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### **VOLUME III**

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### **VOLUME IV**

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Part 1: Final Outreach Report; Community Engagement Plan; Stakeholder Engagement for Market Analysis Process; December 2015 Meeting Materials; February 2016 Meeting Materials

Part 2: April 2016 Technical Forum Materials; June 2016 Meeting Materials (Charrette Format)

Part 3: July 2016 Meeting Materials (Charrette Format); WordPress Outreach Materials; Working Paper #2 Outreach Materials; December 2016 Meeting Materials; January 2017 Central Subarea Follow-up Meeting Summary

### **VOLUME V**

Appendix D: Market Analysis Methodology and Benchmarking of Other Uses

Appendix E: Location Preference Maps

Appendix F: Framework Evaluation Matrix

Appendix G: Implementation Strategies List

Appendix H: Additional Research Topics

Appendix I: Comment Period Submissions and Responses

Appendix J: Conceptual Illustrations of Project Area

### **GLOSSARY**

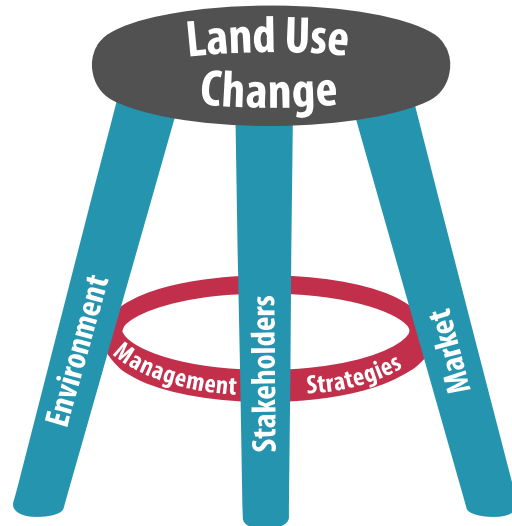
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## Section 11—Land Use Management Model

Land use planning is used to influence the direction of land use change, which can be represented by the three-legged stool analogy. Influencing factors in land use management are represented by the legs of the stool and include:

- environment
- stakeholders
- market

The role of government in land use planning is to address conflicts among influencing factors and make decisions about community priorities. The goal of land use management is not simply to accommodate market demand, but to guide the market in a manner that creates good communities. The management of land use change involves a set of policies and programs (strategies) to influence the outcome; these strategies are represented by the brace supporting the stool legs.



### 11.1 Environment

The existing environment of an area, including both the physical attributes and regulatory climate, is a general influencing factor in land use change. Elements of the environmental setting include existing infrastructure, access to transportation, the presence of environmental constraints, and zoning that may influence development. The existing Planning Area environment is documented in the **Inventory, Sections 2 - 10**.

### 11.2 Stakeholders

Stakeholders are also general influencing factors in the land use management model. Stakeholders can generally be grouped into three categories including:

- Government—Federal, state, regional, and local
- Market—Land owners, developers, realtors, and bankers
- Community Interests—Neighborhood groups, environmentalists, and economic developers

In developing a land use plan, all stakeholders affected by the plan should be given the opportunity to influence its content. The stakeholders and engagement efforts employed for the Reuse Strategy are described in Section 12.2.3 and **Appendix C**.

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## 11.3 Market

The local real estate market is the final general influencing factor. In assessing the market-driven demand for an area, the objective is to determine the Highest and Best Use (HABU). The HABU is defined as physically possible, market supported, legally permissible, and returns the greatest net present value to the land. Although existing market-driven demand can be determined, it is widely accepted that the real estate market will evolve over time.

In the case of the Reuse Strategy, determination of proposed uses must consider the context of the area. In many instances, the current HABU may not align with the long-term vision and strategies for the area under future conditions. For example, the current HABU for a ½ acre parcel without adjacency to other available properties could prevent future assembly of land that would yield greater revenue or contribute to overall objectives. The Reuse Strategy therefore seeks to determine the “Contextual Best Use” for the subject parcels, serving as a roadmap such that near-term decisions do not preclude achieving long-term economic development, airport and real estate portfolio goals.

**Section 12—Preliminary Market Analysis** documents this third influencing factor (leg of the stool) and its impact and influence on the Planning Area.

## 11.4 Strategies

Management strategies in the form of policies and programs can be regulatory or incentive based.

Regulatory management strategies are established by the government and include:

- Zoning Ordinances/Overlay Districts
- Design Standards and Guidelines
- Deed Restrictions
- Development Agreement

**Figure 11.1—Land Use-Zoning Relationship** describes the difference between land use and regulatory strategies, which are often confused. Zoning is the regulatory management strategy used to guide land use, and typically defines permitted uses, dimensions, and bulk requirements. Design standards and guidelines regulate the appearance of development. Deed restrictions are another regulatory management strategy and involve certain conditions, covenants and restrictions that are written into a property’s deed. Deed restrictions can be used to influence development or prohibit certain activities.

**Figure 11.1—Land Use-Zoning Relationship**



**Land Use**

Describes specific use of land and its buildings, specific but not detailed; distinction between land use and users of buildings (tenants) is important.

**Zoning**

Both a district/area and a tool to implement a land use plan.

1. A division of land into zones within which various uses are permitted/restricted.
2. A regulatory instrument that regulates land use (light industrial zoning) and identifies provisions, e.g. height restrictions, parking requirements, and use restrictions (zoning overlays).

**Design Standards**

Regulate the look of development, such as building scale, massing and materials, and is an important tool to help guide development in accordance with community goals and objectives.

There are a number of incentive-based management strategies used to influence land use, including but not limited to:

- Development assistance (tax incentives, expedited permitting, etc.)
- Grants
- Request for Proposals (RFP) structure—in the case of a land lease or development sale, the land owner can impose additional rules/regulations through an RFP process

**Section 14—Community Preferred Land Reuse Framework and Implementation Strategy** identifies goals, policies, strategies and actions items to achieve the preferred framework.

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## Section 12—Preliminary Market Analysis

### 12.1 Overview of Market Analysis Process

As part of the Reuse Strategy, a preliminary market analysis was performed to understand the local market (third influencing factor/leg of the stool), and its impact and influence on the Planning Area during the 10-year planning horizon. The information gleaned from this market work helps to inform the Reuse Strategy by examining and considering the interests, constraints and opportunities of the local market alongside those of stakeholders and the physical and regulatory environment. To that end, the market analysis process included the following elements:

- Examine and identify composite constraints and opportunities that exist within the project Planning Area environment as detailed in the Inventory
- Understand compatible uses given Planning Area environment and policies
- Engage and interview market participants and key stakeholders to foster collaboration, leverage community synergies, and identify goals and objectives, potential alignments and opportunities
- Identify land uses to be studied, determine market study and trade areas, and identify key market metrics relative to those uses
- Examine market conditions and prevailing development patterns
- Conduct demand analysis and apply estimated demand allocation to Planning Area/subject parcels
- Identify market preferences and priorities within the Planning Area relevant to the subject parcels

### 12.2 Market Context

This section presents key information gathered and reviewed as part of the Preliminary Market Analysis process. Section 12.2.1 summarizes a number of physical, regulatory, and market factors that influence development potential in the Planning Area. The analysis considered previous City of Phoenix planning documents affecting the Planning Area, which provide land use and associated recommendations and goals; these documents are listed in Section 12.2.2 with reference to the Inventory, where they were examined. Sections 12.2.3 and 12.2.4 present the findings and takeaways of the project's community outreach efforts, including stakeholder engagement and committee, roundtable, and community meetings. Section 12.2.5 summarizes key themes that emerged from examination of the market context of the Planning Area.

#### 12.2.1 Influencing Factors

The **Inventory, Sections 2 – 10** in this plan, documents the Study Area's existing conditions, including both the physical and regulatory environment, to identify constraints and opportunities. The In-

ventory reviews aviation-related and environmental constraints affecting the Planning Area, demographics, existing and planned zoning and land uses, transportation systems and accessibility, and utilities and infrastructure. In preparing the inventory of existing conditions, data and documents related to the following resources were reviewed:

- Water/Utility Infrastructure
- Airport Documents
- PHX's CNRP
- Area Planning and Land Use Codes
- Environmental Studies
- Land Development Inquiries
- Valley Metro Planning
- ADOT Passenger Rail Planning
- MAG Transportation Planning

Approximately 135 documents in these general categories were reviewed as part of the inventory process. The following takeaways from the Inventory are instrumental to informing the market analysis and the development of frameworks and resulting plan for the Reuse Strategy.

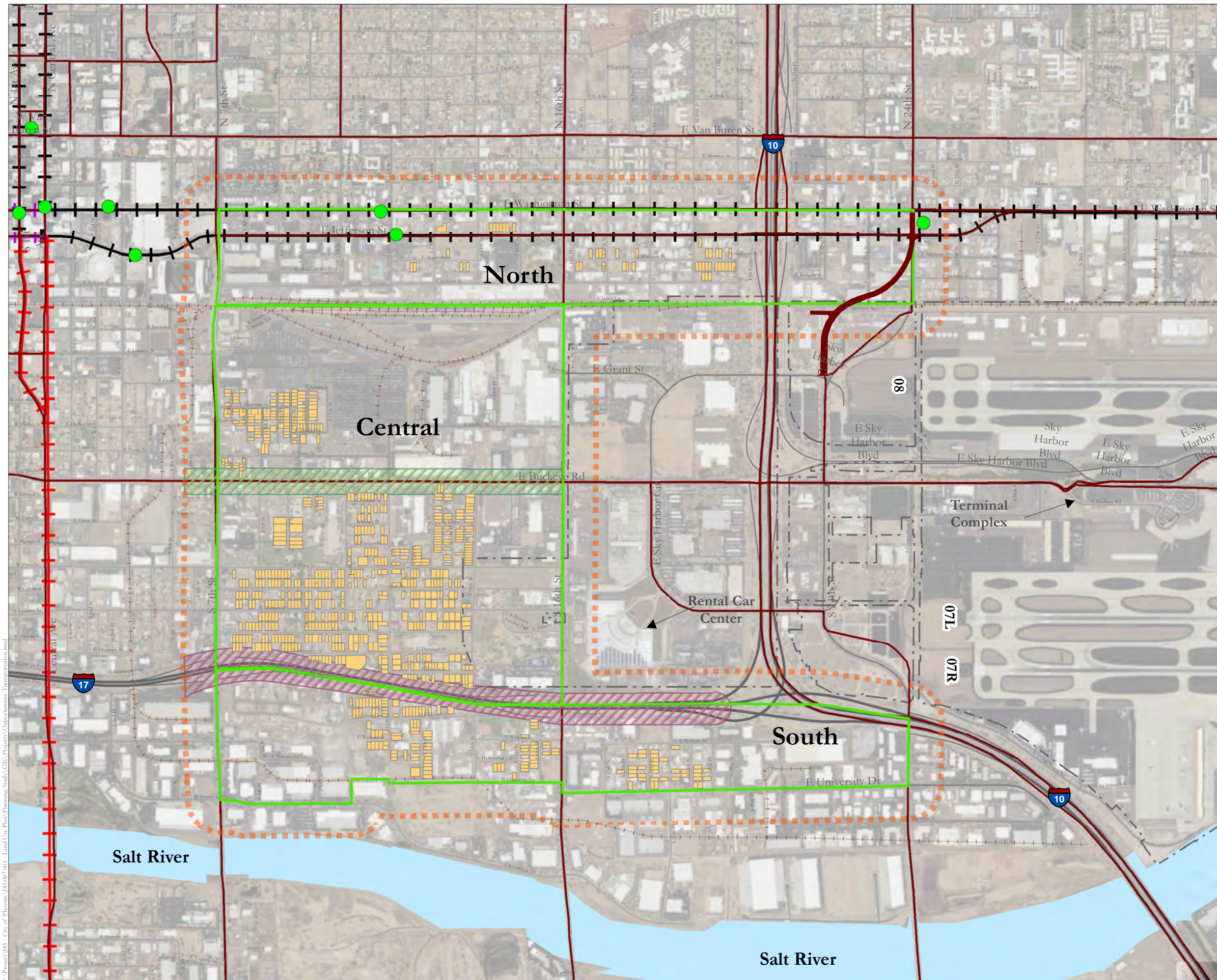
### **Access to Transportation**

**Figure 12.1** provides a composite map of the existing and planned transportation systems within and surrounding the Study Area. As shown, there are existing interstate highways to the east and south of the Study Area, and existing light rail lines and stations in the northern part of the Study Area. Improvements are underway along I-17 and E. Buckeye Road that may make the properties located nearby more attractive to developers. In addition, the City of Phoenix is planning to connect the Airport's Sky Train system to the Central Subarea, although this is not imminent.

Plans for a South Central Light Rail Extension and associated street and bus stop improvements, part of the USDOT Ladders of Opportunity Transportation Empowerment Pilot (Ladders<sup>STEP</sup>), will further enhance the Study Area's accessibility. The light rail extension, approximately a half-mile from the western edge of the Planning Area, will provide a connection to Downtown, including the nearby Biomedical Campus.

Collectively, the existing and planned transportation improvements provide access to the Study Area, however, some transportation limitations will exist. For example, the light rail currently passes through the North Subarea but there are no existing stops in the area immediately east of S. 16<sup>th</sup> Street, where a number of the subject parcels are located. However, a future phase of the PHX Sky Train may offer potential opportunity to connect to the Planning Area and provide another transportation connectivity option.





LEGEND

- Airport Property
  - Study Area
  - Planning Area
  - Airport-Owned Noise Property
  - 24th Street Realignment
  - Highway
  - Arterial Street
  - Local Street
  - Railroad
  - Waterways
  - Existing Light Rail Stops
  - Bus Routes as of July 2013
  - Existing Light Rail Alignment
  - South Central Light Rail Extension
  - Capitol/I-10 West Light Rail Extension
- Near-term Roadway Improvements (In Study Area)**
- Buckeye Road Improvements<sup>1/</sup>
  - Interstate 17 (I-17) Improvements<sup>2/</sup>

**Notes**  
 1/ Buckeye Road - design, right-of-way, construction  
 2/ I-17 - construction of HOV and general lanes



SOURCES: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, Future Airport Layout Plan, VARS boundary and Acquired Properties, Obtained December 2015; City of Phoenix, Phoenix Capital Improvement Program 2015-2020, June 2015; Maricopa Association of Governments, 2014-2018 Transportation Improvement Program, January 2014; Maricopa Association of Governments, 2035 Regional Transportation Plan, January 2014; Maricopa Association of Governments, The Spine Study Fact Sheet, March 2015; Valley Metro, Capitol/I-10 W Light Rail Extension Project Report Card, September 2015; Valley Metro, South Central Light Rail Extension Project Report Card, September 2015; MAG Regional Council, Minutes of the Maricopa Association of Governments Regional Council Meeting, December 2014  
 PREPARED BY: C&S Companies, April 2016.



Figure 12.1

Planned Access to Transportation

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### **Planned Infrastructure**

Existing infrastructure was assessed in the Inventory, noting that undersized and deteriorating infrastructure in parts of the Study Area could present short-term constraints. Future land reuse can potentially take advantage of planned improvements to water and sewer infrastructure. As shown on **Figure 12.2**, water system improvements are planned in the shaded areas and stormwater sewer improvements are planned where indicated by purple crosses.

### **Zoning**

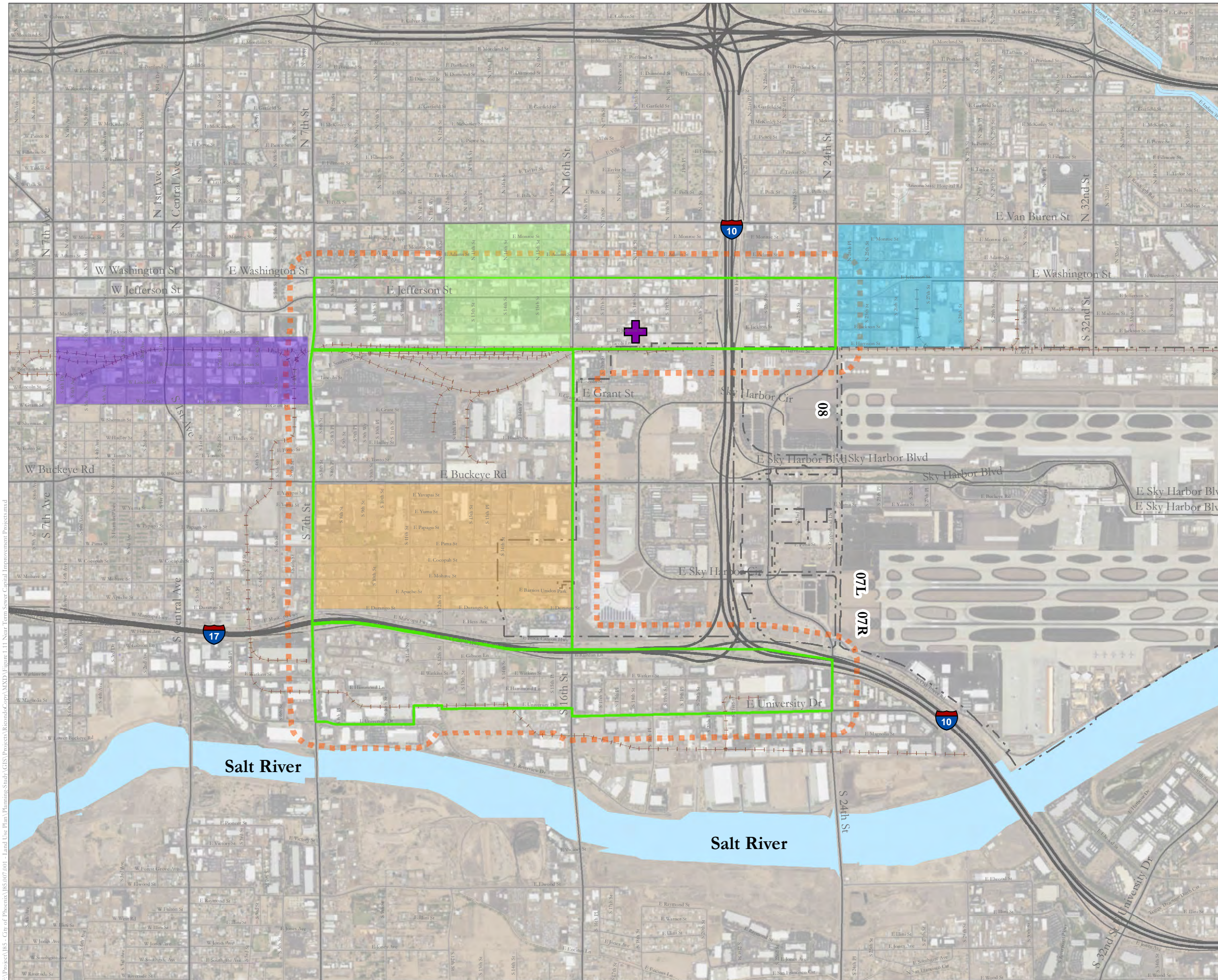
Section 5 of the Inventory documents existing and planned zoning and land uses. The Study Area is dominated by industrial zoning with some areas of commercial and residential (primarily multi-family) zoning. The North Subarea is transitioning to mixed-use zoning under the TOD-1 overlay, which will be considered in the development of the Reuse Strategy.

### **Incentive Zones**

As documented in the Inventory a number of incentive zones are relevant to the Reuse Strategy because they may help to encourage future development in the area. Incentive Zoning in the Study Area is shown on **Figure 12.3**, and includes:

- Infill Development Districts, which encourage increased development density, particularly involving housing
- Transit Overlay Districts, which promote mixed-use, moderate to high density housing development to capitalize on transportation linkages provided by light rail lines

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LEGEND

- Airport Property
- Study Area
- Planning Area
- Highway
- Arterial Street
- Local Street
- Railroad
- Waterways

Water Supply Capital Improvement Projects

- Area Bounded by Durango Street to Buckeye Road and 7th Street to 16th Street: Install 19,020 linear feet of mains, install 29 fire hydrants and relocate 166 water meters
- Warehouse Improvement District: Add and replace small diameter water mains to support District revitalization
- Area Bounded by Harrison Street to Van Buren Street and 12th Street to 16th Street: Install 14,930 linear feet of mains, and 16 fire hydrants
- Area Bounded by Harrison Street to Van Buren Street and 24th Street to 28th Street. Replace or rehabilitate water mains

Stormwater Sewer Capital Improvement Project

- 1745 East Jackson Street: Construct storm data improvements



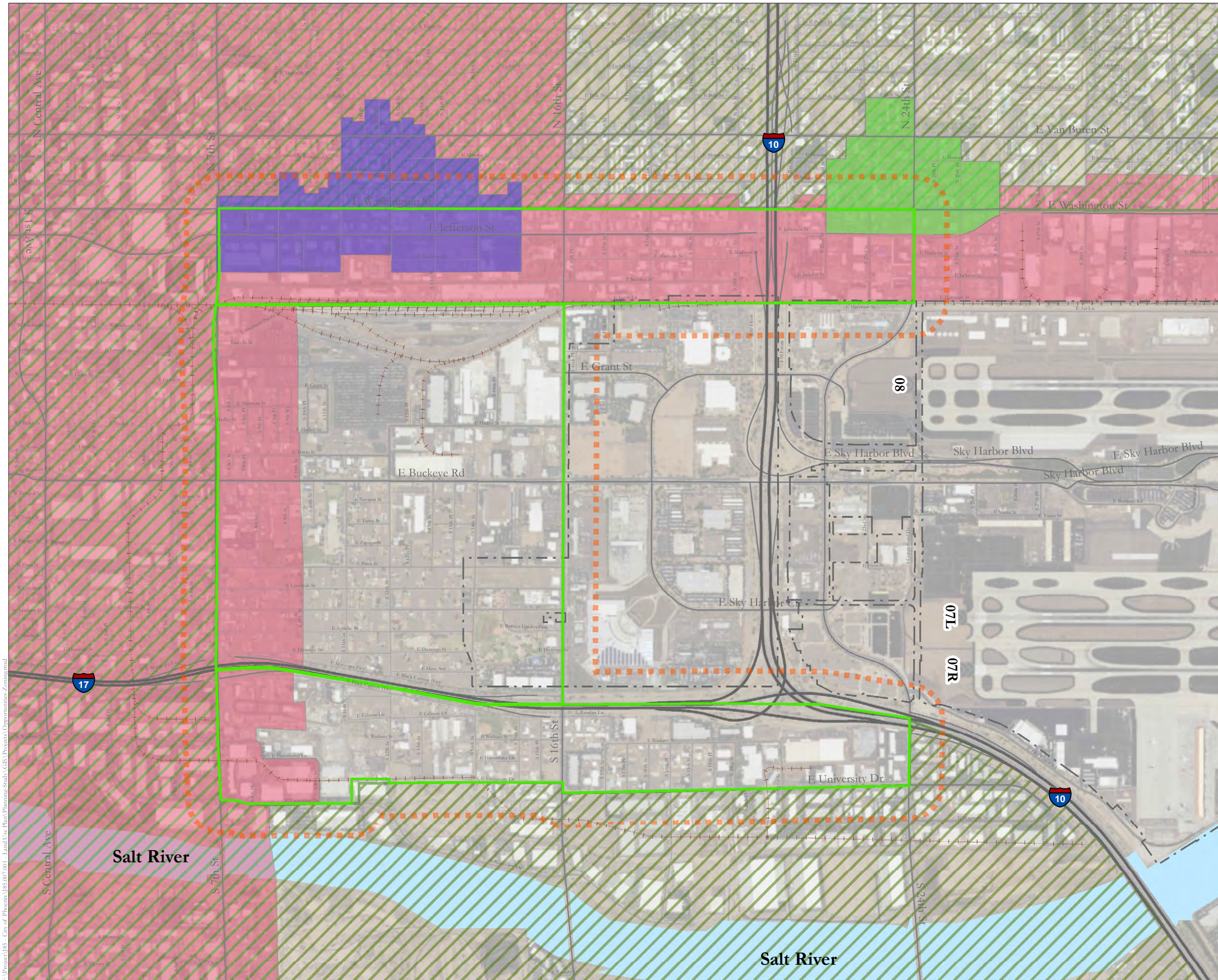
SOURCES: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary and Acquired Properties, Obtained December 2015; City of Phoenix, Phoenix Capital Improvement Program 2015-2020, June 2015; Maricopa Association of Governments, 2014-2018 Transportation Improvement Program, January 2014; Maricopa Association of Governments, 2035 Regional Transportation Plan, January 2014; Maricopa Association of Governments, The Spine Study Fact Sheet, March 2015; Ricondo & Associates, Inc., March 2016.  
 PREPARED BY: Ricondo & Associates, Inc., March 2016.



Figure 12.2

Planned Infrastructure

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LEGEND

- Airport Property
  - Study Area
  - Planning Area
  - Highway
  - Arterial Street
  - Local Street
  - Railroad
  - Waterways
- Existing Zoning Overlay Districts (In Study Area)**
- Transit Overlay District (TOD-1)
  - Transit Overlay District (TOD-2)
- Infill Development Districts (In Study Area)**
- Infill Development District
  - Applicable Area for the Single-Family Attached Development Option



SOURCES: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary and Acquired Properties, Obtained December 2015; City of Phoenix Open Data Portal, Zoning Land Use Data <http://maps.phoenix.opendata.arcgis.com>, accessed December 2015; PREPARED BY: C&S Companies, April 2016.



Figure 12.3

Incentive Zones

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### Zoning/Deed Restrictions

Some aspects of the zoning code, as well as deed restrictions, can be viewed as constraints to development. **Figure 12.4** shows the existing constraints related to zoning/deed restrictions in the Study Area, which include the following:

- Redevelopment of the subject parcels is subject to various zoning constraints and other restrictions, including multiple zoning districts and overlay zones.
- Reuse of the subject parcels is also subject to federal grant assurances. In return for accepting FAA funding to purchase the subject parcels and relocate the residents, the City agreed to numerous assurances, including the obligation to ensure that any future development will be compatible with the Airport.

Even without additional covenants/deed restrictions, parcels in this area may be considered more difficult to develop than unrestricted parcels in adjacent areas.

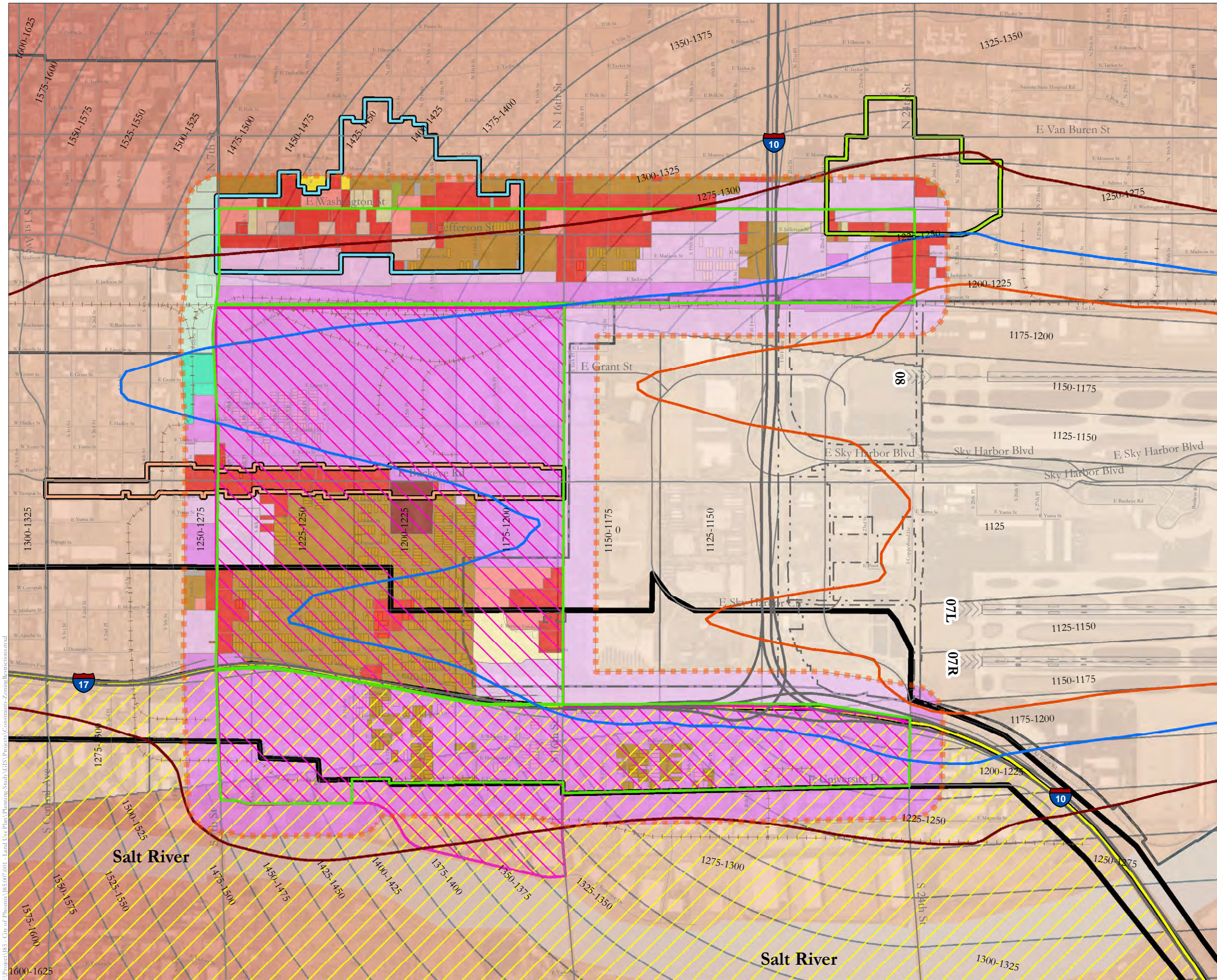
### Neighboring Parcels

The Reuse Strategy must consider the sensitivity of uses, residents, and activities adjacent to the subject parcels. **Figure 12.5** provides a sensitivity analysis of neighboring parcels, identifying potential considerations when evaluating reuse opportunities. Future development should harmonize with existing development including occupied residential parcels. As shown on **Figure 12.5**, a significant number of homes remain south of E. Buckeye Road, as well as several schools, places of worship, and community centers/parks within the Study Area. There are also extensive areas of industrial development (purple) throughout the Study Area.

### Planned/Proposed Projects

In addition to understanding neighboring parcels, it is important to consider planned and proposed projects around the Study Area. **Figure 12.6** reflects how the private development market views opportunities in different parts of the Study Area and surroundings. A number of industrial projects are planned or underway south of the Salt River, along with mixed-use and multifamily projects along the light rail line through the northern part of the Study Area. Future reuse opportunities could leverage the momentum of these projects or benefit from their proximity.

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LEGEND

- Airport Property
  - Study Area
  - Planning Area
  - Airport-Owned Noise Property
  - Highway
  - Arterial Street
  - Local Street
  - Railroad
  - Waterways
- Existing Zoning Overlay Districts (In Study Area)**
- Airport Noise Impact Zone Overlay
  - Black Canyon/Maricopa Freeway Specific Plan
  - East Buckeye Road Overlay District
  - Rio Salado Interim Overlay District
  - Transit Overlay District (TOD-1)
  - Transit Overlay District (TOD-2)
- 1999 Noise Exposure**
- DNL 65 - 70
  - DNL 70 - 75
  - DNL 75 +
- Existing Zoning Districts (In Study Area)**
- S-1, Ranch or Farm Residence
  - R1-6, Single-Family Residence
  - R-3/R-5, Multifamily Residence
  - C-1, Neighborhood Retail
  - C-2, Intermediate Commercial
  - C-3, General Commercial
  - C-O, Commercial Office Restricted Commercial
  - P-1, Passenger Automobile Parking - Limited
  - A-1, Light Industrial
  - A-2, Industrial
  - CP/GCP, General Commerce Park
  - DTC-WARE, Downtown Warehouse
  - DTC-BCORE, Downtown Business Core
  - PUD, Planned Unit Development
- Airport Zoning Surfaces (Elevation Range in Feet above Mean Sea Level - MSL)**
- 1,125 feet
  - 1,850 feet
- Notes**

  - 1/ Airport elevation ranges from approximately 1,110 to 1,135 feet above mean sea level (MSL)
  - 2/ Height Zone A - Airport Property
  - 3/ Height Zone B - Downtown Zone
  - 4/ Height Zone C - Aircraft Approach and Departure Zone (west side of Airport)
  - 5/ Height Zone E - Aircraft Maneuvering Zone



SOURCE: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, Zoning Height Contour Data, VARS boundary and Acquired Properties, Obtained December 2015; City of Phoenix Open Data Portal, <http://maps.phoenix.opendata.arcgis.com>, (Zoning) December 2015; Phoenix Sky Harbor, FAA Part 150, Noise Exposure Map, September 2001  
 PREPARED BY: C&S Companies, April 2016.

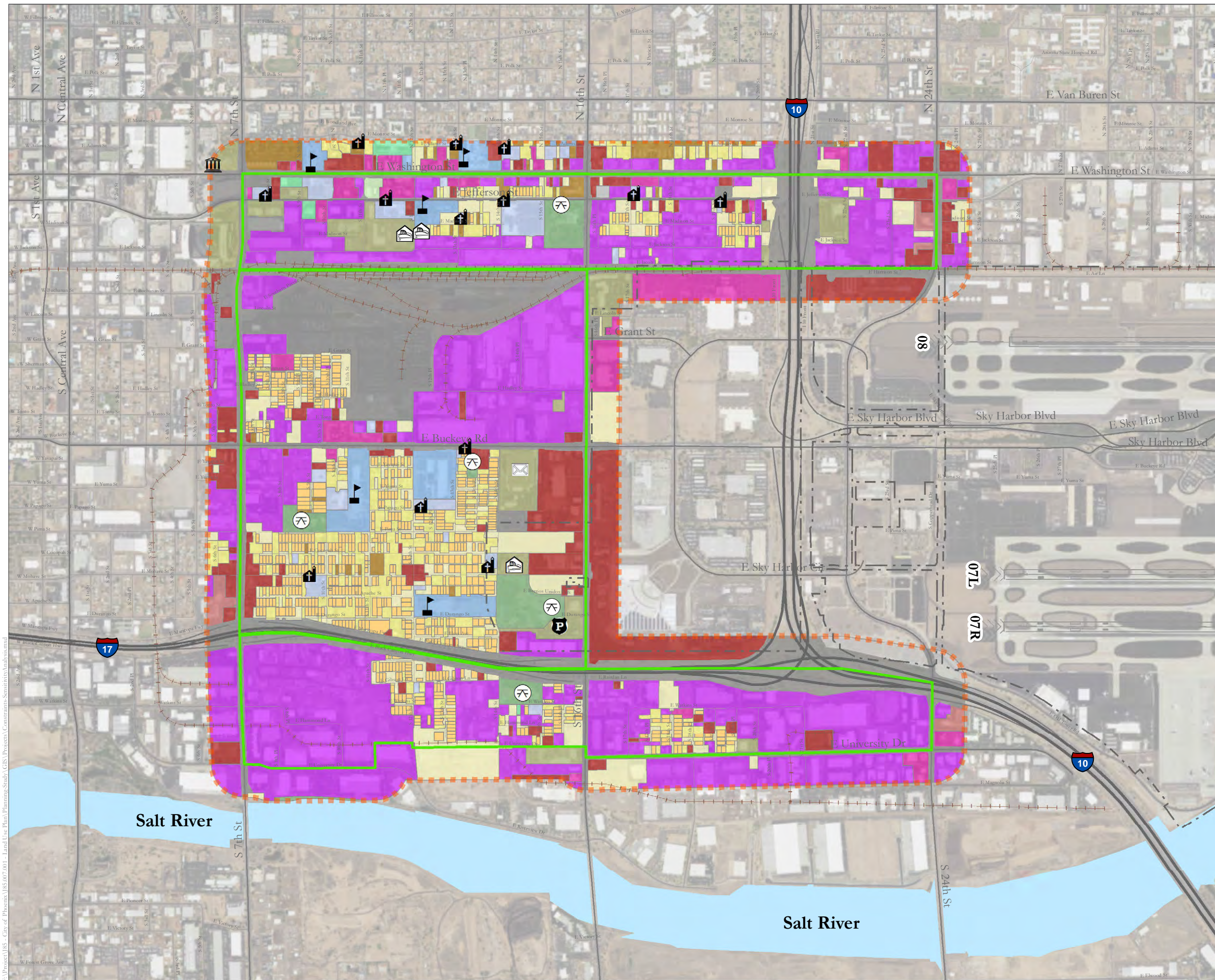


Figure 12.4

Zoning

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LEGEND

- Airport Property
- Study Area
- Planning Area
- Airport-Owned Noise Property
- Highway
- Arterial Street
- Local Street
- Railroad
- Waterways
- Recreation
- Educational Institution
- Religious Institution
- Medical Institution
- Postal Service
- Museum or Cultural Center
- Fire Station
- Public Safety

Existing Land Use (In Study Area)

- Active Open Space
- Cemetery
- Tourist Accomodations
- Amusement, Movie Theater, Retail (Commercial Low)
- Educational
- Religious/Institutional
- Industrial
- Office
- Single Family
- Multi Family
- Medical/Nursing Home
- Public/Special Event/Military
- Transportation
- Airport
- Vacant
- Acquired VARS Parcels

NORTH 0 1,500 ft.

