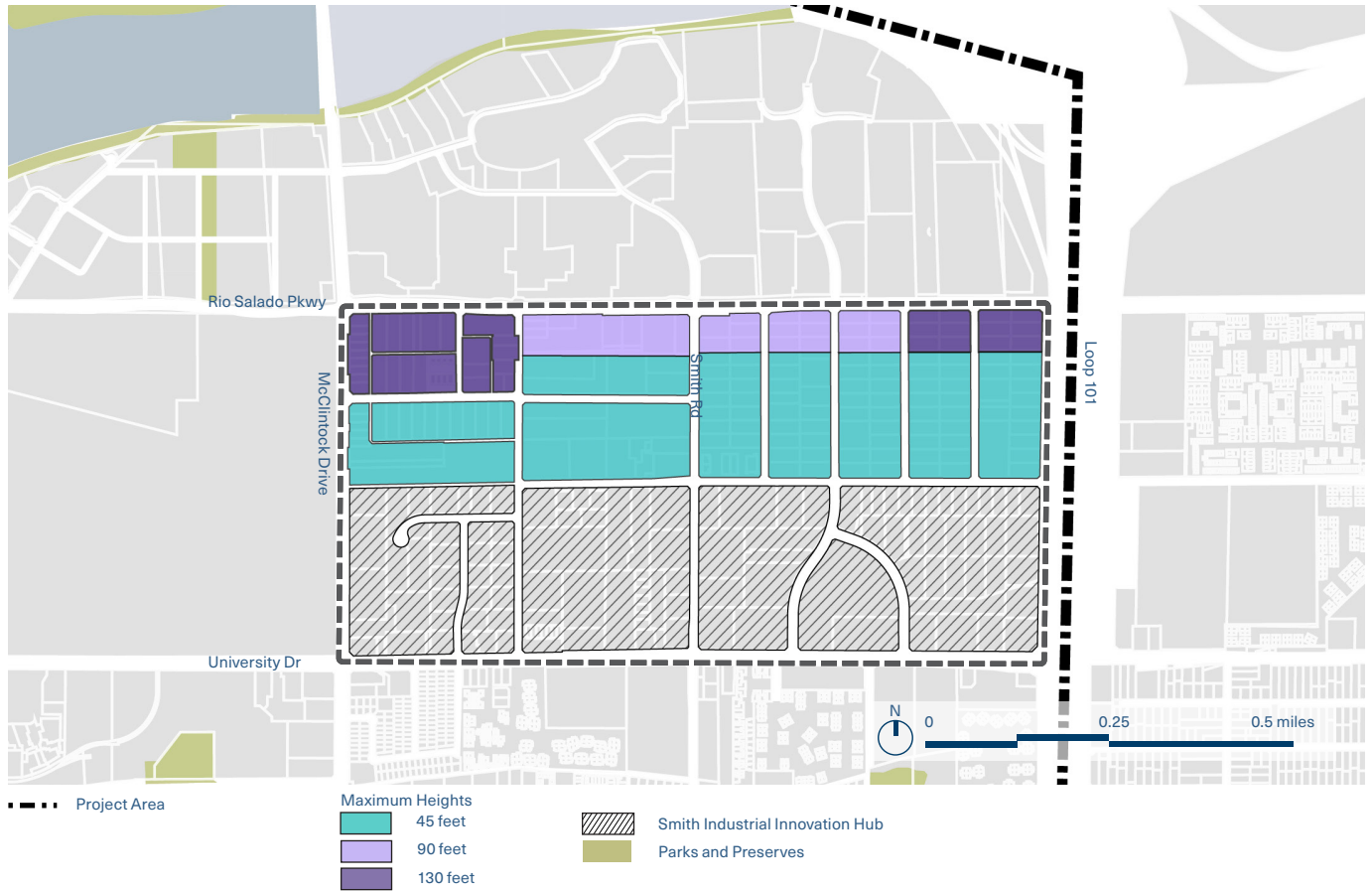
**Established sense of place:** The Discovery Triangle Corporation and the ULI AzTAP have recommended creating a "sense of place" for the area through gateway signage, branding, theming and creation of locally appropriate design standards. These should align with other design standards in the Urban Core areas while respecting the history, and catering to the needs of current users and property owners.

