

CITY OF TEMPE DEVELOPMENT REVIEW COMMISSION

Meeting Date: 03/14/2017

Agenda Item: 3

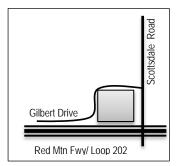
<u>ACTION</u>: Request for a Planned Area Development Overlay, Development Plan Review for an on-line pre-owned vehicle retail store, a use permit to allow vehicle sales in the GID district and a use permit to exceed the maximum allowed surface parking for CARVANA located at 706 N Scottsdale Road. The applicant is Manjula Vaz.

<u>FISCAL IMPACT</u>: While this ordinance change does not directly impact revenue, the planned development will result in collection of the standard development fees, calculated according to the approved fee structure at the time of permit issuance.

RECOMMENDATION: Approve, subject to conditions

<u>BACKGROUND INFORMATION</u>: CARVANA (PL160462) is an online automotive retailer of pre-owned vehicles proposing their first Arizona location north of the 202 freeway at the northwest corner of Gilbert Drive and Scottsdale Road. The site was recently reconfigured with modifications to the existing Gilbert Drive alignment through a development agreement with the property owner. Landscape along the new Gilbert Drive alignment was approved and installed separate from this request, but will be maintained by the owner of this property. This request includes the following:

- 1. Planned Area Development Overlay for modifications to the General Industrial District development standards to allow a building height up to 93 feet and a reduced parking setback to 10 feet on the west street side.
- 2. Development Plan Review including site plan, building elevations, and landscape plan.
- 3. Use Permit to allow an automotive retail use in the General Industrial District.
- 4. Use Permit to exceed the maximum surface parking from 35 spaces to 37 spaces.



Existing Property Owner
Future Owner
Applicant
Zoning District (current/proposed)
Gross / Net site area
Total Building Area
Lot Coverage
Building Height
Building Setbacks

Landscape area Vehicle Parking Bicycle Parking David or John Scholl, Vintage partners
Carvana
Manjula Vaz, Gammage & Burnham
GID / GID PAD
1.54 acres
8,262 s.f.
13% (NS in GID)
93' (35' maximum allowed)
25' front (north), 25' street side (west), 25' street side (east), 70' rear (south) (25, 25, 25', 0' minimum)
34% (10% minimum required in GID)
37 spaces (28 min. required, 35 max allowed)
4 spaces (4 min. required)

ATTACHMENTS: Ordinance, Development Project File

STAFF CONTACT(S): Diana Kaminski, Senior Planner (480) 858-2391

Department Director: Chad Weaver, Community Development Director

Legal review by: N/A

Prepared by: Diana Kaminski, Senior Planner Reviewed by: Suparna Dasgupta, Principal Planner

COMMENTS:

This site is located north of and adjacent to the Red Mountain/Loop 202 Freeway, on the west side of Scottsdale Road. To the west of the site are multi-family apartments and to the north of the site is a hotel. A county island is located on the east side of Scottsdale Road, and the frontage along Scottsdale Road is owned by Arizona Department of Transportation (ADOT) for access to the freeway. Gilbert Drive was recently reconstructed in a new alignment with 47' right-of-way that intersects Scottsdale Road north of this lot, parallel to the hotel property, turning south along the western side and connecting to the existing street at the south west corner of the lot. The new right-of-way includes a 6' landscape strip on the west side of the street with a buffer of street trees and another 6' landscape strip on the east side of the street, to allow shade along a new 6' sidewalk adjacent to the new 1.54 acre parcel. The right-of-way profile for Gilbert Drive was narrowed to accommodate a larger developable area on the new Lot 1, with the public sidewalk on the east side of Gilbert Drive located on private property with an access easement. The landscape along both sides of Gilbert Drive will be maintained by the property owner of Lot 1.

This request includes the following:

- 1. Planned Area Development Overlay for modifications to the General Industrial District development standards to allow a building height up to 93 feet and a reduced parking setback to 10 feet on the west street side.
- Development Plan Review which includes: site plan, landscape plan, building elevations and materials for a singlestory office with vehicle bays and a nine-story glass car storage tower for an online pre-owned vehicle retail distribution building of 8,262 s.f. on 1.54 net acres.
- Use Permit to allow an automotive retail use in the General Industrial District.
- 4. Use Permit to exceed the maximum surface parking from 35 spaces to 37 spaces.

The applicant is requesting the Development Review Commission take action the use permits listed above, and provide recommendations to City Council for the Planned Area Development Overlay and Development Plan Review.

PRELIMINARY SITE PLAN REVIEW

Site plan comments were primarily regarding the need for utility easements on the south side of the site, circulation requirements for fire and solid waste services, retention and landscape requirements, and building orientation and access. Staff requested a reduction in parking spaces and narrowing of the drive aisles to reduce paving on site, however, the site is significantly landscaped and the nature of this business requires trucks delivering vehicles from other locations to circulate on site, requiring a larger turning radius and drive widths. Staff expressed concern over night illumination of the tower and potential impacts to residents to the west and hotel guests to the north. The applicant indicated there would be ambient interior lighting and directed spot lighting on the vehicles designed to prevent glare. Staff stated that exposed exterior lighting (such as that seen on the website) was a concern in this location and was told that the website images were rendered for special affect and not representative of the proposed design. Staff requested four sided architecture, since the building has visibility on all sides. The western elevation functions as a back of house; canopies were added over doors and windows were added into the staff office area. Staff also requested larger street trees along Scottsdale Road for shade along the sidewalk within the right of way, and trees along the south sidewalk connection from Gilbert Drive, that would match the species further west along the road alignment.

PUBLIC INPUT

- Neighborhood meeting required, nine members of the public attended.
- Neighborhood meeting held: January 23, 2017 from 6:00 p.m. to 7:00 p.m. at Best Western Inn Tempe located at 670 N. Scottsdale Road, just south of the project site.
- A summary of meeting was provided by the applicant and is included in the attachments.
- Community Development staff attended the meeting.

PROJECT ANALYSIS

GENERAL PLAN AND ZONING

The General Plan identifies this site for potential future mixed use development. The existing zoning is GID, the General Industrial District. The applicant is not requesting to change the land use designation or zoning, but work within the allowed uses of the underlying zoning.

PLANNED AREA DEVELOPMENT OVERLAY

The proposed project is meeting all of the setback requirements for the General Industrial District, with the exception of the parking setback on the west street side of Gilbert Drive. The requested PAD would reduce the parking setback from 20 to 10 feet. From the back of curb there is a 5' sidewalk and 10' of landscape area before the screen wall for parking, which is 18" behind the screen wall. The building height increase from 35 to 93 feet is requested for the vehicle storage tower on the south side of the building adjacent to the freeway. No other deviations from the development standards are being requested.

CARVANA – PAD Overlay			
Standard	GID	PROPOSED GID (PAD)	Change
Building Height (feet) [Exceptions, see Section 4-205(A)]			
Building Height Maximum	35 ft.	93 ft.	Increase
Building Height Step-Back Required Adjacent to SF or MF District [Section 4-404, Building Height Step-Back]	Yes	Yes	
Maximum Lot Coverage (% of net site area)	100%	13%	NA
Minimum Landscape Area (% of net site area)	10%	34%	NA
Setbacks (feet) (a) [Exceptions, see Section 4-205(B)] Front Parking	25 ft 20 ft	25 ft 20 ft	
Rear	0 ft	80 ft	
Street Side Parking	25 ft 20 ft	25 ft 10 ft	Decrease
Vehicle Parking	28	37	Increase
Bicycle Parking	4	4	NA

Section 6-305 D. Approval criteria for P.A.D. (in italics):

- The development fulfills certain goals and objectives in the General Plan and the principles and guidelines of other
 area policy plans. Performance considerations are established to fulfill those objectives. The size of the site and the
 utility restrictions at the south end leave a relatively small developable area. The proposed project promotes infill
 redevelopment, economic development and additional employment opportunity in the area.
- 2. Standards requested through the PAD Overlay district shall take into consideration the location and context for the site for which the project is proposed. The site is located adjacent to the freeway and across from auto dealerships in the County Island, the use is compatible with the surrounding context and redevelops a site that has struggled for a decade as other uses. The reduced parking setback is appropriate in the context of facing the wall of two other developments and providing substantial landscape between the street edge and the parking. The building is next to the freeway and near a two story apartment building and four story hotel.
- 3. The development appropriately mitigates transitional impacts on the immediate surroundings. The height of the vehicle tower is closest to the freeway, and screened from view of the apartments and hotel by trees along Gilbert Drive.

USE PERMIT

The proposed use requires a use permit to operate a car dealership in the GID zoning district and a use permit to increase onsite parking beyond the allowed maximum for surface parking spaces.

Section 6-308 E Approval criteria for Use Permit (*in italics*):

1. Any significant increase in vehicular or pedestrian traffic. This site previously has a restaurant and bar use, which required significantly more parking and produced traffic during peak traffic. The proposed use would have on-line vehicle sales only, guests do not come to the site to shop for vehicles. Once a vehicle is purchased on line, vehicles may be delivered to the new owner, or the owner may come to the site to pick up the car at a scheduled appointment. This business model reduces traffic by spreading out customer service during business hours and on

weekends, rather than during peak traffic periods. The delivery of vehicles on company owned vehicles controls when they arrive and how they circulate, assuring that deliveries are made during business hours and on site, not off-loading on the street. The described use will not create a significant increase in vehicular or pedestrian traffic and appears to be less impact than other potential uses for this site. The requested increase in parking spaces from the allowed 35 to 37 spaces is to allow parking for employees, customers and delivery of vehicles to the site with during peak sales periods. The addition of two parking spaces will not adversely impact traffic.

- 2. Nuisance arising from the emission of odor, dust, gas, noise, vibration, smoke, heat or glare at a level exceeding that of ambient conditions. The proposed use conducts business via the internet, with business transactions occurring indoors. The vehicles are not serviced on site, and they are primarily stored inside. Because sales are done on-line, there are no test drives or on-site events that would cause a nuisance. The proposed lighting of the 93' tall tower showcasing the vehicles could potentially cause nighttime lighting glare and nuisance to surrounding residents, conditions have been added to address this. The addition of two parking spaces beyond the allowed maximum will increase paving on site, however, the site is 34% landscape and therefore will not create nuisances as described above.
- 3. Contribution to the deterioration of the neighborhood or to the downgrading of property values, the proposed use is not in conflict with the goals objectives or policies for rehabilitation, redevelopment or conservation as set forth in the city's adopted plans or General Plan. The proposed vehicle sales center is investing in a new high tech building for storage, display and distribution of the vehicles. In contrast to the businesses on the east side of Scottsdale road, the proposed use is a redevelopment of an infill site that removes blight and improves the aesthetic quality of the area. The improvements to the street front landscape and sidewalk lighting will create safe multi-modal access from Gilbert Drive to Scottsdale Road. The addition of two parking spaces in excess of the maximum will not impact the neighborhood or property valuation within the area.
- 4. Compatibility with existing surrounding structures and uses. The area has a hotel and apartments to the north and west of the site, and car dealers on the east side of Scottsdale Road in the County island. The building design will be more contemporary than anything north of the 202, but is compatible with the newer lakefront developments south of the 202. Therefore, by use and design, the proposed development is compatible with the surrounding structures and uses. The addition of two parking spaces assures sufficient parking on site.
- 5. Adequate control of disruptive behavior both inside and outside the premises which may create a nuisance to the surrounding area or general public. The proposed use has vehicle point of sale on-line, reducing the amount of time customers are on site and eliminating the potential for on-site events. The vehicles are delivered and off-loaded by trucks owned by Carvana, not contracted fleet services. The described use presents sufficient control of behavior. The addition of two parking spaces will not impact behavior.

The manner of conduct and the building for the proposed use will not be detrimental to persons residing or working in the vicinity, to adjacent property, to the neighborhood, or to the public welfare in general, and that the use will be in full conformity to any conditions, requirement or standards prescribed therefore by this code.