SOURCE: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary and Acquired Properties, Obtained December 2015; Data Compiled by Maricopa Association of Governments (2012 Existing Land Use) obtained in August 2014; Communities facilities data (Park, Church, School, etc.) were obtained from GNIS <http://nationalmap.gov/gnis.html> and modified based on Google map locations by C&S; Historical resources are added by C&S, April 2016  
 Fire station parking facility and training/office facility locations provided by the City of Phoenix  
 PREPARED BY: C&S Companies, April 2016.

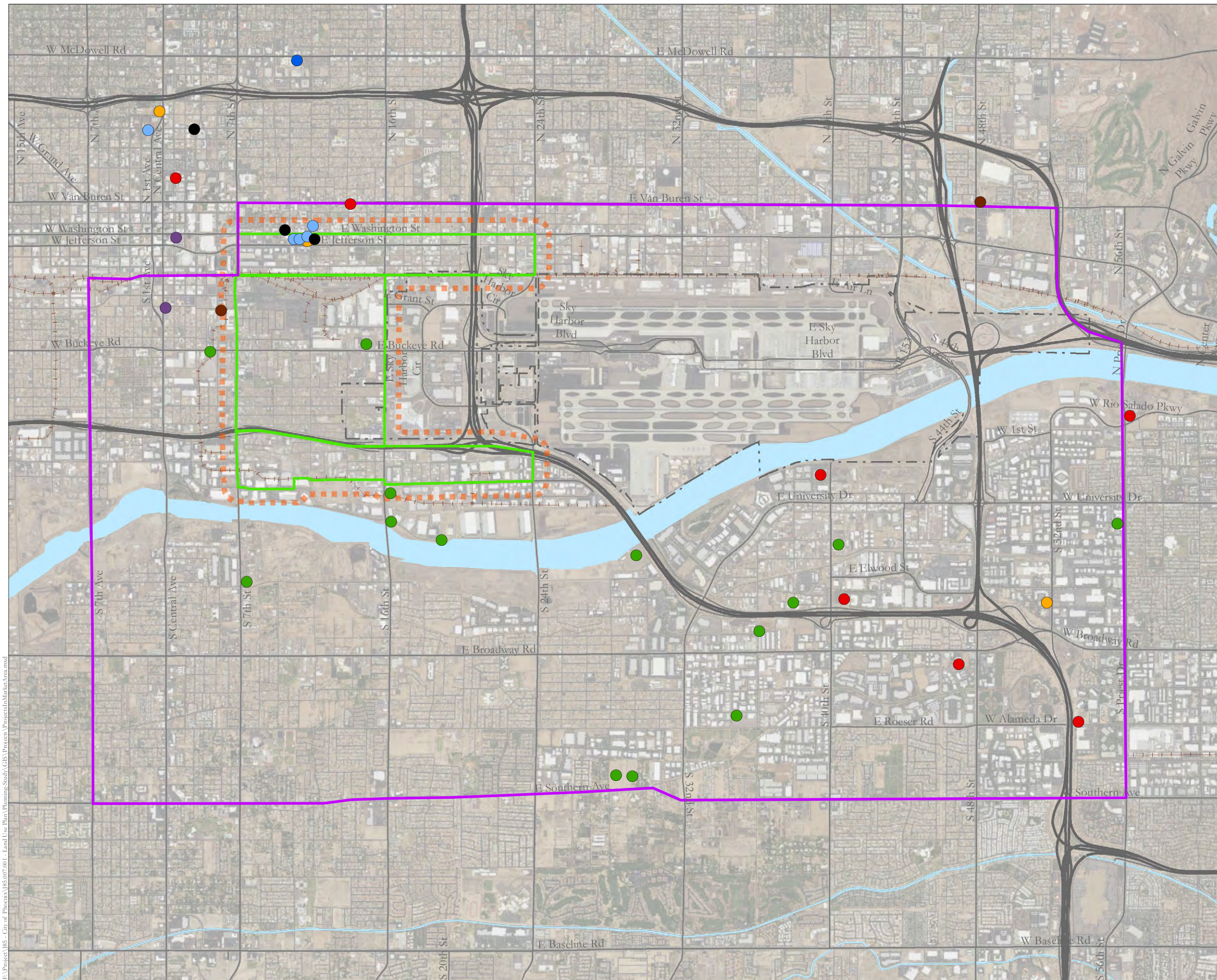


Figure 12.5

Neighboring Parcels

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LEGEND

- Airport Property
- Study Area
- Market Impact Area Boundary
- Planning Area
- Highway
- Arterial Street
- Local Street
- Railroad
- Waterways

Planned/Proposed Projects by Land Use

- Hospitality
- Industrial
- Medical
- Mixed-use
- Multifamily
- Office
- Retail
- Technology



SOURCES: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary obtained December 2015; Construction project data acquired by Ricondo & Associates and C&S Engineers 2016.  
 PREPARED BY: C&S Companies, April 2016.



Figure 12.6

Planned and Proposed Projects

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## Environmental Overview

The Inventory documents existing environmental conditions and potential constraints. Parcels in red on **Figure 12.7** will require additional environmental investigation prior to development. The Motorola Superfund Site underground pollution plume extends into the northern part of the Study Area, but it is unlikely to be a serious impediment to redevelopment because impacts are being mitigated. The Salt River Flood Emergency Management Agency (FEMA) flood hazard area does not extend into the Study Area.

## Cultural & Historical Resources

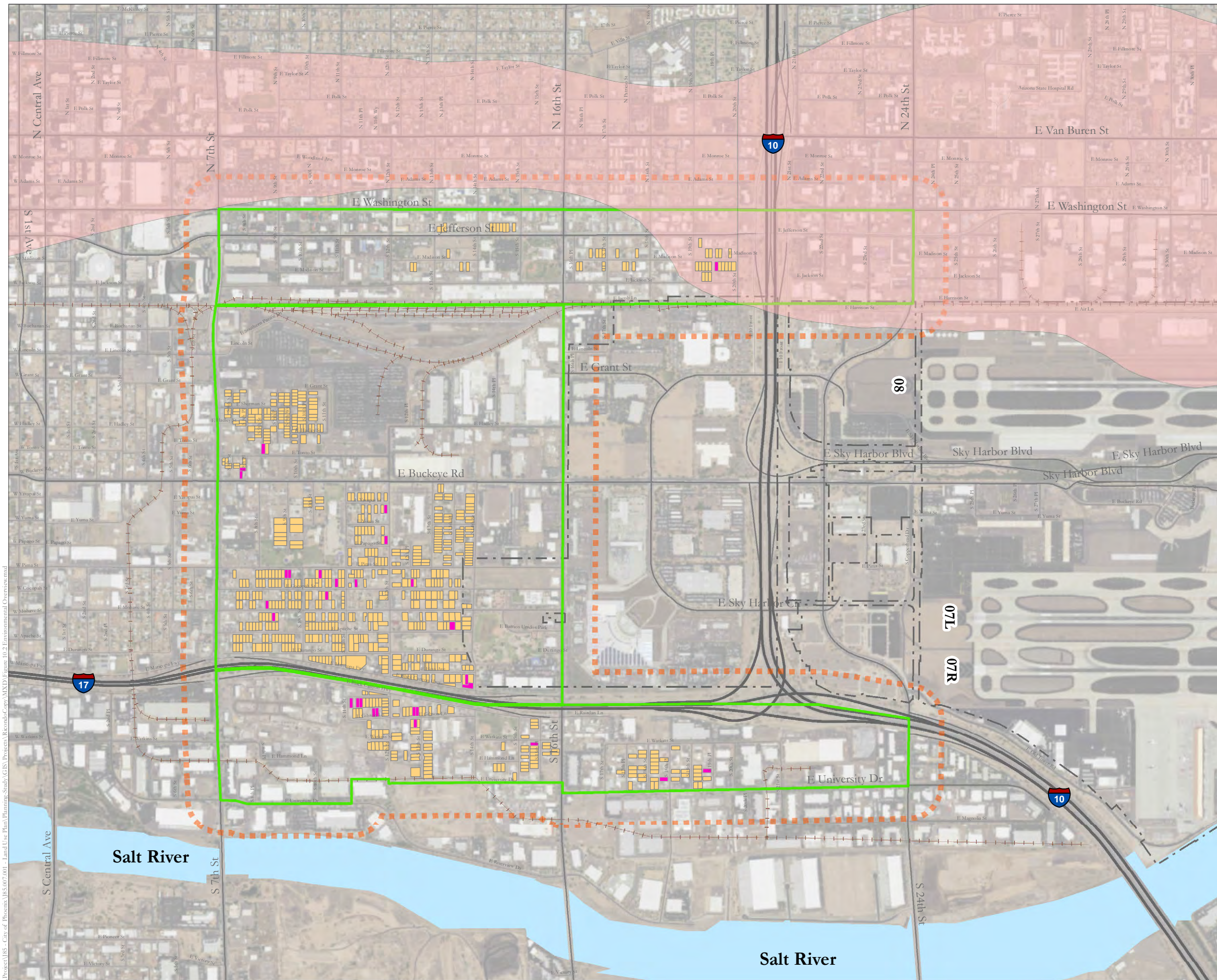
**Figure 12.8** depicts numerous cultural and historical resources within the Study Area. The Study Area neighborhoods have a rich cultural history, particularly associated with the African-American community (North Subarea) and the Mexican-American and Asian communities (south of the UPRR). Many studies of historic resources have been undertaken in the area since 2004, most of which were completed in conjunction with the CNRP. There are 42 properties in the Study Area listed on the National Register of Historic Places (NRHP), the Phoenix Historic Property Register, or that have been determined to be eligible for listing. None of these are among the subject parcels. In addition, other buildings and sites have been identified as locally important for cultural or historic reasons, even though they do not meet the criteria for listing on the NRHP. These resources have been documented in Section 9.2.

## Summary of Existing Conditions

Each subarea presents a number of constraints and opportunities based on the existing conditions documented above and in the Inventory. This information was considered throughout the development of the Reuse Strategy.

- The Planning Area is readily accessible via multiple modes of travel with close proximity to the Airport, two light rail stations in the North Subarea, Interstates 10 and 17, and a grid street network.
- Water and sewer infrastructure upgrades are planned in limited areas and needed in much of the Planning Area to accommodate potential new development.
- Current zoning may not align with future needs in some parts of the Planning Area. Additional flexibility in zoning requirements may help attract new development.
- Per FAA regulations, sensitive land uses such as residential are not compatible with noise levels in some locations.
- Substantial sections of the Central Subarea are outside established incentive zones.
- Context sensitivity in planning and future development is required given the variety of uses located in this area including remaining residential and existing business uses, as well as the proximity to the airport and Downtown uses.

- Transit-oriented, mixed use development projects are underway in the North Subarea along light rail lines. There is minimal ongoing or planned development elsewhere in the Planning Area.
- Limited concern regarding known environmental contamination in the area, aside from some sites in the North Subarea affected by Motorola.
- An abundance of historic and cultural resources are located in the area due to the rich history and heritage of the communities here.



LEGEND

- Airport Property
- Study Area
- Planning Area
- Airport-Owned Noise Property
- Motorola Superfund Site
- Study Area - Acquired Parcels Flagged for Environmental Follow-up or Further Site Examination
- Highway
- Arterial Street
- Local Street
- Railroad
- Waterways



SOURCES: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, AeroGrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary and Acquired Properties, Obtained December 2015; City of Phoenix, Phoenix Capital Improvement Program 2015-2020, June 2015; Maricopa Association of Governments, 2014-2018 Transportation Improvement Program, January 2014; Maricopa Association of Governments, 2035 Regional Transportation Plan, January 2014; Maricopa Association of Governments, The Spine Study Fact Sheet, March 2015; Ricondo & Associates, Inc., March 2016. PREPARED BY: Ricondo & Associates, Inc., March 2016.

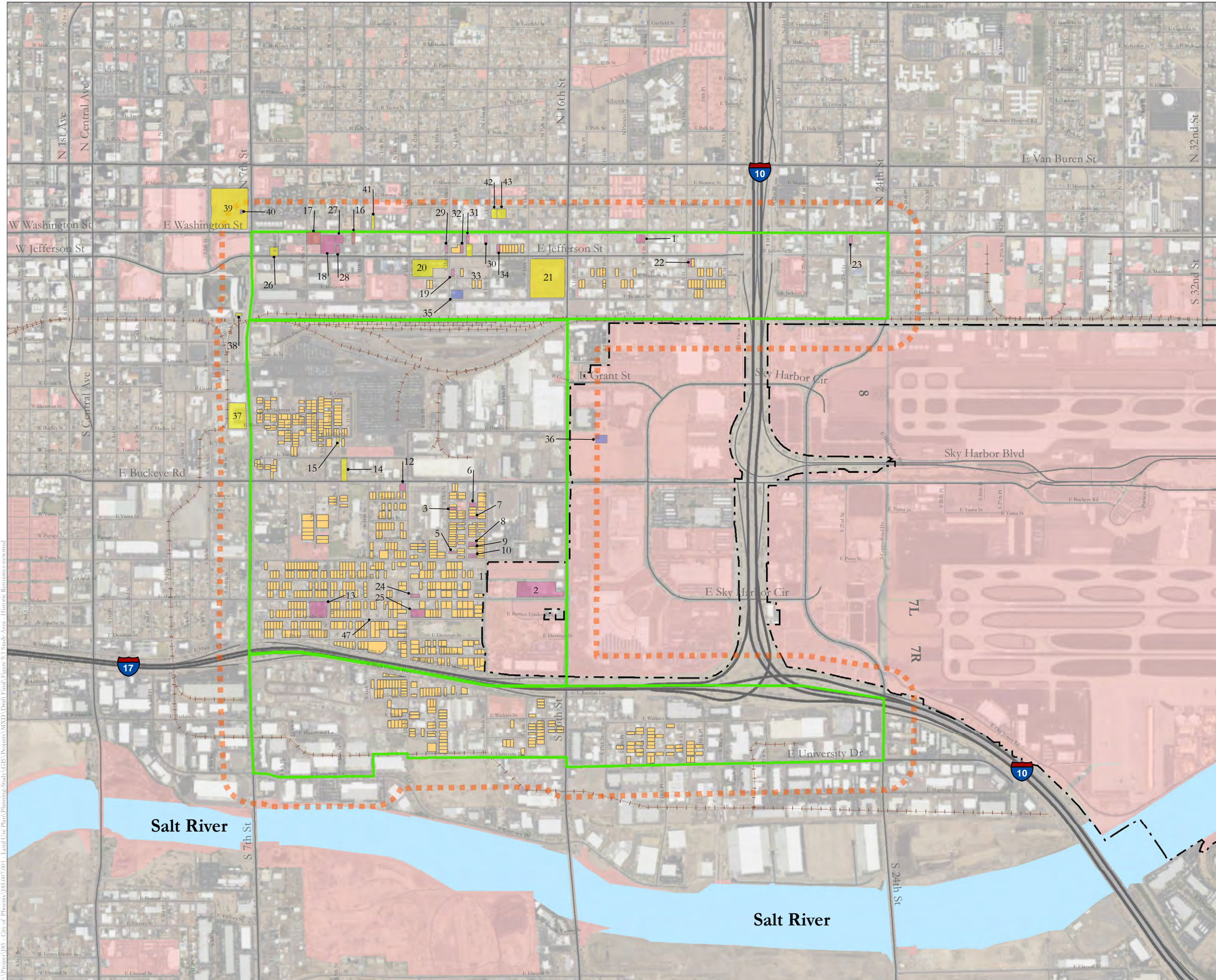


Figure 12.7

Environmental Overview

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**LEGEND**

- Airport Property
- 8, 7L, 7R Runway Numbers
- Study Area
- Planning Area
- Airport-Owned Noise Property
- Other City-Owned Property
- 35 National Register of Historic Places\*
- 21 Phoenix Historic Property Register\*
- 17 National and Phoenix Registers\*
- 28 Not Listed – Eligible for Listing on National or Phoenix Register\*
- Highway
- Arterial Street
- Local Street
- Railroad
- Waterways

**Notes**

\* See Table 9.1 for a list of the historic resources.



SOURCES: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary and Acquired Properties, obtained December 2015; City of Phoenix Aviation Department, GIS Data of PHX LRS Area Historical Structures, obtained by Ricoondo & Associates, May 04, 2016; City of Phoenix, Noise Reduction Program, Voluntary Acquisition and Relocation Services, Seeds of Change. Neighborhoods on the Salt River Floodplain, 2013; Ricoondo & Associates, Inc., June 2016. PREPARED BY: Ricoondo & Associates, Inc., May 2016.



Figure 12.8

Historic Resources

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### 12.2.2 Plans/Policies

As noted in Section 1.4.2, a number of existing plans were reviewed to understand potential synergies with the ongoing planning efforts and avoid conflicts. Taken together, these plans describe the City's broad vision for each part of the Study Area:

- North (from Washington Ave. south to the Union Pacific Railroad)
  - A vibrant, pedestrian-oriented, mixed use area with multiple housing types to take advantage of the light rail corridor
- Central (from Union Pacific Railroad south to I-17)
  - An area transitioning to industrial use
  - Recognition of the needs of neighborhood residents as the area transitions
- South (from I-17 south to University Ave.)
  - An area of campus-type industrial uses, office parks, research and development (R&D) facilities

The following is a summary of recommendations from City of Phoenix planning documents included as they relate to each Area (North, Central and South):

## Summary of Previous Plan Recommendations

Please note, the following recommendations are marked according to their applicability within the Planning Area by these designations: North **(N)**, Central **(C)**, and South **(S)**

- Ensure Land Use Compatibility:
  - Compatibility with airport **(N, C)**
  - Compatibility with residential uses, e.g. pollutant generators **(N, C, S)**
  - Develop a zone to transition between industrial and residential uses **(C, S)**
- Encourage mixed-use and transit-oriented development **(N, C, S)**
- Enable economic viability:
  - Human capital development and jobs geared toward key Gateway industries<sup>1</sup> **(N, C)**
  - Land use changes to facilitate business growth/employment **(N, C, S)**
  - Support special investment zones with incentives for new business **(N, C, S)**
  - Provide link to opportunities in Rio Salado, Downtown and Capitol Mall areas **(C, S)**
  - Leverage proximity to airport, job centers, downtown and transportation linkages **(S)**
- Address existing conditions:
  - Remove blight/eliminate substandard, deteriorating, and obsolescent structures **(N, C, S)**
  - Minimize environmental issues **(C)**
  - Revitalize existing buildings/adaptive reuse **(N, C, S)**
  - Develop innovative uses for vacant sites and greyfields (i.e., temporary creative neighborhood uses) **(N, C, S)**
  - Preserve open space (develop on infill, previously developed spaces, and brown-fields) **(N, C, S)**
  - Intermingle redevelopment with historic development **(N, C, S)**
  - Address inadequate street layout and irregular lots **(N)**
  - Blend new development to be appropriate with the landscape **(N, C, S)**
  - Facilitate better development by assembling parcels as needed **(C)**

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<sup>1</sup> Gateway industries: healthcare, education, advanced manufacturing, transportation, logistics, construction, retail, restaurant and hospitality



### 12.2.3 Stakeholder Engagement for Market Analysis

Several community stakeholders were interviewed to inform the market analysis work. These interviews focused on engaging key market participants and representatives of community and economic anchors to help understand the various ongoing development plans and programs, share the process underway for the airport’s real estate assets, and identify potential real estate needs of the stakeholders which may affect local Study Area demand. Stakeholders included representatives of the project Roundtables, Advisory Group, and Project Management Committee as well as business and industry organizations, economic development entities, and local commercial real estate brokers. **Appendix C** contains a list of those interviewed as part of this process.

### 12.2.4 Roundtable/Community Meetings

Community input was obtained via roundtables, community meetings, comments, feedback, interests, proposals and plans submitted directly to Aviation and the project team. Detailed meeting notes and summaries as well as direct feedback collected as part of project meeting series are provided in **Appendix C**.

### 12.2.5 Key Themes/Takeaways

The following are overall themes and takeaways heard from stakeholders and the community.

#### Program Success Looks Like:

- Coherent development plan
- Big, bold ideas for future
- Balance of conceptual and detailed strategy for flexibility
- Sensitive to neighborhoods and cultural resources
- Addresses land assembly and ground leases

#### Study Area Perceptions:

- Well-located for industrial growth
- Challenged residential area with residents aging out
- Valuable proximity to airport/freeways/rail/Sky Harbor Center
- Opportunities with Union Pacific and Green Valley Park

#### Vision for Planning Area:

- Open space/parks
- Pedestrian/bicycle connectivity
- Arts and heritage district
- Honor history
- Clustered residents
- Address downtown growth

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It is clear from stakeholder input that the preservation of the area’s historical and cultural significance is essential. Examples of the areas/elements of interest include but are not limited to the following:

- Historic Sacred Heart Catholic Church and parish history, including Fr. Braun
- Farming heritage—historical canal and flower farms
- Santa Rita Center and the organizing work of Cesar Chavez
- Old barrios and community gathering places like the Calderon and Riverside ballrooms
- Stories of vibrant African American, Mexican-American and Asian-American communities

A number of preferred uses were identified through the engagement process:

- Residential; both single and multi-family units; market and subsidized rates
- Existing use support; make land available for existing uses to expand (both residential and non-residential)
- Small business; neighborhood-compatible retail, office and specialty uses
- Quality jobs; technology, manufacturing, research and development and logistics
- Tourism and recreation; sports and waterparks, hotels, cultural and heritage uses
- Transitional/buffer uses; farming, pop-up sales stands, pocket parks and public art
- Industrial/flex spaces; particularly in the South Subarea

In **Section 13 – Alternative Planning Area Frameworks**, the desired uses are grouped into general land use types in alignment with zoning categories and available market data.

Through the course of the community engagement process, the project team received two proposals suggesting specific district naming and distinct branding concepts for the Planning Area submitted by members of the community.

A community member proposed that the land west of the airport bound by the historic Sacred Heart Parish be named the “Father Albert Braun O.F.M. Veterans Memorial & Historic District: Placita de Veteranos Y Artistas.” This proposed concept would honor the legacy of its namesake and the history and culture of the area. It is important to note that while some of the areas included in this specific proposal are outside the Planning Area, the proposed concept would have overlapping influence and relevance within the Planning Area. This proposed concept is noted in **Appendix C**; the proposal letter with illustrative graphics is included in **Appendix I**.

Another member of the community proposed a specific branding concept for the Planning Area, known as the Phoenix Entrada. This proposed branding concept suggests that the Planning Area be treated as a special gateway district given its particular location and decisions within this area be guided by this proposed designation. The proposal letter is included in **Appendix I**.

## 12.3 Market Demand Analysis

The market analysis utilized market analytics and proprietary databases, which include the Phoenix metro area’s commercial space inventory and performance, staff expertise, stakeholder interviews and local fieldwork to project demand and evaluate what market- and industry-based opportunities exist within the Market Impact and Trade Areas in order to qualify demand for specific relevant land uses.

This task identified uses having prevailing and evolving market support and the range of scale (square feet, rooms), nature (office, industrial, retail, etc.), general phasing (near-term and mid-term), and orientation (employees, residents, visitors, etc.) of commercial demand over a 10-year market horizon. This demand analysis provided key information to inform the development of three Frameworks for reuse of the subject parcels and to support collaborative decision-making regarding the deployment, disposition or conversion of real estate assets.

### 12.3.1 Identification of Land Uses Studied

Land uses identified for examination in this study were drawn from several sources:

- Best practices—General commercial land uses and considerations from benchmarking of other airports’ noise land reuse plans
- Inventory—Information and findings drawn from Sections 2 – 10, such as existing plans and constraints
- Community engagement—Desired uses and user-types expressed in stakeholder and market participant interviews, early rounds of Roundtables, Project Management Committee (PMC), Advisory Committee, and community meetings

Inputs obtained from these sources were categorized and consolidated into general land use categories consistent with zoning and available market data, resulting in the following land uses for examination in the market analysis:

- Industrial (includes both general industrial and flex space)
- Commercial (potential mixed use format)
  - Office
  - Retail (also includes restaurants and commercial services)
- Hotel

Mixed use development was defined as a combination of multiple uses, and was also specifically studied to understand current market conditions and future trajectory given the presence of the Metro light rail system in the North Subarea of the Planning Area and specific, expressed interest in this development type.

Where identified uses were difficult to fit into general categories for analysis or more information was needed about non-market-driven uses or development concepts, benchmarking research was utilized to understand key trends, development characteristics, and attributes. Results of this research are included in Section 12.4.

### **12.3.2 Market Study Areas & Key Metrics**

#### **Market Impact Area**

A broader market area beyond the Planning Area, the Market Impact Area, was identified in order to study development patterns and potential market impact and influence on the Planning Area. **Figure 12.9** shows the Market Impact Area outlined in purple and the Planning Area outlined in green.

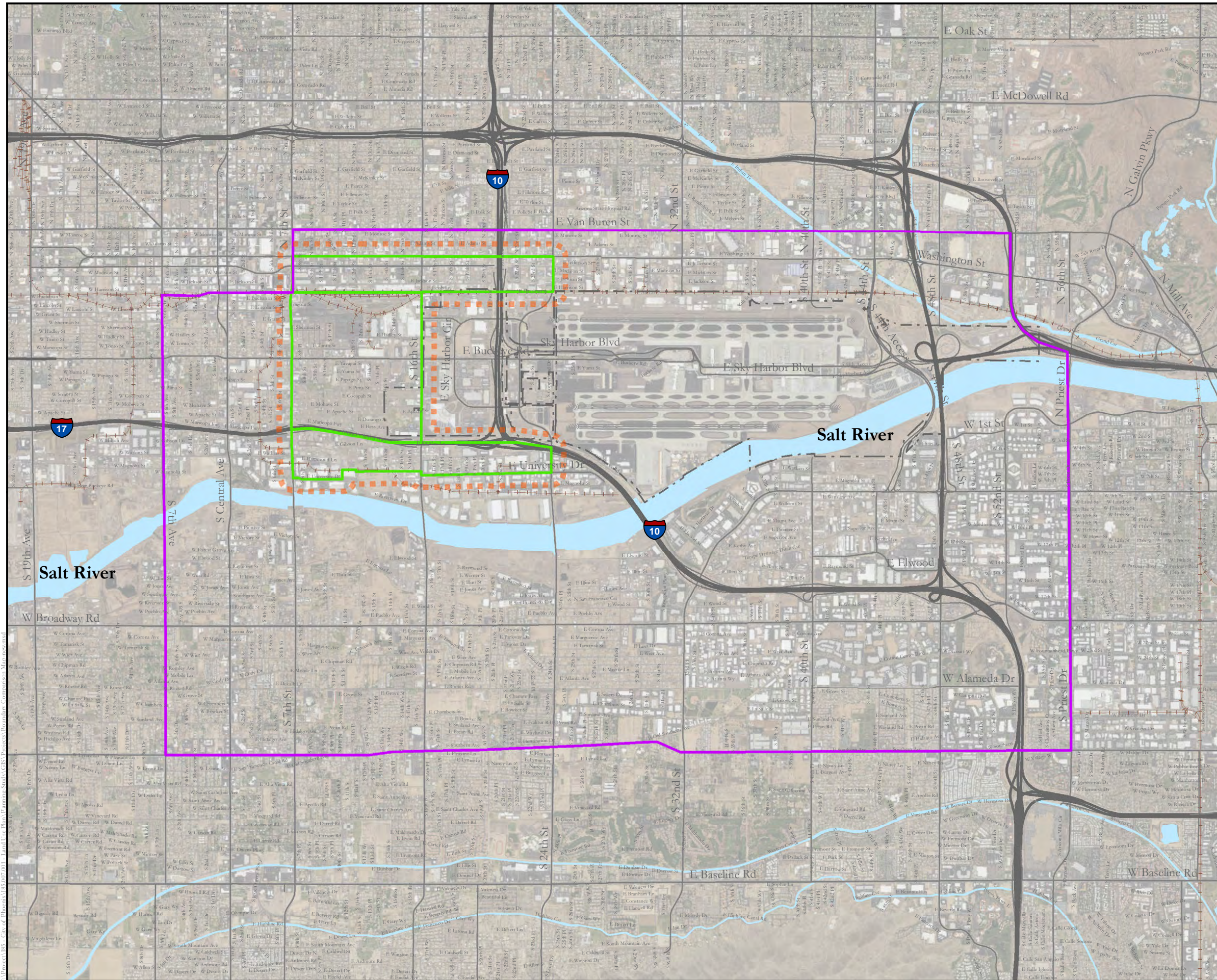
The Market Impact Area was selected based on local market field work, market participant interviews, established local real estate submarkets, and relevant development patterns near the Airport and especially in relation to the Project Area and subject parcels. The core of Downtown Phoenix was excluded given the significantly different development patterns and type of space that occurs in this district. Consistent with the Inventory, Maricopa Association of Governments (MAG) data were used to examine employment and population patterns and trends within the Market Impact Area. Maricopa County was also utilized as a reference area to understand how market analytics in the Market Impact Area compare to the county as a whole.

#### **Employment Density**

Employment density was studied to identify employment centers in areas surrounding the Planning Area. Employment in the Market Impact Area is examined using MAG data. In **Figure 12.10**, darker areas indicate strong employment concentrations and are generally located outside of the Market Impact Area. Sky Harbor Center, which is immediately east of the Planning Area, is a significant center of employment within the Market Impact Area.

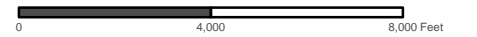
#### **Population Density**

Patterns of population density were also reviewed to provide a full picture of market conditions in the Market Impact Area. In **Figure 12.11**, MAG population density data reveal an opposite pattern within the Market Impact Area, compared against the employment density map. Again, darker areas depict where the population is most concentrations within the Market Impact Area. The Airport and many of the employment centers show little to no population density. In the Planning Area, population density increases moving from southeast to northwest.



LEGEND

-  Airport Property
-  Study Area
-  Market Impact Area Boundary
-  Planning Area
-  Highway
-  Arterial Street
-  Local Street
-  Railroad
-  Waterways



NORTH

SOURCES: Service layer Credits-Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo and the GIS User Community; Esri Data and Maps 2013, Maricopa County Boundary; C&S Companies, Market Impact Area Boundary; City of Phoenix, Aviation Department, Study Area is delineated by Ricondo & Associates Inc. based on VARS boundary, obtained December 2015  
 PREPARED BY: C&S Companies, April 2016.

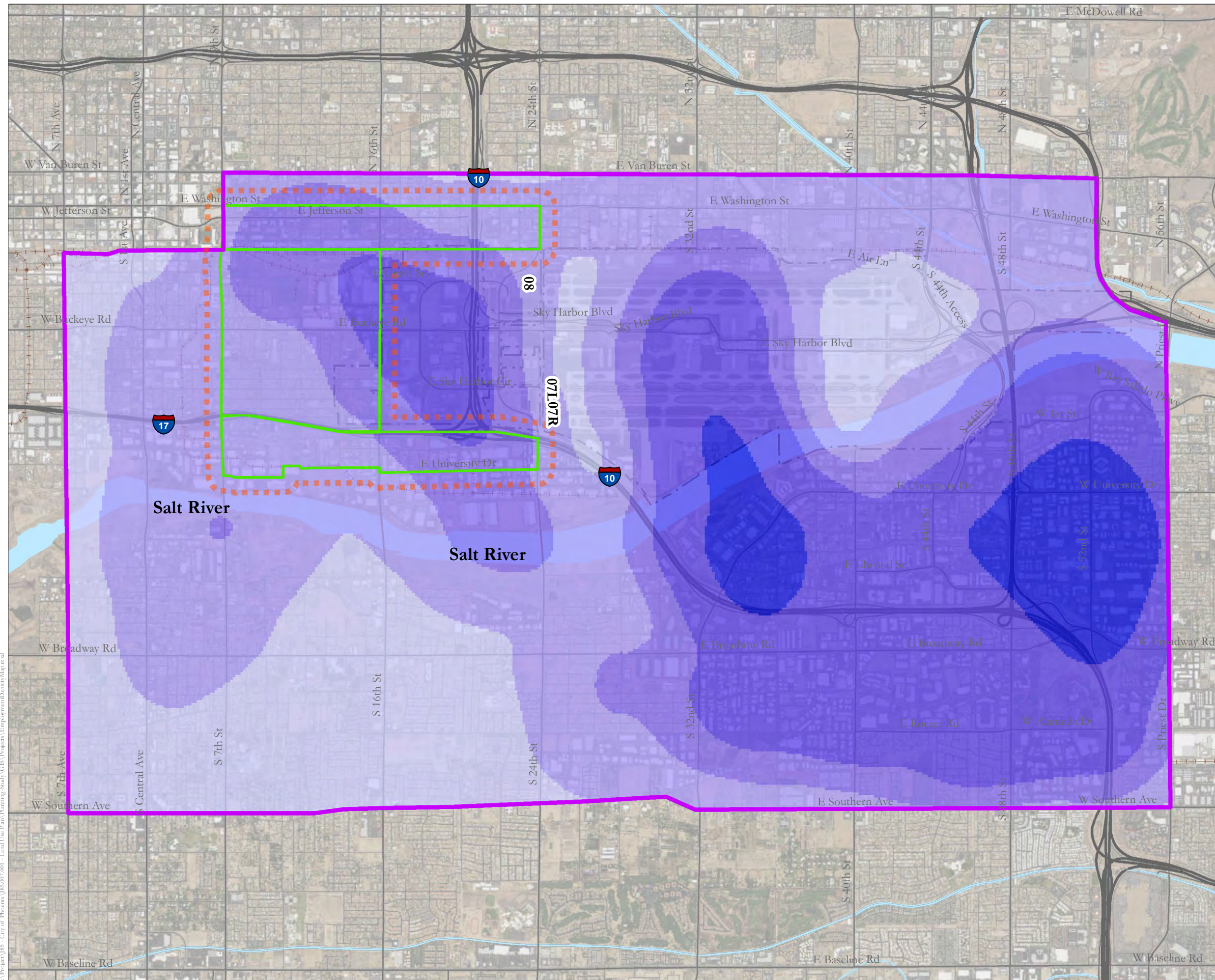


Figure 12.9

Market Impact Area

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LEGEND

- Airport Property
- Study Area
- Market Impact Area Boundary
- Planning Area
- Highway
- Arterial Street
- Local Street
- Railroad
- Waterways

2010 Employment Density

- 0 - 2000
- 2001 - 4000
- 4001 - 6000
- 6001 - 10000
- 10001 and above



SOURCE: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary, Obtained December 2015; City of Phoenix Open Data Portal, <http://maps.phoenix.opendata.arcgis.com>, (General Plan land use), December 2015; Population data was by TAZ boundary was obtained from MAG (Maricopa Association of Governments), analyzed using Kernel density by C&S  
 PREPARED BY: C&S Companies, April 2016.