**Connectivity to and through the Hub:** Residents from nearby areas, employees, and visitors should be able to easily move into and through the area. To do so, bike lanes, sidewalks, and alternative transit services should be considered. Activation of one existing alley between 3rd and 5th Streets west of Perry Lane should also be considered.

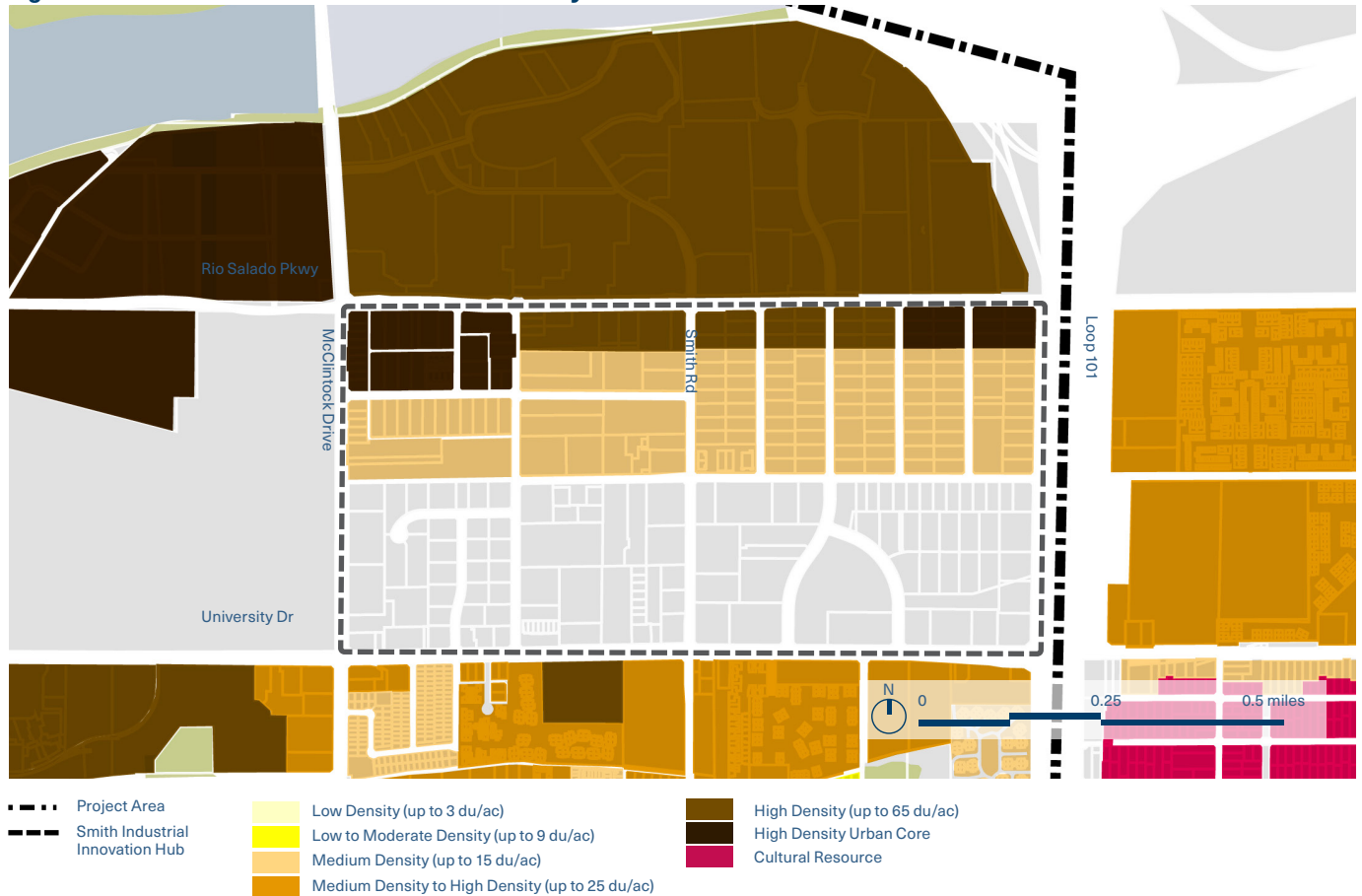
**Local housing:** The inclusion of mixed-use residential development in and around this area aligns with several key priorities of the City to help provide new options for the many workers who commute from outside communities. Given the largely industrial nature of the area, stand-alone single and multi-family housing types are not appropriate in the Smith Innovation Hub area. Specific housing types recommended are loft-style, townhomes and live-work units where appropriate so as not to conflict with existing business and light industrial operations. These housing options may also help towards the City's need for more affordable and workforce housing units, and help meet the 20-Minute City and other sustainability goals. This vision needs to be gradually implemented through public consultation process and any required revisions in the zoning Code. Adding housing in the area may also decrease traffic congestion in the area by providing housing closer to the place of employment, support the addition of retail within the hub, and improve safety and investment in the area overall.