DEVELOPMENT PLAN REVIEW

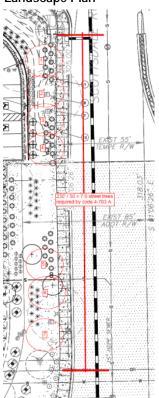
Site Plan

The site is surrounded by streets on all sides, Gilbert Drive lines the west and north side of the site, Scottsdale Road lines the east side and the Red Mountain 202 Freeway runs along the south side; there is a large right of way owned by Arizona Department of Transportation (ADOT) on the east and south sides of the lot. Existing overhead powerlines and underground water and sewer utilities are located within an existing easement to remain. Due to the proximity of the on-ramp to the freeway, the only drive access can be from Gilbert Drive; the lot has two drives, one on the west side and one on the north side serving the site. Circulation was designed to accommodate not only fire and solid waste vehicles, but the longer vehicle transport trucks used by Carvana for delivering pre-owned vehicles on the site. The building footprint is relatively small, parking is provided on three sides with the main entrance facing Scottsdale Road. Pedestrian traffic is encouraged along sidewalks adjacent to the building and crosswalks across the drive aisle leading to the public sidewalks on the north and east sides.

Building Elevations

The building design is minimalist and contemporary in form, the predominant building material is glass, with white metal and stucco. The 93' tall glass tower on the south end of the building rises above highway height, the remainder of the building is approximately 15' tall. This building height context is surrounded by 30' tall freeway overpass, 30' tall apartments and a 50' tall hotel. The east elevation has glass roll up doors that appear as storefront when closed. The north elevation is a combination of white metal panel and opaque white spandrel glass. The west elevation includes the white spandrel glass, sand finished white exterior insulated stucco system, clear windows, white painted metal doors with white painted metal canopies. There are no accent colors or materials. The glass in the tower is designed with an exterior reflectance of 11% to prevent reflective glare. The plans submitted did not show exterior building illumination, only required lighting for signs and safety, in conformance with dark sky requirements. Based on the submitted plans, conditions of approval were added to assure the constructed building does not create a nuisance by the addition of lights not presented during this process. On March 6th the applicant contacted staff about conditions 16 and 17 indicating that the design intent was to have internal illumination that changed from white to blue during the vehicle exchange from the tower, through the corridor with the glass bay doors. This lighting affect would occur only when a vehicle was being transported to the buyer, at an average of 15 minutes per transaction. The applicant also indicated that they wished to use lighting technology to enable color change within the tower, representing seasons or events (such as pink or green). This concept uses the building to attract attention. Since these lighting concepts or renderings were not provided in the design application, or presented at the neighborhood meeting, staff has retained conditions 16 and 17, with modifications to address some of the design concepts described by the applicant. These conditions are intended to maintain the quality of life of hotel quests, adjacent apartment tenants and surrounding neighborhoods.

Landscape Plan



The landscape planting along the new alignment of Gilbert Drive was previously approved by staff and has been installed. The trees along Gilbert Drive provide additional screening of the commercial use on this site to the apartments and hotel west and north of the site respectively. The predominant tree on site is the Palo Brea a fairly open canopy tree with yellow flowers and a sculptural green trunk. Trees along the south side are the Willow Acacia, matching the trees planted along the ADOT right of way further west on the south side of Gilbert Drive. These trees provide shade to the new east-west sidewalk extension to Scottsdale Road. The landscape plan does not meet the code requirement for street trees; two Cascalote, (a patio tree that grows 15' tall and 18' wide) are used along the frontage. The intent of the street tree requirement is to provide shade along the sidewalk, the tree quantity is specified by code (1 tree per 30 linear feet of street frontage), in this case 8 trees are required. Staff has conditioned that a large canopy tree be used and planted to meet this purpose. The species should have a natural canopy growth of 25-30' wide, it may be a deciduous variety for winter sun and building visibility. The building is 15' tall, and if the trees are trimmed to the required 8' vertical clearance, the building will be visible beneath the canopy to drivers and pedestrians. Understory plants proposed include xeriscape plants such as Hesperaloe, Twisted Yucca, Mexican Feather Grass, Bougainvillea, Ruellia, Muhlenbergia grasses, Tombstone Rose, Yellow Bells, Jojoba, Little Leaf Cordia and Aloe. The plantings must be coordinated with overhead electric utilities, underground utilities, and ADOT right of way. The overall design will be a significant enhancement to this corner.

Section 6-306 D Approval criteria for Development Plan Review (in italics):

- 1. Placement, form, and articulation of buildings and structures provide variety in the streetscape; the building is oriented to maximize visibility from the freeway and minimize visibility to neighborhoods to the north. The building is a strong departure from existing architectural forms, but presents frontage on the north and east sides.
- 2. Building design and orientation, together with landscape, combine to mitigate heat gain/retention while providing shade for energy conservation and human comfort; the landscape is designed to minimize water consumption and maintenance and promote visibility of the business. The relatively small building footprint and use of light and reflective materials will reduce heat gain, which is a challenge in this location due to the proximity of the freeway walls and amount of paving in and around the site. The landscape will help create a comfortable pedestrian and bicyclist experience along the street frontages and the approaches to the building.
- 3. Materials are of a superior quality, providing detail appropriate with their location and function while complementing the surroundings; the building uses high tech equipment unique to its function with an electric vehicle lift inside the glass tower. The building uses a combination of glazing, insulated stucco and metal paneling that is appropriate to newer developments south of the freeway, extending the contemporary aesthetic north from the lake edge.
- 4. Buildings, structures, and landscape elements are appropriately scaled, relative to the site and surroundings; the applicant's letter of intent included a map of building heights demonstrating contextual relationship to the surrounding area.
- 5. Large building masses are sufficiently articulated so as to relieve monotony and create a sense of movement, resulting in a well-defined base and top, featuring an enhanced pedestrian experience at and near street level; The building is relatively small, the glass tower has recessed portions adding to the complexity of the form, rather than a square, it has the corners of the square recessed into itself. The roll-up doors on the east appear like retail storefront when closed, and the building façade merges with the interior when they are open. The building mass is broken by the use of metal and glass.
- 6. Building facades provide architectural detail and interest overall with visibility at street level (in particular, special treatment of windows, entries and walkways with particular attention to proportionality, scale, materials, rhythm, etc.) while responding to varying climatic and contextual conditions; The building design provides different materials and details on all four sides of the building, with placement intended to maximize interior visibility. The use of windows and spandrel glazing provide a rhythm to the architecture the roll up doors add a transparency to the form that brings the interior and exterior together in a unique functional building.
- 7. Plans take into account pleasant and convenient access to multi-modal transportation options and support the potential for transit patronage; the use would support customers walking, biking or taking the bus to the site to pick up their vehicle after purchasing on line, bus service is available on Scottsdale Road. A condition has been added to assure a more pleasant and comfortable street front pedestrian experience is created with the addition of shade.
- 8. Vehicular circulation is designed to minimize conflicts with pedestrian access and circulation, and with surrounding residential uses; the site is designed to assure large vehicle circulation for delivery of trucks can occur safely on site without conflict to pedestrians or cyclists visiting the property or commuting from Gilbert Drive to Scottsdale Road via public paths.
- 9. Plans appropriately integrate Crime Prevention through Environmental Design principles such as territoriality, natural surveillance, access control, activity support, and maintenance; the activation of the site, realignment of the sidewalk on the south side with extra lighting and enhanced landscape will provide more surveillance and activity in this area, promoting a safer environment than the current conditions.

- 10. Landscape accents and provides delineation from parking, buildings, driveways and pathways; the landscape design clearly defines the areas of the site and enhances the building with massings of plants with sculptural form or color against the backdrop of the building.
- 11. Signs have design, scale, proportion, location and color compatible with the design, colors, orientation and materials of the building or site on which they are located; signs will be addressed by separate application and are not a part of this request.
- 12. Lighting is compatible with the proposed building(s) and adjoining buildings and uses, and does not create negative effects. Conditions have been added to assure these criteria are met.

REASONS FOR APPROVAL:

- 1. The project meets the General Plan Projected Land Use and Projected Residential Density for this site.
- 2. The project will meet the development standards required under the Zoning and Development Code.
- 3. The PAD overlay process was specifically created to allow for greater flexibility, to allow for increased heights.
- 4. The proposed project meets the approval criteria for a Planned Area Development, Use Permit and Development Plan Review.

Based on the information provided and the above analysis, staff recommends approval of the requested Planned Area Development two Use Permits and the Development Plan Review. This request meets the required criteria and will conform to the conditions.

PLANNED AREA DEVELOPMENT CONDITIONS OF APPROVAL:

EACH NUMBERED ITEM IS A CONDITION OF APPROVAL. THE DECISION-MAKING BODY MAY MODIFY, DELETE OR ADD TO THESE CONDITIONS.

General

- 1. A building permit application shall be made within one year of the date of City Council approval or the zoning of the property may revert to that in place at the time of application. Any reversion is subject to a public hearing process as a zoning map amendment.
- 2. The property owner(s) shall sign a waiver of rights and remedies form. By signing the form, the Owner(s) voluntarily waive(s) any right to claim compensation for diminution of Property value under A.R.S. §12-1134 that may now or in the future exist, as a result of the City's approval of this Application, including any conditions, stipulations and/or modifications imposed as a condition of approval. The signed form shall be submitted to the Community Development Department no later than 30 days from the date of City Council approval, or the (add request type, i.e.: Zoning Map Amendment, PAD or General Plan Map Amendment) approval shall be null and void. (Use this condition if request includes a Zoning Map Amendment, PAD, or General Plan Amendment)
- 3. The Planned Area Development Overlay for CARVANA shall be put into proper engineered format with appropriate signature blanks and kept on file with the City of Tempe's Community Development Department within sixty (60) days of the date of City Council approval and prior to issuance of building permits.

USE PERMIT CONDITIONS OF APPROVAL:

- 1. The Use Permits are valid only after a Building Permit has been obtained and the required inspections have been completed and a Final Inspection has been passed.
- 2. The Use Permits are valid for the plans as submitted within this application. Any additions or modifications may be submitted for review during building plan check process.

- 3. The hours of operation shall be no earlier than 8am and no later than 10pm.
- 4. If there are any complaints arising from the Use Permits that are verified by a consensus of the complaining party and the City Attorney's office, the Use Permit will be reviewed by City staff to determine the need for a public hearing to reevaluate the appropriateness of the Use Permit, which may result in termination of the Use Permit.
- 5. Any intensification or expansion of use shall require a new Use Permit.

DEVELOPMENT PLAN REVIEW CONDITIONS OF APPROVAL:

General

1. Except as modified by conditions, development shall be in substantial conformance with the site plan and building elevations dated January 31, 2017 and landscape plan dated January 31, 2017. Minor modifications may be reviewed through the plan check process of construction documents; major modifications will require submittal of a Development Plan Review.

Site Plan

- 2. Provide service yard and mechanical screen walls that are at least the height of the equipment being enclosed. Verify height of equipment and mounting base to ensure that wall height is adequate to fully screen the equipment.
- 3. The refuse enclosure shall be stucco finished on the exterior and painted to match the building. Provide steel gate construction with completely opaque material; provide vision portals for visual surveillance. Provide gates of height that match that of the adjacent enclosure walls.
- 4. Provide upgraded paving at each driveway consisting of integral colored unit paving. Extend this paving in the driveway from the right-of-way line to 20'-0" on site and from curb to curb at the drive edges. From sidewalk to right-of-way line, extend concrete paving to match sidewalk.
- 5. Utility equipment boxes for this development shall be finished in a neutral color (subject to utility provider approval) that compliments the coloring of the buildings.
- 6. Place exterior, freestanding reduced pressure and double check backflow assemblies in pre-manufactured, pre-finished, lockable cages (one assembly per cage). If backflow prevention or similar device is for a 3" or greater water line, delete cage and provide a masonry or concrete screen wall following the requirements of Standard Detail T-214.

Building Elevations

7. The materials and colors are approved as presented February 21, 2017:

Roof - flat

Primary Building – EFIS Dryvit sand finished white stucco shall comply with no greater than 75% light reflectance value Glazing PPG Clear 1" insulated solarban 60 low-E with 11% reflectivity

Curtain Wall Kawneer metal panel system white 1600 series system 2

Glazing PPG White 1" insulated opaque spandrel glass

Metal Trim, Canopy, Doors, etc. - Painted white, no details specified.

Provide building colors and materials with a light reflectance value of 75 percent or less. Additions or modifications may be submitted for review during building plan check process.

- 8. Provide secure roof access from the interior of the building. Do not expose roof access to public view.
- Conceal roof drainage system within the interior of the building.
- 10. Incorporate lighting, address signs, and incidental equipment attachments (alarm klaxons, security cameras, etc.) where exposed into the design of the building elevations. Exposed conduit, piping, or related materials is not permitted.