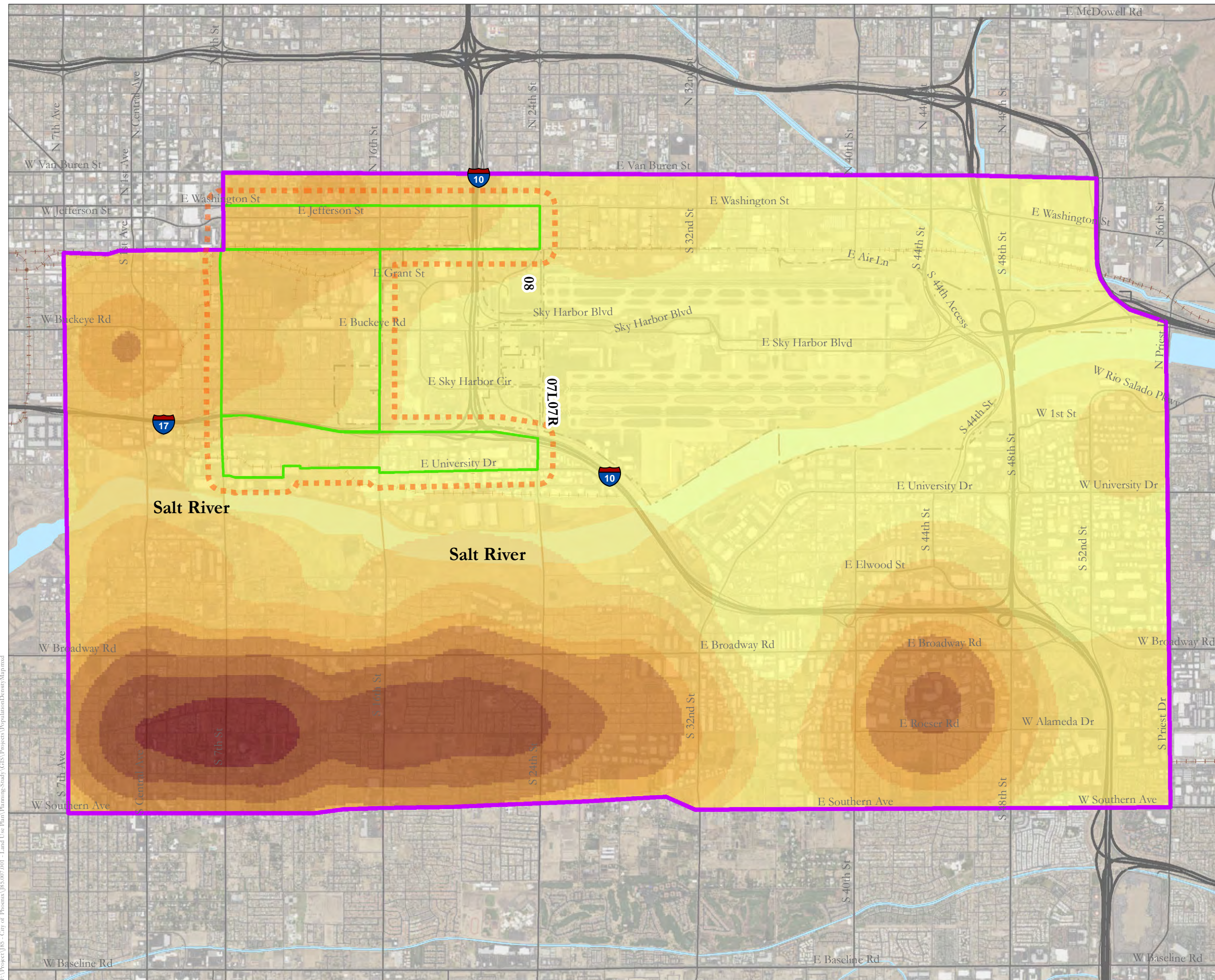
Figure 12.10

Employment Density

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**LEGEND**

- Airport Property
- Study Area
- Market Impact Area Boundary
- Planning Area
- Highway
- Arterial Street
- Local Street
- Railroad
- Waterways

**2010 Population Density**

- 0 - 400
- 401 - 1000
- 1001 - 1500
- 1501 - 2500
- 2501 - 3000
- 3001 - 4000
- 4001 - 5000
- 5001 - 6000
- 6001 and above

NORTH

0 1,500 ft.

SOURCE: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary, Obtained December 2015; City of Phoenix Open Data Portal, <http://maps.phoenix.opendata.arcgis.com/>, (General Plan land use), December 2015; Population data was by TAZ boundary was obtained from MAG (Maricopa Association of Governments), analyzed using Kernel density by C&S  
 PREPARED BY: C&S Companies, April 2016.



Figure 12.11

Population Density

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### 12.3.3 Market Trade Area

For retail, hotel, and mixed use, a relevant market area was identified in order to study development patterns and the potential impact and influence of the local retail and lodging (hotel) market on the Planning Area. The Market Trade Area is a 3-mile radius extending from the center of the Planning Area. **Figure 12.12** shows the Market Trade Area outlined in brown and the Planning Area outlined in green.

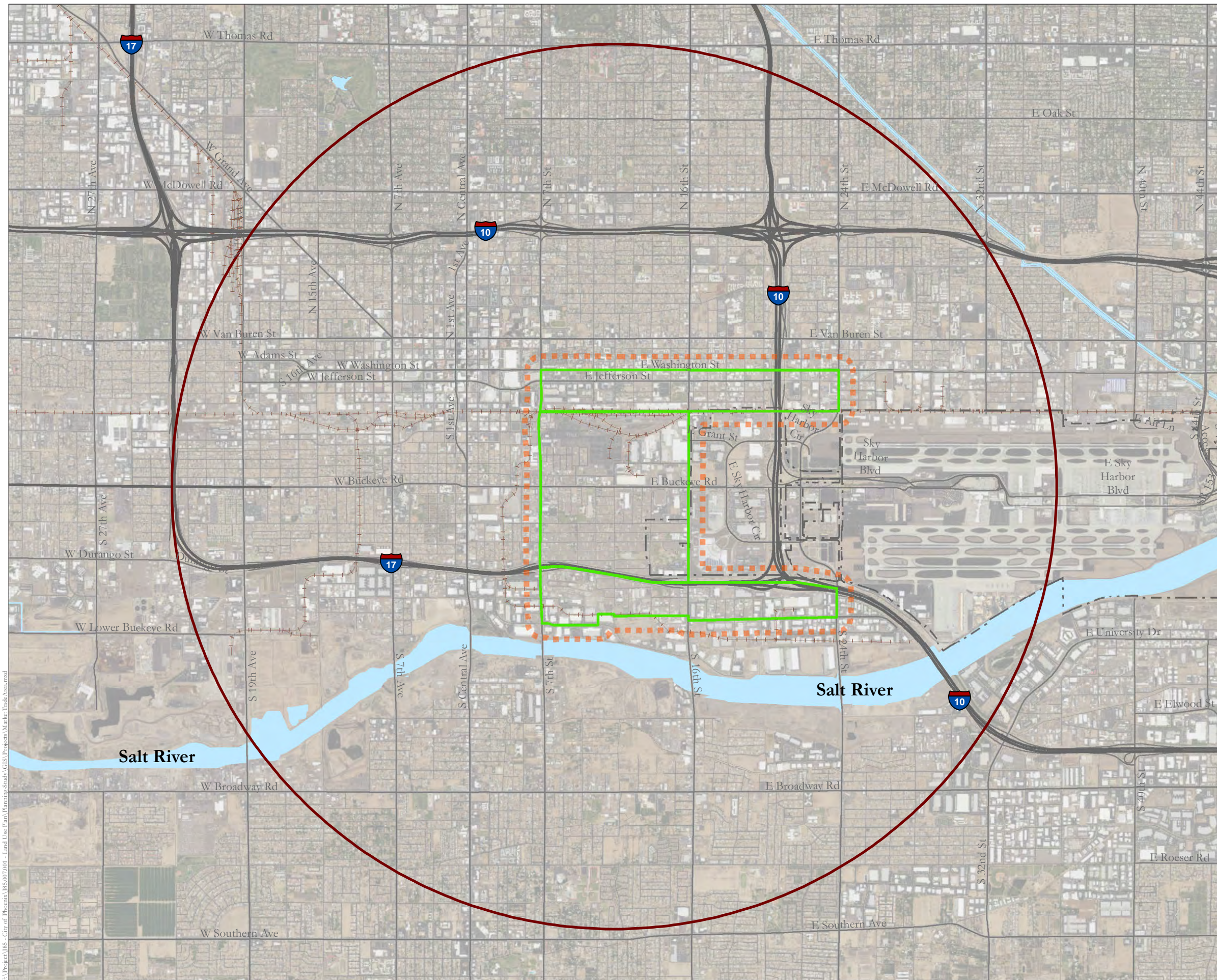
The following table presents demographics and socio-economic information for the Market Trade Area.

**Table 12.1—Demographics and Socio-Economic Characteristics, Market Trade Area**

Demographics	3-Mile
Population 2000/2010/2015/2020	105,917/93,821/104,072/112,674
% Population Growth '00-10/'10-15/'15-20	-11% / 11% / 8%
Median Age 2015	31
Average Household Size 2015	2.8
Households 2000/2010/2015/2020	29,934 / 30,293 / 33,799 / 36,668
% Household Growth '00-10/'10-15/'15-20	1% / 3% / 8%
Median Household Income 2015 / 2020	\$23,345 / \$23,620
Average Household Income 2015 / 2020	\$39,958 / \$40,748
Owner-Occupied Housing 2015	37%
Renter Occupied Housing 2015	63%
Median Home Value 2015	\$122,824

Source: ESRI; U.S. Census Bureau; C&S Companies

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LEGEND

- Airport Property
- Study Area
- Planning Area
- Market Trade Area (3 Mile Radius)
- Highway
- Arterial Street
- Local Street
- Railroad
- Waterways



SOURCES: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary obtained December 2015; Construction project data acquired by Ricondo & Associates and C&S Engineers 2016.  
 PREPARED BY: C&S Companies, April 2016.



Figure 12.12

Market Trade Area

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### 12.3.4 General Market Observations

Marketplace and prevailing market trends were evaluated for Maricopa County, defined as the Reference Market for purposes of this study, as well as the Market Impact Area and Market Trade Area. The analysis period is defined as the first quarter 1999 through fourth quarter 2015, however, available retail data only dates back to first quarter 2006. These market study areas contain nearly 66 million square feet (MSF) of total inventory for industrial, flex, office, and retail, which is approximately 9% of the 711 MSF in Maricopa County Reference Market. Table 12.2 summarizes market observations from local in-market fieldwork as well as analytics conducted using proprietary real estate database subscriptions.

Hotel industry market metrics are tracked differently due to the operational nature of this use. Key observations of this inventory within the Market Trade Area are as follows:

- 5,450 rooms in 33 existing (2015) properties
  - Last addition: 170 room Hilton Garden Inn in Downtown Phoenix (2015)
  - Additional 2016 inventory: 540 rooms in 4 properties
- Average rooms per hotel: 165
- Average age: 35 years
- Annual occupancy rate
  - Just less than 80% currently and is highest in analysis period
  - Steady growth through recovery
  - Demand for hotel rooms at levels last observed from 2005—2008
- Average daily room rate (\$)
  - Strong and stabilizing from negative trend observed through much of the recent recovery
- Revenue per available room
  - standard lodging industry metric which considers average occupancy and daily rates
  - Stabilized but has not yet reached levels observed pre-recession

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Table 12.2 - General Market Observations, Market Impact and Trade Areas

Use	Impact Area/Trade Area Inventory (in Square Feet (SF))	Total Market Inventory (SF) (Maricopa County)	% of Total Inventory	Number of Buildings	Average Building Size (all inventory)	Average Building Size (built during analysis period)	Average Age	Vacancy Rate	Vacancy Rate Trends	Rental Rate	Rental Rate Trends	Total Net Absorption (over history)	Average Annual Net Absorption	Absorption Trends	Total Deliveries (SF)	Average Annual Deliveries (SF)	Total Square Feet Proposed Under Construction or Delivered in 1st Quarter 2016 (P/UC/D)	P/UC Observations	Vacant Land Observations
<b>Industrial</b>	44,933,000	289,864,000	15.5%	1,838	24,500	40,000	37	9.6%	Lowest point since early 2008 and generally stabilized during the last 3 years after peak of nearly 15% in 2011.	\$6.53	Steadily climbing; rates near mid-2009 levels when rates were declining from historical peak of nearly \$8.50/SF in late 2007.	5,080,000	300,000	Stable positive absorption over last 4 years; prior to recent positive period, consistent negative absorption was characteristic of the marketplace starting in mid-2007 with recession.	6,145,000	362,000	2,270,000	There are 6 projects currently under construction, which includes a large distribution center. More than half are located within business parks. Average building size excluding the distribution center is approximately 66,000 SF. There are 11 projects proposed and two-thirds are located within a business park. The average building size of approximately 80,000 SF. Four buildings have already been delivered in 1st quarter 2016 totaling approximately 635,000 SF, each in commerce parks.	There are approximately 530 vacant properties designated commercial or industrial totaling 1,240 acres in the market areas, averaging 2.3 acres - this total does not include VARS parcels. Of these, nearly 160 are industrial properties (approx. 560 total acres) and are located entirely in the market impact area. Approximately 370 are commercial properties (approx. 680 total acres) with slightly more than half located in the market impact area and the remainder in the trade area. For both property types, approximately 20% are currently for sale. Only 5 of the industrial properties and 1 of the commercial properties are larger than 20 acres. Of the remaining designated industrial properties, approximately 5% are 10-20 acres, 5% are 5-10 acres, 30% are 2-5 acres, 15% are 1-2 acres and 40% are less than 1 acre. Of the remaining designated commercial properties, 3% are 10-20 acres, 5% are 5-10 acres, 15% are 2-5 acres, 20% are 1-2 acres and 55% are less than 1 acre. The top 5 vacant industrial properties by size range from 23 acres to 65 acres and the average is 36 acres; only one is for sale. The top 5 vacant commercial properties by size range from 14 acres to 24 acres and the average is nearly 17 acres; none are currently listed for sale. It is important to note that several business parks have adjacent vacant parcels available which are listed individually but could be potentially assembled to create larger sites.
<b>Flex</b>	6,940,000	33,300,000	20.8%	210	33,000	57,000	27	17.4%	Improving from higher rates through much of 2015 but still generally higher than rates observed during previous four year period. Stabilization appears to be around 15% over analysis period in this market.	\$12.27	Stabilized above \$12 since early 2014, levels which were last observed in 2009 as market declined from peak of \$14/SF in early 2008.	2,048,000	121,000	Still stabilizing, second highest negative absorption in history observed in 2015 - highest was 2008 which began general trend of negative absorption; several positive years have been observed since; no new deliveries since 2012.	2,793,000	164,300	None	No flex buildings are proposed or under construction in the market area currently.	
<b>Office</b>	10,610,000	167,205,000	6%	267	40,000	68,000	34	14.7%	Higher rates generally above 13% since 2011 with recent fluctuation. Lowest observed vacancy rate was in 2006 when rates hit approximately 5%.	\$19.16	Overall steady improvement during last 7 years from previous peak in early 2009 to reach highest rate in analysis period at close of 2015.	3,488,000	205,000	Stabilized positive absorption over last 6 years; peak absorption during analysis period observed in 1999 with second highest in 2008.	4,658,000	274,000	743,000	No office buildings currently under construction in subject market area currently; no buildings have been delivered in 1st quarter 2016. There are 9 proposed buildings with an average buildings size of approx. 83,000 SF and averaging 2 stories. More than half are located within business commerce parks. Six of the proposed buildings are designated as Class A and three are Class B.	
<b>*Retail</b>	3,487,000	220,638,000	2%	618	5,600	9,300	54	7.5%	Considerable improvement in 2015 over 2014 rate of nearly 11% and stabilization occurring since peak vacancy was observed in 2012 at more than 12.5%. Currently at lowest rate since 2007.	\$13.42	Stabilized over last four years around \$13.50. Down considerably from years previous of \$16-\$17 with peak rate in 2007 of \$22.	76,675	7,668	Second highest positive absorption in analysis period; highest was in 2010 with nearly 120,000 SF. Recent three-year trend of positive absorption is in contrast to general trend of negative absorption observed historically since 2006.	250,000	25,000	94,500	At the time of this analysis, there are 4 retail properties currently under construction, totaling 82,000 SF, in the subject trade area (3 mile radius). Another retail development of 5,000 SF is proposed. Two properties totaling 7,500 SF were delivered in 1st quarter 2016.	

Source: C&S Companies

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A significant amount of office, industrial and flex space exists in business or commerce park settings within the Market Impact Area. Nearly a quarter of total industrial, flex, and office inventory by square footage is located within a designated business park.

More than 50 business parks were examined in the Market Impact Area, showing that approximately 70% were single-use concentrations, meaning exclusively industrial or office buildings were located in that park. The remainder of the business parks contained various mixes of office, industrial and flex space; some of the business parks also contained retail uses.

The following summarizes benchmarking research of key findings, trends and main characteristics of select business park concentrations within the Market Impact Area.

- Total Business Park SF: 13.5—14 million
- Park use types distribution (by SF):
  - Industrial 35%
  - Office 25%
  - Flex/Office 15%
  - Flex 10%
  - Industrial/Office 10%
  - Other combinations 5%
- Average business park:
  - Land size: 15—20 acres
  - Total space: 250,000 SF
  - Number of buildings: 3-4 buildings
  - Building size: 65,000 SF
  - Land per building: 5 acres
  - Floor to Area Ratio (FAR): 0.35—0.40

### **12.3.5 Market Snapshots by Use**

The following pages include market snapshots for each of the uses evaluated as a part of the Reuse Strategy: industrial and flex, office, retail, and hotel.

The market snapshots contain summary observations and findings regarding current market analytics, competitive concentrations, and demand projections and feasibility specific to each commercial use. These metrics establish the current and inform the future market demand context within the defined Market Impact Area and Market Trade Area, also known collectively as the market study areas.

### **12.3.6 Industrial**

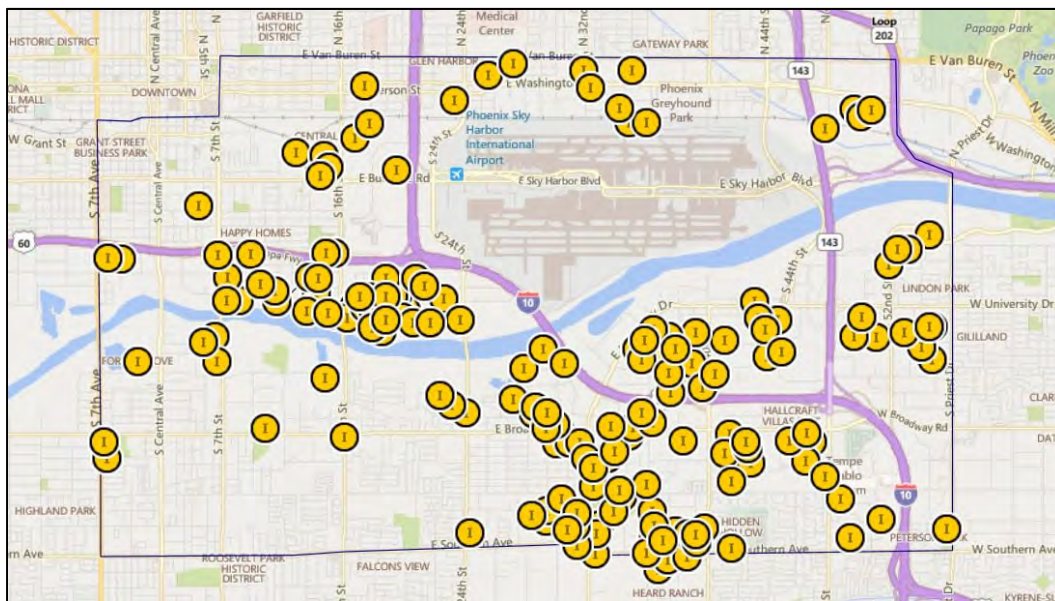
In the broader Phoenix market, industrial space is generally represented by two development types:

- General industrial space such as warehousing, manufacturing and distribution facilities

- Flex space, where 50+% of the building is used for offices and the remainder can be flexibly utilized to accommodate a user’s needs. Examples of potential uses of space include: laboratories for R&D, light manufacturing or assembly space, distribution warehouse, storage, etc.

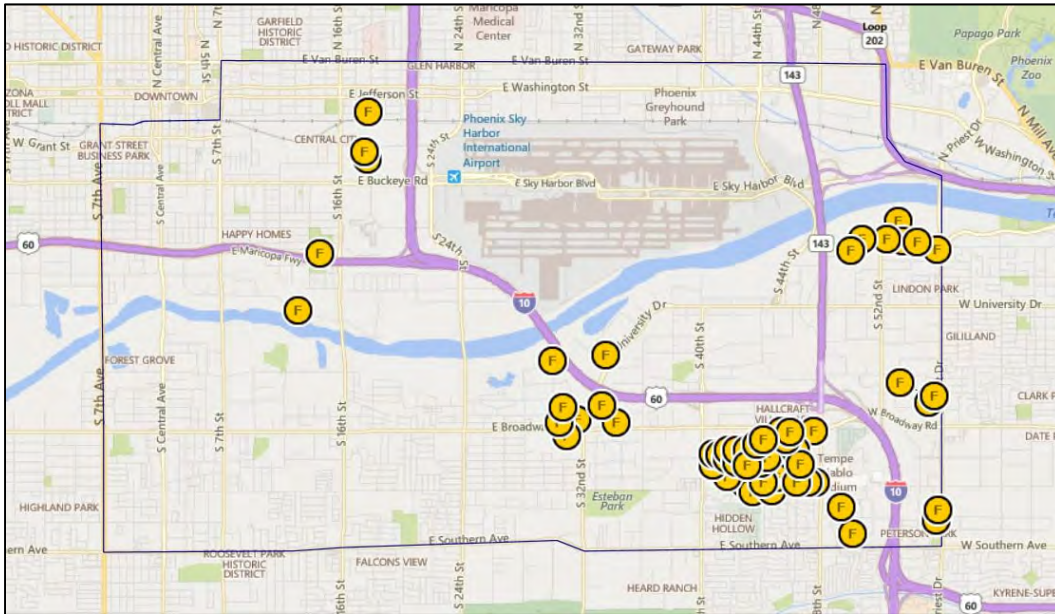
Local field work and market analytics identified industrial space as the most widespread development type across the Market Impact Area. There are four substantial concentrations of industrial space and three major concentrations of flex space within this area. As shown on **Figures 12.13 and 12.14**, both product types are significantly co-located within two of the market concentrations, one to the east of the Maricopa Freeway toward Tempe and the other south of the Rio Salado and south/west of I-10.

**Figure 12.13—Market Impact Area—Existing Industrial Inventory**



Source: C&S Companies

**Figure 12.14—Market Impact Area—Existing Flex Inventory**



Source: C&S Companies

**Industrial Development within the Market Impact Area**

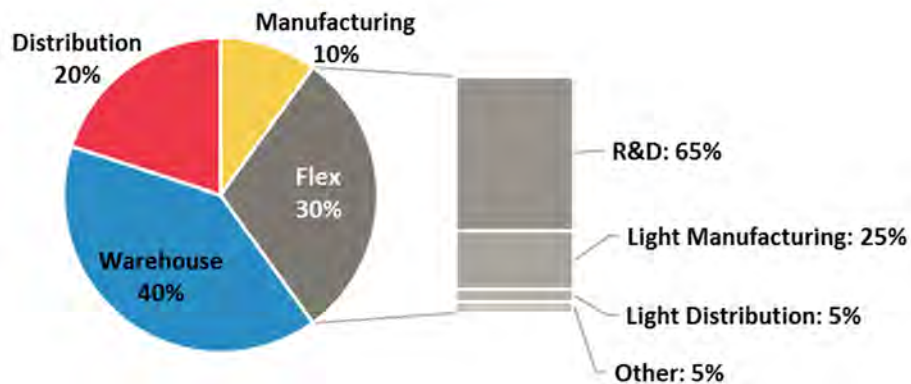


Source: C&S Companies

Other key market observations and findings in the Market Impact Area include:

- As shown on **Figure 12.15**, the existing industrial inventory in the Market Impact Area is comprised of 70% general industrial development and 30% flex space. General industrial development includes manufacturing, distribution facilities, and warehouse buildings. This distribution between types of industrial product is an observation of prevailing development patterns and product delivery trends.
- General industrial developments may require significant lot depth to provide adequate truck turning radii, which is essential for distribution centers involved in the transfer and hauling of goods. According to NAIOP, the Commercial Real Estate Development Association, manufacturing facilities and warehouses may need 120—130 feet of paved area for this purpose. Flex buildings may need 110 feet of truck turning radius depending on the user. (Source: “NAIOP Terms and Definitions: North American Office and Industrial Market.” NAIOP Research Foundation, 2012.)
- In the Market Impact Area, the majority of flex space is used for R&D purposes. The flex format with its mix of office and flexible industrial space is particularly conducive for such R&D activities.
- Within the Market Impact Area and in general, flex space developments convey more of a “store-front” or office appearance than general industrial buildings.
- The current industrial vacancy rate of just under 10% is among the lowest in recent history during the analysis period. The current vacancy rate for the flex inventory is nearly 17.5%, which is higher than in recent periods. Stabilization for flex vacancy seems to be around 15% in this market.

**Figure 12.15—Types of Industrial Product in Market Impact Area**

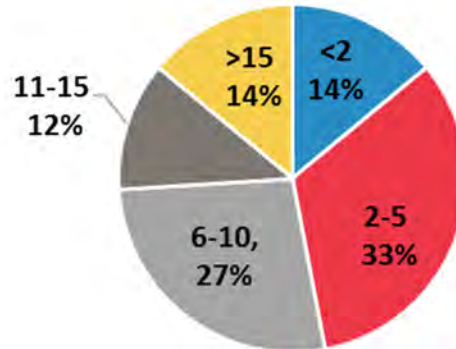


Source: C&S Companies

- The average land size for existing industrial inventory is 3 acres and 5 acres for flex.
- The distribution of land sizes for existing industrial/flex building inventory in the Market Impact Area is summarized in **Figure 12.16** and as noted:
  - Less than 15% on small parcels (less than 2 acres)
  - 1/3 of the existing inventory developed on parcels ranging from 2-5 acres in size

- Approximately a quarter of parcels are 6 to 10 acres
- Approximately a quarter of parcels are larger than 11 acres
- In the absence of major structural changes to the area’s development economy, a similar distribution of types of industrial/flex space and desired land sizes is anticipated moving forward

**Figure 12.16—Distribution of Land Sizes for Industrial Product in Market Impact Area (in acres)**



Source: C&S Companies

There are several favorable conditions within the Market Impact Area that may encourage future industrial/flex development:

- Proximity to and access to major transportation corridors (interstates, rail, and light rail), the Airport, Downtown/Biomedical campus, and Phoenix Innovation Corridor in Midtown
- Compatibility with airport noise levels and height restrictions
- Alignment with target growth industries and economic development pursuit, particularly for R&D and light manufacturing

There are also constraints to future industrial/flex development within the Market Impact Area that impact the Planning Area/ subject parcels including:

- Limited availability of desired parcel sizes—more small parcels, fewer larger parcels. Large parcels of 5-15 acres are of particular interest in the market.
- Competitive land inventory in market area and nearby will impact where future demand may gravitate to locate
- 2.3 MSF of industrial property currently in development or proposed for market area, which absorbs near-term demand

All planned, proposed, under construction or recently delivered industrial development falls into the general industrial category. This general industrial space—large distribution facilities, tech-ready warehouses, and modern manufacturing—is what the industrial market has been demanding in large part.

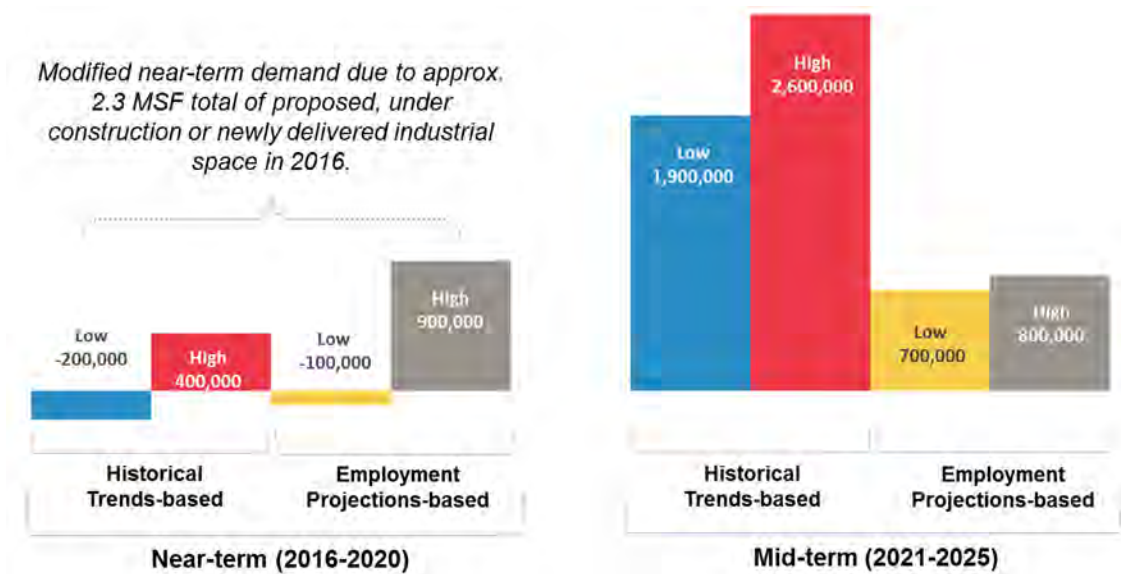
While flex space development in the Market Impact Area has been limited in recent years, the R&D sector is poised for growth in Phoenix. This sector’s growth is supported as a Phoenix economic development target/key industry. The growth of academic institutions and a growing biomedical science presence downtown were among the observations shared by a number of stakeholders and market participants. Stakeholders emphasized the potential for R&D to take advantage of connectivity with the downtown core, create jobs in and around the Planning Area, and continue synergy with the large academic institutions.

**Projected Demand for Market Impact Area**

**Figure 12.17** depicts demand projected for industrial/flex space in the Market Impact Area over the next 10-years in two 5-year periods (near-term and mid-term).

Negative demand shown in **Figure 12.17** is a product of the 2.3 MSF in development planned, proposed at the time of this study, or already delivered in the first quarter of 2016. These “future deliveries” have been subtracted from near-term demand. In practical terms, a positive number means there is likely room for more industrial space to be added to the market. A negative number means there may not be enough tenants to fill new space and overbuilding could potentially occur, which would spill over into the next period to lease/absorb and may defer future projects. The wide range of demand in the mid-term is due, in part, to slowed growth of industrial employment forecasts by MAG for the industrial sector in the Market Impact Area.

**Figure 12.17—Projected Industrial Demand (General Industrial & Flex) in Market Impact Area (in square feet)**



Source: C&S Companies



### **Allocation of Industrial Demand to Planning Area**

#### Near-term (2016-2020):

- Significant existing pipeline of proposed and under-construction industrial product.
- Approximately 165,000 SF of estimated industrial/flex demand is potentially captured on the subject parcels during the near-term planning horizon.
  - Observed split in existing inventory is 70% general industrial and 30% flex, which could suggest a demand distribution of approximately 115,000 SF of general industrial and approximately 50,000 SF of flex space.
  - At an average FAR of 0.31, this projected demand equates to approximately 12 acres.
  - Mixture of potential formats, likely including smaller scale and mid-scale.
- Limited potential for capture of estimated demand on subject parcels if parcel lotting structure does not change. While some demand for small-scale industrial development does exist and could locate on smaller parcels of 0.5 to 1 acre, capture of larger-scale industrial development potential is limited due to lack of needed land sizes, which are 3 to 5 acres for a mid-scale product (50,000 SF) and larger for large-format development and industrial/commerce parks.
- The development community is reticent to develop in an area where long-term plans are yet unknown. Design requirements that will likely be needed to provide a buffer between remaining residential and future industrial/flex development can also place greater capital requirements on developers. Developers of larger product may be able to more readily handle such costs given development scale and access to funding; however, such requirements can be potentially burdensome, if not financially prohibitive, for the development of smaller industrial product.

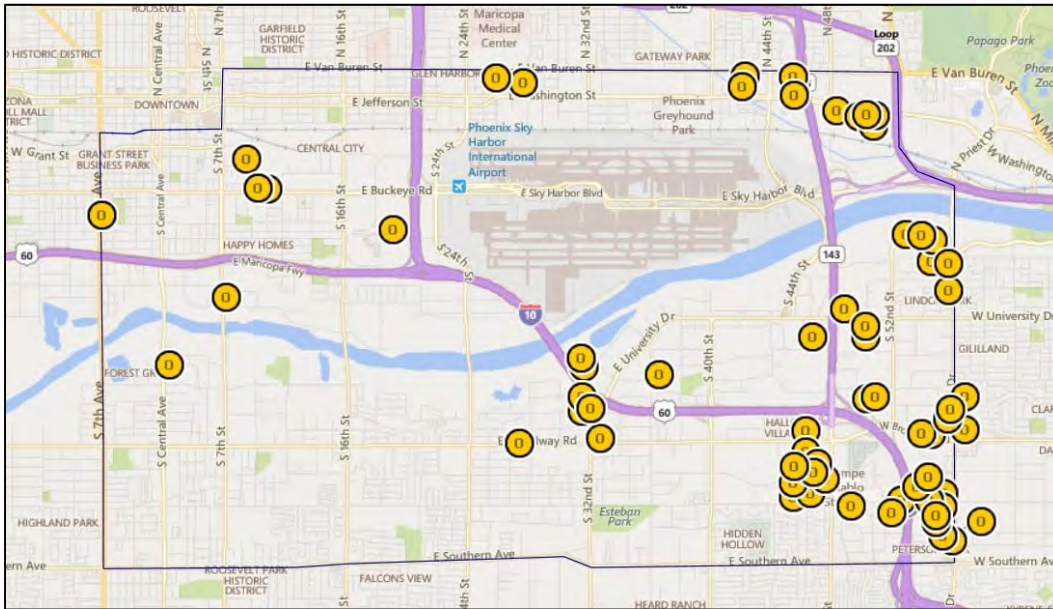
#### Mid-term (2021-2025):

- Competitive position of subject parcels improves during mid-term as more competitive property in the Market Impact Area is absorbed for new development, the plans for the Planning Area are more solidified, and if potential land assembly could occur to meet desired land sizes.
- Approximately 325,000—425,000 SF of estimated demand could be captured in the mid-term.
  - Represents split of approximately 225,000—300,000 SF for general industrial and 100,000—125,000 SF for flex
  - At an average FAR of .32 to .34, this projected demand equates to approximately 24 to 31 acres.
- May take the form of smaller scale buildings in non-business park settings and mid- to larger-scale product in business park format of 15-20 acres on average. R&D oriented business parks could take advantage of emerging industries, economic development focus, proximity to Bio-medical campus Downtown and Warehouse District

### 12.3.7 Office

As shown in **Figure 12.18**, local field work and market analytics conducted within the Market Impact Area and its vicinity revealed several concentrations of office inventory with the most significant clusters south of the Rio Salado and along I-10 toward Tempe. The Gateway area north of the Airport and near the Maricopa Freeway represent significant concentrations of office product that have been added to the market within the analysis period.