**Art and spaces for artists/creatives:** Tempe residents, and City's Arts and Culture Division staff, and the City's Arts and Culture Plan call for more gallery, rehearsal, and arts performance space in our community. Smith Industrial Innovation Hub is a potential area to accommodate increased art amenities. A few existing arts related businesses and non-profits already operate in the area.

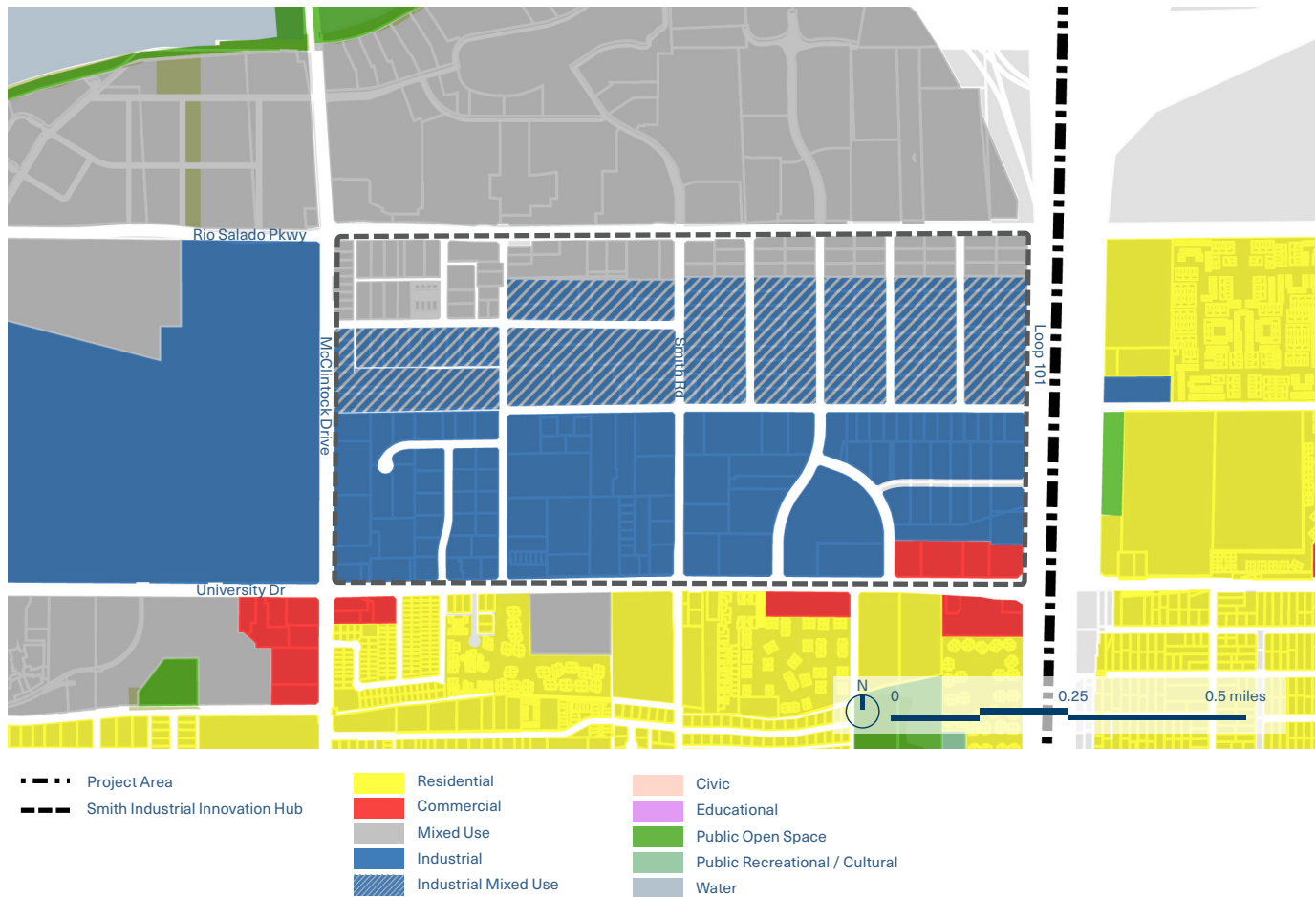
**Figure 2. Smith Industrial Innovation Hub Maximum Building Heights**