- 11. Locate the electrical service entrance section (S.E.S.) inside the building or inside a secure yard that is concealed from public view.
- 12. Upper/lower divided glazing panels in exterior windows at grade level, where lower glass panes are part of a divided pane glass curtain-wall system, shall be permitted only if laminated glazing at these locations is provided.

Lighting

- 13. Illuminate building entrances from dusk to dawn to assist with visual surveillance at these locations.
- 14. Lighting shown along south end sidewalk shall be reduced to comply with code minimum lighting levels of ½ foot candle and shall not exceed 5 foot candles.
- 15. Interior light sources shall not be visible from the exterior of the building.
- 16. Interior lighting shall not be intermittent, flashing or change colors that can be seen from adjacent roadways.
 - a. An exception shall be allowed for the ground level interior illumination to change from white to blue, as the purchased vehicles move through the corridor into the bays. This would occur during business hours only, for the transport of the vehicle to the buyer.
 - b. An exception shall be allowed for the tower element interior illumination to have seasonal color change, no more than one time per month, to remain one color (not change during the month). This interior tower illumination shall be turned off at close of business.
- 17. No exposed neon, LED or other exterior mounted building lighting shall be used to draw attention; lighting shall be appropriate for safety and circulation and compliant with dark sky requirements. Indirect exterior blue neon shall be permitted with architectural screening of the light source.

Landscape

- 18. Arterial street trees shall be a minimum of 36" box specimens and a minimum of 1 ½" caliper trunk.
- 19. The landscape plan shall add a minimum of 7 street trees on Scottsdale Road, of a species naturally grown to 25-30' in canopy width. Trees shall be located on site or in the right of way to accommodate shade to the sidewalk on the west side of Scottsdale Road. Species such as Chilopsis linearis hybrid varieties which go dormant in the winter will be acceptable; submit landscape revision to staff for final approval of species and placement of street trees prior to submittal for building permits.
- 20. Irrigation notes:
 - a. Provide dedicated landscape water meter. (for larger and/or water intensive landscape projects—this is used to separately measure landscape water and avoid a sewer charge on the water used)
 - b. Provide pipe distribution system of buried rigid (polyvinylchloride), not flexible (polyethylene). Use of schedule 40 PVC mainline and class 315 PVC ½" feeder line is acceptable. Class 200 PVC feeder line may be used for sizes greater than ½". Provide details of water distribution system.
 - c. Locate valve controller in a vandal resistant housing.
 - d. Hardwire power source to controller (a receptacle connection is not allowed).
 - e. Controller valve wire conduit may be exposed if the controller remains in the mechanical yard.
 - f. Repair existing irrigation system (on site or in the adjacent public right of ways) where damaged by work of this project. Provide temporary irrigation to existing landscape (on site or in these frontages) for period of time that irrigation system is out of repair. Design irrigation so (existing plants on site or in frontages) is irrigated as part of the reconfigured system at the conclusion of this construction.
- 21. Include requirement to de-compact soil in planting areas on site and in public right of way and remove construction debris from planting areas prior to landscape installation.
- 22. Top dress planting areas with a rock or decomposed granite application. Provide rock or decomposed granite of 2"

uniform thickness. Provide pre-emergence weed control application and do not underlay rock or decomposed granite application with plastic.

Building Address Numerals

- 23. Provide address on the building elevation facing the street to which the property is identified (Scottsdale Road).
 - a. Conform to the following for building address signs:
 - 1) Provide street number only, not the street name
 - 2) Compose of 12" high (standard for commercial), individual mount, metal reverse pan channel characters.
 - 3) Self-illuminated or dedicated light source.
 - 4) On multi-story buildings, locate no higher than the second level.
 - 5) Coordinate address signs with trees, vines, or other landscaping, to avoid any potential visual obstruction.
 - 6) Do not affix numbers or letters to elevation that might be mistaken for the address.
 - b. Utility meters shall utilize a minimum 1" number height in accordance with the applicable electrical code and utility company standards.

CODE/ORDINANCE REQUIREMENTS:

THE BULLETED ITEMS REFER TO EXISTING CODE OR ORDINANCES THAT PLANNING STAFF OBSERVES ARE PERTINENT TO THIS CASE. THE BULLET ITEMS ARE INCLUDED TO ALERT THE DESIGN TEAM AND ASSIST IN OBTAINING A BUILDING PERMIT AND ARE NOT AN EXHAUSTIVE LIST.

BASIS OF BUILDING HEIGHT: Measure height of buildings from top of curb at a point adjacent to the center of the front property line.

CIVIL ENGINEERING:

- Underground utilities except high-voltage transmission line unless project inserts a structure under the transmission line
- Coordinate site layout with Utility provider(s) to provide adequate access easement(s).
- Clearly indicate property lines, the dimensional relation of the buildings to the property lines and the separation of the buildings from each other.
- Verify location of any easements, or property restrictions, to ensure no conflict exists with the site layout or foundation design.
- 100 year onsite retention required for this property, coordinate design with requirements of the Engineering Department.

DEADLINE: Development plan approval shall be void if the development is not commenced or if an application for a building permit has not been submitted, whichever is applicable, within twelve (12) months after the approval is granted or within the time stipulated by the decision-making body. The period of approval is extended upon the time review limitations set forth for building permit applications, pursuant to Tempe Building Safety Administrative Code, Section 8-104.15. An expiration of the building permit application will result in expiration of the development plan.

DUST CONTROL: Any operation capable of generating dust, include, but not limited to, land clearing, earth moving, excavating, construction, demolition and other similar operations, that disturbs 0.10 acres (4,356 square feet) or more shall require a dust control permit from the Maricopa County Air Quality Department (MCAQD). Contact MCAQD at http://www.maricopa.gov/aq/.

FIRE: Clearly define the fire lanes. Ensure that there is at least a 20'-0" horizontal width, and a 14'-0" vertical clearance from the fire lane surface to the underside of tree canopies or overhead structures. Layout and details of fire lanes are subject to Fire Department approval.

HISTORIC PRESERVATION: State and federal laws apply to the discovery of features or artifacts during site excavation (typically, the discovery of human or associated funerary remains). Contact the Historic Preservation Officer with general questions. Where a discovery is made, contact the Arizona State Historical Museum for removal and repatriation of the items.

LANDSCAPE:

- Trees shall be planted a minimum of 16'-0" from any existing or proposed public utility lines. The tree planting separation requirements may be reduced to no less than 8'-0" from utility lines upon the installation of a linear root barrier. Per Detail T-460, the root barrier shall be a continuous material, a minimum of 0.08" thick, installed to a minimum depth of 4'-0" below grade. The root barrier shall extend 6'-0" on either side of the tree parallel to the utility line for a minimum length of 12'-0". Final approval is subject to determination by the Public Works, Water Utilities Division.
- Prepare an existing plant inventory for the site and adjacent street frontages. The inventory may be prepared by the
 Landscape Architect or a plant salvage specialist. Note original locations and species of native and "protected"
 trees and other plants on site. Move, preserve in place, or demolish native or "protected" trees and plants per State
 of Arizona Agricultural Department standards. File Notice of Intent to Clear Land with the Agricultural Department.
 Notice of Intent to Clear Land form is available at www.azda.gov/ESD/nativeplants.htm. Follow the link to
 "applications to move a native plant" to "notice of intent to clear land".

LIGHTING:

- Design site security light in accordance with requirements of ZDC Part 4 Chapter 8 (Lighting) and ZDC Appendix E (Photometric Plan).
- Indicate the location of all exterior light fixtures on the site, landscape and photometric plans. Avoid conflicts between lights and trees or other site features in order to maintain illumination levels for exterior lighting.

PARKING SPACES:

- Verify conformance of accessible vehicle parking to the Americans with Disabilities Act and the Code of Federal Regulations Implementing the Act. Refer to Building Safety ADA Accessible Parking Spaces Marking/Signage on Private Development details.
- At parking areas, provide demarcated accessible aisle for disabled parking.
- Distribute bike parking areas nearest to main entrance(s). Provide parking loop/rack per standard detail T-578. Provide 2'-0" by 6'-0" individual bicycle parking spaces. One loop may be used to separate two bike parking spaces. Provide clearance between bike spaces and adjacent walkway to allow bike maneuvering in and out of space without interfering with pedestrians, landscape materials or vehicles nearby.

POLICE DEPARTMENT SECURITY REQUIREMENTS:

- Refer to Tempe City Code Section 26-70 Security Plans.
- Design building entrance(s) to maximize visual surveillance of vicinity. Limit height of walls or landscape materials, and design columns or corners to discourage ambush.
- Maintain distances of 20'-0" or greater between a pedestrian path of travel and any hidden area to allow for increased reaction time and safety.
- Follow the design guidelines listed under appendix A of the Zoning and Development Code. In particular, reference the CPTED principal listed under A-II Building Design Guidelines (C) as it relates to the location of pedestrian environments and places of concealment.
- Provide a security vision panel at service and exit doors (except to rarely accessed equipment rooms) with a 3" wide high strength plastic or laminated glass window, located between 43" and 66" from the bottom edge of the door.

SIGNS: Separate plan review process is required for signs in accordance with requirements of ZDC Part 4 Chapter 9 (Signs). Refer to www.tempe.gov/signs.

SITE PLAN REVIEW: Verify all comments by the Public Works Department, Community Development Department, and Fire Department given on the Preliminary Site Plan Review. If questions arise related to specific comments, they should be directed to the appropriate department, and any necessary modifications coordinated with all concerned parties, prior to application for building permit. Construction Documents submitted to the Building Safety Division will be reviewed by planning staff to ensure consistency with this Design Review approval prior to issuance of building permits.

SOLID WASTE SERVICES:

- Enclosure indicated on site plan is exclusively for refuse. Construct walls, pad and bollards in conformance with standard detail DS-116.
- Refuse staging, collection and circulation must be on site; no backing onto or off of streets, alleys or paths of circulation.
- Coordinate storage area for recycling containers with overall site and landscape layout.
- Gates for refuse enclosure(s) are not required, unless visible from the street. If gates are provided, the property manager must arrange for gates to be open from 6:00am to 4:30pm on collection days.

STANDARD DETAILS:

- Access to Tempe Supplement to the M.A.G. Uniform Standard Details and Specifications for Public Works
 Construction, at this link: http://www.tempe.gov/city-hall/public-works/engineering/standards-details or purchase book from the Public Works Engineering Division.
- Access to refuse enclosure details DS116 and DS118 and all other Development Services forms at this link: http://www.tempe.gov/city-hall/community-development/building-safety/applications-forms. The enclosure details are under Civil Engineering & Right of Way.

TRAFFIC ENGINEERING:

- Construct driveways in public right of way in conformance with Standard Detail T-320.
- Correctly indicate clear vision triangles at both driveways on the site and landscape plans. Identify speed limits
 for adjacent streets at the site frontages. Begin sight triangle in driveways at point 15'-0" in back of face of
 curb. Consult Intersection Sight Distance memo, available from Traffic Engineering if needed
 www.tempe.gov/index.aspx?page=801. Do not locate site furnishings, screen walls or other visual obstructions
 over 2'-0" tall (except canopy trees are allowed) within each clear vision triangle.

WATER CONSERVATION: Under an agreement between the City of Tempe and the State of Arizona, Water Conservation Reports are required for landscape and domestic water use for the non-residential components of this project. Have the landscape architect and mechanical engineer prepare reports and submit them with the construction drawings during the building plan check process. Report example is contained in Office Procedure Directive # 59. Refer to this link: www.tempe.gov/modules/showdocument.aspx?documentid=5327. Contact the Public Works Department, Water Conservation Division with questions regarding the purpose or content of the water conservation reports.

ZONING AND DEVELOPMENT CODE:

Specific requirements of the Zoning and Development Code (ZDC) are not listed as a condition of approval, but
will apply to any application. To avoid unnecessary review time and reduce the potential for multiple plan check
submittals, become familiar with the ZDC. Access the ZDC through www.tempe.gov/zoning or purchase from
Community Development.