**Figure 12.18—Market Study Area—Existing Office Inventory**



Source: C&S Companies

### Office Development within the Market Impact Area

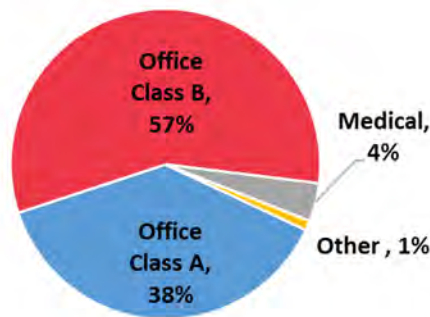


Source: C&S Companies

Other key market observations and findings in the Market Impact Area include:

- As shown in **Figure 12.19**, the existing office inventory in the Market Impact Area is comprised of nearly 60% Class B office space; Class A space makes up approximately 40% of the inventory. The difference between the classifications of office space is based on different levels of amenities/finishes, price points, and tenant types. Class B generally has a more approachable price point and more affordable finishes as compared to Class A.
- Examples from the Market Impact Area, mostly Class B spaces, are shown in images above.
- The current office vacancy rate of more than 14.5% is among the higher rates observed during the analysis period. Rental rates for office space per square foot have increased steadily to reach a recent peak of more than \$19.00.
- No new office space was delivered in the first quarter of 2016.
- Approximately 750,000 SF of future office development is planned or proposed in the Market Impact Area.

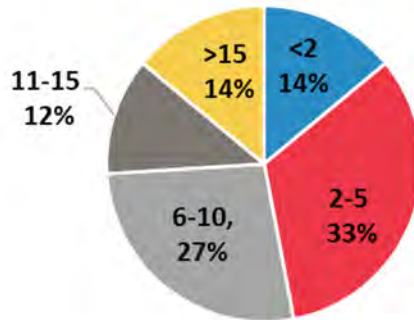
**Figure 12.19—Types of Office Product in Market Impact Area**



Source: C&S Companies

- The average land size for office development within the Market Impact Area is 5 acres.
- Distribution of land sizes for existing office development in the Market Impact Area is depicted in the following pie chart and summarized as follows:
  - Approximately 30% of the inventory is located on parcels smaller than 5 acres
  - Another approximate 1/3 of the inventory has been developed on 6-10 acre parcels
  - Final 1/3 of the inventory has been developed on parcels larger than 11 acres
- In the absence of major structural changes to the area’s development economy or catalytic investment/projects, a similar distribution of types of office space and desired land sizes is anticipated moving forward

**Figure 12.20—Distribution of Land Sizes for Office Product in Market Impact Area (in acres)**



Source: C&S Companies

- In the Market Impact Area, office buildings are frequently developed in a business park setting or format; business parks require larger land areas
- While office buildings are generally located on individual parcels, those individual parcels are often situated within a business or commerce park. These parks vary in size but average 15-20 acres.
- Opportunities for future office development within the Market Impact Area and impacting the Planning Area/subject parcels include:
  - Proximity and access to the light rail system and interstates, Downtown, emerging Warehouse District, Phoenix Innovation Corridor, and the Airport
  - Compatible with airport noise levels/height restrictions
  - Potential to offer more suburban-style format with large floor plates for office development within close proximity to Central Business District (CBD)
- Constraints to future office development within the Market Impact Area and impacting the Planning Area/subject parcels include:
  - Approximately 750,000 SF of office development currently proposed for the Market Impact Area, which absorbs much of the near-term demand
  - The Planning Area is traditionally perceived as residential, transitional or industrial and not viewed as a conventional office node
  - Other regional centers of gravity exist for office uses, including Tempe, Scottsdale and Downtown Phoenix. These centers are expected to continue to attract office development in the future
  - Desired lot sizes and amenities for preferred building park format are limited

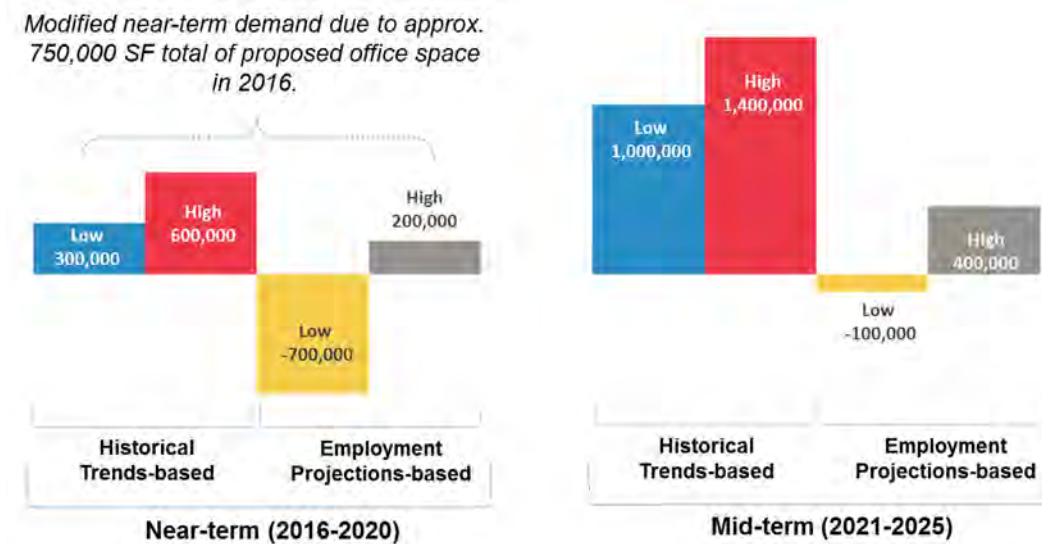
**Projected Demand for Market Area**

**Figure 12.21** summarizes projected demand for office space in the Market Impact Area over the next 10-years in two 5-year periods, near-term and mid-term.

Negative demand shown in the following chart is due to the 750,000 SF planned or proposed at the time of this study. These “future deliveries” have been subtracted from near-term demand.

The rather wide variation of demand in the mid-term is due to a generally steady, but not strong, growth rate for office-using employment as forecasted by MAG. Additionally, the average square feet of office space per employee is dropping nationwide as open-office layouts and working remotely gain popularity, which impacts how much and what type of office space is demanded in the future.

**Figure 12.21—Projected Office Demand in Market Impact Area (in square feet)**



Source: C&S Companies

### **Allocation of Office Demand to Planning Area**

#### Near-term (2016-2020):

- Significant pipeline of proposed office product.
- Up to 100,000 square feet of estimated demand is potentially captured during the near-term planning horizon. At average FAR of 0.44, this equates to approximately 5 acres needed for development.
- Could take potential form of standalone buildings, likely Class B, of various sizes; mix of Class A and B buildings in business park setting, with other uses like flex and possibly general industrial depending on availability of needed land sizes.

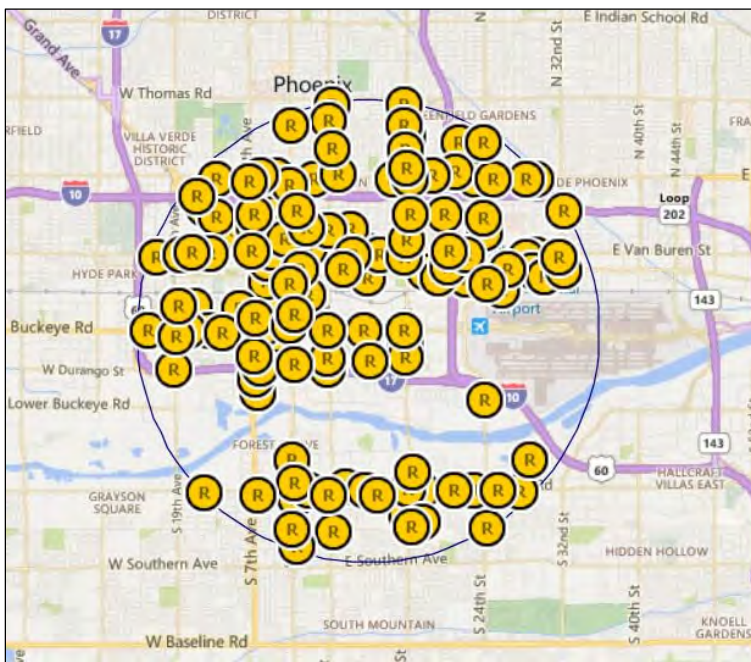
#### Mid-term (2021-2025):

- Competitive position improves during mid-term as other competitive property within the Market Impact Area is absorbed for new development, the plans for the Planning Area are more solidified, and if potential land assembly could occur to meet desired land sizes. Potential synergies with Phoenix Innovation Corridor and possibility of R&D-driven business park.
- Approximately 115,000—225,000 square feet of estimated demand is potentially captured in the mid-term. At average FAR of 0.44, this equates to approximately 6—12 acres needed for development.
- Could take potential form of standalone buildings, likely Class B, of various sizes; mix of Class A and B buildings in business park setting, with other uses like flex and possibly general industrial depending on availability of needed land sizes. Dependent on parcel assemblages to achieve needed development land sizes.

### 12.3.8 Retail

Retail development is fairly uniformly disbursed across the 3-mile radius Market Trade Area (**Figure 12.22**), adjacent to main transportation corridors and commuter routes and near concentrations of households. Shopping centers are generally located in the northern portion and just outside the southern boundary of the Market Trade Area where greater residential density can be found. Convenience, or “roadside retail,” product is readily found along many of the main arterials within the Market Trade Area. This convenience-oriented retail emphasizes visibility and accessibility, and focuses on serving passerby traffic, nearby employment centers and residents. Roadside retail establishments provide quick-stop goods, services, food and/or economical necessities often sold in convenience stores (with or without fuel), full-service drug stores with retail components, and other miscellaneous small retail stores.

**Figure 12.22—Market Study Area—Existing Retail within 3-mile radius**



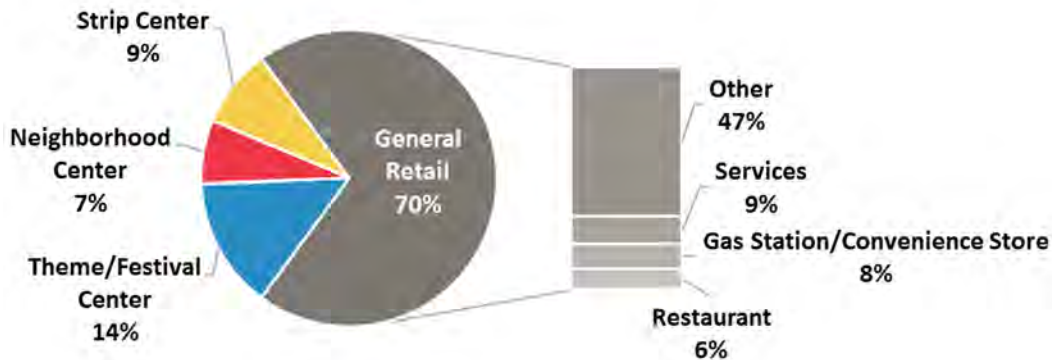
Source: C&S Companies

**Figure 12.23** summarizes the types of retail space located in the Market Trade Area by format. Approximately 30% of the retail inventory in the Market Trade Area is located within a shopping center format, which includes small strip centers, neighborhood centers, and theme/festival centers like the Arizona Center downtown which contains a multiplex movie theater. Unlike strip centers and neighborhood shopping centers, which draw from more limited trade areas (3-miles), destination retailers like movie theaters draw from larger trade areas.

The remaining 70% of the retail inventory is generally standalone development comprised of various categories of general retail which typically draw from more limited trade areas. The following examples are included in this format:

- Other: supermarkets, auto parts stores, and drug stores
- Services: auto repair, banks, and day care centers
- Gas Station/Convenience Store: service stations, gas stations with attached stores, as well as small markets that do not sell fuel
- Restaurant: all types of eateries from fast food to full service restaurants

**Figure 12.23—Types of Retail Space in Market Trade Area**

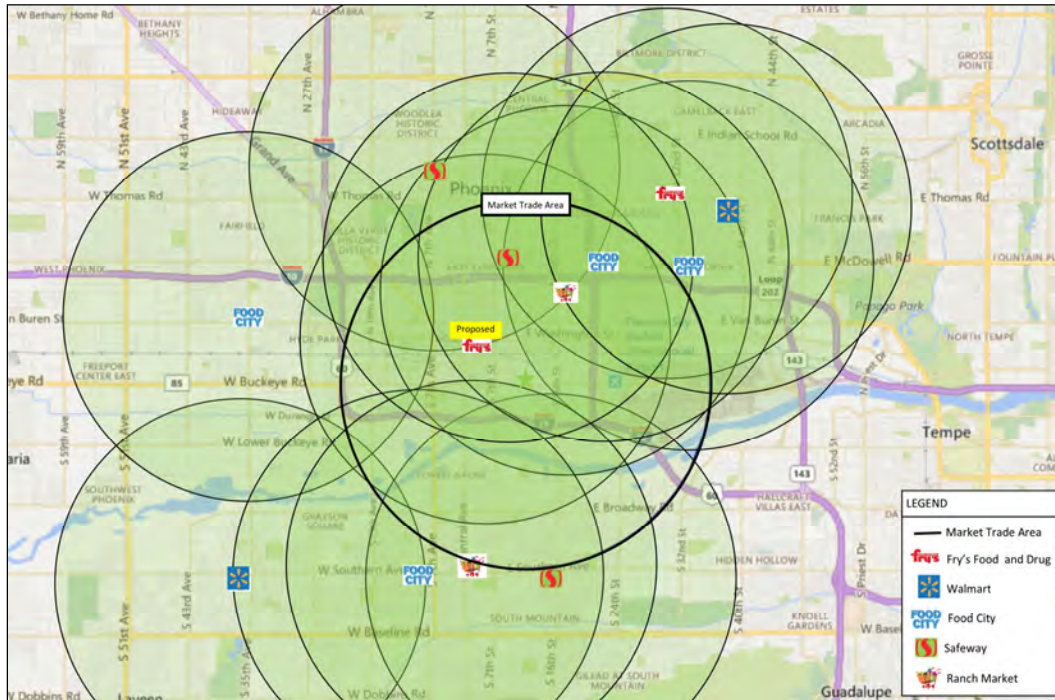


Source: C&S Companies

Several grocery stores and grocery-anchored shopping centers are located within the northern portion of the Market Trade Area or just south of it, as shown in **Figure 12.24**. A new full-service, standard format Fry’s supermarket has also been proposed for development in Downtown Phoenix. Grocery stores typically consider a market catchment or trade area of approximately 3-miles from which they reasonably expect to draw customers. Therefore, population density of a trade area and the number of same-brand or competing brand stores also drawing upon that customer base is critical to consider. The proposed Fry’s location downtown and other existing grocery store locations in and around this Market Trade Area create significant catchment area overlap within the Planning Area. This extensive catchment overlap likely eliminates the possibility of new grocery store development in the Market Trade Area within the planning timeframe.



**Figure 12.24—Grocery Store Locations and Trade Area Overlap—3 mile radius**



Source: C&S Companies, Inc.

**Retail Development within the Market Impact Area**

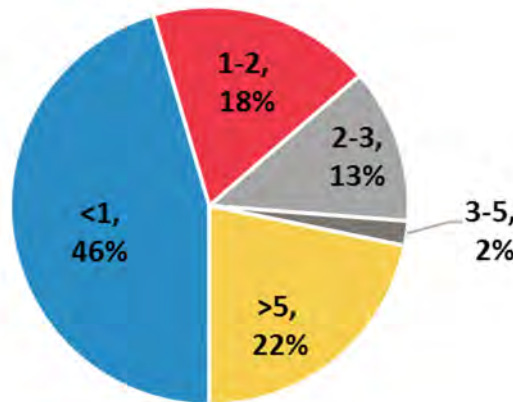


Source: C&S Companies

Other key market observations and findings in the Market Trade Area include:

- The current retail vacancy rate of 7.5% is among the lowest observed during the analysis period.
- Approximately 100,000 SF of future retail development is planned, proposed or was delivered in the first quarter of 2016 in the Market Trade Area.
- Average land size for retail development within the Market Trade Area is approximately 1 acre; much of it, especially convenience-oriented retail, is found parcels smaller than 1 acre. **Figure 12.25** depicts the distribution of land sizes for existing retail development in the Market Trade Area, summarized as follows:
  - Nearly 50% of the inventory is located on parcels less than 1 acre.
  - Another approximate 1/3 of inventory has been developed on 1-2 acre parcels.
  - Approximately 20% of the inventory has been developed on parcels larger than 5 acres.
- In the absence of major structural changes to the area's development economy, a similar distribution of types of retail space and desired land sizes is anticipated moving forward.

**Figure 12.25—Distribution of Land Sizes for Retail Product in Market Trade Area (in acres)**



Source: C&S Companies

- Opportunities for future retail development within the Market Trade Area and impacting the Planning Area/subject parcels include:
  - Strong daytime population nearby and traffic volume on main corridors.
  - Gateway corridor to the City from the Airport.
  - Opportunity to highlight historical/cultural resources.
  - Proximity to robust employment centers, major transportation corridors and connectivity, and university campuses
  - Expanding population in new mixed use/multifamily developments.
  - Smaller parcel sizes are compatible with convenience commercial development, such as limited service/fast casual restaurants, gas stations and convenience stores, drug stores with retail, and other miscellaneous small retail.

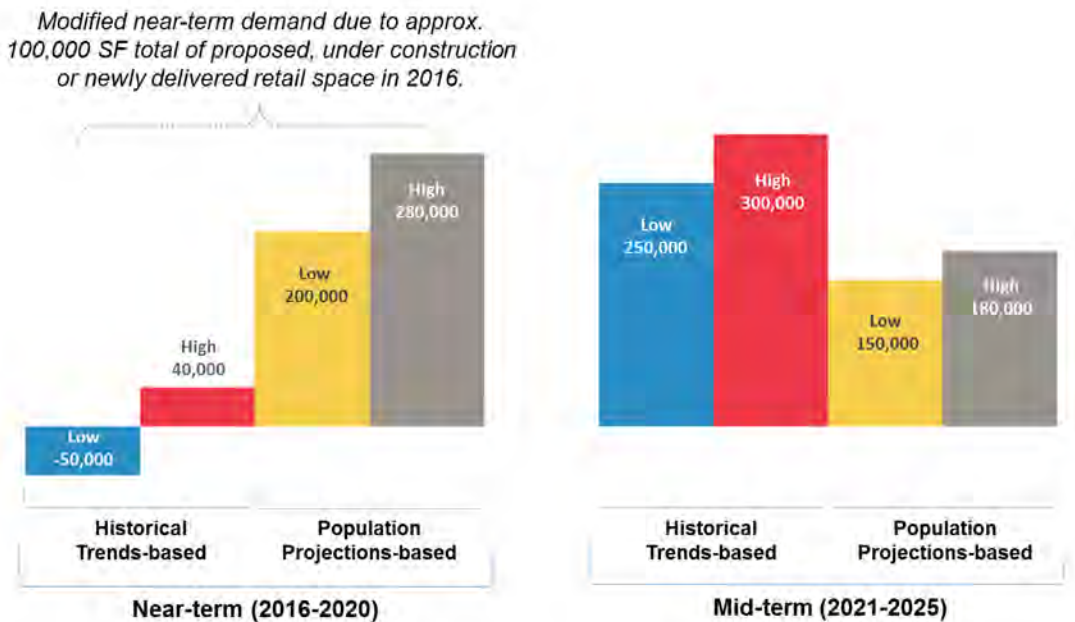
- Constraints to future retail development within the Market Trade Area and impacting the Planning Area/subject parcels include:
  - 100,000 SF currently in development or proposed for Market Trade Area, which absorbs near-term demand.
  - Insufficient number of households and household incomes in this area to meet thresholds for certain destination/larger-scale retailers to locate in the area. Existing locations of such retail in surrounding areas also limit potential for this type of development in the Planning Area.
  - Because of the Planning Area’s location between downtown and the Airport, as well as proximity to major interstates, this area is largely a commuter corridor. Retail purchases are largely driven by convenience. In other words, this is a “drive-through” not a “drive-to” market, which limits the type of retail attracted to such a market.
  - Growing impact of online retail for all types of goods, including daily necessities (groceries, paper products) as well as specialty items, limits potential for new retail development.

**Projected Demand for Market Trade Area**

Figure 12.26 summarizes projected demand for retail space in the Market Trade Area over the next 10-years in two 5-year periods, near-term and mid-term.

Negative demand shown in the following chart is a product of the nearly 100,000 SF of retail space proposed, under construction or newly delivered at the time of this study. As with other uses in this study, these “future deliveries” have been subtracted from near-term demand.

**Figure 12.26—Projected Retail Demand in Market Trade Area (in square feet)**



Source: C&S Companies

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### Allocation of Demand to Planning Area

- Existing pipeline of 100,000 SF proposed and under construction retail product to be delivered within early part of planning horizon
- Approximately 20,000-40,000 SF of estimated demand potentially captured during the near-term planning horizon. At average FAR of 0.23, this equates to 2-4 acres of estimated development.
- Convenience commercial development likely given characteristics of the Planning Area. Potential mix of stand-alone buildings like limited service restaurant, as well as strip center and storefront-types in conjunction with other developments such as mixed-use projects

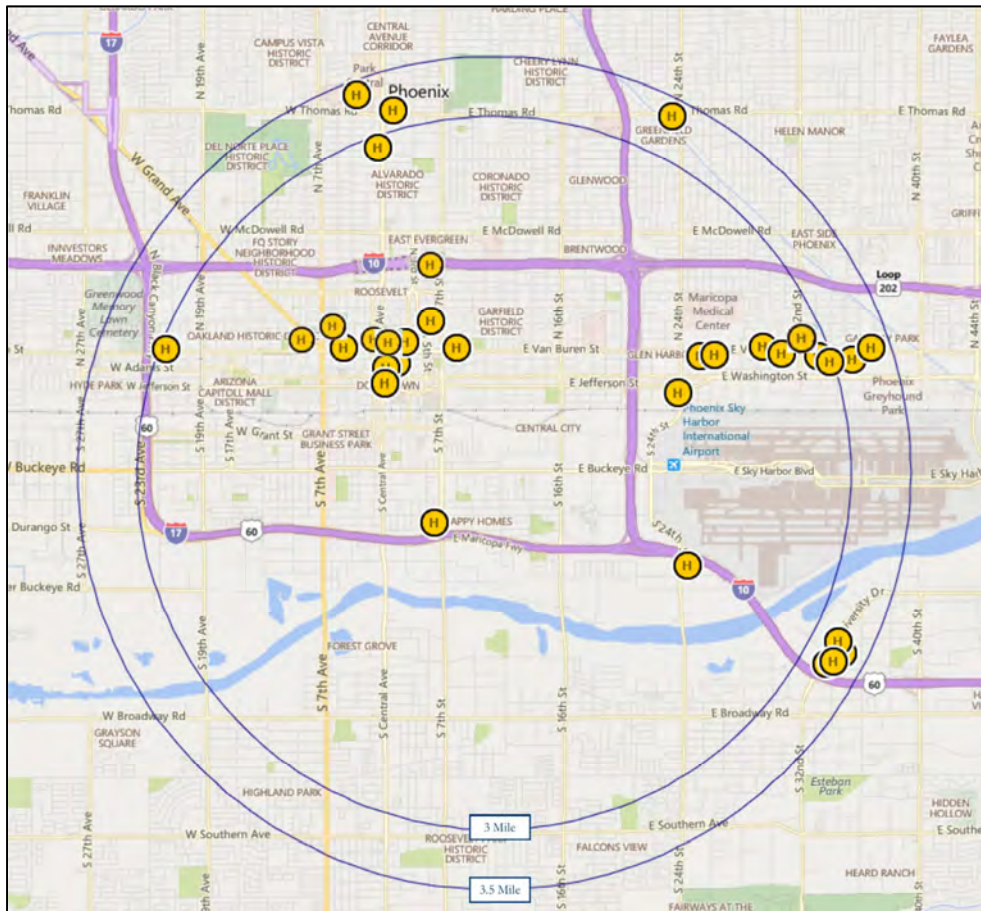
#### Mid-term (2021-2025):

- Competitive position of Planning Area improves during mid-term as more competitive property is absorbed for new development, the plans for the Planning Area are more solidified, and if potential land assembly could occur to meet desired land sizes in locations offering needed access and visibility for retail, restaurant and services
- 50,000-60,000 SF of estimated demand could be captured in the mid-term. At average FAR of 0.23, this equates to 5-6 acres of estimated development.
- Potential format is likely a continuation of that anticipated for near-term

### 12.3.9 Hotel

Hotel properties within the 3-mile trade area, and up to a half-mile outside the market area, were identified and examined to understand the level of supply and features of hotels operating in proximity to the Planning Area. As depicted in **Figure 12.27**, two major concentrations of hotel project are observed within the trade area, including one to the north of the Airport and in Downtown Phoenix. Two additional, smaller clusters are observed to the south of the Airport and to the north of Downtown. Select-service hotels, such as Courtyard Marriot and others like it, can be found in each concentration while full-service hotels, those like the Westin, are generally located downtown given proximity to the convention center and employment. In general, these hotels are also the largest in the Market Trade Area, including the 1000-room Sheraton Downtown Phoenix property and nearly 700-room Hyatt Regency. Select-service hotels within the Market Trade Area generally range in scale from 130-140 rooms.

**Figure 12.27— Existing Hotel Inventory, Market Trade Area**



Source: C&S Companies

**Hotel Development within the Market Trade Area**



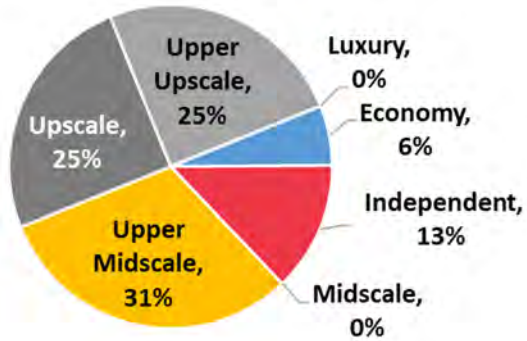
Source: C&S Companies

**Other key market observations and findings in the Market Trade Area include:**

The level of amenities and services offered at hotels varies with brand affiliation and room rates, as well as the segment of clientele they target (like family vacationers or business travelers for example). As depicted in **Figure 12.28**, hotels are classified, for purposes of this analysis, based upon their affiliation with a hotel chain and the nightly room rate. In descending order of brand prestige and nightly room rates, hotel properties are classified as: luxury, upper upscale, upscale, upper midscale, midscale, and economy.

The inventory of existing hotel properties found that there are no luxury hotels in the entire trade area. Many of the independent, economy and midscale hotels in this trade area are relatively dated, having been built before 1985, and were therefore excluded from analysis of key development characteristics. **Figure 12.28** also summarizes information about the types of hotel properties developed since 1985.

**Figure 12.28—Hotel Properties by Type in Market Trade Area**



**What do these mean?**

Types of hotels are classified this way:

- 1) Whether they are part of a hotel chain or not (independent).
- 2) If part of a chain, then sorted by the general price point of nightly room rates.

**Examples of Hotel Types:**

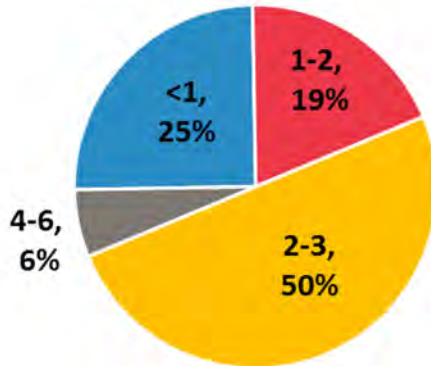
- Economy – Red Roof Inn
- Midscale – Best Western
- Upper Midscale – Hampton Inn
- Upscale – Courtyard Marriott
- Upper Upscale – Westin

Source: C&S Companies

**Other market observations and findings include:**

- Higher price point hotels represent 50% of hotel properties in the inventory. This includes the upscale and upper upscale types such as Courtyard by Marriott, Hilton Garden Inn, Westin and Hyatt Regency.
- More than a quarter of this particular inventory is made up of mid-priced hotels like Hampton Inn or Fairfield Inn.
- Examples of hotel properties from the trade area are shown in images above.
  - The top two images are upper upscale
  - The bottom two images are midscale
- Approximately half of the hotel inventory is developed on 2-3 acre parcels. The distribution of land sizes for hotel development is shown in **Figure 12.29**.
- The average parcel size for hotel development within the Market Trade Area is approximately 2 acres.

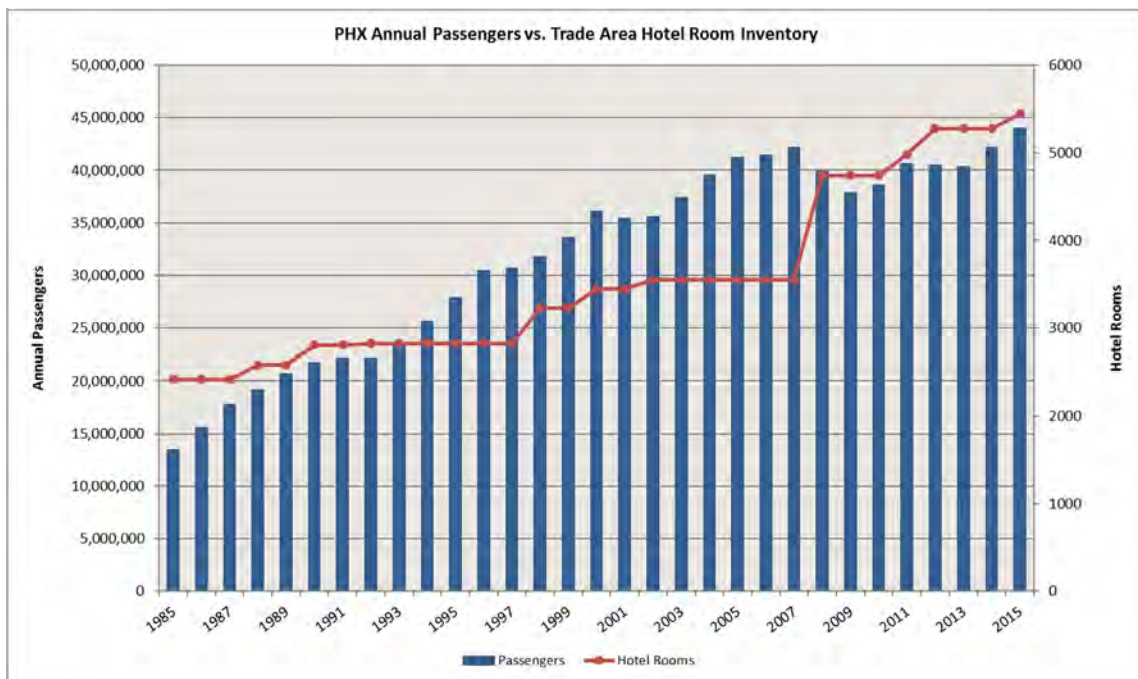
**Figure 12.29—Hotel Properties by Site Acreage in Market Trade Area (in acres)**



Source: C&S Companies

**Figure 12.30** presents the number of annual passengers at the Airport in relation to the number of hotel rooms located within the trade area. Additions to hotel room inventory within the Market Trade Area have generally followed periods of sustained airport passenger growth, including the significant addition to room inventory between 2007 and 2008 which occurred as the recession deeply impacted the Arizona economy and air travel. Passenger counts have since recovered, and a new record was set in 2015. Passenger growth is forecasted to continue over the planning period. Additional hotel projects are currently proposed or underway within the trade area as well.

**Figure 12.30—Phoenix Sky Harbor International Airport Annual Passengers and Trade Area Hotel Room Inventory, 1985-2015**



Source: City of Phoenix Aviation Department; Landrum & Brown, Aviation Activity Demand Forecast, Phoenix Sky Harbor International Airport, March 2015, Tables 15.9 and 15.13; C&S Companies, Inc.



Opportunities for future hotel development within the market area and impacting the Planning Area/subject parcels include:

- Proximity to the Airport; Downtown—venues, employment, campuses; Transportation corridors such as I-10 and I-17 as well as light rail stations.
- The number of Airport passengers is expected to increase over the next 10-years; Downtown activity is also expected to increase over this timeframe.
- Hotel uses are compatible with airport noise levels and height restrictions.

Constraints to future hotel development within the market area and impacting the Planning Area/subject parcels include:

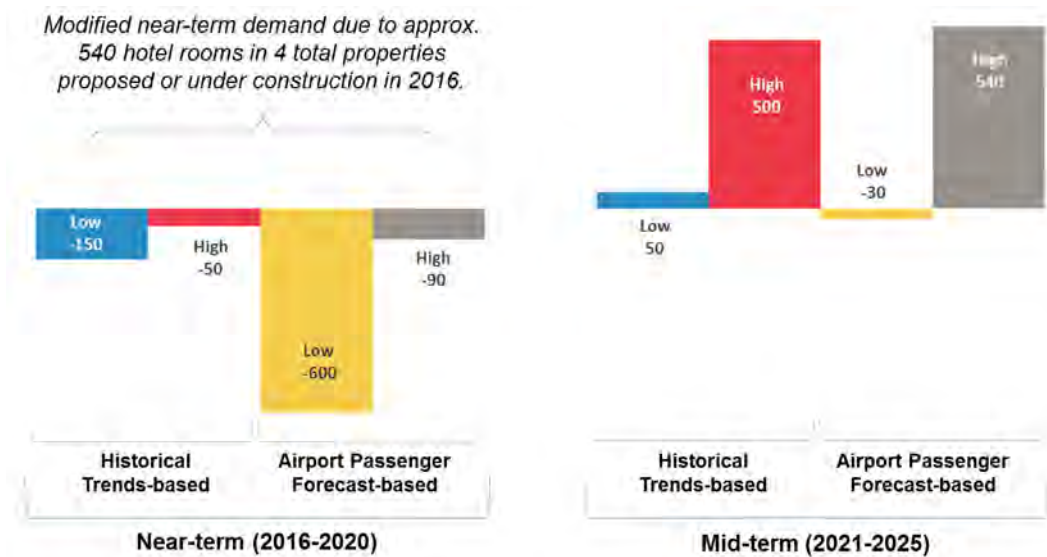
- Current and proposed plans for hotel development include 540 rooms located elsewhere in the market area. These projects absorb near-term demand projected for the Planning Area.
- Competitive hotel concentrations nearby, such as Tempe, may have an impact on where future demand gravitates.
- Limited availability of sites along transit lines.
- Current conditions influence perceptions of the Study Area.

### **Projected Demand for Market Trade Area**

The following chart depicts demand projected for hotel space in the Market Impact Area over the next 10-years in two 5-year periods, near-term and mid-term. The blue and red are based on historical trends which reflect the existing built environment through year-end 2015. The yellow and gray bars are based on the Airport passenger forecasts released in 2015.

Negative near-term (2016-2020) demand shown in **Figure 12.31** is a product of the 540 hotel rooms planned or proposed at the time of this study. These “future deliveries” have been subtracted from near-term demand. Positive demand in the mid-term is due to growth anticipated to occur in the next several years, suggesting that opportunities for new hotel development may exist in the market trade approaching the year 2025.

**Figure 12.31—Projected Hotel Room Demand for Market Trade Area, Near- and Mid-Term (in rooms)**



Source: C&S Companies

**Allocation of Hotel Demand to Planning Area**

Near-term (2016-2020):

- Market opportunities for hotel development are limited within the Planning Area due to absorption of near-term demand by hotels proposed or under construction. No anticipated capture of demand.
- Under current conditions, few sites in preferred locations for hotel development within the Planning Area possess the acreage and configuration requirements for hotel development.

Mid-term (2021-2025):

- Competitive position of subject parcels for hotel development may improve over time as more competitive property is absorbed for new development and the general area continues to experience growth. The effects of growth on Planning Area demand may be offset by additional hotel development in competing locations.
- Potential land assembly could occur to meet lot size and configuration requirements for hotel development.
- Approximately 130 hotel rooms of estimated demand could be captured in the mid-term, which equates to approximately 1.5-2 acres.