**Figure 3. Smith Industrial Innovation Hub Density**



**Figure 4. Smith Industrial Innovation Hub Land Use**



The ULI AZTAP recommended live-work units for artists be developed in the area and also recommended that the City help convene existing artists and creative groups in the area to encourage their collaboration.

Incorporate satellite locations for education and training from major certification programs. These can include University of Advancing Technology, East Valley Institute of Technology, Maricopa Community Colleges, and Arizona State University.

## Strategies

- Allow a broader mix of land uses north of 5th Street
- Support mixed use/residential uses where appropriate and where it does not conflict with existing uses
- Promote housing types that are consistent with the industrial and commercial character of the area in keeping with the vision and recommendations for the area such as live-work and townhome style units and loft spaces in mixed-use developments.
- Allow appropriate retail uses throughout the Hub to better serve employees, residents, and others as the area redevelops.
- Allow development along Rio Salado Parkway to help create a more mixed-use urban edge.
- Allow development within the Hub north of 5th street, complementing the development planned at the ASU Novus Innovation Corridor to the west of McClintock Drive
- Link increased heights to enhanced transit service and the potential extension of high capacity transit to the area.
- Take advantage of large roof areas for industrial and office uses to add solar power electricity generating facilities for use within the business district or to return to the power grid.
- Enhance streetscapes and add gateway features on Smith Road to encourage people to connect north south through the Smith Industrial Innovation Hub.
- Enhance streetscapes on Perry Road adding sidewalks and improved lighting to promote safety and walkability through the area.

- Incorporate public art through creative treatments of the exterior of existing buildings, parking areas, site walls, and along fencing.
- Incorporate public art into gateway features, alleys, green spaces, and streetscapes.
- Promote arts and collaboration amongst artists by convening arts events in the Hub and hosting meetings for creative groups in the area
- Create a stronger sense of identity through theming, and allowing creative design standards for building facades, frontage types, and landscaping
- Attract educational and training institutions to build the workforce pipeline for existing and future needs in alignment with the City of Tempe's Achieve 65 Initiative.
- Preserve and adaptably reuse traditional warehouse buildings (example: Barrel Vault building) to create "cool" and "hip" new working spaces.



## Smith Industrial Innovation Hub Heights, Densities and Uses

The Plan proposes a new development framework for locating and focusing some taller and low-rise buildings in the Smith Innovation Hub area. This framework will be reflected in an amendment to the General Plan Densities map and Land Use map. This increases allowable heights and densities in the northern half of the area, north of 5th Street and its alignment. (as indicated by the ULI AZTAP professional committee and the Plan working group).