HISTORY & FACTS:

1935-1959	Historic Aerials from Flood Control District of Maricopa County show raw desert at this location.	
1960	Property Record Card indicates building constructed in 1960	
1969 – 1979	Aerials indicate commercial/industrial type uses on the sites.	
1993	Aerial images show apartments built to the west, a single building along the established Gilbert Drive alignment, and construction for the freeway entrance ramps on Scottsdale Road.	
August 19, 1993	Use Permit was approved for Retail Sales of sailboats and parts in GID.	
June 28, 1995	The Board of Adjustment approved the following entitlements for Tombstone Brewery: Use Permit for a microbrewery and bar in GID; and Use Permit to allow an outdoor recreation area; and	

PL160462 – CARVANA Page 12

Variance to reduce the required parking from 78 to 69 spaces; and

Use permit to allow outdoor dining; and

	Variance for removal of 9 trees in the south west corner of the property
July 3, 2007	Community Development Planning staff administratively approved Development Plan Review for building modifications for Crazy Fish 202 Sushi.
November 7, 2012	Hearing Officer approved a request for a Use Permit for live entertainment for Pho Cao Restaurant located at 710 E Gilbert Drive.
1997-2015	The lot configuration and existing building has remained relatively unchanged, with access from Gilbert Drive.
June 25, 2015	Arizona Department of Transportation issued a Resolution of Abandonment for right-of-way along Gilbert Drive and College Avenue, lying north and south of the State Route 202.
December 3, 2015	City Council approved an Ordinance to abandon the Gilbert Drive right-of-way and to enter into a Development and Disposition Agreement with Vintage Partners LLC to allow, among other things, the design and construction of a new Gilbert Drive alignment. This agreement requires commencement of construction of the relocated drive by June 30, 2016, substantial completion of the relocated drive by January 31, 2017 and installation of landscape material along the new street alignment by January 31, 2018.
May 10, 2016	Development Review Commission heard and approved the request for a Preliminary Subdivision Plat for this site.
June 23, 2016	City Council approved the request for a Final Subdivision Plat for this site to incorporate existing right of way and three parcels into a single lot and dedicate new right of way.
March 14, 2017	Development Review Commission is scheduled to hear a request for a Planned Area Development Overlay, Development Plan Review for an on-line pre-owned vehicle retail store, a use permit to allow vehicle sales in the GID district and a use permit to exceed the maximum allowed surface parking for CARVANA located at 706 N Scottsdale Road.
April 20, 2017	City Council is scheduled for a first public hearing for the PAD and Development Plan Review request.
May 4, 2017	City Council is scheduled for a second public hearing for the PAD and Development Plan Review.

ZONING AND DEVELOPMENT CODE REFERENCE:

Section 6-305, Planned Area Development (PAD) Overlay districts Section 6-306, Development Plan Review Section 6-308, Use Permit



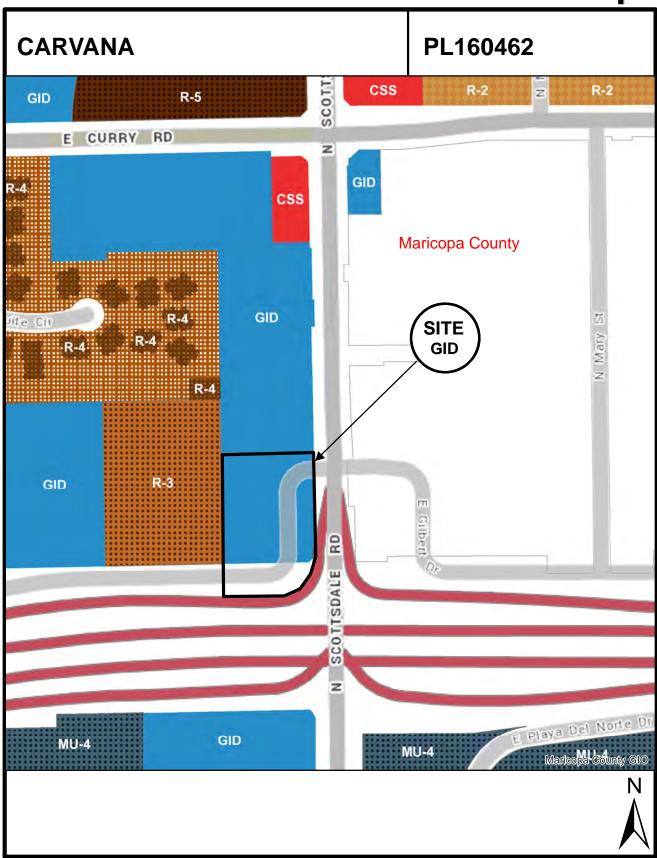
DEVELOPMENT PROJECT FILE

for CARVANA (PL160462)

ATTACHMENTS:

1.	Location Map
2.	Aerial
3-31.	Letter of Explanation and Exhibits
32.	Site Aerial with Site Plan Overlay
33-34.	Planned Area Development Cover Sheet and Site Plan
35.	Landscape Plan
36.	Floor Plan
37-40.	Blackline and Color Elevations
41.	Building Section
42-59.	Summary of Public Involvement (provided by applicant)
60-61.	Waiver of Rights and Remedies

T Tempe



Location Map



CARVANA PL160462





Project Narrative For PAD Rezoning, Development Plan Review and Use Permits

Submitted by:
Manjula Vaz
Gammage & Burnham, P.L.C.
Two North Central Avenue
15th Floor
Phoenix, AZ 85004

Submitted to:

The City of Tempe Community Development 31 East Fifth Street Tempe, AZ 85281

1st Submittal - December 20, 2016 2nd Submittal - February 3, 2017



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Section 1. Introduction

Introduction

Gammage & Burnham is pleased to submit this project narrative statement on behalf of Carvana, LLC (the "Applicant") to the City of Tempe. This narrative is being provided in support of four applications to the City which will allow for the development of a Carvana vehicle fulfillment center on approximately 2.03 gross acres located at the northwest corner of the intersection of the Loop 202 / Red Mountain Freeway and N. Scottsdale Road (the "Property"). Included as part of the applications, are the following requests (the "Applications"):

- 1. A PAD overlay to establish site specific development standards;
- 2. A Development Plan Review for site and landscape plans and building elevations and materials;
- 3. A Use Permit to allow automobile sales in the General Industrial ("GID") zoning district; and
- 4. A Use permit to allow surface parking exceeding 125% of the parking amount required by the Zoning and Development Code ("ZDC")

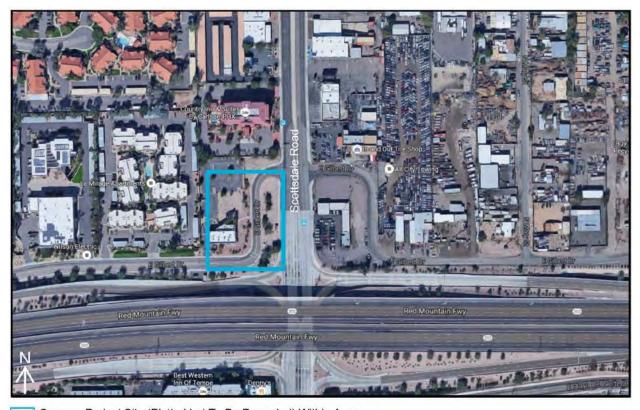
As described within this narrative, Carvana is an online automotive retailer that was created with the specific intent of disrupting the used car industry. Through a robust, user-friendly website, Carvana offers pre-owned vehicles for sale and provides buyers the opportunity for a 360° view of the vehicle prior to purchase. Customers are given a 7-day test drive and delivery of the vehicle can be made in as little as 24 hours.

Carvana's proposed use differs significantly from traditional automobile sales. Rather than utilizing large surface parking areas to store and display vehicle inventory on-site, customers look at and purchase a pre-owned vehicle online. Carvana then implements the online sale of the vehicle by transporting the vehicle to a Carvana fulfillment center where the car is made available for customer pickup via a state of the art "vending machine" structure. Through the use of the "vending machine", Carvana has transformed the stress-filled car buying experience into an entertainment experience. The vending

machine allows pre-purchased vehicles to be stacked in a temporary vertical configuration until they are retrieved by their purchasers. Please refer to the Conceptual Development Plan discussion in this narrative for more information concerning Carvana's business and operations and the proposed vending machine for the Property.

Project Location and Ownership

Carvana is purchasing the 2.03+/- acre parcel generally located at the northwest corner of the Loop 202 / Red Mountain Freeway and N. Scottsdale Road. The Property is a platted lot to be recorded within the area identified on the aerial photograph below and provided as **Exhibit 1** of this narrative.



Carvana Project Site (Platted Lot To Be Recorded) Within Area

About Carvana

Carvana is an online automotive retailer that was created with the specific intent of disrupting the used car industry. Through a robust, user-friendly website, Carvana offers pre-owned vehicles for sale and provides buyers the opportunity for a 360° view of the vehicle prior to purchase. Customers are given a 7-day test drive and delivery of the vehicle can be made in as little as 24 hours.

- Carvana was founded in 2012 as an online automotive retailer. Carvana has been described as a "Zappos for cars" and provides the ability for customers to buy a used car in as less than 20 minutes.
- In 2015, Forbes magazine ranked Carvana #5 on its "Most Promising Companies" list.
- Carvana has current revenues in excess of \$350,000,000.
- Carvana began its operations in Atlanta, Georgia in 2012, and is now the 2nd largest pre-owned automotive retailer in the state of Georgia.
- Through the use of a coin-operated "vending machine" Carvana delivers cars to buyers in an entertaining and memorable way.
- Carvana currently operates a car vending machine in Nashville, Tennessee and Houston, Texas. Five more are under construction in Dallas, San Antonio and Austin, Texas, as well as Tampa and Jacksonville, Florida.

The purpose of these Applications is to facilitate the development of a new building specially designed for the pickup of vehicles ordered online at Carvana.com. With the development of its car vending machine property, Carvana will provide a non-traditional bricks-and-mortar identity for those valley consumers who want to establish an in-person relationship with their car retailer. Visitors to the vending machine are welcomed by appointment-only. The standard business hours of operation are daily from 9am to 7pm.

Project Description

Behold: a 93-foot vending machine that dispenses cars!



Architecture and Engineering

As shown in the artist's rendering above and in **Exhibit 2** of this statement, the Carvana fulfillment center features an award-winning, contemporary, single-story building connected to a 93-foot glass and steel tower. Inside the tower are cars which have been previously purchased and are ready to be picked up by their owners. Prior to picking up their cars, the owners have been mailed a token which will activate the vending machine. After completing some quick paperwork at the welcome center, buyers place their token in the vending machine, and their car is brought down from the tower via a proprietary automated delivery system and delivered to one of the delivery bays on the Property.





Carvana's lift system is designed and manufactured by Otto Nussbaum GmbH & Co, a global supplier of automotive service lifts. From a location in Gastonia, North Carolina, Nussbaum manufactures the lift systems, then transports them and installs them in the sleek glass and steel Carvana towers.

Site size

Carvana packs a lot of excitement into a small site. While most traditional car dealers require 10 to 20 acres to house their showrooms and inventory, Carvana requires only 1 to 2 acres for their vending machine locations. On this smaller, more environmentally friendly footprint, Carvana is able to comfortably place the vending machine tower, welcome and fulfillment center, customer parking, landscaping and stormwater retention. While other traditional car dealers require hundreds of parking stalls to house their inventory and accommodate customers, Carvana requires only 35 to 50 spaces. These spaces accommodate the parking needs of employees and visitors, and cars which have been delivered to the site but have not yet been loaded into the vending machine tower.