### 12.3.10 Mixed Use

Market metrics in this snapshot reflect existing inventory for an analysis period of 2006-2015, representing recent development patterns and market characteristics. The snapshot examines current market dynamics and recent trends for mixed-use development within the 3-mile radius Market Trade Area. This information provides an understanding of forward market movement and is useful for related planning efforts.

#### Market Observations and Findings

Mixed use development is a term used to describe properties that combine at least two compatible uses within a single structure or property. In the Phoenix market, mixed use development typically features multi-story structures with active retail, office or other non-residential uses on the ground floor and residential uses on upper floors. Mixed use properties and districts are pedestrian-oriented and help create a “live-work-play” environment. Mixed use projects can be located in both urban and suburban settings, and are often found near public transit corridors like the METRO light rail corridor along E. Jefferson and E. Washington Streets in the Planning Area.

As illustrated in **Figure 12.32**, an inventory of the 3-mile trade area indicates that there are 32 existing multi-family housing properties containing approximately 3,350 dwelling units within this area. The average multi-family property includes 104 housing units. Nearly 25% of these existing multi-family units are located in mixed-use properties. Within the trade area, there are 5 mixed-use properties with a residential component, holding a total of 785 units for an average of 157 units per development.

As of 1st Quarter 2016, there were 20 multi-family residential developments planned, proposed, under construction, or completed since the beginning of the year within the trade area. These projects include 3,647 total units for an average of 182 units per development. Of these projects, 14 are mixed-use developments (nearly 85%)—this represents a marked increase from historic rates. Mixed-use projects planned/proposed/under construction or delivered in 1st quarter 2016 include 3,065 total housing units for an average of 219 units per development.

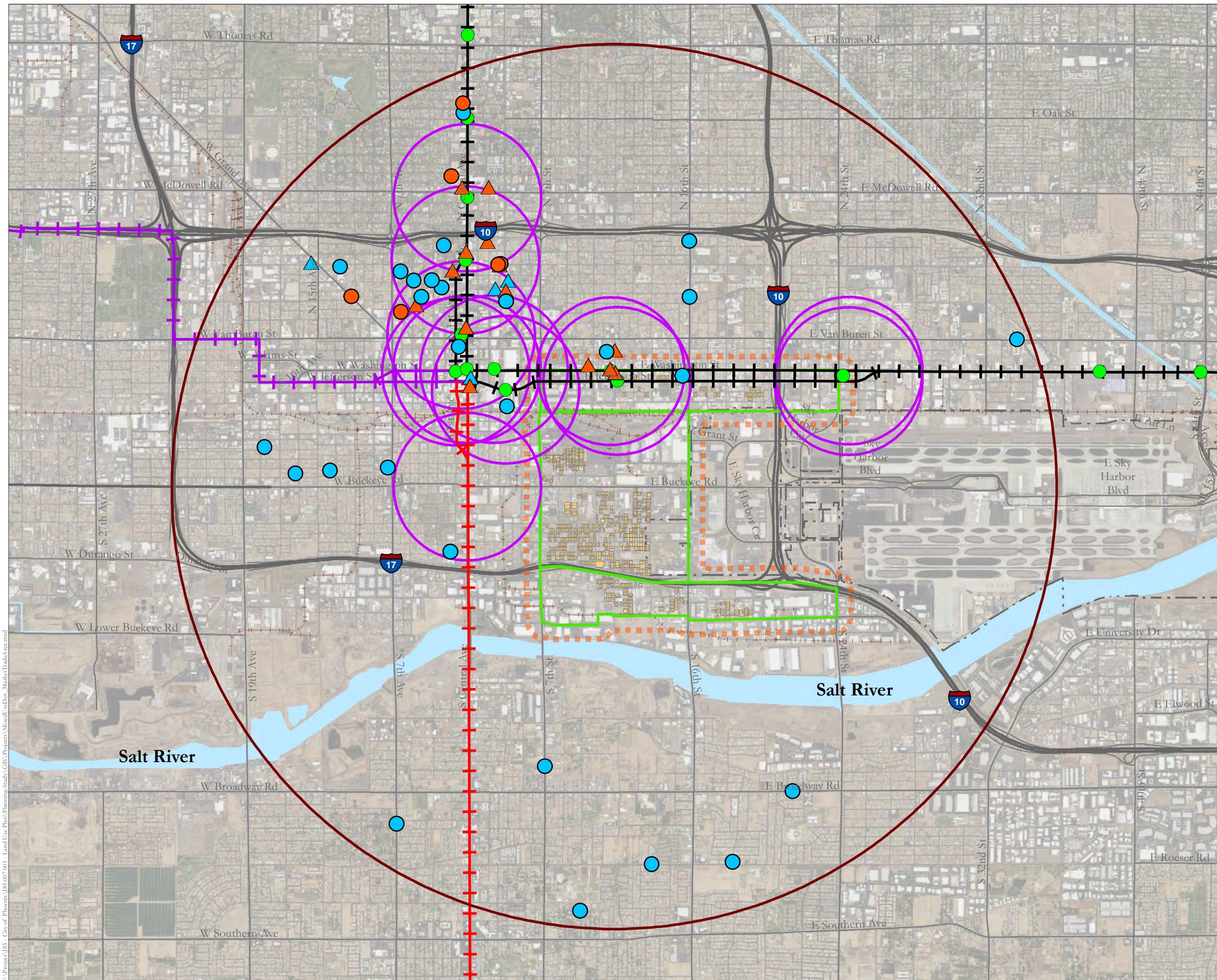
Nearly all existing and future mixed use projects are clustered near the METRO light rail line: 92% of existing mixed-use housing units and 100% of future mixed-use housing units are located within 0.3 miles of a light rail station.

Among mixed-use properties identified by the inventory, non-residential uses are generally found on the ground floor of buildings. Ground floor uses in the trade area include commercial space (retail, restaurant, entertainment), live/work units, and galleries or other public spaces. Properties with live/work units appeal to artists or other tenants who benefit from commercial storefront or studio space proximate to their living space. Housing units are generally located on the upper floors of mixed-use properties. According to the inventory:

- Approximately 80% of both existing and future mixed use housing units are in developments that include commercial space

- Approximately 20% of existing and 10% of future units are in developments with live/work units
- No existing units and only 10% of future units are in developments with gallery or public space as a property's sole non-residential use.

For both existing and future mixed-use developments in the trade area, the average property size is approximately 2 acres and the average building is 5 stories in height.



**LEGEND**

- Airport Property
- Study Area
- Planning Area
- Airport-Owned Noise Property
- Market Trade Area (3 Mile Radius)
- Highway
- Arterial Street
- Local Street
- Railroad
- Waterways
- Light Rail Buffer (0.5 miles)
- Existing Light Rail Stops
- Existing Light Rail Alignment
- South Central Light Rail Extension
- Capitol/I-10 West Light Rail Extension

**Multi-family [non-mixed use]**

- Existing
- Planned/proposed/under construction/delivered 1st Quarter 2016

**Mixed Use (includes Multi-family)**

- Existing
- Planned/proposed/under construction/delivered 1st Quarter 2016



SOURCES: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary obtained December 2015; Construction project data acquired by Ricondo & Associates and C&S Engineers 2016.  
 PREPARED BY: C&S Companies, April 2016.



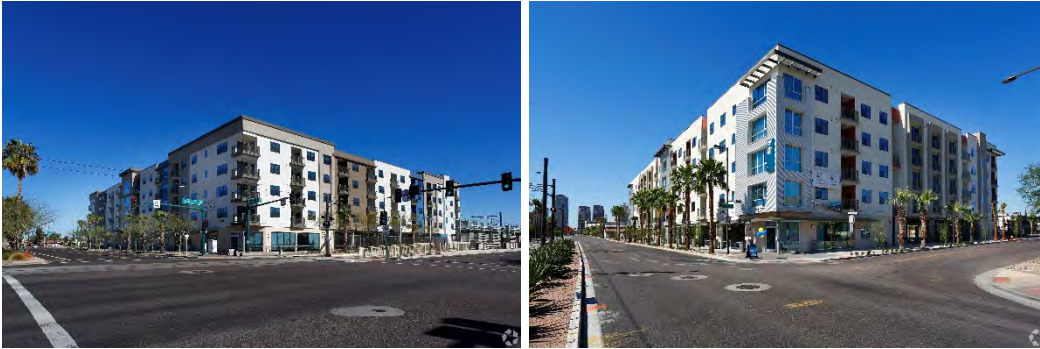
Figure 12.32

Mixed Use Development

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**Mixed Use Development within the Market Trade Area**



Source: C&S Companies

**Application of Mixed Use for Planning Area**

Mixed use development has strong potential in locations along and near the light rail line in the northern portion of the Planning Area. The northwestern part of the Planning Area is in the TOD-1 (Transit Oriented Zoning Overlay District-1) overlay area, which allows mixed-use development.

Considering the potential for mixed use development in the future, the Reuse Plan and strategies should avoid placing any restrictions (covenants, deed restrictions, overlay districts, etc.) on subject parcels that would exclude mixed use with residential as a permitted development format.

**12.3.11 Demand Analysis and Allocation Summary**

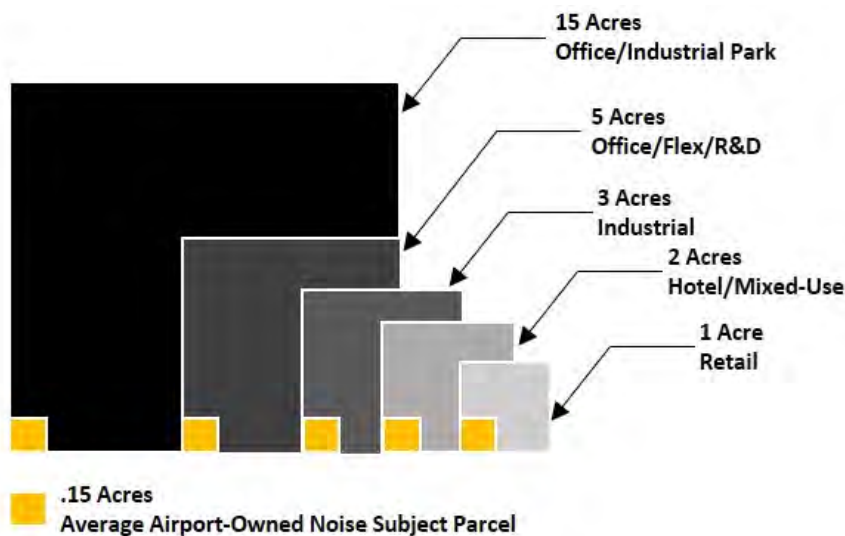
Collectively, the 743 vacant Airport-owned noise properties, or subject parcels, at the focus of this study total approximately 115 acres across the three subareas of the Planning Area. The rights-of-way abutting these subject parcels add another 20.5 acres, as documented in the Inventory. This total acreage could provide significant opportunity for market deployment and development if this land were contiguous and/or assembled. However, these Airport-owned noise properties are scattered in nature and limited in size; the average parcel is approximately 0.15 acres.

Several clusters of contiguous or nearly-contiguous parcels do exist within the Planning Area, but even then, they are either oddly configured or still quite limited in size (or both) which creates significant challenges for new development. In other words, the physical configuration of land is the most significant limitation to achieving contextual HABU and capturing market demand within the Planning Area.

The market analysis indicates that the average parcel sizes needed by each general land use are significantly greater than individual parcels within the Planning Area—or even some of the limited contiguous clusters—currently provide.

**Figure 12.33** displays the average parcel sizes for different land uses examined in this market analysis, compared against the average subject parcel size. For context, the average office parcel needed, which is 5 acres, is more than 33 times the size of the average subject parcel (.15 ac). Planned business parks need 15-20 acres on average, and some in the market are considerably larger. Because the subject parcels are largely non-contiguous, the assembly of sites for such uses presents a challenge.

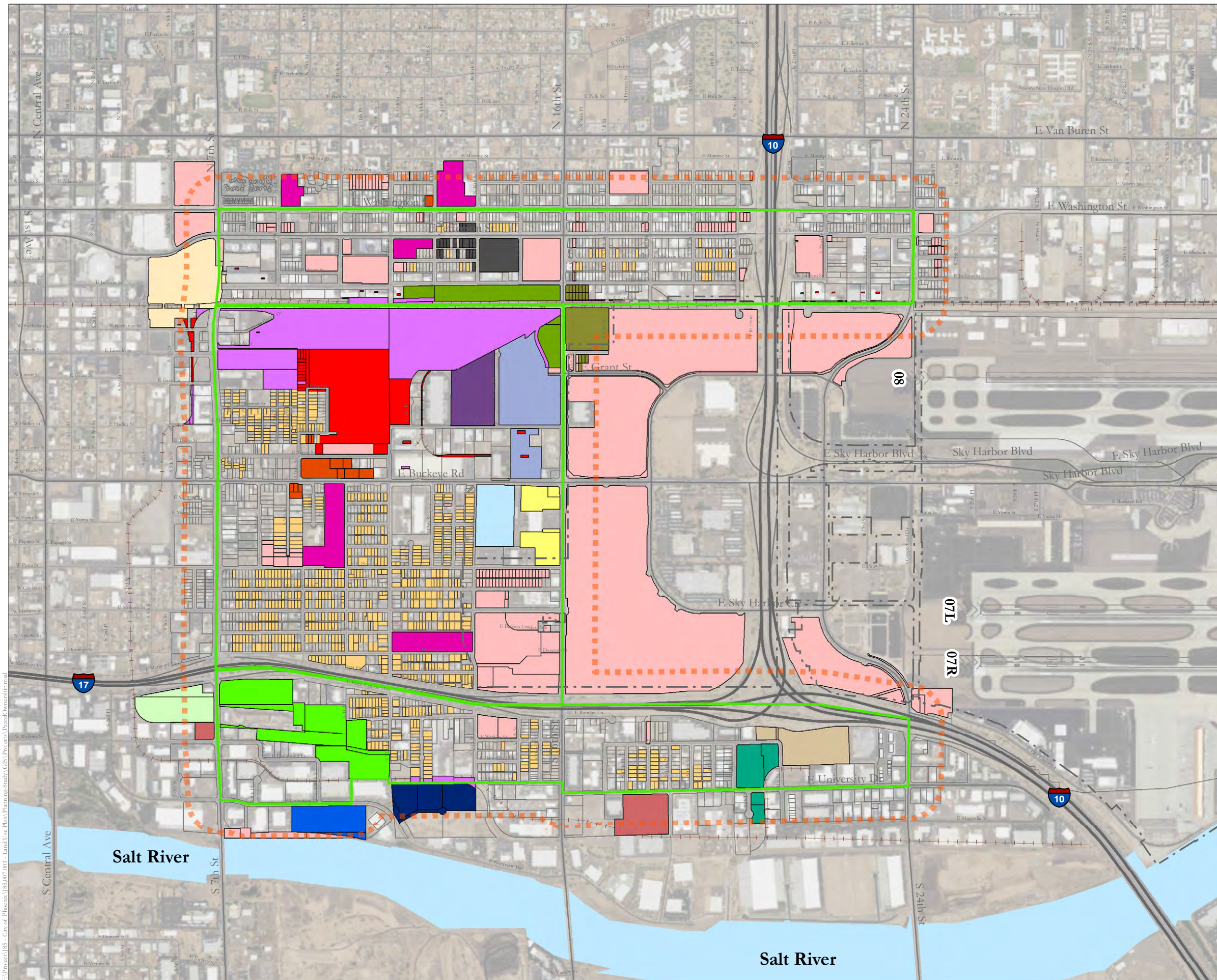
**Figure 12.33—Comparative Average Parcel Sizes by Land Use**  
*Reflects averages of Market Impact and Trade Areas compared to average Subject Parcel*



Source: C&S Companies

Market analytics previously presented in **Table 12.2—General Market Observations** reveal a trend of overall growth in average square footage per building when comparing the entire built inventory by use against that which has been developed in the last 16 years. That’s not to say that the market is void of demand for smaller-scale development, especially for industrial uses. However, this trend does suggest the need for greater land assemblages to meet land area requirements for future development and to allow efficient development layouts. **Figure 12.34—Parcel Assembly** presents the subject parcels and their current lotting arrangement in relation to other land ownership within the Planning Area.





LEGEND

- Airport Property
  - Study Area
  - Planning Area
  - Highway
  - Arterial Street
  - Local Street
  - Railroad
  - Waterways
- Parcel Ownership (In Study Area)**
- City of Phoenix (518.90 ac)
  - Airport-Owned Noise Property (115.14 ac)
  - Southern Pacific Transportation Co. (92.16 ac)
  - Union-Pacific Railroad Company (46.99 ac)
  - Ameron Inc (37.87 ac)
  - Phoenix Elementary School District (33.41 ac)
  - Phoenix Adobe Partners LLC (32.22 ac)
  - Maricopa County Stadium District (25.63 ac)
  - Tiernay Properties Inc (17.34 ac)
  - National Gypsum Company (15.17 ac)
  - Master International Corp./ETAL (15.03 ac)
  - FNBN Reliance IV LLC (13.54 ac)
  - RREEF America REIT II Portfolio L P (13.00 ac)
  - United States Postal Service (12.71 ac)
  - Eastgroup Properties LP (12.55 ac)
  - S R P A I & P D (12.29 ac)
  - Walton CWAZ University Dr. 85 LLC (11.65 ac)
  - Smittys Land LLC (11.28 ac)
  - Thomas Terence W (10.65 ac)
  - Pilgrim Rest Foundation Inc (10.49 ac)
  - Chicanos Por La Causa Inc. (8.49 ac)



SOURCE: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community (Basemap), February 2016; City of Phoenix, Aviation Department, VARS boundary and Acquired Properties, Obtained December 2015; Data Compiled by Maricopa Association of Governments (2012 Existing Land Use) obtained in August 2014; Parcels along with owner data was acquired from Maricopa County, 2012. PREPARED BY: C&S Companies, April 2016.



Figure 12.34

Parcel Assembly

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**Table 12.3** summarizes the findings of this study by land use type, range of estimated capture of demand within the Planning Area by planning horizon, the required land in acres to accommodate said demand, and the potential real estate product form it may take. Given the extensive pipeline of projects which are planned, proposed, under construction or recently delivered, estimated near-term demand is relatively limited. The Planning Area is better positioned within the mid-term to capture potential demand of approximately 50 acres of estimated development; more than half is anticipated to be general industrial and flex/R&D.

**Table 12.3—Total Estimated Demand for Planning Area by Planning Period**

Land Use	Capture of Demand (SF or rooms)*			Average FAR <sup>^</sup>	Total Acres Required	Potential Form of Demand
	2016-2020	2021-2025	Total			
Industrial & Flex	0-165,000	325,000-425,000	325,000-585,000	0.31	24-43	Smaller scale warehouse and flex as standalone; larger format warehouses in planned cluster; flex/light industrial development in business park setting potentially with office; inventory split of 70/30 general industrial/flex
Office	0-100,000	115,000-225,000	115,000-325,000	0.44	6-17	Mix of Class B standalone and Class A and B in business park format with other uses
Retail	20,000-40,000	50,000-60,000	70,000-100,000	0.23	7-10	Convenience-oriented commercial as standalone and small strip-centers, mixed-use setting
Hotel (Rooms)	-	130	130	75 rooms/acre	1.5-2	Select-service hotel
<b>Total**</b>	<b>20,000-300,000</b>	<b>490,000-710,000</b>	<b>510,000-1,010,000</b>		<b>38.5-72</b>	

\* range reflects low and high scenarios of estimated demand captured by use within Planning Area  
 \*\* SF not including Hotel ^ Floor-to-Area Ratio

Source: C&S Companies

Overall, approximately 40-70 acres of market demand have been estimated for capture within the Planning Area over a 10-year timeframe. This finding indicates that there is more land available than demand projected. Given the current arrangement of that land, it also reinforces the need to plan for long-term land use and future configuration/format of this area. This is especially true within the Central Subarea where past plans are now decades old.

By assembling and preparing larger sites within the Planning Area, this area could potentially capture a greater portion of projected future demand than the estimated 25% capture rate applied in the analysis. In order to attract/capture greater levels of future demand and development, the Planning Area can compete with other sections of the market area by determining where assembled land can be offered for desired uses, assembling that land or finding partners to do so, and making that land available with updated zoning, access to needed infrastructure, and financially feasible and context-appropriate design guidelines for future development which also address historical and cultural considerations.

### **Market-Based Location Requirements**

The following locational requirements generally apply to the respective uses indicated within the local marketplace and are helpful to understand why certain uses prefer to locate where they do within the local market. These requirements provide a basis for the designations shown in the Market-driven Location Preferences map contained in **Appendix E**.

- **Office**—major transportation corridors, accessible to population centers, community amenities, standalone or part of planned business park-style developments
- **Industrial**—major roadway access, utility and infrastructure capacity, possible airport connectivity needs, occasional rail access required (10-20%), lower land cost basis, standalone or part of planned park (either as single use or with other uses)
- **Flex**—roadway access, possible airport connectivity needs, substantial use by R&D operations, can serve as substitution for office supply, mix of standalone and business park-like setting (either as single use or with other uses)
- **Retail** (includes restaurants & services)—visibility, access, transportation corridors, intersection proximity, proximity to households and population centers, passerby traffic
- **Hotel**—major transportation corridors and interchange locations, near attractions, employment centers, or airports

### **Recommended Priorities Resulting from Market Analysis**

The following priorities are suggested by the results and findings of the preliminary market analysis. These recommendations set forth a market-indicated prioritization of efforts and resource allocation within the Planning Area, prioritizing areas for reuse/conversion identified within the near- to mid-term as areas of focus to incentivize redevelopment. Priorities were identified given the level of estimated demand projected, strategic alignments and interests expressed, and availability (i.e. less disruption for residents, areas of greater concentration of subject parcels, etc.).

#### North Subarea

- Area west of S. 16<sup>th</sup> Street for mixed use development given proximity to METRO light rail line and market trajectory of real estate product development along this key transportation infrastructure.

#### Central Subarea

- Area north of E. Buckeye Road and east of S. 7<sup>th</sup> Street for business park with potential partnerships and focus on R&D given proximity to Biomedical campus Downtown, emerging Warehouse District, and Phoenix Innovation Corridor. Potential opportunities for academic and/or not-for-profit partnerships to achieve catalytic development. Corner of E. Buckeye Road and S. 7<sup>th</sup> Street is well positioned for commercial development, especially retail.
- Area south of E. Apache Street and E. Durango Street along I-17/Maricopa Freeway for larger-scale industrial development given proximity and access to major transportation corridors and airport. Proximity to existing and emerging industrial development to the south.

#### South Subarea

- Entire South Subarea given strengthening cluster of new industrial development along the Rio Salado as well as opportunity to provide location for a wide range of industrial development formats, from small to regional scale, and expansions.

## 12.4 Other Uses

In addition to the land uses documented in Section 12.3, a number of other possibilities were raised through stakeholder engagement and community input which did not necessarily fit into the general categories for analysis or more information was needed about the concepts of interest. Accordingly, these uses were researched and benchmarked to identify and better understand key trends, development characteristics, and attributes for application in the next phase of this process, which is implementation of the plan.

Additional uses researched and benchmarked include the following:

- Research and Development Park
- Urban Farming/Restaurant Incubator
- Artisan/Makerspace
- Sports Complex
- Water Park/Family Entertainment
- Short-Term/Interim Uses
- Vacant Lot Programs

The benchmarking effort considered the physical, economic, and ownership conditions of the various uses to inform the potential for implementation within the Study Area in the next phase of this process. The following summary matrix, **Table 12.4**, presents a synthesis of key takeaways. Additional background information for these potential uses can be found in **Appendix D**.

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**Table 12.4 - Benchmarking Summary**

Use:	Artisan-Makerspace-Hackerspace	Water Parks	Sports Complexes	Research/Tech Parks	Short-term/Interim Uses	Urban Farming	Vacant Lots
<b>General</b>							
<b>Misc. Information</b>	<ul style="list-style-type: none"> <li>o Varied types and formats; could simply involve allowing art studios in industrial zoning</li> <li>o Aligned with innovation emphasis</li> </ul>	<ul style="list-style-type: none"> <li>o Looked exclusively at nearby facilities</li> <li>o Mostly outdoor</li> </ul>	<ul style="list-style-type: none"> <li>o Either various outdoor fields (~15 fields), or large indoor complex</li> <li>o Often family oriented; include playgrounds or parks</li> <li>o Few job opportunities</li> </ul>	<ul style="list-style-type: none"> <li>o Technology, life sciences and bioscience most popular</li> <li>o Mixed-use facilities not common</li> <li>o Zoning includes mixed-use, industrial, and employment park</li> <li>o On-site renewable energy common</li> </ul>	<ul style="list-style-type: none"> <li>o Ex.: Pop-up cities, arts districts, mobile/temporary food and entertainment, dog parks, pocket parks, larger parks, community gardens/markets, etc.</li> <li>o Many sustainability-focused</li> </ul>	<ul style="list-style-type: none"> <li>o Connection with education, sustainability, cultural change, renewable energy, etc.</li> <li>o Not affected by noise unless dealing with educational component</li> <li>o May be possible to have joint mobile/stationary farm; see "BusFarm"</li> <li>o Many ongoing Phoenix urban farms</li> <li>o Tied to reinventing blighted areas</li> <li>o Short-term to permanent</li> </ul>	<ul style="list-style-type: none"> <li>o Ex.: Land banks to sell land efficiently and in fair manner and incentives to encourage businesses or individuals to reinvent vacant or blighted areas</li> <li>o Streamlining sale process</li> <li>o Databases for comprehension, transparency, and marketing</li> <li>o Often include strategies for assembly</li> <li>o Promotion of sustainable development</li> </ul>
<b>Space Requirements</b>							
<b>Land</b>	<ul style="list-style-type: none"> <li>o Varied; standalone facilities require ~ 1/2 acre, though some are located in shared facilities on larger parcels</li> </ul>	<ul style="list-style-type: none"> <li>o &gt;7 acres; average of ~18 acres</li> </ul>	<ul style="list-style-type: none"> <li>o &gt;8 acres; average ~ 64 acres and up to 160 acres</li> </ul>	<ul style="list-style-type: none"> <li>o Considerable land area is needed for academia-affiliated parks (unique facilities and incubators can be less)</li> <li>o &gt;13 acres; average 200 acres</li> </ul>	<ul style="list-style-type: none"> <li>o Varied sizes but limited space needed for most uses</li> </ul>	<ul style="list-style-type: none"> <li>o Varies from very limited space needs, (e.g., Freight Farms) to expansive, especially if seeking an educational component</li> <li>o Greenhouses and urban farms need a few acres on up to 30 acres or more</li> <li>o Phoenix urban farms range from 1/4 acre to 15 acres</li> </ul>	<ul style="list-style-type: none"> <li>Requirements not applicable; other space-related considerations:</li> <li>o Philadelphia dealing with 40,000 properties; discounts available for purchase of small parcels (&lt;3,000 s.f.) adjacent to existing homeowners</li> </ul>
<b>Buildings</b>	<ul style="list-style-type: none"> <li>o Some in shared community space or multi-tenant buildings</li> <li>o Smaller/existing facilities for start-up with potential for expansion pending membership growth (many rely on fees); growth happening in matter of a few years</li> <li>o Manufacturing incubators require 32,000 to 250,000 s.f.; 8,000 – 16,000 s.f. enough for personal/small business incubation</li> <li>o 1 – 2 stories</li> </ul>	<ul style="list-style-type: none"> <li>o Associated facilities &gt;19,000 s.f.; average 51,000 s.f.</li> <li>o Heights depend on park type; city-owned generally 1 story, privately owned have larger attractions (5 - 8 stories) and may therefore conflict with height restrictions in eastern portions of each subarea (see Height Zones and Airport Zoning Surfaces figure)</li> </ul>	<ul style="list-style-type: none"> <li>o Facilities &gt;52,000 s.f., average 150,000 s.f.</li> <li>o 1-3 stories tall</li> </ul>	<ul style="list-style-type: none"> <li>o Large facilities required; average individual building size is approximately 150,000 s.f.</li> <li>o Average ~9 buildings per park, ranging from 1-5 stories</li> </ul>	<ul style="list-style-type: none"> <li>o Many don't require facilities</li> </ul>	<ul style="list-style-type: none"> <li>o Require limited height</li> <li>o Freight Farms gives shelter with limited space needs (320 s.f. per container, though purchasers may desire several)</li> <li>o Greenhouses can be rooftop or ground-level but require sunlight; may be opportunity to take advantage of parcels with greatest height restrictions</li> </ul>	
<b>FAR*</b>	<ul style="list-style-type: none"> <li>o 0.31 - 0.35 is common with some examples as low as 0.19 and as high as 0.75</li> </ul>	<ul style="list-style-type: none"> <li>o Average .05; primarily attractions</li> </ul>	<ul style="list-style-type: none"> <li>o Sports complexes with outdoor facilities range from 0.14 - 0.15 or less, while primarily indoor facilities can reach up to 0.37</li> </ul>	<ul style="list-style-type: none"> <li>o Average 0.39</li> </ul>	<ul style="list-style-type: none"> <li>o Generally not applicable to this category since main component of Floor-to-Area calculation is a building facility, which most do not have or it is negligible</li> </ul>	<ul style="list-style-type: none"> <li>o Generally not applicable to this category since main component of Floor-to-Area calculation is a building facility, which most do not have or it is negligible</li> </ul>	

**Table 12.4 - Benchmarking Summary**

Use:	Artisan-Makerspace-Hackerspace	Water Parks	Sports Complexes	Research/Tech Parks	Short-term/Interim Uses	Urban Farming	Vacant Lots
<b>Financial</b>							
<b>Ownership, Terms and Conditions</b>	<ul style="list-style-type: none"> <li>o Membership fee structure and/or non-profit</li> <li>o Special rates for students</li> </ul>	<ul style="list-style-type: none"> <li>o Either privately owned "entertainment" centers with large attractions, or city-owned public pools/parks</li> <li>o Former focus on tourism; latter draws from local population</li> </ul>	<ul style="list-style-type: none"> <li>o Privately owned or county/city owned</li> <li>o Some non-profits</li> <li>o Large sports complexes seem to involve land purchase (little information available)</li> </ul>	<ul style="list-style-type: none"> <li>o Highly affiliated with universities</li> <li>o Up to 200 tenant companies including start-ups and spin-offs</li> <li>o Employ average of 3,000 people</li> <li>o Developers frequently purchase/own the land, though some other arrangements exist; MIT issued an RFP for a private developer of an R&amp;D Park on University-owned land</li> </ul>	<ul style="list-style-type: none"> <li>o Combination of publicly and privately funded</li> <li>o City of Phoenix involved in Roosevelt Row adaptive reuse project</li> <li>o Frequently non-profits organizing these uses</li> <li>o Often involving short-term leases (e.g., two years)</li> <li>o City Code and other restrictions can be challenging to potential users</li> </ul>	<ul style="list-style-type: none"> <li>o Frequently non-profits</li> <li>o Some programs focus on evaluating feasibility of urban farming and supporting implementation (see Design Trust for Public Space)</li> <li>o Lease of land is common; in some cases owner sold land for nominal fee with conditions associated with sale (e.g., purchaser will secure funding for development of project by a certain deadline)</li> </ul>	<ul style="list-style-type: none"> <li>o Incentives/programs mostly local/city level</li> <li>o Some land banks involve service-for-sale exchanges</li> <li>o Common for municipality to invest in upfront improvements; some then provide grants for development and improvements</li> <li>o Most land banks involve continued commitments to maintain property with financial penalties</li> </ul>
<b>Incentives Common?</b>	<ul style="list-style-type: none"> <li>o Yes, including economic development and community improvement grants</li> </ul>	<ul style="list-style-type: none"> <li>o NA</li> </ul>	<ul style="list-style-type: none"> <li>o One example found but for droneport (UAS testing): Nevada imposes no franchise, corporate income or personal income taxes</li> </ul>	<ul style="list-style-type: none"> <li>Yes, in 3 manners:</li> <li>o Many universities have leveraged state or municipal incentives for basic infrastructure necessary to market the site to developers</li> <li>o Economic development and/or R&amp;D grants</li> <li>o Owners also use incentives to draw in businesses (e.g., foreign trade zones)</li> </ul>	<ul style="list-style-type: none"> <li>Yes:</li> <li>o Many uses involve city-funded programs</li> <li>o Also a number of examples leveraging private investments and government grants aimed at the arts and sustainability</li> </ul>	<ul style="list-style-type: none"> <li>o Yes, city or other community-related incentives or grants</li> <li>o USDA grants available to help purchase equipment</li> </ul>	
<b>Connections / Location</b>							
<b>Connections to existing transportation, universities, etc.</b>	<ul style="list-style-type: none"> <li>o Most in heavily populated areas</li> <li>o See above under "Buildings"</li> <li>o Encouraging students via reduced rates and often targeting nearby universities</li> </ul>	<ul style="list-style-type: none"> <li>o Hotel is either part of privately owned, attraction-based parks or nearby</li> </ul>	<ul style="list-style-type: none"> <li>o NA</li> </ul>	<ul style="list-style-type: none"> <li>o Access to skilled labor force; university proximity/involvement key</li> <li>o Connectivity to major roadways and interstate</li> </ul>	<ul style="list-style-type: none"> <li>o Food trucks and some others entertainment/ eatery uses often rely on existing client base</li> <li>o Not needed for pop-up cities (modeled after flexibility), or pocket parks (though important to connect if possible)</li> <li>o Consider climate implications</li> </ul>	<ul style="list-style-type: none"> <li>o Many involve university partnerships</li> </ul>	<ul style="list-style-type: none"> <li>o Blighted areas with significant number of vacant properties</li> <li>o Coming from community or city level so many programs are specific to location</li> </ul>

NOTE: \* Floor Area Ratio (FAR) - Expresses the relationship between the above-ground floor area of a building and the total land area of the parcel it stands on. A higher ratio generally indicates a more dense type of development.



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## Section 13—Alternative Planning Area Frameworks

This section presents different options for the long-term vision and growth of the Planning Area. These different options have been based on two main considerations that give shape to different visions of future growth scenarios within the Planning Area:

- 1) Key themes and priorities (both market and community-based) that emerged through this planning process
- 2) Location preferences for land uses by both the market and the community

From there, three frameworks were prepared to show conceptual land use distributions under future conditions within the Planning Area, with each framework highlighting different aspects of these key themes and priorities and blending location preferences to show different options.

### 13.1 Key Considerations for Determining Frameworks

#### 13.1.1 Key Themes

Three key themes emerged through the stakeholder engagement and planning process that informed the development of alternative frameworks, or plans, for the area.

**Live-Work.** A careful balance of land uses must be used to facilitate a diverse mix of activities—residential, work, culture and shopping—to foster a vibrant, compact, live-work environment in the center of the Planning Area and in the North Subarea. This theme responds to community input by looking to reimagine the preservation of existing residential uses in the core of the Planning Area, south of E. Buckeye Road. This core area proposes to receive additional displaced residential units, pending FAA approval. The Project Area’s history and cultural heritage are recognized through the potential strategy of establishing a Cultural Corridor and Heritage Branding.

**Connections.** Connectivity is a major theme that emerged from community and stakeholder engagement as well as in PlanPHX: A Blueprint for a Connected Oasis. This theme emphasizes connections between a diverse set of land uses at locations supported by the existing road network and expanding transportation options, particularly light rail and multi-modal options like bicycle and pedestrian travel. Like PlanPHX, a model for planning and growth that emphasizes the city’s unique assets and addresses enhancing the city’s health, environment and prosperity, the Connections theme utilizes connectivity as a catalyst for growth and development.

