



Minutes of the Development Review Commission REGULAR MEETING June 22, 2021

Minutes of the Regular Meeting of the Development Review Commission, of the City of Tempe, was held in Council Chambers
31 East Fifth Street, Tempe, Arizona

Present:

Chair David Lyon
Vice Chair Michael DiDomenico
Commissioner Don Cassano
Commissioner Philip Amorosi
Commissioner Andrew Johnson
Commissioner Steven Bauer
Alt Commissioner Barbara Lloyd

City Staff Present:

Ryan Levesque, Deputy Director, Community Development
Suparna Dasgupta, Principal Planner
Steve Abrahamson, Principal Planner
Diana Kaminski, Senior Planner
Joanna Barry, Administrative Assistant II

Absent:

Commissioner Scott Sumners
Alt Commissioner Michelle Schwartz
Alt Commissioner Linda Spears

Hearing convened at 6:05 p.m. and was called to order by Chair Lyon

Consideration of Meeting Minutes:

- 1) Development Review Commission – Study Session 05/25/21
- 2) Development Review Commission – Regular Meeting 05/25/21

Motion: Motion made by Commissioner Cassano to approve Regular Meeting minutes and Study Session Meeting minutes for May 25, 2021 and seconded by Vice Chair DiDomenico.

Ayes: Vice Chair DiDomenico and Commissioners Cassano, Amorosi, Johnson and Bauer

Nays: None

Abstain: Chair Lyon and Commissioner Lloyd

Absent: Commissioner Sumners

Vote: Motion passes 5-0

The following items were considered for **Consent Agenda:**

- 3) Request a Use Permit Standard for 10% building height increase from 35 feet to 38.5 feet in the General Industrial District (GID) and a Development Plan Review for a phased expansion including a 12,000 s.f. addition to an existing manufacturing building and a new 19,000 s.f. office building located at 1535 West Elna Rae Street for **CAR-GRAPH INC.** The applicant is Cawley Architects. (PL210136)

Motion: Motion made by Commissioner Johnson to approve Consent Agenda and seconded by Commissioner Lloyd.

Ayes: Chair Lyon, Vice Chair DiDomenico, and Commissioners Cassano, Amorosi, Johnson, Lloyd and Bauer

Nays: None

Abstain: None

Absent: Commissioner Summers

Vote: Motion passes 7-0

The following items were considered for **Public Hearing:**

- 4) Request a Planned Area Development Overlay and a Development Plan Review for one existing office building, two new three-story office buildings and two parking structures for a total of 649,680 s.f. for **CARVANA** located at 1275 West Rio Salado Parkway. The applicant is Butler Design Group. **(PL210061)**

PRESENTATION BY APPLICANT:

Ms. Wendy Riddell, Berry Riddell LLC, gave an overview of the applicant's request. She noted that the site which is located at the southwest corner of Priest Drive and Rio Salado Parkways is 15 acres in size, has been vacant for quite a while, and is a complicated site to develop. They are proposing two new 300,000 SF Class A office buildings, two parking structures with charging stations, and centralized amenity space. There will be no vehicle storage, no retail sales, or call centers on site. They will be moving the existing 1st Street access point to a location further to the east to allow for a signalized intersection and safer turning movements. Ms. Riddell proceeded to go over the specific amenities that will be on the site and provided some different views of the structure along with the parking screening.

The applicant agrees with the staff report; however, they would like to remove the PAD Condition of Approval #4. That condition states that the maximum allowed parking is 1,411 spaces however this maximum only applies to surface parking lots, whereas Carvana will be providing parking garages. Carvana is requesting 1,652 parking spaces as they intend to hire over 1,000 employees. They held a neighborhood meeting on April 20, 2021 and one resident attended the meeting. This resident was the HOA President for Rio Salado Villas and they expressed support for the project.

Commissioner Amorosi stated that the buildings themselves look really nice, but he hopes to see more trees in the common area. His main issue is about the parking. He noted that the main complaint they get from residents in downtown is the traffic congestion. Commissioner Amorosi feels that the number of spaces that the City is allowing is quite generous and does not see why more spaces are needed, since it will add to more congestion. He is also concerned it will be used for auto storage. Ms. Riddell advised that it will not be used for vehicle storage and they would agree to a stipulation stating that if asked. The amount of parking they are requesting is based on how many employees they will have and the amount of parking they will need.

Chair Lyon asked Ms. Riddell to clarify that there would be two buildings, each of which will be 300,000 SF. Ms. Riddell advised that was correct and that there was also an existing building there right now for a total of three buildings. Ms. Riddell then corrected this to state that the total of the two proposed buildings combined would be approximately 300,000 SF. She advised that the existing building is approximately 50,000 SF. The parking ratio they are looking for is 1:300 spaces. Chair Lyon did some calculating and stated he is okay with five spaces per 1,000 square feet.

PRESENTATION BY STAFF:

Ms. Diana Kaminski, Senior Planner, went over the project request. She is not sure where the 1:300 parking ratio came from because her analysis showed it higher than that. They are not asking for a change to the PAD standard for the parking ratios, however the number of spaces they are requesting is significantly higher than what the City's ratio would require. Ms. Kaminski then proceeded to illustrate how she calculated the number of parking spaces that would be allowed, acknowledging that this was based on surface parking standards since there is no maximum for parking structures.

Regarding Condition #4, this was based on staff's analysis of the site in relation to other projects of a similar character, in support of the Transportation Master Plan's efforts to reduce single-occupancy commutes, traffic congestion, and concern that the focal point would be this very large garage. Due to utility issues, not a lot of trees are able to be planted along the Priest side of the project. By reducing the parking by 241 spaces, a row of parking could be eliminated and there would then be the ability to add screening landscaping and trees.