The Carvana Difference

The Carvana Difference			
Traditional Automobile Dealers	Carvana		
10 to 20 acres	1 to 2 acres		
30,000+ building square footage	+/- 8,300 building square footage		
Over 650 parking spaces	35 –50 spaces		
Vehicles are displayed for sale	Vehicles are pre-sold, awaiting customer		
	pickup		
Walk-ins are welcome and encouraged	Customers are by appointment-only		
Large areas of impervious surfaces	Small areas of impervious surfaces		
Environmental waste products	No environmental waste products		
Fuel pumps	No fuel pumps		

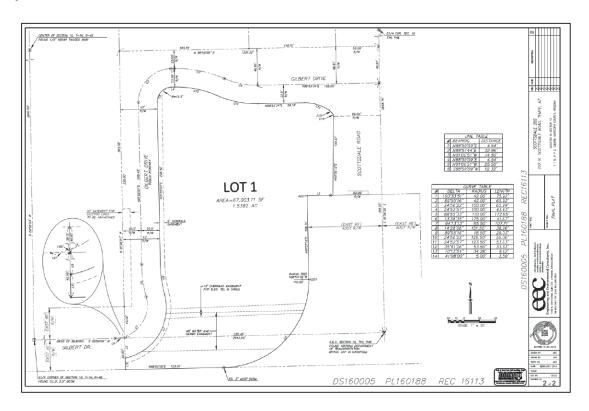


Section 2. Existing Designations and Site Conditions

Existing Topography and Site Conditions

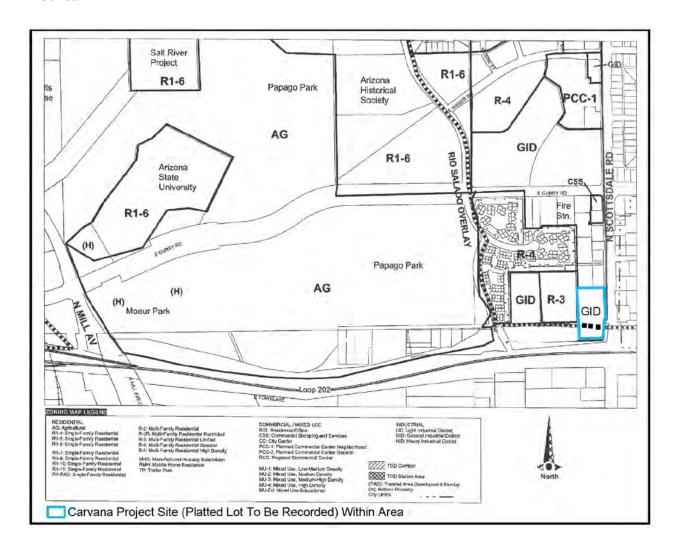
The rectangular-shaped property is currently vacant and has recently been configured to allow for the realignment of Gilbert Drive. It is flat and therefore unremarkable in its topography.

The Property is currently undergoing redevelopment by Vintage Partners. Once the Property's is reconfiguration is complete, it will appear as shown as Lot 1 on the plat depicted below. While the newly configured roadway will create a larger, more developable site, the remaining 1.54 net acres of Property are encumbered on the south and east by significant Arizona Department of Transportation rights-of-way and other utility easements.



Zoning Classification

As reflected by the zoning map provided below, the Property is zoned for General Industrial ("GID") uses subject to the approval of a Use Permit, vehicle sales are permitted in the GID district. A portion of the Property is also located within the Rio Salado Overlay District.



Surrounding Land Uses and Zoning

The table below indicates the existing use, the projected General Plan land use designation and zoning classifications of the parcels surrounding the Property.

Location	Existing Use	General Plan Designation	Zoning Classification
North	Baymont Hotel	Mixed Use	GID
South	202 Freeway and Best Western Hotel	Mixed Use	GID
East	Auto Sales, Jewelry and Loans	None	Maricopa County IND-2
West	LaMirage Apartments	Residential	R-3
Project Site	Vacant	Mixed Use	GID



Section 3. PAD Overlay Zoning Request

Site Plan

Consistent with the surrounding commercial uses in the immediate vicinity, Carvana will be developing the Property for use as a distinct and very unique automobile sales facility. Automobile sales facilities are permitted in the GID zoning district, upon the approval of a Use Permit.

The Carvana automotive fulfillment center and vending machine features a contemporary, single-story building connected to a 10-tier, 93-foot glass and steel tower. As shown on the site plan provided within the drawings set included as part of the applications submittal package and as **Exhibit 3**, the building is oriented on the Property so that the vending machine component is most visible from the 202 Freeway. The welcome center and delivery bays face Scottsdale Road. Parking on the Property is placed between the building and Gilbert Drive and along the southern edge of the Property.

Phasing

All proposed development associated with the Applications will be undertaken in a single phase.

Circulation

Employees and customers will visit the Property using one of the driveways off Gilbert Drive. Upon entry into the Property, customers will be directed to park in any of the 15 spaces provided to the north and east of the building. Two ADA parking spaces will be provided in proximity to the building's main entrance.

Trucks that will be delivering vehicles to the Property will enter off of the second driveway on Gilbert Drive and proceed down the drive aisle on the south side of the building. The cars will be off-loaded to the parking spots along the western boundary of the Property and will then be loaded one-by-one into the Vending Machine. Accordingly, all delivery

truck activities will be entirely accommodated on site. After the delivery of vehicles to the Property has been completed, the delivery truck will exit the Property making a right turn onto Gilbert Drive, and a right turn on to Scottsdale Road. All deliveries to the Property will be made via Carvana-owned car haulers during normal business hours.

Traffic

Carvana engaged Lenhart Traffic Consulting to perform an evaluation of our vending machine in Gaithersburg, Maryland, in order to provide a Traffic Impact Statement. The statement, which is included as part of the applications submittal package, concludes that a Carvana fulfillment and welcome center typically generates only 16 trips during the peak morning hours, and 21 trips during the peak evening hours. While not market-specific, this statement is consistent with and accurately analyzes and represents Carvana's daily operational details.

Landscaping

The Tempe Zoning and Development Code requires properties within the GID zoning district a minimum of 10% of the net site area to be landscaped. As shown on the Landscaping Plan provided in the drawings set included as part of the Applications submittal package and as **Exhibit 4**, the proposed Carvana development features +/-34% of the net site area as landscaping. Moreover, the provided landscaping has been designed to both complement the landscaping installed as part of the new configuration of Gilbert Drive and to blend with the existing landscaping within the adjoining ADOT right-of-way. In addition, City of Tempe planting guidelines will be followed, and the proposed plant palette has been designed using plants from the plant list found in Appendix A of the Zoning and Development Code.

Signage

Upon approval of the Development Plan Review, Carvana will submit a sign package which will comply with applicable signage standards outlined in Section 4-902 of the Zoning and Development Code.

Lighting

All lighting within the proposed development will be designed to comply with Chapter 8 of the Zoning and Development Code- Lighting. The lighting will be designed to ensure adequate way-finding, promote CPTED principles, and minimize light intrusion into adjacent properties.

As shown on the photometric model provided in the drawings set included as part of the applications submittal package, the Carvana vending machine emits no foot candles of illumination at a distance of 50-feet from the building. There will be no light intrusion onto adjacent properties, as the closest property line is +/- 53.5 feet from the tower.

Impact on Proposed Development on Surrounding Properties

The proposed development will have a positive aesthetic impact on the surrounding area. The new, gleaming Carvana tower will replace the vacant lot, completing the commercial development of the area and adding an additional element of vitality to the area. The operational impact on the surrounding properties will be minimal. Carvana's hours of operation are reasonable: daily from 8:00 a.m. until 10:00 p.m., and by appointment only. Twenty employees will make daily trips to the site and a stinger-delivery vehicle will deliver cars to the Property during normal business hours.

The use of the Property is only for the delivery and fulfillment of vehicles which have been previously ordered online. No auto repair services or ancillary repair-type uses typically associated with traditional car dealers will be located on the Property. There will be also no emission of odor, dust, gas, noise, vibration, smoke, heat or glare beyond those of ambient conditions from the proposed facility.

Additionally, the proposed commercial use of this Property will have little-to-no impact on the public facilities and services in the City of Tempe.

Development Standards Analysis

This PAD Overlay request is being made to increase the height limit in the underlying GID zoning district from 35 feet to 93 feet, as well as to reduce the street side parking setback associated with the GID district from 20 to 10 feet. As demonstrated in the table below, all other development standards associated with the underlying GID zoning will be satisfied.

PROJECT DATA TABLE			
ZONING DISTRICT AND OVERLAY TABLE 4-20	GID ZONE	PROPOSED PAD	
PARCEL NUMBERS	132-03-005D, -007C, -007F	132-03-005D, -007C, -007F	
GENERAL PLAN LAND USE	MIXED USE	MIXED USE	
SITE AREA	67,003 SF (1.54 AC)	67,003 SF (1.54 AC)	
BUILDING AREA		8,262 SF	
BUILDING HEIGHT	35 FEET	93 FEET	
MAXIMUM LOT COVERAGE	NS	NS (+/- 13% PROVIDED - 8,262 SF / 67,003 SF)	
MINIMUM LANDSCAPE AREA	10% (6,700 SF)	10% (+/- 34% PROVIDED - 22,827 SF / 67,003 SF)	
SETBACKS			
FRONT (NORTH – GILBERT DRIVE)	25 FEET	25 FEET (77 FEET PROVIDED)	
PARKING	20 FEET	20 FEET(26 FEET PROVIDED)	
EAST STREET SIDE (SCOTTSDALE ROAD)	25 FEET	25 FEET (35 FEET PROVIDED)	
WEST STREET SIDE (GILBERT DRIVE)	25 FEET	25 FEET (78 FEET PROVIDED)	
REAR (SOUTH)	0 FEET	0 FEET (118 FEET PROVIDED)	
STREET SIDE PARKING			
WEST (GILBERT DRIVE)	20 FEET	10 FEET (13 FEET PROVIDED)	
EAST (SCOTTSDALE ROAD)	20 FEET	20 FEET (21 FEET PROVIDED)	
PARKING			
VEHICLE PARKING FOR AUTO SALES	28 SPACES	37 SPACES	
BICYCLE PARKING FOR AUTO SALES	4 SPACES	4 SPACES	



Section 4. Required Findings

The City of Tempe Zoning and Development Code outlines approval criteria for the various applications contained in this request. In this section, each of the applications and the required findings will be reviewed and discussed. The required findings are shown in italics, and the manner in which this application meets each of the findings is shown in boldface.

PAD Overlay District Applicability

As expressed in Section 5-401 of the Tempe Zoning and Development Code, the purpose of a Planed Area Development ("PAD") Overlay District is to accommodate, encourage and promote innovatively designed developments which may involve residential or non-residential uses. PAD's may be large-scale developments, mixed-use developments, or "small scale projects which require flexibility because of unique circumstances or design characteristics." The PAD zoning tool is an explicit recognition in the ZDC that adherence to a traditional pattern of development standards within a zoning district would preclude the application. The Carvana Vending Machine and Welcome Center is unlike any automotive dealer in the City of Tempe; accordingly, the ZDC has not contemplated a small-scale, automotive use with a vertical format. The unique format of the proposed development makes it appropriate for the PAD Overlay zoning tool.

As required in Section 6-305.D:1 of the Zoning and Development Code, the following criteria must be addressed:

1. The development fulfills certain goals and objectives in the General Plan, and the principles and guidelines of other area policy plans. Performance considerations are established to fulfill those objectives;

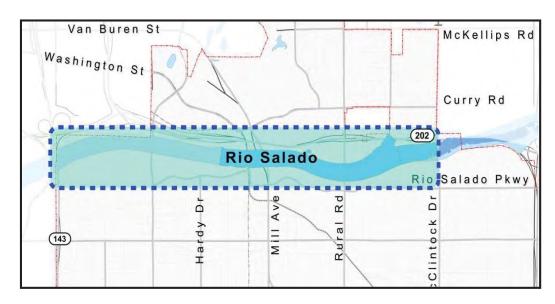
The proposed Carvana welcome and fulfillment center implements Land Use Element #4, which seeks to "encourage a balanced community with a diversity of uses and employment opportunities." Similarly, the proposed use implements Land Use Element #6, which "promotes compact, efficient infill development." The configuration of this small, remnant parcel at the junction of the 202 freeway and Scottsdale Road would preclude many

different types of development. Lack of access makes it particularly ill-suited for traditional retail or residential development. What others may perceive as a negative, Carvana perceives as opportunity—this Property is ideal for the "low-footprint" retail format that Carvana uses, and is perfectly suited for an appointment-only fulfillment center.

The proposed 93-foot building height implements the Community Design Principle of Articulation, while the award winning architecture demonstrates innovation and provides a creative use for a long-neglected piece of property.

With the approval of this development, the City will further Economic Development Objective #1—sustaining a business climate that fosters private business investment. Additionally, the City would demonstrate flexibility in a changing economy (Objective #4) and foster an atmosphere which supports cutting edge development trends. By attracting a business that provides jobs paying wages at or above the regional average, the City will be acting in furtherance of Objective #5 in the Economic Development Element of the General Plan.