**Neighborhood in Transition.** The Planning Area was originally settled as a desert farming community, leveraging the Salt River Floodplain and an extensive irrigation system. It transitioned over time to become an inclusive residential sub-division that provided home ownership opportunities to many minority residents. The continued growth of the region and nearby airport, an essential element in the development of metro Phoenix, ultimately led to the development of the VARS program. This theme acknowledges the continued transition from a primarily residential neighborhood to a neighborhood actively contributing to the strength of the local economy, maximizing its strategic location

between downtown Phoenix with its growing Biomedical campus, and Sky Harbor Center. Adjacent neighborhoods to the north have already started to transition to new types of development including mixed use and higher density projects. As adjacent areas continue to mature into dense urban areas, the Planning Area will also transition from a primarily residential area to a mix of uses serving as a buffer between the higher density urban development to the north and west and the industrial and service industries to the east and south.

### 13.1.2 Location Preferences

In much of the Planning Area, market-driven land use preferences align with the preferences expressed by community members during the planning process. Examples of this alignment include seeing parcels reused for mixed use residential development in the North Subarea, focusing reuse on industrial development in the South Subarea, and considering business or commerce park use for parcels in the Central Subarea north of Buckeye Road. These alignments are depicted in the “Composite Preferences” map included in **Appendix E**.

Differences between the market-based and community-based preferences maps primarily show themselves in the Central Subarea south of Buckeye Road. Where community input reveals a desire for reinforcement and replacement of residential housing and neighborhoods, the general market-based preference is for only commercial and industrial uses without residential presence in the future, which would also provide opportunities for larger development sites.

**Appendix E** also provides individual maps depicting community-driven preferences and market-driven preferences for the location of land uses for the North, Central, and South Subareas. Maps conveying the community-driven location preferences for land uses within the Planning Area are based on the community and stakeholder input. The market-driven maps are based on locational requirements presented in **Section 12.3.10**, which summarizes key takeaways of the market analysis. The market-based maps show how, independent of community preferences, existing conditions and regulations, private development interests would likely invest in Planning Area land.

## 13.2 Alternative Frameworks

### 13.2.1 Framework Elements and Layout

Three land reuse frameworks were prepared to illustrate long-term development scenarios considering market- and community-driven land use and location preferences. Each framework defines an option for future growth and development by proposing general land use patterns throughout the Planning Area, which would be achieved through the use of various strategies.

Each framework includes the following elements:

- **General Land Uses:** The Land Use Map and associated descriptions show a potential distribution of land uses throughout the Planning Area. Each land use category shown in the

Land Use Map is defined according to land and building characteristics, consistent with definitions used in the Phoenix General Plan.

- **Noise Compatibility:** The compatibility of existing and planned land uses in the vicinity of an airport is typically associated with the extent of noise impacts related to that airport. The Inventory summarizes the FAA’s guidelines for compatible land use in aircraft noise exposure areas. Noise contours developed for current (2015) conditions are depicted in each framework.
- **Advantages and Challenges:** Each Framework identifies advantages specific to the framework and challenges to its implementation.

For all frameworks being considered, an evaluation of Planning Area conditions – and input received from community members – indicate that some key issues must be addressed under any scenario. The following conceptual strategies, depicted on the frameworks, were developed to better understand and evaluate each framework and its potential:

- **Cultural Corridor:** A designated heritage pathway linking multiple neighborhoods and marked by historic markers, interpretive signage and community branding. The Cultural Corridor Vignettes show existing historic sites and a proposed Cultural Corridor alignment under each framework.
- **Transportation:** Transportation infrastructure, most notably the city street grid, provides the primary connections among people and places, and provides structure for the city’s physical layout. The Transportation Vignettes propose modifications to the street grid to facilitate the implementation of the land use plan under each framework.
- **Development Sites/Infrastructure:** As noted in **Section 12.3.10**, the subject parcels are limited in size and generally scattered. Developers and users tend to prefer larger parcels configured for efficient development layouts. The Development Site Vignettes identify potential areas for land assembly by joining contiguous lots to make larger parcels of developable land, as well as opportunities to relocate utilities and/or abandon roads to provide flexibility in site and building layout.

The frameworks represent alternative visions for long-term redevelopment of the Planning Area, based on a broad range of considerations established during the planning process. Section 13.2.2 describes components of each framework, and presents them in graphic format. Section 13.3 describes the process by which these frameworks were evaluated and ranked according to the identified criteria.

### 13.2.2 Framework Descriptions

**Framework A** – This framework presents future land use patterns in the Planning Area, according to the application of the current Phoenix General Plan and market preferences. Most of the central part of the Planning Area is designated for light industrial/flex land use. General industrial uses would be located adjacent to the rail yard in the eastern part of the Planning Area and in the south sub-area. Commercial land uses would be located at the intersection of E. Buckeye Road and S. 7th

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Street. A mixed use district is proposed in the North Subarea west of N. 16th Street, and a light industrial/flex district is proposed east of N. 16th Street.

A proposed Cultural Corridor would extend along S. 16th Street and E. Buckeye Road. Conceptual transportation improvements in Framework A would promote efficient movement through the Central Subarea increasing the capacity of key roads.

Framework A is consistent with FAA regulations regarding noise levels and the compatibility of proposed land use patterns, and would rely strongly on private acquisition and infrastructure relocation/investments to drive parcel assembly. Framework A is presented in **Figure 13.1**.

**Framework B** – This framework would establish a residential neighborhood in the core of the planning area, south of Buckeye Road. This “core village” residential area is located outside of the 65 DNL noise contours for 2015. Pending FAA approval, this area would receive additional displaced housing units under Framework B.

Most of the central and southern parts of the Planning Area are covered by small business/flex land uses. Business parks are proposed for the area north of E. Buckeye Road and east of 7<sup>th</sup> Street, and the current Barrios Unidos Park. These business parks could provide potential opportunities to serve as catalysts for development in the Planning Area. Commercial uses are located at the high-volume and high-visibility intersection E. 7<sup>th</sup> Street and E. Buckeye Road. Mixed use would be focused in the area immediately surrounding transit stops in the North Subarea.

Under this framework, parcel assembly and utility relocation could be used to create parcels measuring 1-4 acres where possible. Framework B proposes a Cultural Corridor along S. 16th Street and through the Central Subarea between S. 7th Street and S. 16th Street. Potential transportation improvements focus on roadway extensions and upgrades to accommodate the proposed Cultural Corridor. Framework B is presented in **Figure 13.2**.

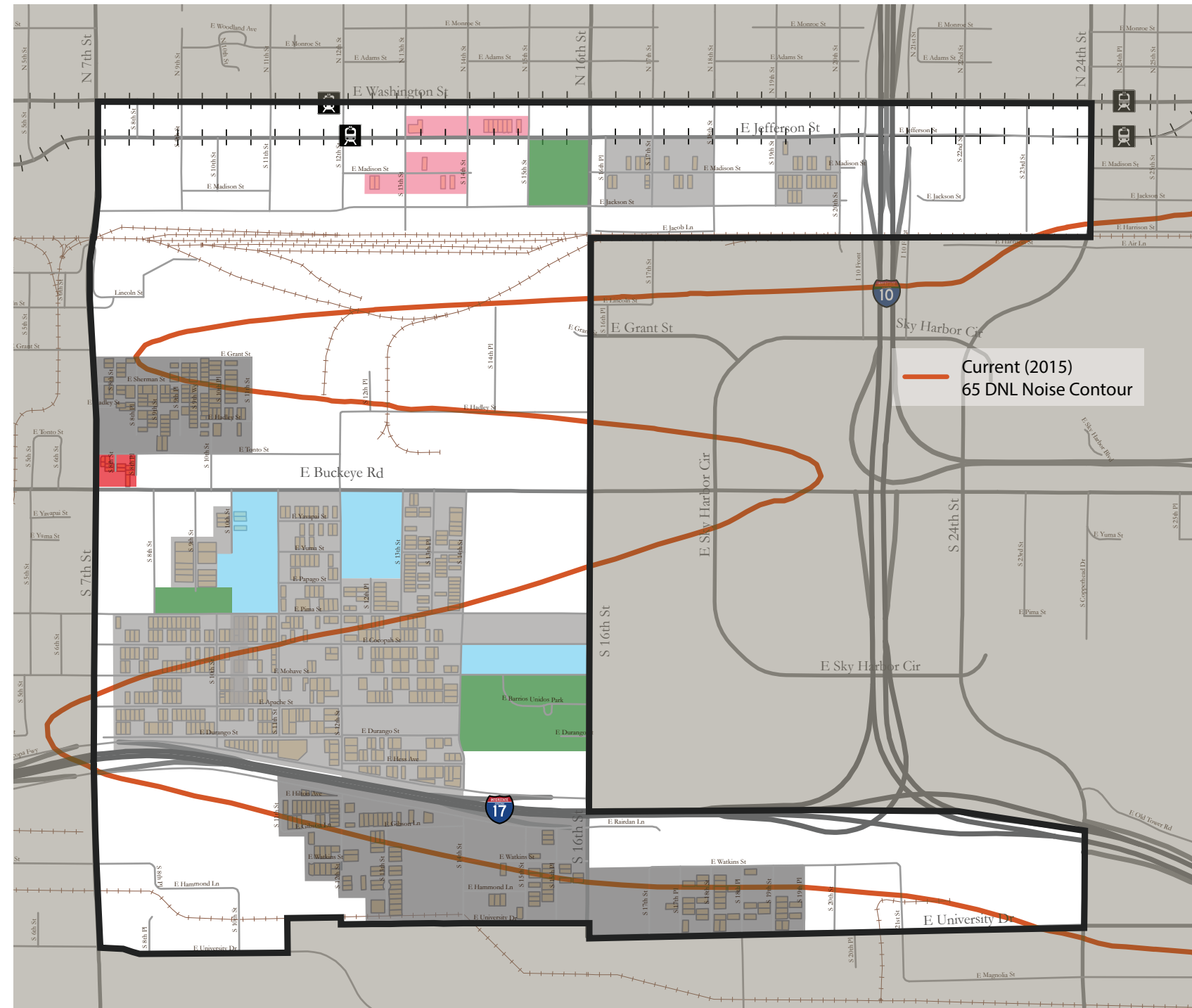
**Framework C**—This framework would establish a residential neighborhood in the core of the Planning Area, at a reduced scale compared to Framework B. This “core village” neighborhood would receive displaced housing, pending FAA approval.

Most of the central and southern parts of the Planning Area are covered by Light Industrial/Flex and Industrial land uses. An expanded business park is proposed in the western part of the Planning area, between the intersection of S. 7th Street and the rail yard. This business park could provide a potential opportunity to serve as a catalyst for development in the Planning Area. Mixed use development is proposed along the transit line, both east and west of N. 16th Street in the North Subarea.

Parcel assembly, utility relocation, and some road abandonment could be used to create properties of 10 acres or more in flex and industrial areas. Framework C proposes a Cultural Corridor along S. 7th Street, S. 16th Street, and E. Buckeye Road in the Central Subarea, as well as E. Washington Street and E. Jefferson Street in the North Subarea. Potential transportation improvements would better accommodate development and provide a north-south connection over the Union Pacific railway. Framework C is presented in **Figure 13.3**.

# Framework A

## Land Use and Noise Compatibility



### Definitions

- Study Area Boundary**

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- Core Village**—Traditional low-scale residential area (density of 5-10 units per acre). Uses may include single or multi-family dwellings, existing and infill replacement housing, residential live-work, and complimentary community-benefit spaces (i.e. community garden, pocket park, etc.).

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- Mixed Use**—North of Jefferson Street, this designation refers to compatible residential and non-residential uses co-located vertically within a multi-level structure. Elsewhere in the Study Area, this designation may refer to residential properties combined with workshop, studio, office, or other uses supporting home occupations. This designation also supports complementary features including parking, open space, and drainage, as well as community-benefit spaces such as community gardens, pocket parks, etc.

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- Commercial**—Primary land uses include retail, office, service, entertainment, and apartment development in formats appropriate to the setting and transportation network.

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- Industrial**—Consists of regional-scale land uses such as warehousing and distribution, manufacturing, food processing, utilities, and storage.

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- Light Industrial/Flex**—Includes a variety of low- to moderate-intensity, non-residential uses. Uses may include office, research and development, biotech, small-scale manufacturing, retail, business incubators, showrooms, and artisan production.

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- Education/Institutional**—Lands occupied by educational facilities including preschools, primary and secondary schools, colleges and universities, and supporting uses, or institutional facilities such as fire and police stations.

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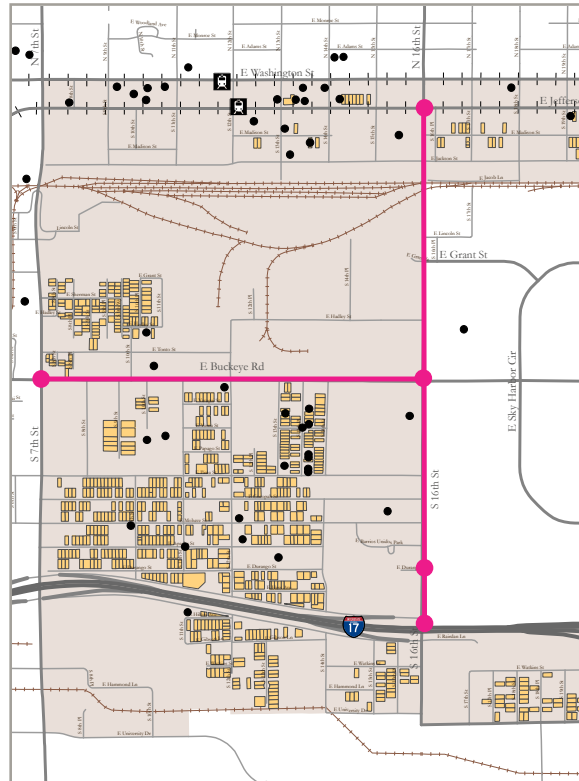
- Parks/Recreation**—Areas for neighborhood and community-level active recreation.

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- Business Park**—A cohesively planned area occupied primarily by office, light industrial and industrial uses of similar character.

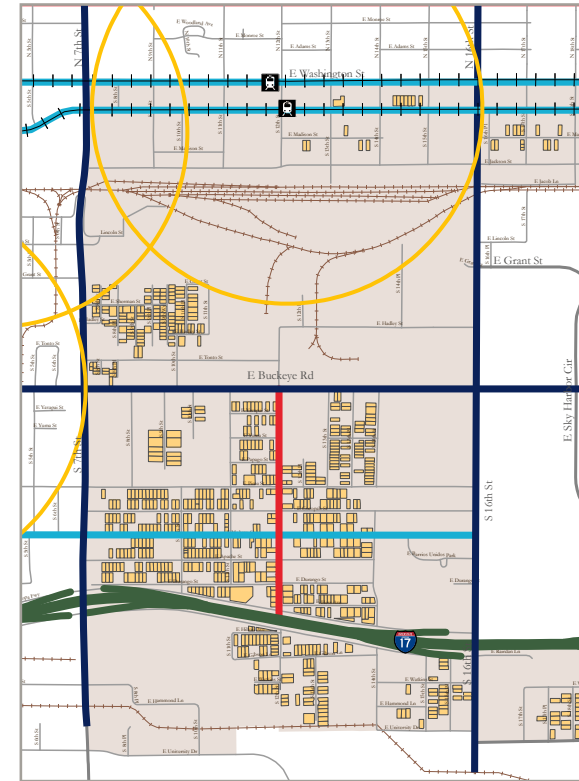
Figure 13.1

## Conceptual Strategies



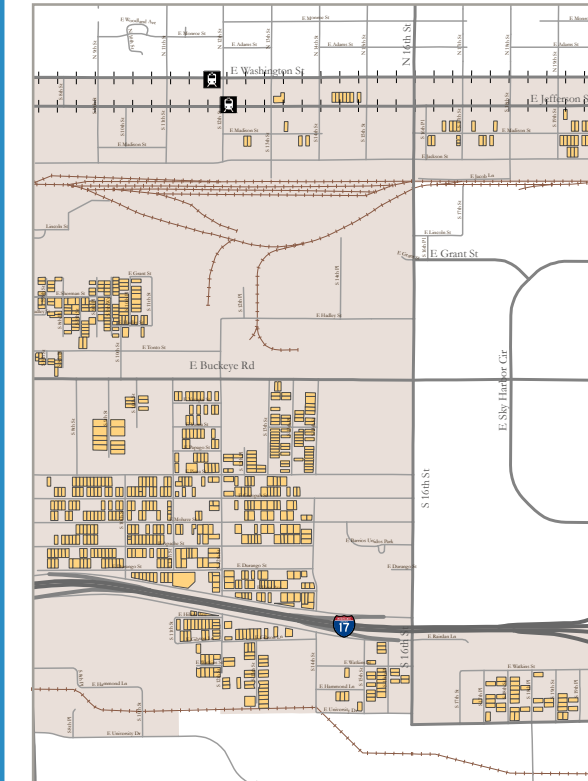
- Does not provide direct access to all resources
- Fewer interpretive signs provide general information about historic and cultural resources
- **Historic Resources**  
Includes resources or properties listed on the National and/or Phoenix Register of Historic Places, as well as those not listed but eligible for registry
- **Cultural Corridor**  
Designated heritage pathway linking multiple neighborhoods and marked by historic markers, interpretive signage and community branding

### Cultural Corridor



- Upgrade S. 12th St. and E. Buckeye Rd. to major arterials to accommodate planned development in Planning Area and Sky Harbor Center
- Upgrade E. Mohave St. to an arterial to provide improved access and compensate for local road closure
- 1/2 mile from light rail station—10 min. walk
- Interstate
- Major Arterial
- Arterial
- Collector
- Minor Collector
- Pedestrian Oriented

### Transportation



- Private-market parcel assembly
- Parcel Assembly
- Abandon Road
- Relocate Utilities

### Development Sites/Infrastructure

### Advantages

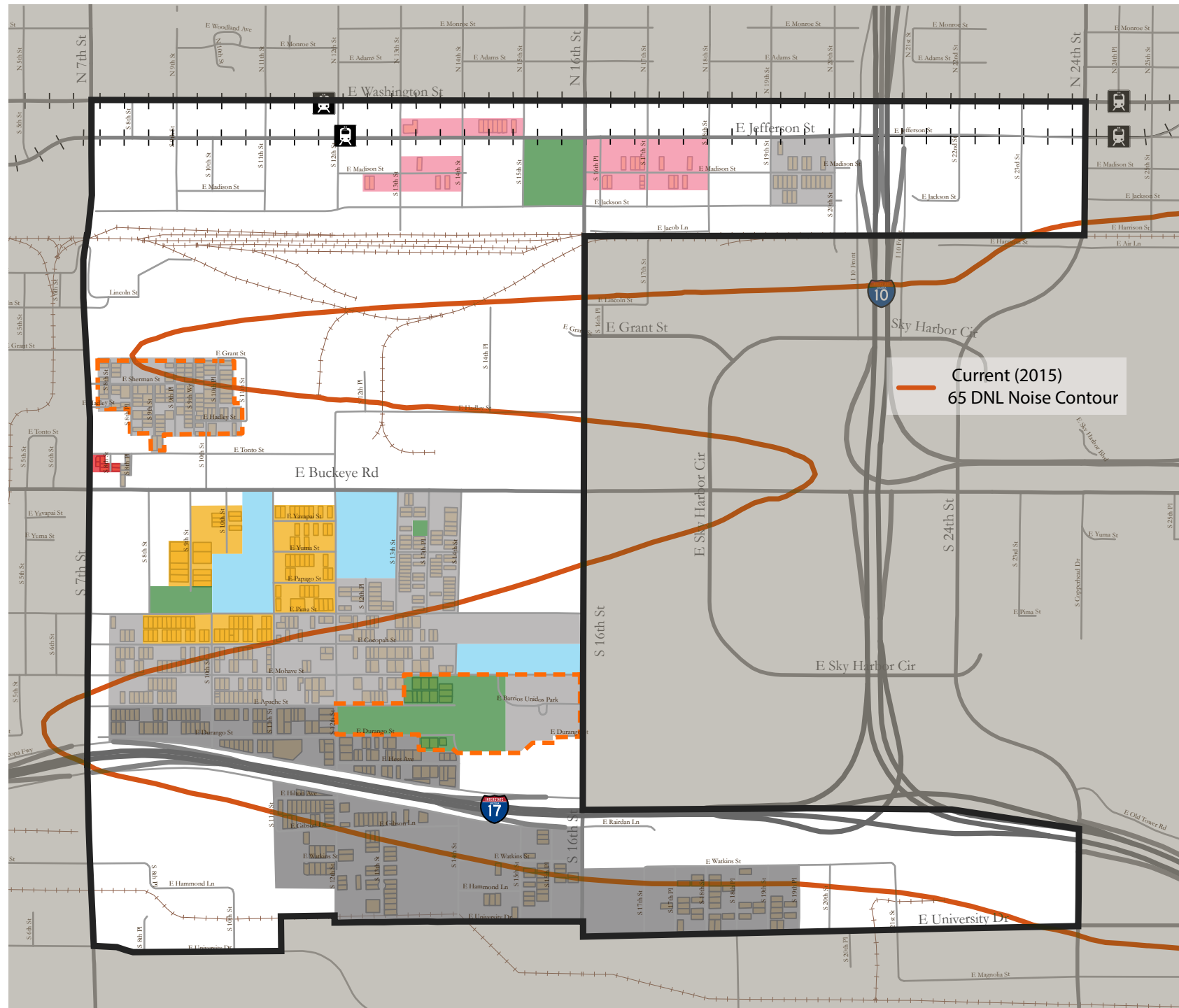
- Larger scale industrial uses leverage proximity to rail infrastructure
- Complies with FAA grant assurances
- Commercial uses leverage proximity to high volume intersections for retail frontage
- Does not require City investment for parcel assembly

### Challenges

- Insufficient market demand to redevelop all parcels in planning area in 10-year time frame
- Relies on private parcel assembly and utility relocation
- Does not reflect community desire to retain concentrated residential neighborhood
- Loss of Green Valley and Lewis parks
- Longer time frames likely for redevelopment

# Framework B

## Land Use and Noise Compatibility



## Definitions

**Study Area Boundary**

**Core Village**—Traditional low-scale residential area (density of 5-10 units per acre). Uses may include single or multi-family dwellings, existing and infill replacement housing, residential live-work, and complimentary community-benefit spaces (i.e. community garden, pocket park, etc.).

**Mixed Use**—North of Jefferson Street, this designation refers to compatible residential and non-residential uses co-located vertically within a multi-level structure. Elsewhere in the Study Area, this designation may refer to residential properties combined with workshop, studio, office, or other uses supporting home occupations. This designation also supports complementary features including parking, open space, and drainage, as well as community-benefit spaces such as community gardens, pocket parks, etc.

**Commercial**—Primary land uses include retail, office, service, entertainment, and apartment development in formats appropriate to the setting and transportation network.

**Industrial**—Consists of regional-scale land uses such as warehousing and distribution, manufacturing, food processing, utilities, and storage.

**Small Business/Flex**—Includes a variety of low- to moderate-intensity, non-residential uses. Uses may include office, research and development, biotech, small-scale manufacturing, retail, business incubators, showrooms, artisan production, small business and transitional uses. This designation supports opportunities for infill community-benefit spaces like urban farms and pocket parks.

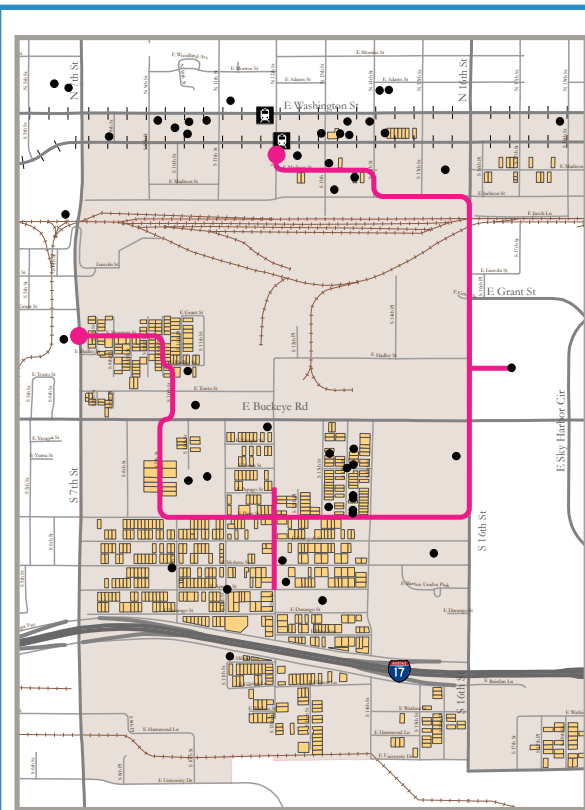
**Education/Institutional**—Lands occupied by educational facilities including preschools, primary and secondary schools, colleges and universities, and supporting uses, or institutional facilities such as fire and police stations.

**Parks/Recreation**—Areas for neighborhood and community-level active recreation.

**Business Park**—A cohesively planned area occupied primarily by office, light industrial and industrial uses of similar character.

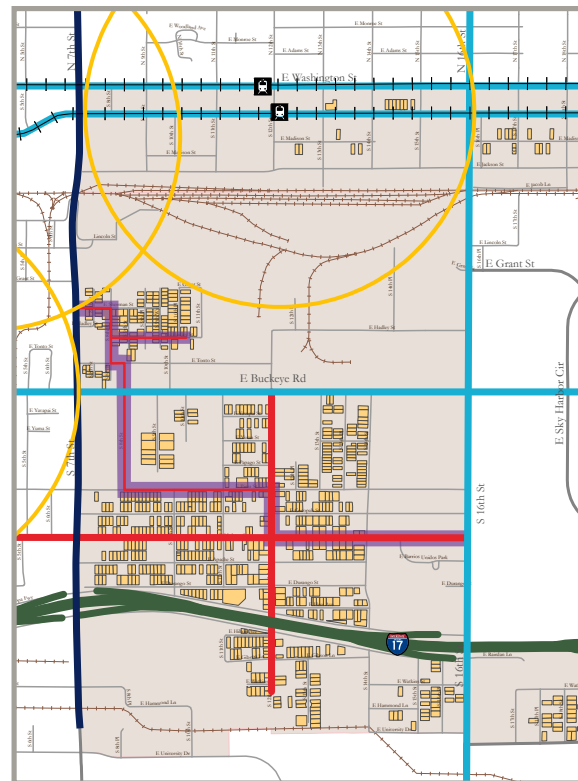
Figure 13.2

## Conceptual Strategies



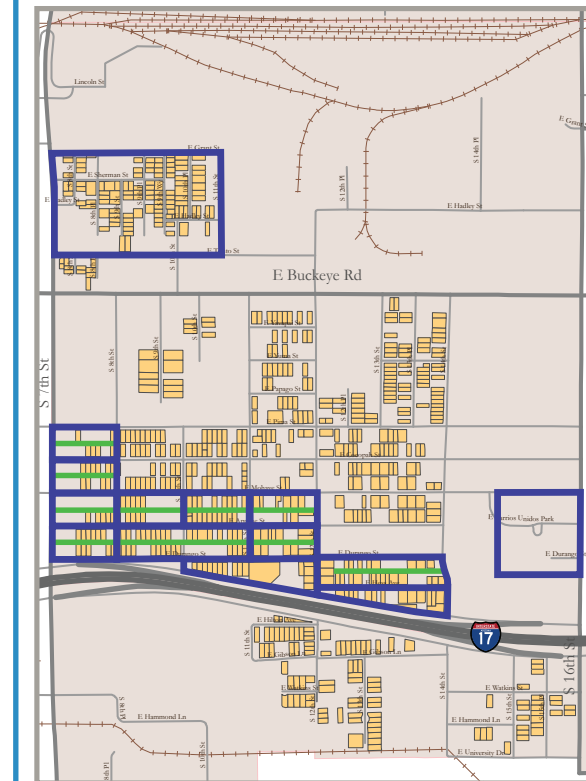
- Route captures most resources within Central Subarea
- Highlights historic Sacred Heart Church and Santa Rita Center
- **Historic Resources**  
Includes resources or properties listed on the National and/or Phoenix Register of Historic Places, as well as those not listed but eligible for registry
- **Cultural Corridor**  
Designated heritage pathway linking multiple neighborhoods and marked by historic markers, interpretive signage and community branding

### Cultural Corridor



- Focus on transportation improvements to accommodate tourism related traffic
- Extend S. 8th St. north to E. Sherman St.
- Extend E. Hadley St. west to S. 8th St.
- Upgrade portions of E. Pima St., 8th St., and E. Sherman St. to minor collectors
- 1/2 mile from light rail station—10 min. walk
- Interstate
- Major Arterial
- Arterial
- Collector
- Minor Collector
- Pedestrian Oriented

### Transportation



- Assemble parcels of 1-4 acres
- Relocate utility infrastructure to maximize site design flexibility
- Retain existing road infrastructure
- Parcel Assembly
- Abandon Road
- Relocate Utilities

### Development Sites/Infrastructure

## Advantages

- Responds to community input:
  - Implements Cultural Corridor
  - Stabilizes and strengthens existing residential area with relocated housing from swaps of non-subject parcels
- Reintroduction of residential within North (mixed use) and Central (Core Village) Subareas:
  - Strong community support for this type of reuse
- Complies with FAA land use compatibility for noise exposure outside 65 DNL
- Introduces an expansive sports complex in Central Subarea
- Industrial land uses leverage proximity to interstate access
- Mixed use in North Subarea:
  - Aligns with market trajectory for vertical mixed use proximate to light rail
- Development type supports 20-30 year leasing model
- Site is within TOD-1 overlay zone, which permits mixed use
- Concentrated parcel assembly could allow for capture of more than 25% of current industrial market demand
- Utility relocation provides opportunity to improve systems and serve higher intensity uses

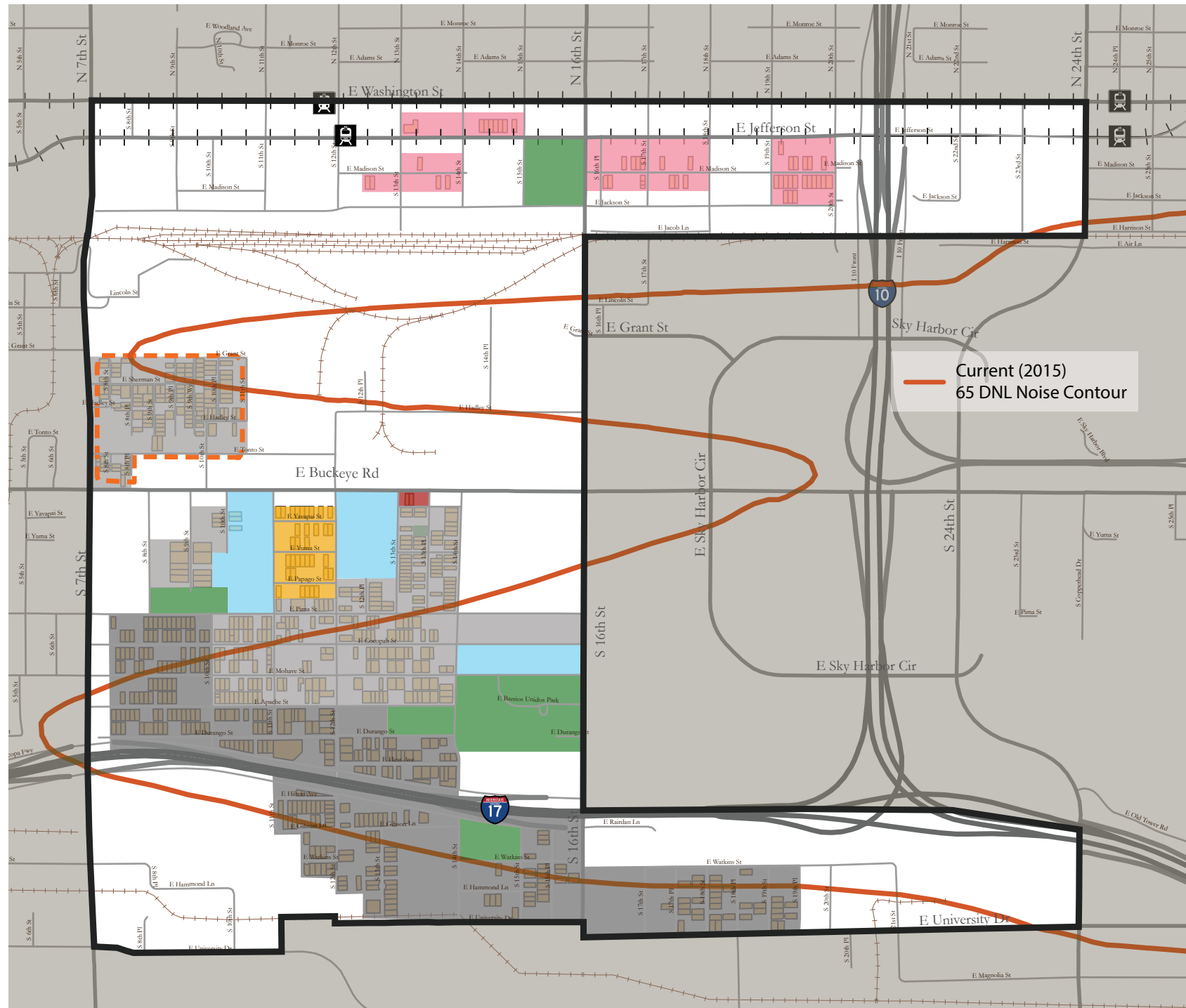
## Challenges

- Reintroduction of residential within North (mixed use) and Central (Core Village) Subareas:
  - Need for FAA approval of replacement housing on subject parcels
  - Feasibility of developing replacement housing on ground lease
- Modification of transportation infrastructure to accommodate Cultural Corridor and provide connection across E. Buckeye Road
- Utility relocation to accommodate parcel assembly
- South Subarea not included in Cultural Corridor
- Relocation of park/open space
- Insufficient market demand to redevelop all parcels in planning area in 10-year timeframe



# Framework C

## Land Use and Noise Compatibility



## Definitions

**Study Area Boundary**

**Core Village**—Traditional low-scale residential area (density of 5-10 units per acre). Uses may include single or multi-family dwellings, existing and infill replacement housing, residential live-work, and complimentary community-benefit spaces (i.e. community garden, pocket park, etc.).

**Mixed Use**—North of Jefferson Street, this designation refers to compatible residential and non-residential uses co-located vertically within a multi-level structure. Elsewhere in the Study Area, this designation may refer to residential properties combined with workshop, studio, office, or other uses supporting home occupations. This designation also supports complementary features including parking, open space, and drainage, as well as community-benefit spaces such as community gardens, pocket parks, etc.

**Commercial**—Primary land uses include retail, office, service, entertainment, and apartment development in formats appropriate to the setting and transportation network.

**Industrial**—Consists of regional-scale land uses such as warehousing and distribution, manufacturing, food processing, utilities, and storage.

**Light Industrial/Flex**—Includes a variety of low- to moderate-intensity, non-residential uses. Uses may include office, research and development, biotech, small-scale manufacturing, retail, business incubators, showrooms, and artisan production.

**Education/Institutional**—Lands occupied by educational facilities including preschools, primary and secondary schools, colleges and universities, and supporting uses, or institutional facilities such as fire and police stations.

**Parks/Recreation**—Areas for neighborhood and community-level active recreation.

**Business Park**—A cohesively planned area occupied primarily by office, light industrial and industrial uses of similar character.