Ms. Kaminski stated that she did attend the April 20, 2021 neighborhood meeting and advised that a representative of the Riverside Neighborhood Association stated their support of staff's conditions in relation to the landscaping and their concern to provide as many new trees as possible to this area. Staff recommends approval of the project, subject to conditions of approval.

Commissioner Amorosi noted the Mayor's Hometown for All program where the City is trying to use City owned land for affordable housing, yet they want to sell this parcel that they own to build a giant garage. He asked why the Hometown for All program was not considered for this site. Mr. Ryan Levesque, Deputy Director – Community Development, noted that this site was part of a previous disposition development with Verde and the Liberty property site, so they had the first rights of refusal to acquire this property site through the City of Tempe and now they are exercising those rights. The Development Agreement gives them the opportunity to develop this site in any manner that goes through the standard City process. 50% of the permit fees will still be required to go towards the Hometown for All initiative.

Chair Lyon asked Ms. Kaminski to clarify the parking situation since Ms. Riddell stated there is no maximum required parking, this was also stated by Ms. Kaminski at the start of her presentation, however later an analysis was provided to illustrate how staff came up with the parking space limit. Ms. Kaminski advised that in the zoning code there is a minimum required number of parking spaces, however there is only a maximum in the code as it applies to surface parking lots. There is no maximum in the code related to structured parking. Condition #4 is unique in that staff is asking the applicant to reduce the number of spaces. Ms. Kaminski then went through the recommendations she made on the site plan to illustrate how she came to her maximum number.

Commissioner Lloyd read out the square footage and parking calculations that the applicant and staff had stated and asked Ms. Kaminski to clarify those numbers, which she did.

Commissioner Johnson asked if the landscape plans along Priest would remain the same as they are on the drawings if Condition #4 was kept. Ms. Kaminski stated that would not change unless the garage configuration changed.

Commissioner Bauer wanted further clarification on the parking situation because the numbers he came up with differ from those provided. He went on to explain how he came up with his calculation, which is five spaces per 1,000 square feet. Chair Lyon referenced drawing DR09 to get to the total square footage, which does not come up to 350,000. He asked Ms. Riddell to clarify what that actual square footage is. She provided the square footage for each building and advised that would result in 1,652 spaces needed. Chair Lyon noted the number provided came up to 299,000 square feet and based on their requested amount that would come out to about 5.5 parking spaces per 1,000 square feet. Chair Lyon stated Carvana seems passionate about the number of spaces since they would not ask for parking spaces they do not need, to which Ms. Riddell agreed.

PUBLIC COMMENT:

Ms. Suparna Dasgupta, Principal Planner, read the following comment into the record:

Merrill Darcey, Support: "Riverside Neighborhood residents welcome Carvana and approval of the project with the staff stipulations regarding the Tree palette and placements. This is important because we need as many trees that can be supported in this area, especially since the existing parking lot is devoid of any trees. A park or courtyard setting would be a valuable addition to the employees and neighbors alike, as well as the continuation of the wide sidewalk. Please support the conditions as recommended by the Planning Department."

APPLICANT RESPONSE:

Ms. Riddell stated that regarding possibly shifting the garage, there is a power line in that location that makes it impossible to accomplish. They have worked with staff to add as many trees as possible. This is an underutilized and challenging site. This project would provide a great gateway to Tempe.

Vice Chair DiDomenico asked Ms. Riddell what the expected head count would be in all three buildings once completed. She advised there would be closed to 1,700 employees expected overall on the campus, however it could be higher.

COMMENTS AND DISCUSSION FROM THE COMMISSION:

Commissioner Bauer stated he understands the math now but does not understand the table in the staff report where it states 370,000 square feet. Ms. Kaminski noted that she believes she took the numbers off the applicant's drawings. Chair Lyon noted it does appear that there is a total of 299,000 square feet per the applicant. Commissioner Bauer stated this is a win for the City for a business of this magnitude to locate in Tempe on a site that is underutilized. He is in support of the project.

Commissioner Amorosi supports Tempe's Master Transportation Plan and staff's request to include Condition #4.

Commissioner Lloyd agrees this is a challenging site however she feels the number of spaces the applicant is asking for is a little high.

Commissioner Johnson stated this development is fantastic for this corner and is an improvement over what is currently there. He also appreciates the City's efforts to maximize the trees in this area. He agrees with Commissioner Bauer that moving a row of parking spaces would increase the cost of each space. He does not see how removing a row could be efficient.

Commissioner Cassano advised that density is going to drive the availability of other types of transit to the area and that adding density to this area is going to enhance the ability to justify adding transit to this area. He will be supporting this project without the inclusion of Condition #4.

Chair Lyon stated he wants to support City staff as they do not make their recommendations lightly. However, some of the modifications to the garage that have been proposed are just not possible.

Motion: Motion made by Commissioner Bauer to approve PL210061 with the removal of Stipulation #4 and seconded by Commissioner Cassano.

Ayes: Chair Lyon, Vice Chair DiDomenico, and Commissioners Cassano, Johnson, Lloyd, and Bauer

Nays: Commissioner Amorosi

Abstain: None

Absent: Commissioner Sumners

Vote: Motion passes 6-1

Other:

Chair Lyon and Commissioner Johnson expressed that they have enjoyed their time on the Commission.

Staff Announcements:

Ms. Dasgupta advised the Commission that the next meeting will be on July 27, 2021.

Staff thanked Chair Lyon and Commissioner Johnson for their time serving on the Development Review Commission.

There being no further business the meeting adjourned at 7:15 p.m.



Prepared by: Joanna Barry, Administrative Assistant II

Reviewed by: Suparna Dasgupta, Principal Planner