Finally, the Property is located within the Rio Salado Growth Area designated by the General Plan, as shown below:



The proposed development is consistent with the Rio Salado Growth Area in that it introduces a new pattern of development to the north Tempe area, and employs cutting edge architecture. Carvana has been dubbed "the new, urban solution to car buying" and uses modern technologies which will result in an exciting and innovative car-buying experience for customers from all over the valley. This development proposal supports Rio Salado Growth Area Objective #1, which is "to attract distinct development to Rio Salado through the use of high quality architecture and landscape design."

2. Standards requested through the PAD Overlay District shall take into consideration the location and context for the site for which the project is proposed;

The only deviations being requested with this PAD Overlay request is an increase in the height limit in the underlying GID zoning district from 35 to 93 feet and a reduction of the street side parking setback along the Property's Gilbert Drive frontage from 20 to 10 feet. The deviations are appropriate for the proposed Carvana development due to the heights and parking setbacks that have already been established at this gateway location into Tempe. As shown below, building heights in this area for built and approved projects range from 50' to 278'. The slender nature of the tower will minimize the impact of the height in this area, while allowing for maximum visibility from both Scottsdale Road and the 202 Freeway.



3. The development appropriately mitigates transitional impacts on the immediate surroundings.

The scale of the proposed building is appropriate in the context of the existing and approved development patterns within the surrounding area. Furthermore, the slender nature of the proposed vending machine minimizes the impact of the tower's height on the surrounding area, while allowing for maximum visibility from both Scottsdale Road and the 202 Freeway. The site circulation has also been planned to minimize conflicts between pedestrian and vehicular movements to the extent possible. Additionally, site lighting has been designed to ensure that no light intrusion onto adjacent properties will occur.

Development Plan Review Approval Criteria

As outlined in Section 6-306(D) of the Zoning and Development Code, Development Plan approval shall be based upon consideration of the following criteria.

- 1. Placement, form, and articulation of buildings and structures provide variety in the streetscape;
- 2. Building design and orientation, together with landscape, combine to mitigate heat gain/retention while providing shade for energy conservation and human comfort;
- 3. Materials are of a superior quality, providing detail appropriate with their location and function while complementing the surroundings;
- 4. Buildings, structures, and landscape elements are appropriately scaled, relative to the site and surroundings;
- 5. Large building masses are sufficiently articulated so as to relieve monotony and create a sense of movement, resulting in a well-defined base and top, featuring an enhanced pedestrian experience at and near street level;
- 6. Building facades provide architectural detail and interest overall with visibility at street level (in particular, special treatment of windows, entries and walkways with particular attention to proportionality, scale, materials, rhythm, etc.) while responding to varying climatic and contextual conditions;
- 7. Plans take into account pleasant and convenient access to multi-modal transportation options and support the potential for transit patronage;
- 8. Vehicular circulation is designed to minimize conflicts with pedestrian access and circulation, and with surrounding residential uses;

- 9. Plans appropriately integrate Crime Prevention Through Environmental Design (CPTED) principles such as territoriality, natural surveillance, access control, activity support, and maintenance;
- 10. Landscape accents and provides delineation from parking, buildings, driveways and pathways;
- 11. Signs have design, scale, proportion, location and color compatible with the design, colors, orientation and materials of the building or site on which they are located; and
- 12. Lighting is compatible with the proposed building(s) and adjoining buildings and uses, and does not create negative effects.

As previously discussed, the Property is located within an urban environment featuring a variety of uses, as well as existing and approved building heights up to 278 feet. The Project's building and landscape elements have been designed with the context of the area in mind. The proposed 93-foot building height works well within the context of the existing 50-foot building height immediately to the north, as well as the building heights up to 85 feet within the Playa del Norte development to the southeast, and the approved building heights up to 278 feet within the planned Watermark development to the south. provision of the substantial amount of landscape coverage within the Property is also more than appropriate for an infill property within an urban environment. The proposed landscape palette along Scottsdale Road and Gilbert Drive will also further establish and contribute to a pedestrian friendly environment along street frontages within Tempe. The proposed landscape and hardscape improvements will delineate walkways, driveways, drive aisles and parking areas from the public right-of-way, as well as the Project's building. Appropriate trees and enhanced landscaping and hardscape materials will be placed along the Property's street frontages and throughout Project's interior parking area to distinguish pedestrian areas. The selected landscape and hardscape materials will also create an aesthetically pleasing and comfortable environment for pedestrians passing by the Property.

Though the primary goal of the Applications is to accommodate an automotive use, it is worth noting that the Property is located within walking distance of two existing bus stops along the west side of Scottsdale Road. The bus stops are respectively located approximately 900 feet to the north and approximately 900 feet south of the Property. To further encourage the use of the various transportation options available within Tempe, the Project will be providing four bike spaces for the use of employees and customers, and will maintain the sidewalk linkages from Gilbert Drive to Scottsdale Road.

The Project's vehicular circulation has been designed to minimize conflicts between pedestrian and vehicle movements to the extent possible. As reflected by the site and landscape plans included as part of the Applications package, the Project provide connectivity to the walkways along both Scottsdale Road and Gilbert Drive. Vehicular access to the Project will be accessed entirely via Gilbert Drive, which will eliminate the need for any curb cuts along the Site's Scottsdale Road frontage.

Crime prevention and the security of employees and customers alike are critical factors that have been seriously considered and incorporated into the Project's overall design. The storefront windows and open sidewalks provide for natural surveillance from the building to the Property's frontages. Sidewalks and parking areas will be well illuminated and the provision of security will be considered as needed.

The Project's signage plan is not included as part of the Applications submittal. A signage plan will be prepared and processed for the Project at later date. The signage plan will ensure that that the design, scale, proportions, location and color of any signage to be provided on the Property are compatible with the Project's design and use, as well as adjoining and nearby uses.

The Project's lighting will be compatible with the proposed uses, as well as adjoining and nearby buildings and uses. The lighting will not adversely impact the Project's use nor adjoining and nearby uses.

Use Permit Approval Criteria

As previously noted, Carvana is seeking two separate Use Permits. Specifically:

- 1. A Use Permit to allow for automotive sales in the General Industrial District, and
- 2. A Use Permit to allow surface parking in excess of 125% of the required parking for the site.

As established in Section 6-308 of the City of Tempe Zoning and Development Code, a use permit shall be granted only upon a finding by the decision-making body, that the use covered by the permit, the manner of its conduct, and any building which is involved, will not be detrimental to persons residing or working in the vicinity, to adjacent property, to the neighborhood, or to the public welfare in general, and that the use will be in full

conformity to any conditions, requirements, or standards prescribed therefore by this Code.

The proposed Carvana fulfillment center will not be detrimental to the public health, safety or welfare of the Community. It does not create a risk for hazard, nuisance or damage from explosion, fire, smoke, dust, contamination or vibration. The proposed use for this Property is intended solely for the delivery and pick-up of pre-owned vehicles that have previously been purchased on-line. Neither the automotive sales use, nor the additional parking requested will be detrimental to the community.

Additionally, the following criteria must also be met:

1. The proposed use will not create a significant increase in vehicular or pedestrian traffic;

There will be few, if any, pedestrian trips to the Carvana development site. Customers come to the center after purchasing a car online, and typically arrive by vehicle with friends or family members who bring them to the center so they may receive their new car. To evaluate traffic generated by the vending machine, Carvana engaged Lenhart Traffic Consulting of Baltimore, Maryland to provide a Traffic Impact Statement, which is included as part of the applications submittal package. The statement concludes that a new Carvana fulfillment and welcome center will generate only 16 trips during the peak morning hours, and 21 trips during the peak evening hours. While not market-specific, the Traffic Impact Statement demonstrates the relative passive nature of the proposed use at this location.

2. The proposed use will not create a nuisance arising from the emission of odor, dust, gas, noise, vibration, smoke, heat, or glare at a level exceeding that of ambient conditions;

The proposed development will have a positive aesthetic impact on the surrounding area. The site is currently vacant. The new, gleaming Carvana tower will replace the former sushi restaurant which has been torn down. The operational impact on the surrounding area will be minimal. Carvana's hours of operation are consistent with other retail stores in the area, and the delivery of vehicles is consistent with other delivery of goods occurring in this predominately commercial area. In addition, the pick-up of vehicles by customers at the center will be by appointment only. Twenty-five employees will make daily trips to the site and a stinger-delivery vehicle will deliver cars

to the site during normal business hours. All activities at the site take place within the enclosed structure. Accordingly, there will be no emission of odor, dust, gas, noise, vibration, smoke, heat or glare from the proposed facility exceeding that of ambient conditions.

3. The proposed use will not contribute to the deterioration of the neighborhood or downgrade property values, nor will it be in conflict with the goals, objectives or policies for rehabilitation, redevelopment or conservation as set forth in the city's adopted plans or General Plan;

The proposed use will not contribute to the deterioration of the neighborhood nor will it downgrade property values. On the contrary, the proposed use will have a positive aesthetic impact on the immediate area. Moreover, Carvana will be making a large investment in this area which, hopefully, will spur other investment and development in north Tempe. Additionally, as discussed above, the Project is not conflict with the goals, objectives and policies of the City of Tempe General Plan 2040.

4. The proposed use is compatible with existing surrounding structures and uses;

The proposed development will improve a vacant commercial property surrounded by other commercially developed properties. The architecture and scale are consistent with the established vision of the 202/Scottsdale Road corner. Moreover, Carvana is proposing a unique commercial use in an area of the City that is encouraged for more intense commercial development. The building height is consistent with many of the other recently-developed properties in this area. Additionally, the building height is consistent with a number of approved projects in this same area. Carvana's hours of operation are consistent with other retail stores in the area, and the delivery of vehicles is consistent with other delivery of goods occurring in the predominately commercial area. Traffic to the site resulting from the development of the Project will be lighter than other potential retail uses Additionally, the building architecture is consistent with the progressive commercial developments that have recently been constructed and/or planned in the vicinity.

5. There will be adequate control of behavior both inside and outside the premises, and will not create a nuisance to the surrounding area or general public.

As previously mentioned, all of the activities at the Carvana welcome and fulfillment center take place inside the enclosed structure. Customers will come to the center by appointment only and deliveries will be made to the Property during normal business hours. Additionally, the Property will be protected by cameras. The cameras will monitor the Property 24-hours a day. Electronic security systems will also be employed after business hours to prevent unwanted entries onto the Property.

Land Use Summary

As discussed above, these requests associated with the Applications are consistent with meet the required criteria for approving the requested PAD Overlay zoning and Use Permits.



Section 5: Development Team

Representative/Land Use Counsel Gammage & Burnham

Manjula Vaz

Two North Central Avenue, 15th Floor

Phoenix, AZ 85004

602-256-4461

Applicant/Purchaser/Owner Carvana, LLC.

Vanessa Macdonald, Entitlement Manager

4020 East Indian School Road

Phoenix, AZ 85018

480-620-6627

Architect WHN+ Architects

Jim Hodges

330 West 10th Street Charlotte, NC 28202

703-333-9952

Landscape Architect the design element, pllc

Mark Beyer

2211 East Highland Avenue, Suite 120

Phoenix, AZ 85016

Engineer Kimley-Horn

Heather D. Roberts, PE

7740 North 16th Street, Suite 300

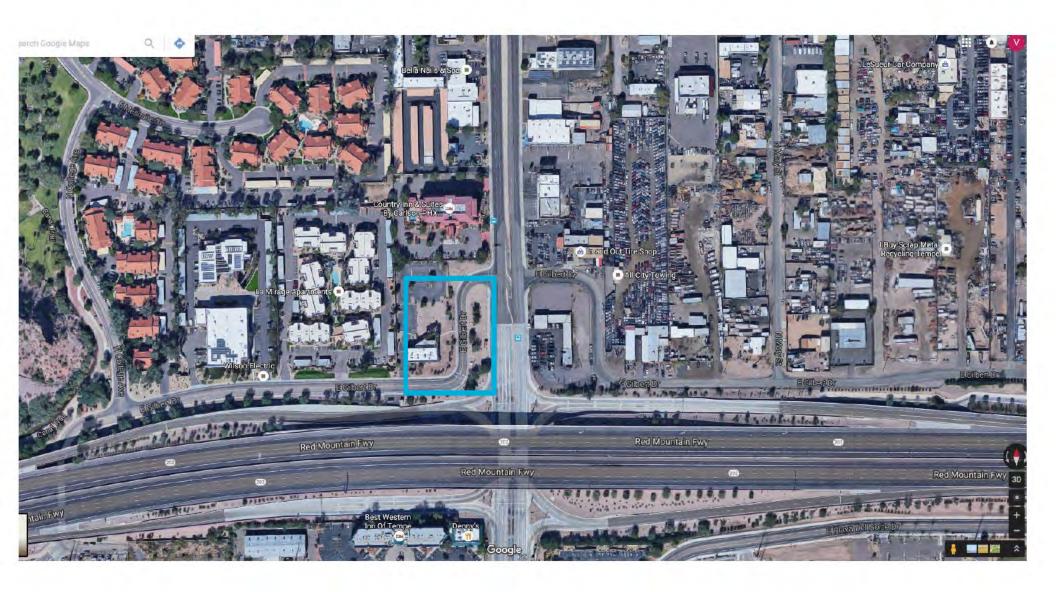
Phoenix, AZ 85020



Section 6: Conclusion

The proposed development embodies the principal of infill development. By taking a vacant commercial property and repurposing it for a new, modern business that delivers it's product in an environmentally friendly manner, Carvana is helping to conserve land and promoting environmental stewardship. Additionally, by absorbing vacant property and bringing a new, successful business to Tempe, tax dollars will be generated which will contribute to the overall economic health of Tempe, Maricopa County and the State of Arizona.