Figure 13.3

## Conceptual Strategies

- Corridor follows primary roads
- Captures significant number of resources in North Subarea
- Historic Resources**  
Includes resources or properties listed on the National and/or Phoenix Register of Historic Places, as well as those not listed but eligible for registry
- Cultural Corridor**  
Designated heritage pathway linking multiple neighborhoods and marked by historic markers, interpretive signage and community branding

### Cultural Corridor

- Provide a pedestrian focus within 1/2 mile of transit stops. Encourage walking through the adoption of complete street guidelines
- Further study potential future S. 12th St. extension as a complete street or pedestrian-bicycle connection
- 1/2 mile from light rail station—10 min. walk
- Interstate
- Major Arterial
- Arterial
- Collector
- Minor Collector
- Pedestrian Oriented

### Transportation

- Assemble parcels of 10+ acres
- Relocate utility infrastructure to maximize site design flexibility
- Abandon several road right-of-ways
- Parcel Assembly
- Abandon Road
- Relocate Utilities

### Development Sites/Infrastructure

## Advantages

- Responds to community input:
  - Implements Cultural Corridor
  - Stabilizes and strengthens existing residential area with relocated housing from swaps of non-subject parcels
- All residential land uses outside 65 DNL contours
- Cultural Corridor leverages existing transportation infrastructure
- Commercial use along S. 7th St., Buckeye Road, and S. 16th St. leverages high volume corridors for retail frontage
- Provides large, shovel ready parcels (10+ acres) with current limited availability in market area
- Utility relocation provides opportunity to improve systems and serve higher intensity uses
- Concentrated parcel assembly could allow for capture of more than 25% of current industrial market demand
- Mixed use in North Subarea:
  - Aligns with market trajectory for vertical mixed use proximate to light rail
  - Strong community and planning support for this type of reuse
  - Complies with FAA land use compatibility for noise exposure
  - Development type supports 20-30 year leasing model
  - Site is within TOD-1 overlay zone, which permits mixed use

## Challenges

- FAA approval of replacement housing on subject parcels
- Abandonment of road right-of-way
- Utility relocation to accommodate parcel assembly
- Potential extension of S. 12th Street over railyard
- Insufficient market demand to redevelop all parcels in planning area in 10-year timeframe

### 13.3 Framework Evaluation Criteria and Results

A set of criteria was developed to evaluate the alternative frameworks, based upon information received through community engagement and the elements of sustainability in alignment with the Aviation Department’s Sustainability Management Plan. Sustainability elements are defined by the Airports Council International—North America as Economic Viability, Operational Efficiency, Natural Resource Conservation and Social Responsibility (referred to as “EONS”). By considering criteria for framework evaluation based on community input and sustainability, a balance of interests and needs is achieved.

#### Scoring Structure

In order to score alternative frameworks according to the criteria, two points are assigned for frameworks that provide positive value or meet/exceed the objective of the criterion; one point is given if there is no impact, negative or positive, or complies with some but not all objectives of the criterion description; and zero points are given if the framework results in negative effects or does not meet/conflicts with the criterion’s objective.

#### Results

**Figure 13.4** presents the summary results of the evaluation of each framework according to criteria as described above and within the figure. The evaluation considered the Reuse Strategy’s goals and objectives, key takeaways from coordination with stakeholders and the community, local and regional priorities, and FAA guidance. Summary rankings have been included according to the scoring structure presented above.

**Appendix F** provides a more detailed evaluation of each framework’s alignment with the criteria.

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# Frameworks Evaluation Summary

Criteria	Description	Frameworks		
		A	B	C
Stakeholder/Community Input	Establishes uses that are aligned with the desired uses of stakeholders including the residential community.			
Local/Community Plans	Establishes uses that are compatible with existing and proposed surrounding uses and does not conflict with objectives of the community and local plans and policy including zoning and overlay districts.			
Historic/Cultural Considerations	Recognizes historic and cultural resources and history.			
Sustainable Design	Encourages parcel assembly to accommodate developments which can financially and physically enable the incorporation of sustainable design elements.			
FAA Guidelines	Complies with Federal Aviation Administration (FAA) noise compatibility guidelines (residential land uses within 2015 DNL_65 noise contours).			
City Investment	Minimizes initial or long-term investment required by the City to execute framework (e.g., infrastructure improvements to ready the site).			
Flexibility	Accommodates potential for changes in future City, PHX and neighborhood priorities and needs, as well as unforeseen market shifts and changing market dynamics.			
Market Demand, Timing and Characteristics	Establishes uses that (1) accommodate existing and projected market demand; (2) allow for phasing to address general market timing; and (3) meets market characteristics.			
Target Sectors	Maximizes potential for alignment with Phoenix's target sectors as defined by the Greater Phoenix Economic Council; Arizona Commerce Authority; Maricopa Community Colleges, Workforce Development; and Phoenix Innovation Corridor.			
<b>Overall Ranking</b>		<b>3</b>	<b>1</b>	<b>2</b>

**Evaluation Process:** For representation in matrix format, the symbols in the key were used to conduct a relative, qualitative assessment of the Frameworks. This approach gives the highest ranking to the framework with the most positive characteristics.

## Key

- Positive impact/meets or exceeds the criteria description
- Neutral impact/complies with some but not all elements of the criteria description
- Negative impact/does not meet the criteria description

Figure 13.4

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## Section 14—Community Preferred Framework and Implementation Strategy

This chapter presents the Community Preferred Land Reuse Framework for long-term growth within the Planning Area. The chapter also proposes a set of goals, policies, strategies and actions for implementation, and highlights best practices from around the country providing examples of effective implementation. This chapter also presents potential next steps for implementation focus in the near-term.

### 14.1 Vision for Long-term Growth in the Planning Area

#### 14.1.1 Planning Area Primary Goals

As noted previously in **Section 11 – Land Use Management Model**, there are three primary factors which influence land use change in the Planning Area: environment, stakeholders, and market. The Land Reuse Strategy process has documented conditions, perspectives, opportunities and constraints related to these key factors, and careful consideration of this information was used to inform the creation of three frameworks illustrating alternative development scenarios for future land use in the Planning Area presented and evaluated in the previous chapter.

This planning process brought into focus three primary goals identified for the Planning Area:

- A. Strengthen and stabilize neighborhoods
- B. Create a sense of identity and change perceptions
- C. Expand economic opportunity

These primary goals broadly capture the set of criteria utilized to evaluate the alternative frameworks. As detailed in **Section 13 – Alternative Planning Area Frameworks**, the three frameworks developed as options for long-term growth were evaluated based on key criteria to this planning process. The framework evaluation process resulted in the identification of Framework B as the highest-ranked as it represents a blended, or community-adjusted, long-term vision for the Planning Area by integrating market-based preferences and development potential with community-driven priorities for future land use.

#### 14.1.2 Community Preferred Land Reuse Framework

The three frameworks in Section 13 were presented to the community and stakeholders, along with evaluation criteria and resulting rankings, during a series of public meetings held in December 2016. Community members were invited to provide feedback at the public meetings and throughout an open comment period that ended January 31, 2017. The input received regarding the alternative frameworks and elements included therein was used to guide the identification of a Community Preferred Land Reuse Framework.

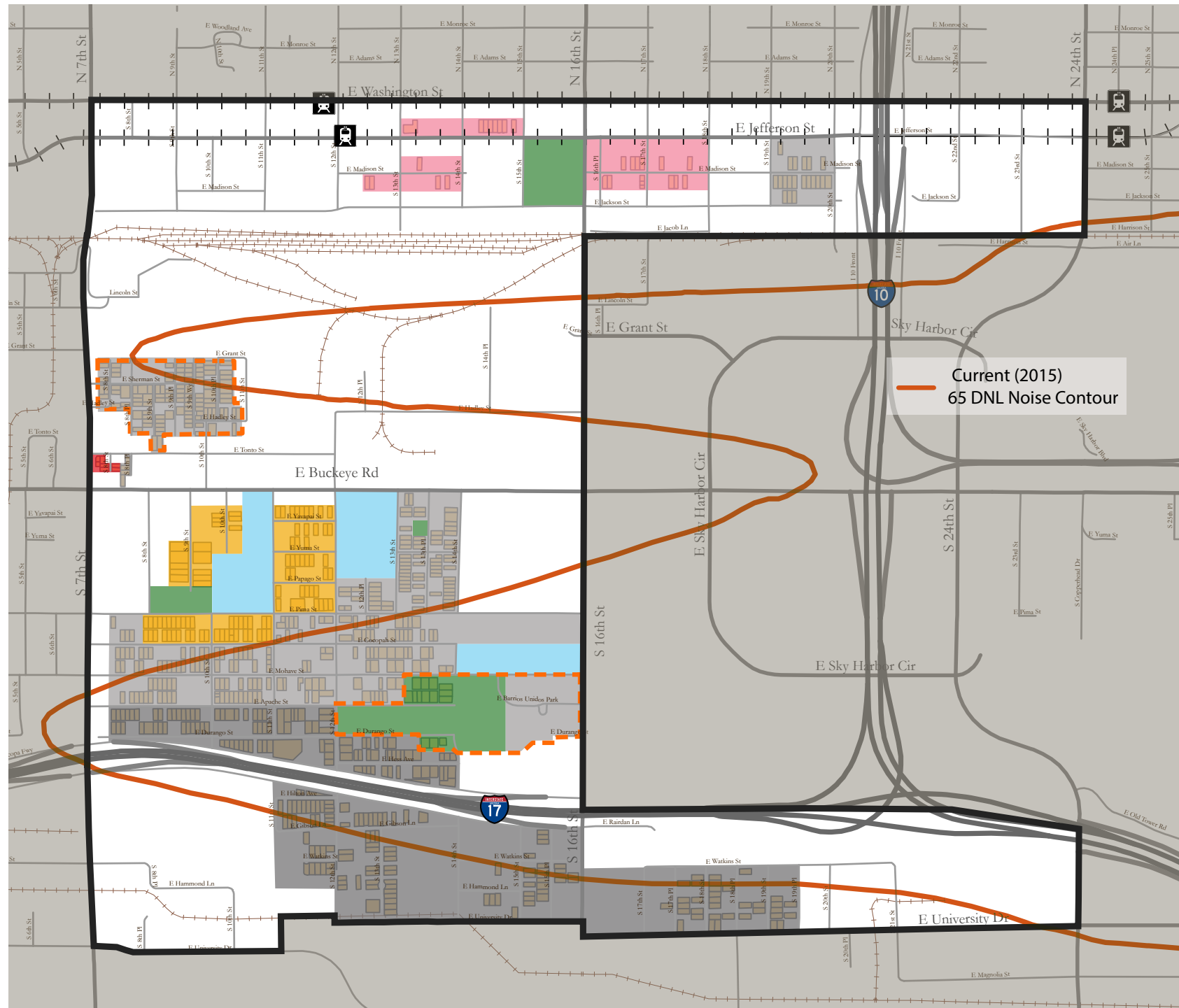
**Figure 14.1** provides the Community Preferred Land Reuse Framework.

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# Community Preferred Land Reuse Framework

## Land Use and Noise Compatibility



## Definitions

**Study Area Boundary**

**Core Village**—Traditional low-scale residential area (density of 5-10 units per acre). Uses may include single or multi-family dwellings, existing and infill replacement housing, residential live-work, and complimentary community-benefit spaces (i.e. community garden, pocket park, etc.).

**Mixed Use**—North of Jefferson Street, this designation refers to compatible residential and non-residential uses co-located vertically within a multi-level structure. Elsewhere in the Study Area, this designation may refer to residential properties combined with workshop, studio, office, or other uses supporting home occupations. This designation also supports complementary features including parking, open space, and drainage, as well as community-benefit spaces such as community gardens, pocket parks, etc.

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**Education/Institutional**—Lands occupied by educational facilities including preschools, primary and secondary schools, colleges and universities, and supporting uses, or institutional facilities such as fire and police stations.

**Parks/Recreation**—Areas for neighborhood and community-level active recreation.

**Business Park**—A cohesively planned area occupied primarily by office, light industrial and industrial uses of similar character.

Figure 14.1

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## 14.2 Implementation Strategies and Best Practices

The purpose of this section is to recognize a wide range of strategies with possible applications to the Planning Area which have been identified as suggestions, ideas or possibilities through the planning and community engagement process. These were used to inform the development of policy statements in Section 14.3, which propose strategies and actions to guide implementation of the Community Preferred Land Reuse Framework.

### 14.2.1 Range of Implementation Strategies

**Appendix G** provides a comprehensive list of land use planning strategies collected, suggested, researched, and reviewed during the planning process. Many of the strategies were generated through stakeholder and community engagement while others have arisen through the analysis and research process. The strategies have been organized into 10 general categories.

## 14.3 Land Reuse Strategy

The Planning Area holds significant promise as a location for future development and the introduction of uses that will benefit the community. However, the area poses a number of challenges to implementation of a Community Preferred Land Reuse Framework.

Redevelopment of the Planning Area will be an extended and complex process. The Land Reuse Strategy represents an early phase in the City's ongoing engagement with the area, guiding this process by providing direction for action and further study. Progress in the Planning Area will be dictated in large part by market conditions, with progress contingent upon the availability of sites and area features that are favorable for private investment.

Revitalization of the Planning Area will not be uniform, and will occur over a potentially long period of time. In the near term, some opportunities may be present to introduce new uses to the area. But given the existing challenges, many of the opportunities for progress at this stage of planning relate to shifting perceptions about the area and setting the table for investment.

To overcome these challenges, the Land Reuse Strategy proposes to guide physical and regulatory conditions to improve the market and community standing of the Planning Area and facilitate achievement of a Community Preferred Land Reuse Framework.

The Land Reuse Strategy is organized around the three primary goals related to land use planning for the Planning Area. For each goal, a set of policy statements, strategies, and action items is put forth to outline a process by which goals may be achieved. Where possible, examples and best practices are referenced to demonstrate options for implementation in the Planning Area and successful implementation of strategies in other places. These policy statements and strategies were informed by both the range of implementation strategies identified through the planning and public engagement process and best practices from successful projects around the country.

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# Goal A Stabilize and Strengthen Neighborhoods

The Planning Area has a rich history of residential neighborhoods that continues today. These neighborhoods have experienced profound changes over the years due to the VARS program as well as a variety of factors that result from an expanding city and growing airport. The planning and public engagement process has identified a desire to maintain residential as part of a diverse set of uses needed to create and support a vibrant live-work environment. One intent of this goal is to explore innovative ways, partnering with the FAA, to not only maintain but strengthen housing opportunities, as well as cultural amenities, in the Planning Area.

<b>Policy A1</b>		<b>Policy A2</b>		<b>Policy A3</b>		
Encourage cohesive residential development in identified neighborhood settings to foster a diverse mix of uses and vibrant live-work environment to help reinvigorate area neighborhoods.		Continue to actively engage community of residents, businesses, and other stakeholders throughout planning and implementation process.		Employ interim uses to enhance neighborhood quality in locations where development opportunities are limited in the near- and mid-term.		
Strategy A1a	In Central Subarea, create Core Village area that would maintain existing residential development alongside new low-scale residential, residential live-work, and complimentary community-benefit spaces (.g. community garden, pocket park, etc.) to promote activity and sustainability, maintain and expand existing neighborhoods, and promote compatible redevelopment.	Strategy A2a	Establish oversight implementation committees to build relationships and ensure neighborhood issues/priorities are properly integrated with new development.	Strategy A3a	Determine acceptable parameters and tools by which interim uses are permitted and promoted.	
	Strategy A1b		In North Subarea, preserve options to utilize subject parcels for development of mixed use development with multifamily residential and/or residential support uses (parking, drainage, community space, open space, etc.).		Strategy A2b	Encourage the location of community-based organizations within the Planning Area, e.g. the Black Chamber of Commerce, CPLC, Xico, and others.
Strategy A3c		Introduce landscaping and shade tree plantings in strategic locations to improve the appearance and environmental quality of vacant sites.				

# Policy A1

Encourage cohesive residential development in identified neighborhood settings to foster a diverse mix of uses and vibrant live-work environment to help reinvigorate area neighborhoods.

Strategy A1a	
<b>Actions</b>	In Central Subarea, create Core Village area that would maintain existing residential development alongside new low-scale residential, residential live-work, and complimentary community-benefit spaces (e.g. community garden, pocket park, etc.) to promote activity and sustainability, maintain and expand existing neighborhoods, and promote compatible redevelopment.
A1a-1	Further explore and study the interest in and details of this proposed concept through a small area plan (Strategy B3a).
A1a-2	Coordinate with FAA to determine mutually acceptable program terms to structure reintroduction of residential in the Core Village area.
A1a-3	Establish residential zoning in Core Village area that includes live-work space.
A1a-4	Identify a partner (public authority or non-profit organization) to develop replacement housing on parcels within the Core Village area with consideration of affordable/workforce housing options.
A1a-5	Protect residential character and promote context-sensitive design through design guidelines including complete streets and lighting (Action B3a-3).
A1a-6	Maintain and enforce application of design guidelines through regulatory tools. Ideas: <i>Zoning designations and overlays; site plan review process, development/lease agreements; codes, covenants and restrictions (CCRs); procurement instruments like Requests for Proposals.</i>

Strategy A1b	
<b>Actions</b>	In North Subarea, preserve options to utilize subject parcels for development of mixed use development with multifamily residential and/or residential support uses (parking, drainage, community space, open space, etc.).
A1b-1	Coordinate with FAA regarding allowable uses on subject parcels, e.g. mixed use vertical development within existing TOD overlay and in neighboring area of future market potential; residential support uses (parking, community space, etc.).
A1b-2	Identify opportunities for parcel assembly to accommodate multi-story mixed development. Utilize RFP to identify development partner or leaseholder.

# Policy A2

Continue to actively engage community of residents, businesses, and other stakeholders throughout planning and implementation process.

Strategy A2a	
<b>Actions</b>	Establish oversight implementation committees to build relationships and ensure neighborhood issues/priorities are properly integrated with new development.
	Involve such committees in the development of the small area plan (Strategy B3a), design guidelines (Action B3a-3), resident/community notification process regarding development proposals or sale/lease of land (Action C2d-2), and establishment of a development review process.  <i>Idea: One project stakeholder suggested the following be included in a development review process:</i>
A2a-1	<ol style="list-style-type: none"> <li>1. Preference be given to the adjacent or closest property owners.</li> <li>2. Developers must have a proven track record of urban development</li> <li>3. Developers must have an understanding of the Reinvent Phoenix Plan and the Walkable Urban Code.</li> <li>4. Presentation of all development shall be presented to the Eastlake Park Neighborhood Association for comments.</li> <li>5. Developer must have the financial capacity to complete these projects.</li> </ol>
A2a-2	Utilize such committees and existing neighborhood organizations to provide oversight and review of development, planning processes, and programs created.
A2a-3	Solicit community input through public workshops and multi-channel communication methods to occur as part of subsequent planning processes.

Strategy A2b	
<b>Actions</b>	Encourage the location of community-based organizations within the Planning Area, e.g. the Black Chamber of Commerce, CPLC, Xico, and others.
A2b-1	Explore partnerships and work with City departments to utilize existing space to create opportunities for locating such organizations within the Planning Area.
A2b-2	Promote awareness and connection with those organizations already located in Planning Area.
A2b-3	Explore possibility of developing or partnering to develop office/flex space to provide locations for variety of community-based organizations.
A2b-4	Provide information to local organizations to bid on area project redevelopments.

# Policy A3

Employ interim uses to enhance neighborhood quality in locations where development opportunities are limited in the near- and mid-term.

Strategy A3a	
<b>Actions</b>	Determine acceptable parameters and tools by which interim uses are permitted and promoted.
A3a-1	Within such areas, particularly in the Central Subarea south of Buckeye Road, work with residents/community to determine where and which interim uses are desired and for how long.
A3a-2	Establish terms of lease and/or use agreement for utilization of subject parcels for interim use purposes.
A3a-3	Allow interim uses through the establishment of temporary use overlay in the zoning code, which would identify specific sites or corridors in which permitted temporary uses (e.g. mobile food operations, farmers market, etc.) may operate.

Strategy A3b	
<b>Actions</b>	Encourage/allow specific types of interim uses which contribute positively to quality of life in Planning Area and respond to community request.
A3b-1	Expand existing programs, such as the Adaptive Reuse of Temporary Space (A.R.T.S.) Program and PHXRenews, to include the Planning Area and explore partnerships to create new programs. <i>Ideas: public art displays, performing arts venues, and community gardens.</i>
A3b-2	Allow subject parcels to be used for additional parking or support uses to support adjacent churches, schools, or businesses.
A3b-3	Establish pocket parks to include landscaping, seating, playgrounds, and/or other amenities.

Strategy A3c	
<b>Actions</b>	Introduce landscaping and shade tree plantings in strategic locations to improve the appearance and environmental quality of vacant sites.
A3c-1	Engage a partner like the AZ Conservation Corp to provide job opportunities for young people while contributing to their community. <i>Best Practice Example: Las Cruces Xeriscape 21csc.org/news-2/protecting-urban-green-spaces/</i> .
A3c-2	Evaluate the potential to designate the Planning Area as a “receiving area”/mitigation area for the City’s trade tree requirement.



# Goal B Create a sense of identity and change perceptions

Perceptions of the Planning Area pose a challenge to its redevelopment. Physical conditions, including widespread vacancies and disjointed land use patterns, safety and security concerns, characterizations as a residential area, and lack of recent planning play a major role in defining perceptions of this area. To improve perceptions and attract future investment, employ placemaking strategies to enhance positive assets and nullify some negative attributes. The intent of this goal is to revitalize existing neighborhoods and prioritize the value of placemaking.

**Policy B1**  
Create distinct identity for Planning Area neighborhoods and promote as cultural destination within the heart of Phoenix.

Strategy B1a	Develop branding strategy to recognize, celebrate and promote the area’s historic and cultural significance and re-imagined potential as a vibrant urban neighborhood.
Strategy B1b	Design and install Cultural Corridor: heritage pathway featuring pedestrian/vehicle wayfinding, ateways, historic markers, interpretive signage, and activity nodes; supported by permanent and temporary programs.
Strategy B1c	Identify governance entity/partner(s) to lead funding; development/maintenance of Cultural Corridor; development/implementation of programming; and promotion.

**Policy B2**  
Improve Planning Area safety and security.

Strategy B2a	Use Crime Prevention through Environmental Design (CPTED) to address safety and security through physical improvements.
Strategy B2b	Improve community-policing programs within the Study Planning Area.

**Policy B3**  
Prioritize value of placemaking to create physical settings that enhance the quality of life for residents, employees and visitors; foster connections for travelers through the area; and attract new development.

Strategy B3a	Develop and implement targeted [small area] plans to address specific needs and improvements within specific area .
Strategy B3b	Promote unique location between downtown and airport to encourage economic development.
Strategy B3c	Attract Valley residents and visitors to the area by promoting temporary uses and events.
Strategy B3d	Develop City Services Action Plan to improve the delivery of key City services within Planning Area.

# Policy B1

Create distinct identity for Planning Area neighborhoods and promote as cultural destination within the heart of Phoenix.

Strategy B1a	
<b>Actions</b>	Develop branding strategy to recognize, celebrate and promote the area's historic and cultural significance and re-imagined potential as a vibrant urban neighborhood.
<b>B1a-1</b>	Develop public engagement plan to encompass all aspects of branding strategy and Cultural Corridor.
<b>B1a-2</b>	Develop branding strategy/collateral package with name, logo, tagline, signage standards, etc. <i>Ideas: Phoenix: Grew/Started/Rose Here; The Roots of Phoenix. Ideas: One project stakeholder proposed creating a special historic area honoring the late Father Braun, Santa Rita Hall with Cesar Chavez history and veterans called the "Father Albert Braun O.F.M. Veterans Memorial &amp; Historic District: Placita de Veteranos Y Artistas."</i> Another stakeholder proposed branding the entire project area as a gateway district called PHOENIX ENTRADA. Another example given by project stakeholders was creation of a merchant's district (the Mercado) near S. 7th Street and E. Buckeye Road that introduce cultural and heritage specific commercial uses in a development setting reminiscent of the southwest's original mission-derived commerce centers. This could highlight some of the area's iconic restaurants such as Carolina's Mexican Food and others.
<b>B1a-3</b>	Establish design guidelines for heritage-themed public spaces (pocket parks, streetscape) <i>Ideas: historic markers, interpretive signs, public art: murals/ sculpture.</i>
<b>B1a-4</b>	Connect heritage district with existing and identify new opportunities for heritage-focused programming/ events. <i>Ideas: art walks, permanent/ temporary exhibits, jazz concerts, walking map/ guided tours, story-collecting.</i>
<b>B1a-5</b>	Review the potential for restaurant retail expansion in the area to provide business/economic opportunity, and potential community garden tied to area restaurants.

Strategy B1b	
<b>Actions</b>	Design and install Cultural Corridor: heritage pathway featuring pedestrian/vehicle wayfinding, gateways, historic markers, interpretive signage, and activity nodes; supported by permanent and temporary programs.
<b>B1b-1</b>	Establish stakeholder committee to inform development comprising current and past residents, organizations (e.g, CPLC, Barrios Unidos, Xico, Phoenix Revitalization Corp.[PRC], veterans groups), business owners, and city representatives.
<b>B1b-2</b>	Determine path, activity nodes, gateways, signage, and public art. <i>Ideas: Connect with historic resources (Historic Sacred Heart Church, Santa Rita Center), schools/ employment centers (Herrera School, Maricopa Skills Center, Sky Harbor Center) and recreation areas (East Lake Park, Rio Salado Habitat Restoration Area).</i> <i>Heritage &amp; Culture Destination Best Practices:</i> <ul style="list-style-type: none"> <li>• Thai Town in LA</li> <li>• Esplanade at Navigation</li> <li>• Olvera Street &amp; LA Union Station area</li> <li>• Wynwood Walls</li> <li>• Austin Graffiti Park</li> </ul>
<b>B1b-3</b>	Develop construction package and phasing plans (Action B1a-3).

Strategy B1c	
<b>Actions</b>	Identify governance entity/partner(s) to lead funding; development/ maintenance of Cultural Corridor; development/implementation of programming; and promotion.
<b>B1c-1</b>	Identify funding opportunities and/ or establish a capital campaign.
<b>B1c-2</b>	Partner with PRC to leverage community programming, including block parties, festivals, and regular tours of the area.
<b>B1c-3</b>	Identify public-private partner(s), e.g. CPLC, to implement catalytic development focused on heritage tourism. <i>Ideas: Latino Cultural Center; Hispanic Sports Hall of Fame; heritage museum, agriculture, civil rights/ labor movement, architecture, Salt River floods.</i>

# Cultural Corridor Concept

## Strategy B1b

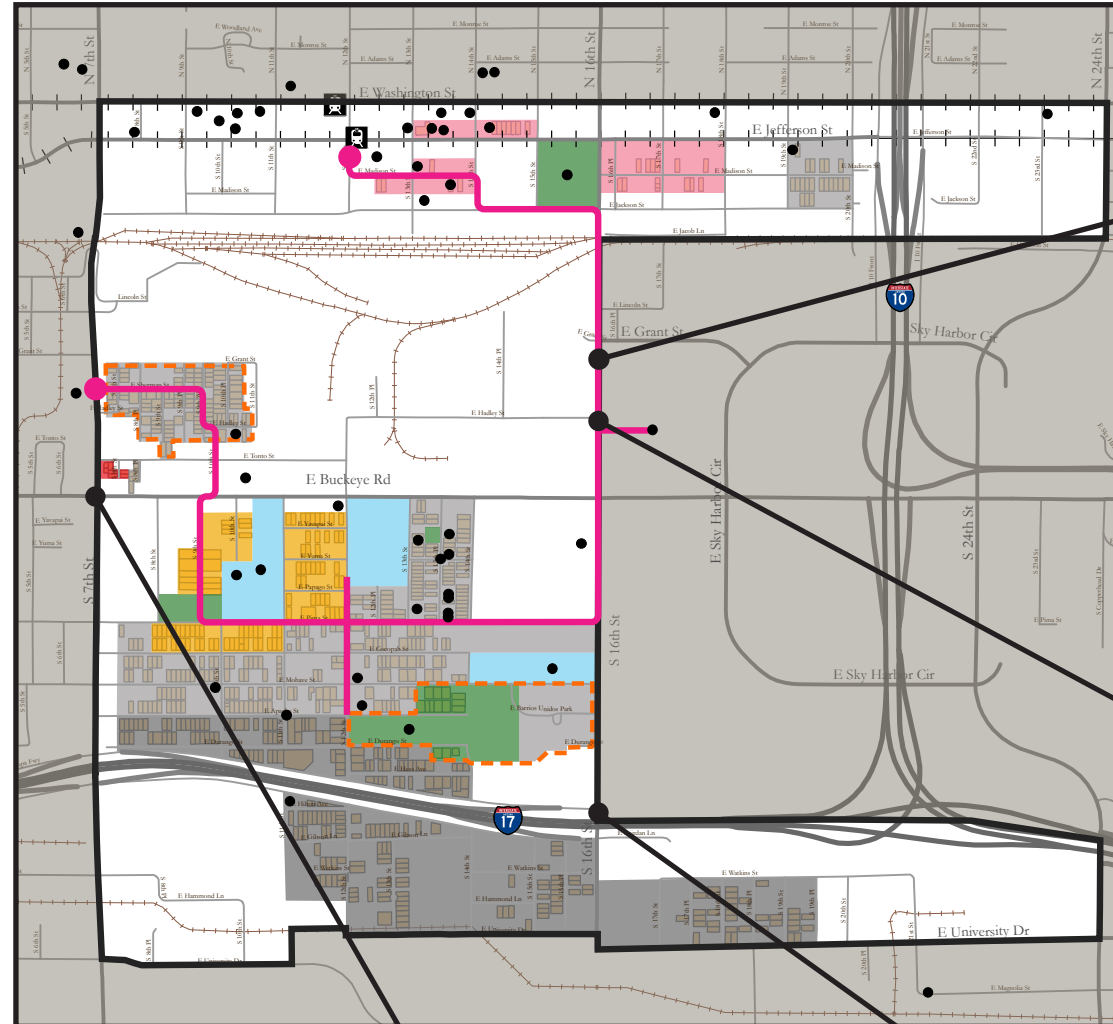
### Definitions

	<b>Study Area Boundary</b>
	<b>Core Residential</b>
	<b>Mixed Use &amp; Residential Support</b>
	<b>Commercial</b>
	<b>Industrial</b>
	<b>Small Business/Flex</b>
	<b>Education/Institutional</b>
	<b>Parks/Recreation</b>
	<b>Business Park</b>
	<b>Historic Resources</b> —Includes resources or properties listed on the National and/or Phoenix Register of Historic Places, as well as those not listed but eligible for registry
	<b>Cultural Corridor</b> —Designated heritage pathway linking multiple neighborhoods and marked by historic markers, interpretive signage and community branding

### Strategy

Develop and implement branding strategy for a Cultural Corridor to showcase the area's history and contributions to the community.

- Identify and promote the area through branding that highlights the rich history and cultural heritage.
- Use various tools, including design guidelines and incentives, to support the branding and encourage development of heritage-themed public spaces, public assembly, retail, tourism and cultural uses.
- Designated "Cultural Corridor" linking historic and cultural sites. May be combined with a walking map or app.
- Provide historic markers and/or interpretive signage at significant resources
- Develop decorative gateways signifying the entrance into a cultural area
- Consider inclusion of commemorative public art and naming of public spaces
- Engage local artists in mural development and public art installations



Potential Heritage Corridor treatments (trail, seating, murals, banners): Looking south down S. 16th St., south of E. Grant St.



Potential Heritage Corridor treatments (public park, commemorative statue/signage): Looking east across S. 16th St., toward the Historic Sacred Heart Church.



Potential gateway treatments (intersection paving materials, crosswalks): Intersection of E. Buckeye Rd. and S. 7th St., looking east.



Potential gateway treatments (murals): S. 16th St., at the I-17 overpass, looking south.

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# Policy B2

Improve Planning Area safety and security.

Strategy B2a	
<b>Actions</b>	Use Crime Prevention through Environmental Design (CPTED) to address safety and security through physical improvements.
<b>B2a-1</b>	Include CPTED elements as part of design guidelines (Action B1a-3).
<b>B2a-2</b>	Address safety and security in small area plans (Strategy B3a). Include CPTED elements; incorporate City of Phoenix Complete streets where possible to enhance the safety of non-motorized transportation, e.g., pedestrian and bicycle facilities such as sidewalks, bike lanes, signalized intersections, crosswalks, and curb ramps; identify the need for improved lighting.

Strategy B2b	
<b>Actions</b>	Improve community-policing programs within the Study Planning Area.
<b>B2b-1</b>	Establish neighborhood watch group(s) for residential areas to enhance connections and communication among residents and law enforcement.
<b>B2b-2</b>	Identify resident liaisons to City of Phoenix Police Department to express concerns or raise issues regarding crime or safety.

# Policy B3

Prioritize value of placemaking to create physical settings that: enhance the quality of life for residents, employees and visitors; foster connections for travelers through the area; and attract new development.

Strategy B3a	
<b>Actions</b>	Develop and implement targeted [small area] plans to address specific needs and improvements within specific areas.
<b>B3a-1</b>	Identify areas of focus to address specific issues at a neighborhood scale.
<b>B3a-2</b>	Develop and implement a public engagement plan.
<b>B3a-3</b>	<p>Develop plans to address a variety of topics:</p> <ul style="list-style-type: none"> <li>• Zoning modifications to support land use recommendations (e.g., temporary use overlay, modification of Rio Salado overlay)</li> <li>• Transportation and connectivity, including complete streets</li> <li>• Public space and recreation,</li> <li>• Safety and security through CPTED (Strategy B2a)</li> <li>• Utilities infrastructure</li> <li>• Historic preservation</li> <li>• Urban design</li> <li>• Public service needs, including schools, police, fire, etc.</li> <li>• Design guidelines to promote context-sensitive development (Action B1a-3)</li> <li>• Explore opportunities to utilize transfer of development or shade tree requirements</li> </ul> <p><i>Design Guidelines Best Practices:</i></p> <ul style="list-style-type: none"> <li>• <i>Provide direction regarding the layout, appearance, signage, use of materials, and landscaping/buffering.</i></li> <li>• <i>Be reasonable and flexible given site constraints; careful not to impose a burden that would deter development.</i></li> <li>• <i>Identify compliance/maintenance mechanism, e.g., site development review process, lease agreement structure, development agreement, among others.</i></li> </ul>

Strategy B3b	
<b>Actions</b>	Promote unique location between downtown and airport to encourage economic development.
<b>B3b-1</b>	Promote and leverage key amenities of transportation, including light rail, and location which makes this area unique.
<b>B3b-2</b>	Promote and leverage proximity to Innovation Corridor, (Biomedical, Warehouse District, Downtown).
<b>B3b-3</b>	Consider special projects and unified branding (Strategy B1a) to enhance area and highlight its key location.

Strategy B3c	
<b>Actions</b>	Attract Valley residents and visitors to the area by promoting temporary uses and events.
<b>B3c-1</b>	Identify venue in which licensed pop-up food operations (e.g. food trucks or tents) may operate at little or no cost.
<b>B3c-2</b>	Provide space for temporary market events such as farmers market, antique or flea market.
<b>B3c-3</b>	Link Planning Area locations to ongoing or planned City events such as road races, food or historic tours, etc.

Strategy B3d	
<b>Actions</b>	Develop City Services Action Plan to improve the delivery of key City services within Planning Area.
<b>B3d-1</b>	Identify a community liaison to assist in connecting the community with City services.
<b>B3d-2</b>	Use Plan to address the following: <ul style="list-style-type: none"> <li>• Maintain active neighborhood organizations</li> <li>• Identify programs and resources for home rehabilitation</li> <li>• Create a blight enforcement program for the neighborhood</li> <li>• Expand parks and recreation programming</li> <li>• Improve park facilities</li> <li>• Improve street lighting and sidewalk safety.</li> </ul>

# Goal C Expand Economic Opportunity

High quality compatible redevelopment will have a significant role in strengthening the local economy, the stability of the Planning Area communities, and the support the airport as an economic asset. The Planning Area is a special and strategic location between Downtown Phoenix with its growing Biomedical campus and light rail corridor and Sky Harbor Center and the airport, which can be promoted to attract development, employment and sustainable growth in the long-term. This goal also acknowledges the value of providing employment opportunities for residents within the Planning Area and the catalytic effect of encouraging development to assist in placemaking.