The development team looks forward to working with the City of Tempe to make the vision for this Property a reality. We look forward to receiving input on our applications. If approved, these requests will bring a new and exciting company to the City and will be the first Carvana vending machine facility in the Phoenix metropolitan area. The vending machine, welcome and fulfillment center will provide the residents of Tempe and the entire valley with a new and exciting retail car buying experience. We look forward to talking to you about this concept in the near future.





PLANNED AREA DEVELOPMENT OVERLAY FOR CARVANA

A PORTION OF THE SOUTHEAST QUARTER OF SECTION 10, TOWNSHIP 1 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA

Kimley » Horn

ARVANA **(**

CARVANA - TEMPE PLANNED AREA DEVELOPMENT OVERLAY COVER

PROJECT NO. 291054001

SCALE (H): NONE DRAWN BY: CK DESIGN BY: HR/EV CHECK BY: HR

CV1.0

ACKNOWLEDGEMENT

ON THIS DAY OF 2017 BEFORE ME, THE UNDERSIONED, PERSONALLY APPEARED WHO ACKNOWLEDGED HIMSELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE PORECOMEN INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF; I HEREUNTO SET MY HAND AND OFFICIAL SEAL

BY: NOTARY PUBLIC MY COMMISSION EXPIRES

OWNER AUTHORIZATION

CARVANA, LLC. AN ARIZONA LIMITED LIABILITY COMPANY:

LEGAL DESCRIPTION

A PORTION OF THE SOUTHEAST QUARTER 10 SITUATED WITHIN TOWNSHIP 1 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERBIDIAN, MARICOPA COUNTY, ARIZONA MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE SOUTH 355.00 FEET OF THE EAST HALF OF THE EAST HALF OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF THE GLOBAL TRIVER MEDIAN, MARICOPA COUNTY, ARTZONA.

EXCEPT THE EAST 55.00 FEET; AND EXCEPT THE SOUTH 40.00 FEET:

AND EXCEPT THAT PART OF THE SOUTHEAST QUARTER OF SECTION 10 DESCRIBED AS FOLLOWS:

THENCE SOUTHWESTERLY TO A POINT ON A LINE PARALLEL TO AND 40.00 BEING 20.00 FEET WEST OF THE POINT OF BEGINNING;

APPROVAL BY THE MAJOR AND THE CITY COUNCIL OF THE CITY OF TEMPE ON THIS _________, 2017.

DATE

OWNER/DEVELOPER

CASYANA. LLC
4020 E INDIAN SCHOOL ROAD
PHOENIX, AZ 85018
TEL NO. (480) 620-6627
CONTACT: VANESSA MACDONALD
EMAIL: VANESSA MACDONA

PROJECT DATA

GENERAL	PAD
PARCEL NUMBERS	132-03-005D, -007C, -007
GENERAL PLAN LAND USE	MIXED USE
SITE AREA	67,003 SF (1.54 AC)
BUILDING AREA	8,262 SF
BUILDING HEIGHT	93 FEET
MAXIMUM LOT COVERAGE	NS
MINIMUM LANDSCAPE AREA	10%
SETBACKS	
FRONT (NORTH – GILBERT DRIVE)	25 FEET
PARKING	20 FEET
EAST STREET SIDE (SCOTTSDALE ROAD)	25 FEET
WEST STREET SIDE (GILBERT DRIVE)	25 FEET
REAR (SOUTH)	0 FEET
STREET SIDE PARKING	
WEST (GILBERT DRIVE)	10 FEET
EAST (SCOTTSDALE ROAD)	20 FEET
PARKING	
VEHICLE PARKING FOR AUTO SALES	37 SPACES
BICYCLE PARKING FOR AUTO SALES	4 SPACES
USE PERMITS	
TO ALLOW AUTOMOTIVE SALES IN GID	REQUIRED
TO ALLOW SURFACE PARKING IN EXCESS	
OF 125% OF THE REQUIRED NUMBER	REQUIRED
OF PARKING SPACES	,



CONDITIONS OF APPROVAL: PL160462

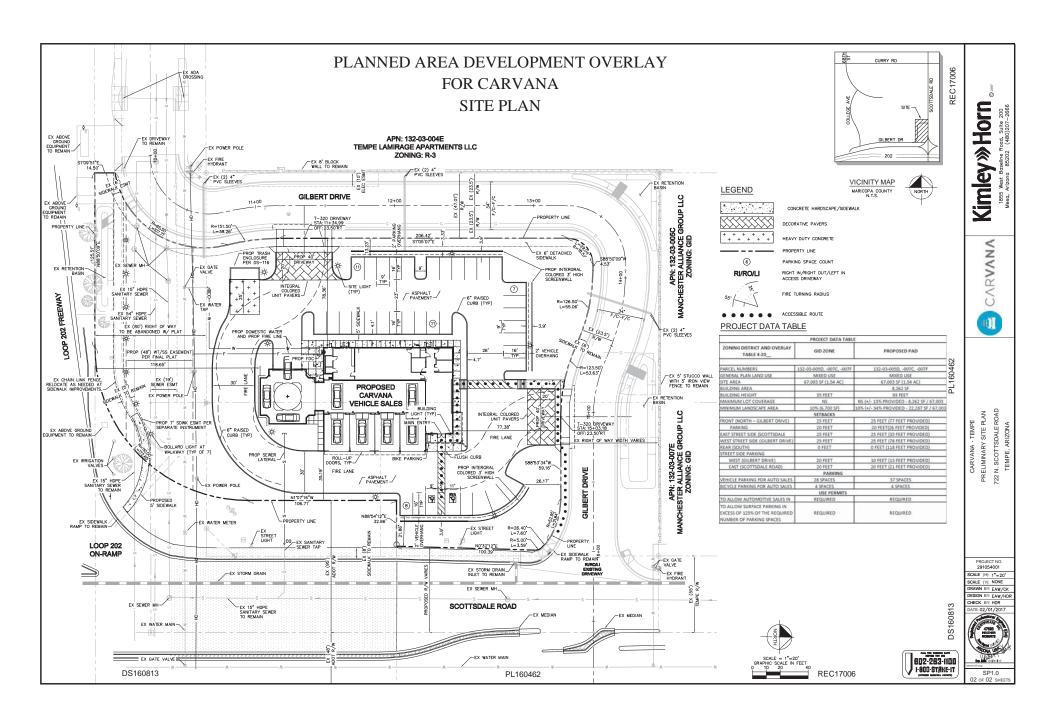
GENERAL NOTES

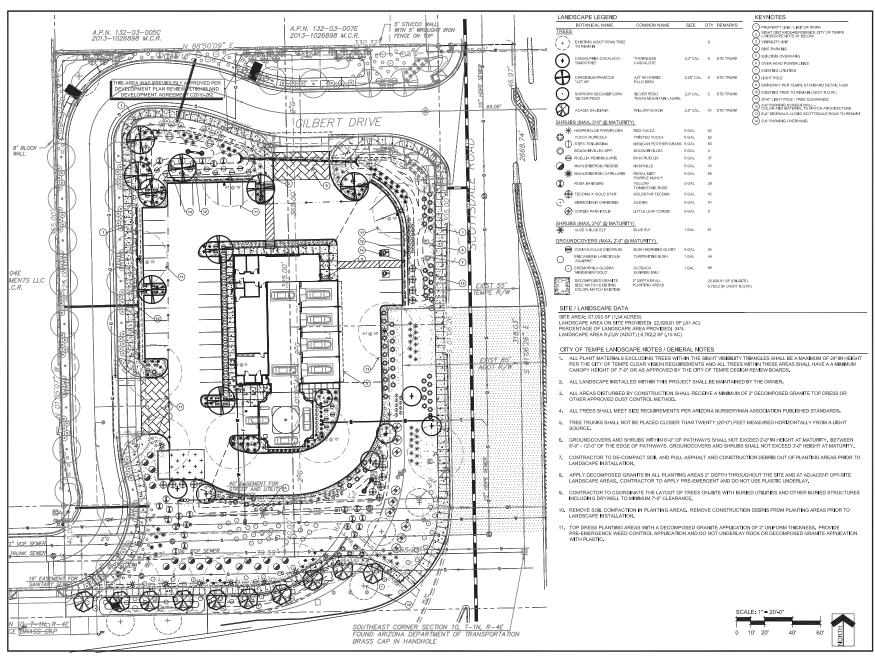
PL160462

DS160813

CALL TWO WOMENS DAYS 602-263-1100 1-800-STAKE-IT

DS160813 PL160462 REC17006









CARVANA 722 N Scottsdale Road Tempe, AZ 85281

PROJECT NUMBER: 16049

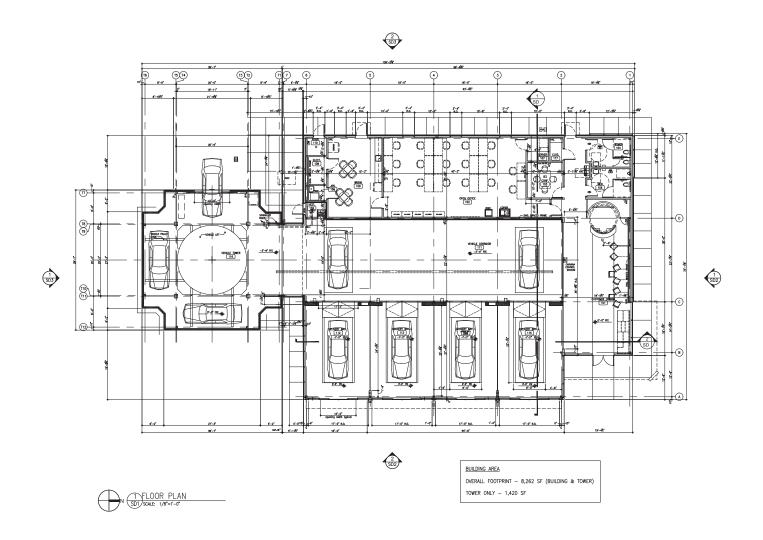
ISSUED FOR PRELIMINARY SITE PLAN REVIEW ISSUED DATE: DECEMBER 29, 2016 DRAWN BY: JM REVIEWED BY: JA