<p><b>Policy C1</b></p> <p>Utilize subject parcels and leverage adjacent City-owned land, where possible, to create employment center(s) in the Planning Area.</p>	
Strategy C1a	Evaluate the feasibility of two “catalytic sites” for special development concepts, including planned business park, with a mix of complementary uses and amenities. Catalytic development projects help attract interest and build momentum for redevelopment. Recommended sites are the area north of Buckeye and east of S. 7th Street, and the current Barrios Unidos Park and adjoining lands along S. 16th St.
Strategy C1b	Work with economic development agencies and stakeholders to attract target industries: healthcare, bioscience and biomedical; advanced business services; advanced manufacturing; aerospace and defense; technology and innovation; and sustainable and renewable energy.
Strategy C1c	Explore swap of underutilized Green Valley Park property in South Subarea with subject parcels in Central Subarea near Barrios Unidos Park to open up contiguous land for industrial development in South Subarea and focus recreational amenities in Central Subarea
Strategy C1d	Encourage small business growth and non-traditional employment opportunities in the area, including live/work arrangements, co-working spaces, incubators, etc.

<p><b>Policy C2</b></p> <p>Create opportunities for non-residential development sites in a range of sizes to meet market preferences.</p>	
Strategy C2a	Where it does not preclude identified longer-term objectives, expedite promotion of vacant land for small-scale, context-sensitive development to meet expressed community desire for timely reuse and economic development.
Strategy C2b	Reconfigure subject parcels for more productive use through land swap or purchase of adjacent land.
Strategy C2c	Provide access to voluntary property buyout for land owners within Planning Area.
Strategy C2d	Allow private market purchase through release of select subject parcels. Private parties would purchase and develop parcels according to their needs and market conditions.

<p><b>Policy C3</b></p> <p>Facilitate a variety of development opportunities and maintain flexibility through regulatory instruments.</p>	
Strategy C3a	Examine zoning and modify as appropriate for consistency with a potential framework.
<p><b>Policy C4</b></p> <p>Stimulate market interest by addressing barriers to development in the Planning Area (i.e. perceptions, ground lease requirements, scattered site configuration, etc.)</p>	
Strategy C4a	Prepare “shovel ready” development sites to reduce time and cost to potential operator/developer.
Strategy C4b	Utilize variety of economic development tools to streamline development process and reduce private costs.

# Policy C1

Utilize subject parcels and leverage adjacent City-owned land, where possible, to create employment center(s) in the Planning Area.

Strategy C1a	
<b>Actions</b>	Evaluate the feasibility of two “catalytic sites” for special development concepts, including planned business park, with a mix of complementary uses and amenities. Catalytic development projects help attract interest and build momentum for redevelopment. Recommended sites are the area north of Buckeye and east of S. 7th Street, and the current Barrios Unidos Park and adjoining lands along S. 16th Street.
C1a-1	Identify opportunities for land swap and/or acquisitions to provide favorable business park setting.
C1a-2	Develop a master plan for each of these catalytic sites to determine site layouts, circulation, zoning and other regulatory elements, infrastructure provision, design standards, treatment of historic resources, accommodation of existing uses and occupants in vicinity, etc. These plans should be closely coordinated with small area plan (Strategy B3a).
C1a-3	Develop and utilize RFP to identify development partner(s) and/or leaseholder(s); establish incentive structure if necessary to advance projects.
C1a-4	Work with Parks and Recreation Department and Phoenix Unified School District to develop concepts for the S. 16th St/Barrios Unidos site area.
C1a-5	Develop a public private partnership to provide oversight and assist with assemblage in the S. 7th St. site area.

Strategy C1b	
<b>Actions</b>	Work with economic development agencies and stakeholders to attract target industries: health-care, bioscience and biomedical; advanced business services; advanced manufacturing; aerospace and defense; technology and innovation; and sustainable and renewable energy.
C1b-1	Develop/work with partner to develop incubator/co-working space to begin to establish industry presence.
C1b-2	Identify site acreage, access, utility, and other requirements of these industries.
C1b-3	Assess potential to accommodate these uses within the Planning Area, including catalytic development areas.
C1b-4	Develop a marketing strategy to attract target industries to the area.

Strategy C1c	
<b>Actions</b>	Explore swap of underutilized Green Valley Park property in South Subarea with subject parcels in Central Subarea near Barrios Unidos Park to open up contiguous land for industrial development in South Subarea and focus recreational amenities in Central Subarea.
C1c-1	Further study the potential for a land swap including the potential to accommodate the recreational demand in proposed receiving area; define and conduct environmental review requirements.
C1c-2	Propose coordinated reutilization of outdoor recreational space at Ann Ott School as part of focused recreational amenities for area residents and employees.

Strategy C1d	
<b>Actions</b>	Encourage small business growth and non-traditional employment opportunities in the area, including live/work arrangements, co-working spaces, incubators, etc.
C1d-1	As part of small area plans (Strategy B3a), recommended zoning modifications should address the need to accommodate these types of uses.
C1d-2	Find partners for potential co-working and incubator development.
C1d-3	Explore opportunities to foster small-scale development as part of catalytic development and as potential employment opportunities for local residents.
C1d-4	Develop subject parcel lease or purchase program by residents and existing businesses in Planning Area for the purposes of developing or expanding businesses and non-traditional employment.



# Policy C2

Create opportunities for non-residential development sites in a range of sizes to meet market preferences.

Strategy C2a	
<b>Actions</b>	Where it does not preclude identified longer-term objectives, expedite promotion of vacant land for small-scale, context-sensitive development to meet expressed community desire for timely reuse and economic development.
C2a-1	Develop specific incentives (Strategy C4b) to overcome development hurdles and encourage small-scale development where feasible.
C2a-2	Develop marketing materials to promote development opportunities.

Strategy C2b	
<b>Actions</b>	Reconfigure subject parcels for more productive use through land swap or purchase of adjacent land.
C2b-1	Explore potential for acquisition of privately held parcels in blocks where they are surrounded by subject parcels.
C2b-2	Provide a program where existing commercial businesses could swap property for a subject parcel in a more desirable location.
C2b-3	Acquire property adjacent to subject parcels as it becomes available, in order to assemble developable sites with favorable size and lot configuration

Strategy C2c	
<b>Actions</b>	Provide access to voluntary property buyout for land owners within Planning Area.
C2c-1	Facilitate land purchase through existing City program, or, if deemed necessary, develop new buyout program parameters and protocols; model after previous round of buyouts and introduce new elements to streamline or improve processes.
C2c-2	Should residential owners choose to participate, connect residential owners and their renters, as applicable, to relocation services and assistance through City and not-for-profit programs.
C2c-3	Provide a program for residential owners to sell property and access replacement housing developed on subject parcels inside Core Village area in Central Subarea for themselves or their renters or the TOD mixed use parcels in the North Subarea
C2c-4	Engage an area cultural consultant to provide culturally and linguistically sensitive outreach to these land-owners.

Strategy C2d	
<b>Actions</b>	Allow private market purchase through release of select subject parcels. Private parties would purchase and develop parcels according to their needs and market conditions.
C2d-1	Develop purchase agreement to ensure compliance with compatible uses.
C2d-2	Establish process by which vested owner or tenant of adjacent and/or surrounding property is contacted, made aware of land lease or purchase offer, and given opportunity for first right of refusal for ground lease or purchase of land.
C2d-3	Establish a proposal review process to ensure proposed development is consistent with small area plans (Strategy B3a).
C2d-4	Initiate FAA land release process to include environmental review and land appraisals.

# Policy C3

Facilitate a variety of development opportunities and maintain flexibility through regulatory instruments.

Strategy C3a	
<b>Actions</b>	Examine zoning and modify as appropriate for consistency with a potential framework.
C3a-1	Employ commerce park zoning to help attract development on catalytic sites; balance flexibility and compatibility with adjacent uses. Commerce park zoning offers flexibility by identifying locations where development of higher or lower intensity is permitted while requiring development to project a desirable appearance and maintain compatibility with adjacent land uses.
C3a-2	Allow for the employment of Planned Unit Development (PUD) zoning as appropriate, which grants larger-scale, contiguous property (single owner) special consideration with a particular set of zoning and/or design regulations reflecting its unique needs.
C3a-3	Re-evaluate Rio Salado Overlay in South Sub-area to identify and modify requirements (e.g. setbacks) per expressed concerns, to provide reasonable flexibility.

# Policy C4

Stimulate market interest by addressing barriers to development in the Planning Area (i.e. perceptions, ground lease requirements, scattered site configuration, etc.)

Strategy C4a	
<b>Actions</b>	Strategy C4a: Prepare “shovel ready” development sites to reduce time and cost to potential operator/developer.
C4a-1	As it becomes available, assemble land to provide sites in a variety of sizes to meet market demand.
C4a-2	Implement infrastructure upgrades, as identified in small area plans (Strategy B3a), to meet development needs, including those of target industries, and provide parcels unencumbered by utility easements.

Strategy C4b	
<b>Actions</b>	Utilize variety of economic development tools to streamline development process and reduce private costs.
C4b-1	Work with economic development partners to promote and provide access to variety of financial incentive programs applicable to Planning Area. <i>Ideas: grants and tax incentive programs through City of Phoenix Community and Economic Development, State brownfields program, loan program through New Markets Tax Credits (Phoenix Community Development and Investment Corporation), use of Foreign Trade Zone, etc.</i>
C4b-2	Utilize lease and development agreements to offer attractive terms. <i>Ideas: competitive lease rates, ground lease duration, infrastructure improvements, access to lower-cost capital, etc.</i>
C4b-3	Develop public-private partnerships for catalytic development projects and initiatives.
C4b-4	Explore potential for establishment of special district. <i>Idea: business improvement district.</i>

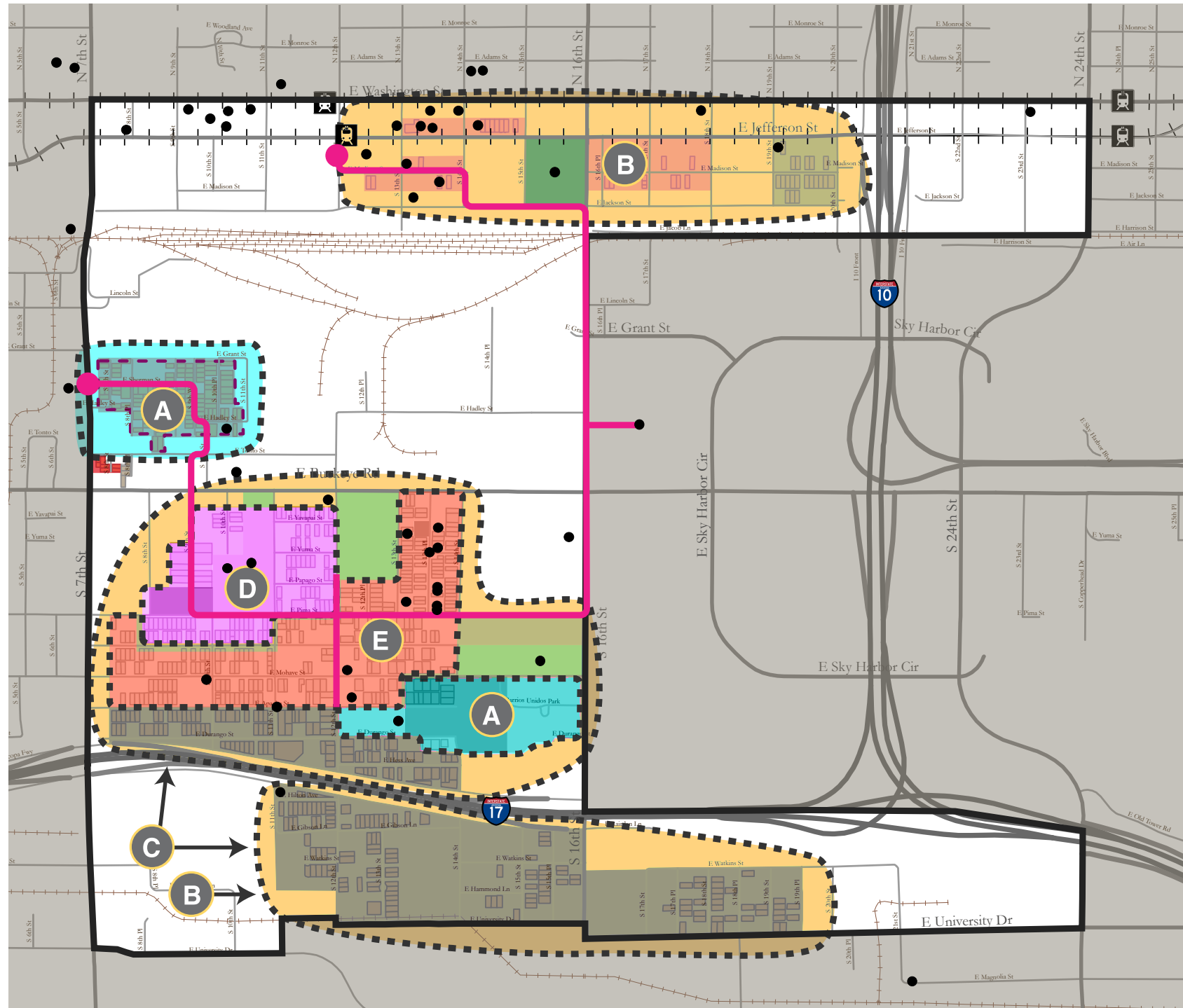
## 14.4 Potential Near-term Actions

The Land Reuse Strategy has identified a set of goals, policies, strategies, and action items to help advance improvements in the Planning Area. While the ultimate revitalization of this area is a long-term effort, a number of actions may be taken immediately or within a one to five-year timeframe. Some of these actions will have physical impacts that provide community benefits in the near term. Other actions will set the stage for long-term improvements by producing information and creating conditions that allow change to occur over an extended timeframe.

**Figure 14.3** presents the Potential Near-Term Actions and map illustrating areas of focus in the Planning Area during the one to five-year timeframe.

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# Potential Near-Term Actions



1. Develop Cultural Corridor to leverage the area's rich cultural heritage and draw positive attention to the area. Support the Cultural Corridor with a branding strategy and revitalization of public spaces including streetscapes.
- A 2. Evaluate, select and prepare catalytic sites for targeted development, including limited parcel assembly as needed to create opportunities and attract market interest. Recommended sites noted on map.
- B 3. Release City-owned parcels on a strategic basis in the North and South Subareas, through sale or lease of parcels in a manner that promotes mixed-use, industrial, or other supporting uses in a manner consistent with a potential framework.
- C 4. Prepare small area plans for the Central Subarea south of Buckeye and the South Subarea. Small-area plans should address a wide-ranging set of topics specific to each project area, as recommended under Strategy B3a.
- D 5. Work with the FAA to find mutually agreeable terms regarding land reuse in the Core Residential Area; conduct further research and feasibility study as appropriate; identify partner.
- E 6. Determine specific locations for appropriate interim uses of subject parcels, with a particular focus on small business/flex portions of the Central Subarea. Develop and implement mechanisms (i.e., temporary zoning, use agreements) for short-term uses of subject parcels.
7. Develop design guidelines to promote context-sensitive development in the Planning Area. Recommended locations include any location proximate a historic resource, North and Central Subareas.
8. Address public service concerns raised by community members as part of this planning process, such as increased police patrols, improved amenities and programming at area parks, more street lighting, improved sidewalks, and blight enforcement.
9. Establish community-based input and oversight groups and processes for ongoing engagement throughout implementation of the Reuse Strategy and subsequent planning efforts.
10. Work with City and other economic development agencies to identify and employ incentive programs to attract new development to the Planning Area.

Figure 14.3

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## 14.5 Best Practices Case Studies

Innovative strategies have been used elsewhere in the country to improve neighborhoods and communities that share similarities with the Planning Area. This section identifies several “Best Practice” case studies to highlight the successful implementation of planning strategies considered for the Planning Area.

### **CORNER STALK FARM**, Boston, MA

Corner Stalk Farm provides a useful case study in urban agricultural, and its techniques have potential for transfer to other locations. Corner Stalk Farm was started in East Boston in 2013. The operation consists of four “Leafy Green Machines” purchased from Freight Farms. To cover its startup costs, the farm secured the first ever USDA loan for a hydroponic operation of this type. The East Boston location was selected because this area includes a number of industrial and distribution uses, as well as vacant properties—the freight farming units align with the general character of this district.



The “Leafy Green Machines” are constructed from freight containers adapted to contain climate technology and hydroponic growing equipment. These hydroponic units are regulated to provide optimal nutrition and climate conditions that support a perfect growing environment 365 days a year. Freight farming requires a minimal land area relative to traditional farming, involves little resource consumption, and has little environmental impact.

Corner Stalk Farm uses the Leafy Green Machine units to grow approximately 250,000 heads of lettuce annually, along with small volumes of herbs such as basil and dill. This produce is sold at local markets and to local wholesale customers on a year-round basis. This business plan has proven to be viable over the first few years of operation.

The benefits of freight farming include year-round production in various climates, the ability to start a farm quickly, and minimal land and resource needs. The Corner Stalk Farm business plan can potentially be replicated by operations located in other regions. Drawbacks to the Leafy Green Machines include high startup costs (\$82,000 or \$85,000 purchasing price per unit). Information about use of this technique in different climates is limited. For example, its application to the Phoenix region would be highly dependent on cooling systems, creating different functional and cost conditions than those experienced in East Boston.

<p><b>Applications to Project</b>                  Business Opportunities                  Access to Food/Grocery                  Farmers’ Market                  Training Centers, Work Projects                  Small Parcel Reuse</p>
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<http://www.cornerstalk.com/>

<http://www.freightfarms.com/>

Image: [http://www.cornerstalk.com/2015/01/phase-ii\\_19.html](http://www.cornerstalk.com/2015/01/phase-ii_19.html)

**SIDE LOT SALES, Detroit, MI**

The Detroit Land Bank Authority (DLBA) started the “Side Lot” program June of 2014. Under this program, the DLBA assumes ownership of vacant properties with delinquent property tax accounts from the City of Detroit, with City Council approval. The DLBA allows residents to purchase vacant lots located next door for \$100. The vacant lots can be purchased online or by attending the side lot fairs held by DLBA multiple times a year.



Side lots are sold on a first-come, first-served basis, and preference is given to neighbors that have maintained the lot. To date, more than 3,000 side lots have been purchased through the program. Many of these lots have been improved as a result of the program. Purchasers are obligated to maintain their properties, therefore lessening the blight of the neighborhood. By granting ownership of vacant properties to neighborhood residents, the program empowers these residents and gives them more control over the condition of their neighborhoods.

**Applications to Project**  
 Land Authority  
 Homeowners and Business Owners Purchase Adjacent Lots  
 Assemble subject parcels  
 Acquire Underused Parcels

The Planning Area differs from these Detroit neighborhoods in that reuse for occupied use (residential homes) is prohibited and FAA requirements for the subject parcels requires fair market value. However, potential use by residents for “side lots”, garages/carports, shade structures, garden, workshops, businesses, studios, and more would also empower residents to influence the condition of their neighborhood as in Detroit.

<http://www.buildingdetroit.org/our-programs/side-lot-sales/>

Image: <http://www.freep.com/story/opinion/2015/05/30/detroit-duggan-land-vacant-energy-farming-reforestation-hantz/27705455/>



**WYNWOOD ARTS DISTRICT**, Miami, FL

The City of Miami Planning and Zoning Department, in collaboration with the Wynwood Business Improvement District (BID), has worked to establish the Wynwood Arts District as the city's first Neighborhood Revitalization District (NRD).



The Wynwood Arts District was originally home to large manufacturing and logistic companies such as the American Bakeries Company and Coca-Cola. The area was also known for its Garment District which housed a concentration of clothing manufacturers and vendors. As these companies moved out of Wynwood, many of the buildings were left uninhabited and the neighborhood experienced a decline.

In the late 1990's to the early 2000's, the Wynwood area began to experience revitalization as it became home to various art galleries. In mid-2000's, Goldman Properties began buying properties in Wynwood, and the new owner focused on creating an art district in this former industrial area. Today, the area has become a canvas for urban street art, an open air gallery of murals.

Wynwood is transitioning into a globally recognized destination for art, fashion, innovation, and creative enterprise. The NRD has established a series of protective (zoning, design) regulations to guide the transition from an industrial district into a diverse, mixed-use area to include industrial, retail, and residential components. The NRD regulations aim to preserve the unique street art and industrial characteristics of the current Wynwood Arts District while promoting an environment where people live, work, and play.

In 2016, the developer filed a special zoning application with the City to redevelop 24 acres of mostly vacant land and buildings into a mini-city of large industrial-style buildings that will house a diverse set of uses. This plan would permit up to 9 MSF of mostly flex space, with big, open floor plates and high ceilings. This project is currently in the planning and approval stages.

- Applications to Project**
- Large Community Center
  - Public-Private Partnerships
  - Planned Unit Development
  - Form-Based Code
  - Design Guidelines
  - Attract Employment Hubs
  - Multi-use Area

<http://www.miamigov.com/planning/nrd.html>

<http://wynwoodmiami.com/about.php>

Image: <http://www.stylepublic.com/wp-content/uploads/2014/01/Shepard-Fairey-at-Wynwood-Walls-1.jpg>

**THAI TOWN**, Los Angeles, California

Thai Town is a cultural district located along Hollywood Boulevard in Los Angeles, California. For several decades, this neighborhood has served as a “point of entry” for Thai immigrants arriving in the Los Angeles area, and many of the district’s residents share a common Thai heritage. The district has historically been affected by high poverty levels and social inequalities. These conditions prompted efforts to revitalize the district and improve the economic standing of its residents, dating back to the early 1990s.



The Thai Community Development Center (TCDC) was formed in 1992 to lead economic development and community revitalization initiatives in the Los Angeles Thai community, and led a campaign to establish Thai Town as a formally recognized cultural district of Los Angeles. By officially branding Thai Town, the neighborhood was better able to market itself as a tourist destination. Businesses in the district offer Southeast Asian cuisine, products, and cultural experiences that are unique to this neighborhood. Residents of the Thai community benefit from the expanded business and job opportunities in this cultural district. In 1999, the Hollywood/Western Metro Station was completed at the western boundary of Thai Town—this metro stop further stimulated activity and transit-oriented development in the area. The TCDC provides ongoing services within Thai Town include the construction and management of low-income apartment housing, entrepreneurship and job training, social services, and placemaking projects.

Among these projects, the Thai Town Gateway Project which included the placement of two large, gold-colored Thai angel statues at entrances to the district. The East Hollywood Streetscape Project resulted in the installation of Thai style street lamps, banners, pedestrian improvements, and Thai-style “golden trumpet” trees in the district. The Thai Town Marketplace project, currently underway in Fall 2016, will establish a Thai cultural marketplace in the heart of the district. The marketplace will include 11 food stalls operated by local members of the Thai community selected through their participation in business education programs.

- Applications to Project**
- Large Community Center
  - Establish Neighborhood Organizations
  - Public-Private Partnership
  - Affordable Housing
  - Attract Employment Hubs
  - Training Centers
  - Cultural District & Heritage Tourism
  - Commercial Development

<http://thaicdc.org/ourcommunity/thai-town/>

Image: [http://media4.s-nbcnews.com/i/newscms/2014\\_44/742541/141030-thai-town-03\\_90cc1cd951d51f2af25aaa5223f23194.nbcnews-fp-1200-800.jpg](http://media4.s-nbcnews.com/i/newscms/2014_44/742541/141030-thai-town-03_90cc1cd951d51f2af25aaa5223f23194.nbcnews-fp-1200-800.jpg)

**TRINITY GROVES**, West Dallas, TX

Trinity Groves is a multi-phase redevelopment project located on approximately 100 acres along the Trinity River near downtown Dallas, TX. This site previously served as a warehouse and light-industrial district. In March 2012, the Margaret Hunt Hill Bridge opened and improved access to and from downtown; this connection has created opportunities for revitalization at Trinity Groves and in the surrounding area.

The project’s first phase included the reuse of a 15-acre former trucking facility. This site now houses a restaurant incubator, retail, and art/entertainment attractions.



A second phase of redevelopment began at Trinity Grove in 2015. This project phase includes mixed-use development featuring apartment and condominium housing, hotel, office space, restaurant/retail space, and parking areas. Phase 2 included input from the City, the City Design Studio (an entity formed to focus on neighborhoods and development for areas along the Trinity Corridor), community groups, and a community Charrette.

Plans for a third phase, primarily south of the railroad tracks, have not been formalized.

Adjacent to Trinity Groves the La Bajada Urban Farm Park is a formerly run-down site that has been transformed into a 4.5 acre urban farm park. The concept was developed through collaboration among private developers, the City, and local residents. Residents were engaged throughout the process and agreed the urban farm park would add value to the community and help to preserve the La Bajada neighborhood. Today, the land is a vibrant urban farm employing economically disadvantaged youth, teaching them horticulture, nutrition, cooking and business economics.

<http://casestudies.uli.org/trinity-groves/>

<http://www.trinitygroves.com/>

<http://www.labajadaurbanyouthfarm.org/>

Image: [http://www.trinitygroves.com/wp-content/uploads/2016/01/TG\\_Slide1.jpg](http://www.trinitygroves.com/wp-content/uploads/2016/01/TG_Slide1.jpg)

**Applications to Project**  
 Planned Unit Development  
 Large Community Center  
 Reuse of Abandoned Buildings  
 Enhance/Create Parks  
 Access to Food/Grocery  
 Training Centers  
 Existing Neighborhood Preservation & Buffers

**ESPLANADE AT NAVIGATION, Houston, TX**

The Esplanade is a beautification and cultural initiative located along Navigation Boulevard in the East End area of Houston, TX. Also known as Navigation Esplanade, this corridor is three blocks long and features a distinctive 44-foot-wide pedestrian esplanade with public gathering spaces and a marketplace. The Esplanade is set up with two street cafes, seven kiosk retail outlets, forty vendor spaces for pop-up tents, and spaces for up to six food trucks.



With a \$5 million stimulus grant, the project was completed in 2013, creating a walkable corridor that includes including safe crosswalks, pedestrian level solar lighting, a small-scale commercial area, restaurants, and spaces for public events. A weekly farmers market is located at the Esplanade.



The East End District Management District commissioned local artists to create and install artwork along this corridor.

Most art projects are functional, such as benches with ornate tiled surfaces and uniquely designed bike racks and bus stops.

The Original Ninfa's on Navigation is an authentic Mexican restaurant established in 1973, which serves as a major attraction along the Esplanade. Additional local eateries have opened in locations near Ninfa's to create a Mexican dining district that serves as a destination for residents and visitors from throughout the region.

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| <p><b>Applications to Project</b></p> <ul style="list-style-type: none"> <li>Cultural Corridor</li> <li>Intermix Historic Sites with Development</li> <li>Attract Employment Hubs</li> <li>Enhance/Create Parks</li> <li>Access to Food/Grocery</li> </ul> |
|--|

<http://www.greatereastend.com/navigation-boulevard/>

Images: <http://swamplot.com/reign-of-new-east-end-farmers-market-on-the-navigation-esplanade-begins-this-sunday/2015-04-08/>  
<http://www.houstonchronicle.com/entertainment/top-100-restaurants/article/Original-Ninfa-s-on-Navigation-9232563.php#photo-9917481>

## Section 15—Response to Community Input

A series of community meetings was held in December 2016 to present the Land Reuse Strategy to residents, business and land owners, and other stakeholders following the completion of Draft Working Paper #2. The Advisory Group and Roundtable members, City departments, and the public at large were notified of the meetings through a variety of channels including email and online notices, postcards, notices in public buildings and area businesses, among other methods in accordance with the Community Engagement Plan (Appendix C). The Draft Working Paper #2 document was posted and made available online on December 5, 2016.

The December 2016 community meetings included the following:

- December 6, 2016: Combined Project Management Committee and Advisory Group;
- December 6, 2016: North Roundtable/Community Meeting;
- December 7, 2016: South Roundtable/Community Meeting;
- December 8, 2016: Central Roundtable/Community Meeting.

Summary notes for each of these meetings are provided in Appendix C. Following these community meetings, a public comment period was provided to allow written and verbal comments on the Draft Land Reuse Strategy. The original deadline for written comments was December 31, 2016, but was extended to January 11 in response to requests by members of the community for additional review time.

A “Central City Meeting” was held on January 17, 2017, to update community members of the Central Subarea and to answer specific questions that arose following the December public meetings and comment period.

This section summarizes the feedback received over the course of the final round of meetings and follow-up processes, as well as the actions taken to consider and incorporate this community feedback as part of the Land Reuse Strategy.

### 15.1 Additional Topics of Interest

Attendees of the December community meetings were invited to ask questions and provide feedback both in person at the meetings and via written comment over the course of the public comment period. Meeting participants requested additional information on four general topics of particular interest: land trusts, property tax relief programs, the possibility of airport revenue sharing, and “shareholder” opportunities through real estate investment cooperatives.

To address these requests, the project team prepared a series of write-ups providing information on these key topics and evaluating their potential for application to the Planning Area. A brief summary of each topic is provided below, and **Appendix H** provides these write-ups in full.

**Land Trusts:** A land trust is an organization that acquires or provides stewardship of property, for the benefit of the community-at-large or in the interest of some segment of the population. A community land trust (CLT) is a type of land trust that provides affordable housing on a permanent basis to assist low- and moderate-income residents. This is done by allowing residents to lease housing on CLT land for extended periods of time (such as 99-year lease term) at a reduced cost. CLTs usually operate as community-oriented, non-profit organizations.

**Property Tax Relief Programs:** Rapid increases in property value can, in some cases, lead to increased property tax levies that financially burden the long-time residents of neighborhoods experiencing development pressure. Some cities in the US have introduced programs to assist homeowners by reducing or postponing property tax levies, or by delaying increases in assessed value, for properties meeting criteria related to ownership and rate of assessed value increases. Arizona's regulatory environment does not appear to support the introduction of such property tax relief programs.

**Revenue Sharing:** FAA regulations do not allow an airport to contribute operating revenues, including those generated by the lease or sale of noise lands, to individuals or community organizations. These regulations would apply to payments intended to support neighborhood improvements or payments made as compensation for impacts associated with any manner of airport operations.

**Real Estate Investment Cooperatives (REICs):** REICs are new to the US with only a few existing case studies. Members of a community may join the REIC by investing a sum of money with the organization. The REIC pools member investments and uses the collective sum of money to purchase, rehabilitate, and/or construct a real estate development project. Investors can earn dividends and build equity in the real estate projects over time, in line with their level of investment.

In addition to these additional research topics, meeting participants also had specific questions and concerns involving the future sale or lease of subject parcels adjacent to privately-owned properties. Meeting participants requested that if a Subject Parcel is proposed for sale or lease, neighboring land owners should receive official notification by Aviation and be given the opportunity for first right of refusal for the land. In response, modifications were made to Action C2d-2 in Section 14.3 to strengthen language regarding the notification process and opportunity of first right of refusal for subject parcels by adjacent, vested owners.

## 15.2 Comment Period Submissions and Responses

The written comment period was extended to January 11, 2017, from an original deadline of December 31, 2016, in order to accommodate residents who requested additional time to review the Land Reuse Strategy. Written comments were received from five members of the community, including both individuals and organizations.

The following topics are among those addressed in the written comments:

- Commenters generally supported the inclusion of residential uses in the Planning Area, providing feedback on specific issues and measures that can be taken to strengthen a residential environment.
- Generally, comments about non-residential uses focused on ensuring that these uses will be compatible with residential neighborhoods and will deliver economic benefits.
- Multiple comments emphasized the important role of cultural and historic assets in the area’s redevelopment.
- Two commenters outlined specific proposals for culturally themed branding programs for the Project Area.

The project team considered all comments, providing responses and updating the Land Reuse Strategy as appropriate. **Appendix I** provides a complete list of written comments and responses.

### 15.3 Central Subarea Follow-up Meeting

Aviation held a follow-up meeting on January 17, 2017, with Central Subarea stakeholders further discuss new issues that arose at the December meetings. The summary notes from this meeting are included in **Appendix C**.

Many of the concerns raised at this Central Subarea Meeting are addressed in the comments matrix and at various points throughout the Land Reuse Strategy document. In addition, the City has initiated measures seeking to improve relationships between neighborhood residents and the City departments that provide key services. This effort will take the form of a City Services Action Plan to be prepared for the area. Goals of the City Services Action Plan include the following:

- Identify a community liaison to assist in connecting the community with City services
- Maintain active neighborhood organizations
- Identify programs and resources for home rehabilitation
- Create a blight enforcement program for the neighborhood
- Expand parks and recreation programming
- Improve park facilities
- Improve street lighting and sidewalk safety.

Strategy B3d in Section 14.3 was added to address the City Service Action Plan development during the implementation phase.

### 15.4 Conceptual Illustrations of Project Area

Based on discussions with members of the community, a series of conceptual illustrations was prepared to show how airport-owned properties in the Planning Area could appear in the future, follow-

ing the implementation of Land Reuse Strategy recommendations. These conceptual illustrations reflect community aspirations for how the character and physical setting of the Planning Area could appear in the future through the potential development that results from the implementation of Land Reuse Strategy.

The following illustrations are examples of the conceptual renderings prepared through this effort. The complete set of conceptual illustrations is provided in **Appendix J**.





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## 15.5 Next Steps

This document is the culmination of several months of community-driven land use framework development. This process resulted in the production of a Community Preferred Land Reuse Framework that synthesizes the key outcomes of the inventory process, market analysis, community input and collaborative work with all of the interested parties.

The Reuse Strategy includes two primary components:

1. A conceptual plan (Community Preferred Land Reuse Framework) for reuse of the subject parcels along with general land use considerations throughout the study area, accompanied by a set of proposed implementation strategies supporting this framework.
2. A noise land inventory indicating whether each parcel is needed for an airport purpose, can be used temporarily for a non-airport purpose, or should be redeveloped. Note, the table does not recommend any parcel be sold off (disposed) but anticipates all parcels being redeveloped with interim and long-term leases.

Pending City Council review, Aviation will submit the Land Reuse Strategy to FAA for formal acceptance. As numerous community-proposed concepts have not been previously considered by FAA, the agency may potentially approve in-part or even deny certain elements.

FAA will review the Land Reuse Strategy for consistency with its regulatory guidelines. A key element of the FAA review will be its focus on the Noise Land Inventory, provided in Appendix A. This inventory lists all noise land parcels and provides required information about each parcel, including the proposed disposal/retention category.

The disposal/retention category identifies the course of action the airport will take in managing each noise land parcel under its ownership. According to FAA guidance<sup>2</sup>, a reuse plan "...identifies the proposed disposal or retention of all acquired noise land (noise land inventory) to date. All airport acquired noise land falls into one of the following categories with the reinvestment or conversion requirements noted":

- Sold – Airport sells the property at full market value (FMV) and repays the federal share in a manner that complies with grant assurances.
- Exchange for development land – Noise land is exchanged for land to be used for airport development.
- Pending disposal – Noise land is cleared of incompatible uses and may be leased out on an interim basis pending its assemblage and disposal or conversion
- Noise Buffer – May be left undeveloped or developed to a compatible land use. Noise land developed to compatible land use must be leased on a long term basis at the FMV, and lease proceeds are airport revenue.

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<sup>2</sup> FAA Office of Airport Planning & Programming. *Noise Land Management and Requirements for Disposal of Noise Land or Development Land Funded with AIP*. June 2014.

- Development Land – Noise land is used for AIP-eligible airport development land.

As reflected in Appendix A, PHX proposes to retain all noise land property as noise buffer. This category is most appropriate given the airport's commitment to maintaining land use compatibility in a manner that is sensitive to community needs and preferences. Opportunities to lease noise land on a long-term basis are likely to be pursued consistent with the Land Reuse Strategy.

Pending approval by the FAA, the adopted Reuse Strategy will form the foundation of the Land Redevelopment Program that is the follow-on phase for this process. The City of Phoenix received a \$5 million FAA pilot program grant in federal Fiscal Year 2016 that provides funding to implement specific strategies that emerge from this study. An implementation team has been selected by the City for the Land Redevelopment Program and is expected to begin preliminary work as the Reuse Strategy is finalized and proceeds through the approval processes.

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