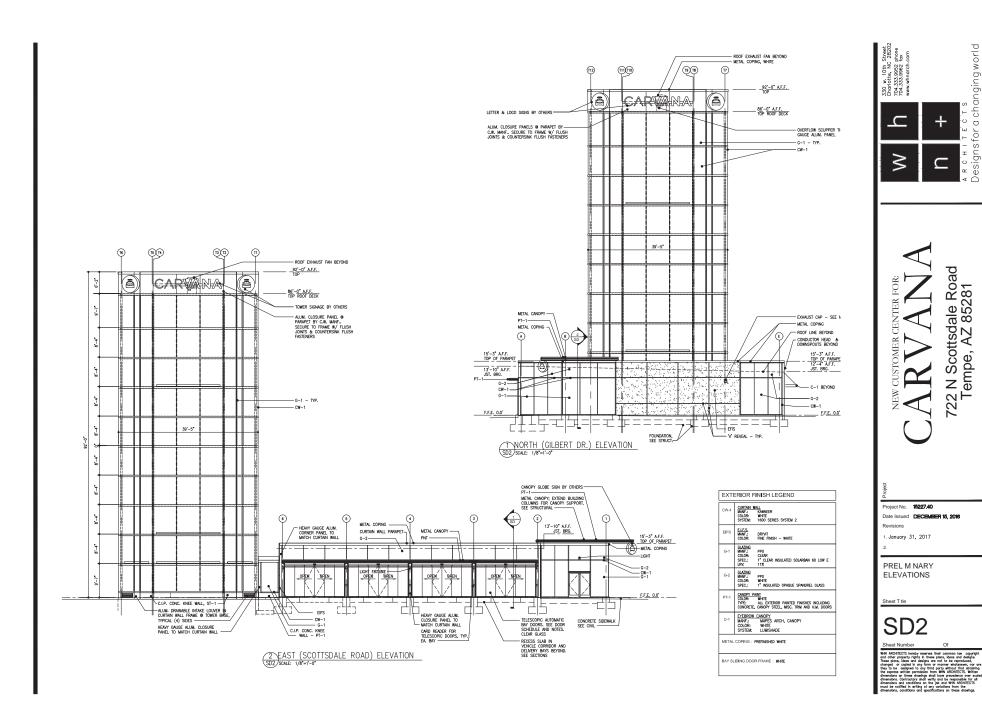
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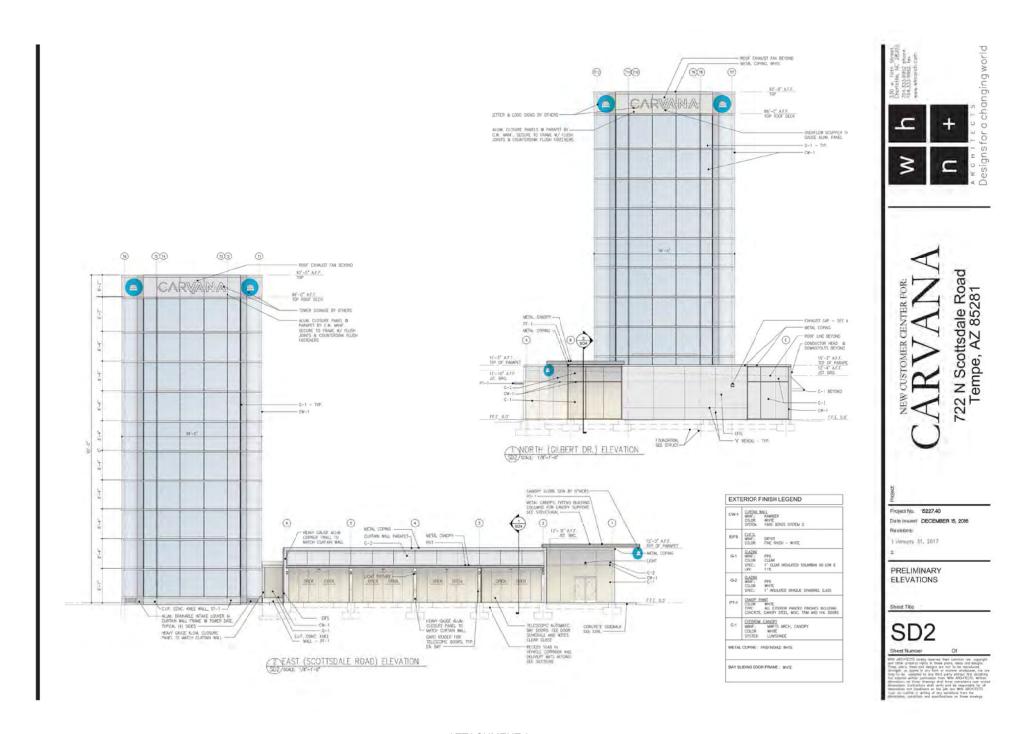
LANDSCAPE PLAN

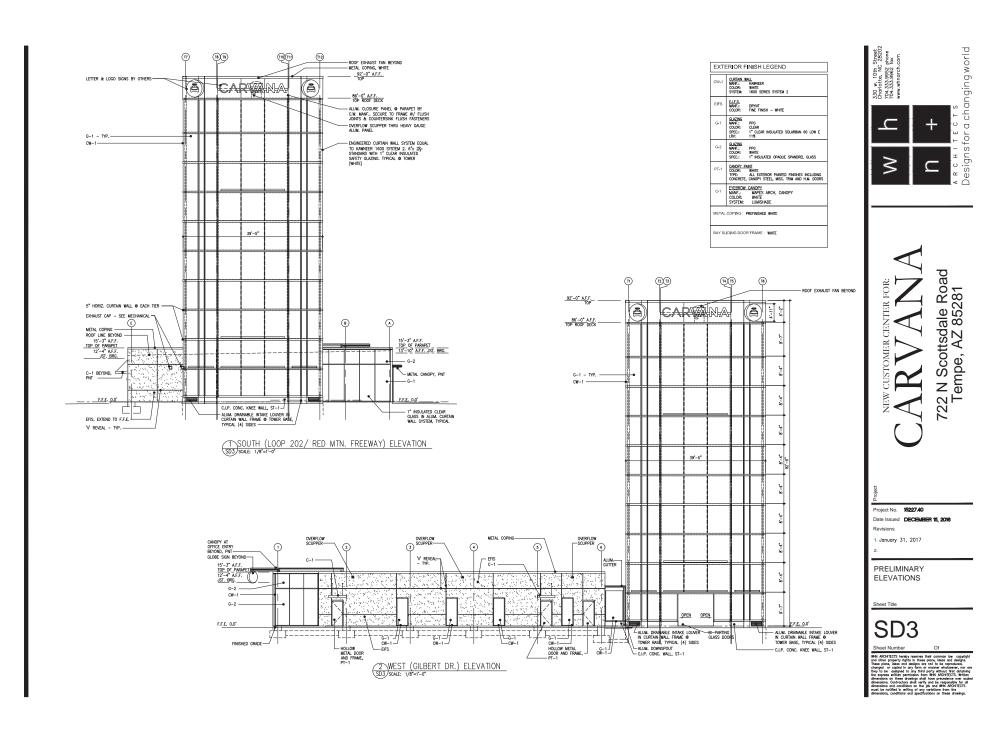




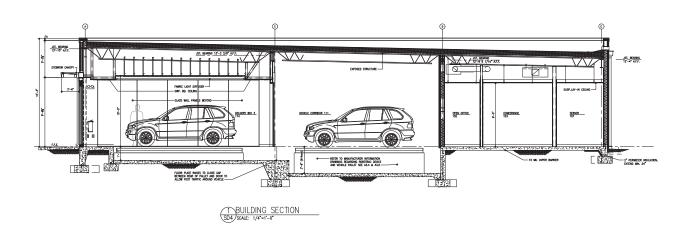


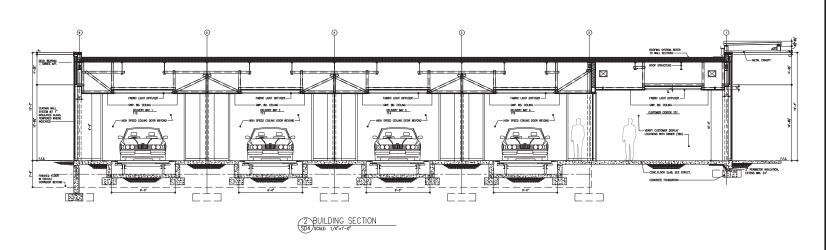














330 w. 10th Street Charlotte, NC 28202 704.333.9952 phone 704.333.9962 fax www.whnarch.com









GAMMAGE & BURNHAM

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW
TWO NORTH CENTRAL AVENUE
15TH FLOOR
PHOENIX, ARIZONA 85004
February 1, 2017

TELEPHONE (602) 256-0566 FACSIMILE (602) 256-4475

WRITER'S DIRECT LINE (602) 256-4439 rlane@gblaw.com

VIA ELECTONIC DELIVERY

Diana Kaminski, Senior Planner
Tempe City Hall Municipal Complex
Community Development Department
Lower Level, East Side
31 East Fifth Street
Tempe, AZ 85281
(480) 858-2394
Dian_Kaminski@tempe.gov

RE: Carvana (Tempe Case No. PL160462)

Public Involvement Final Report

Dear Diana:

This firm represents Carvana (the "Applicant"). The Applicant has submitted a planned area development overlay application to the City of Tempe (the "City") for approximately 2.03 acres located at the northwest corner of the intersection of the Loop 202 / Red Mountain Freeway and N. Scottsdale Road (the "Site") in Tempe. The Applicant has also submitted a development plan review application to the City for the design of a vehicle fulfillment center building and associated parking and landscape improvements proposed for the Site, as well as two use permit requests to allow vehicle sales in the General Industrial zoning district and to allow surface parking in excess of 125 percent of the minimum required parking amount. The development proposal for the Site includes an approximate 8,300 square foot vehicle fulfillment center featuring a vehicle display tower (approx. 93 feet) and associated parking and landscape improvements (the "Project").

The purpose of this correspondence is to summarize the project team's discussions with the community in regard to the Project to date. The team has made a concentrated effort to reach out to the community. To date, the team has held an official neighborhood meeting. The project team will also be presenting the Project at an upcoming North Tempe Neighborhood Association meeting.

Mailing Notification and Site Posting Dates and Persons and Associations Notified:

On January 3, 2017, the Applicant's legal representative mailed the enclosed notification packet advising of the Project, Applications, and the Project's official neighborhood meeting scheduled for January 23, 2017 to recipients listed on the enclosed notification list, including property owners within 600 feet of the Site and registered associations within one-quarter mile of

Kaminski February 1, 2017 Page 2

the Site. The affidavit of notification and the associated notification map and lists for the notification are enclosed with this report.

On January 6, 2017, Dynamite Signs posted a sign on the Site advising of the Project, the Applications, and the neighborhood meeting scheduled for January 23, 2017. A photograph of the posted sign and the associated affidavit of sign posting are enclosed with this report.

Neighborhood Meeting:

On January 23, 2017, we held our official neighborhood meeting for the Project at the Best Western Inn Tempe located at 670 N. Scottsdale Road in Tempe. The meeting began at approximately 6:05 p.m. and lasted approximately one hour. Representatives for the Applicant, Gammage & Burnham, and the Tempe Community Development Department were present. Approximately nine members of the public also attended the meeting.

The Applicant's legal representative introduced the Applicant and project team and discussed the purpose of the Applications filed with the City. The Applicant's representative provided an overview of Carvana, the difference between Carvana and traditional automobile dealers, the redevelopment proposal for the Site, and the design concept for the Project. The Applicant's representative also provided video pertaining to the Carvana vehicle purchasing and fulfillment experience.

Questions asked by members of the public in attendance at the meeting pertained to 1) the vehicle carrying capacity of Carvana's car transport vehicles, 2) the Site access route for Carvana's car transport vehicles, 3) existing Carvana vehicle fulfillment center locations, 4) the Project's construction timeline, 5) the typical time of day for vehicle delivery to the Site and, 5) the availability of extended coverage for vehicles sold by Carvana. All questions raised by members of the public in attendance at the meeting were addressed by the project team. All comments provided by members of the public in attendance at the meeting were supportive of the Project.

Contact information for persons in attendance at the meeting is provided on the enclosed sign-in sheets. To date, the Applicant's legal representative has received five comment sheets from members of the public attending the meeting expressing support for the Project. The referenced comment sheets are enclosed with this report.

Summary of E-Mail and Phone Correspondence with Neighbors and Interested Parties:

To date, the Applicant's legal representative has received one phone call from a neighor regarding the Project's proposed use and builing height and associated entitlement process. The Applicant's legal representative addressed the neighbor's questions.

To date, the Applicant's legal representative has received one e-mail from Ms. Darlene Justus in regard to the ability of the existing northbound turn lane on Scottsdale Road to accommodate Carvana's car transport vehicle. As reflected by the enclosed e-mail correspondence, the Applicant's legal representative addressed Ms. Justus's question.

Kaminski February 1, 2017 Page 3

Total Number of Persons Notified and/or Participating:

As reflected by the enclosed notification lists and sign-in sheets from the neighborhood meeting conducted on January 23rd, approximately 105 persons have been notified of the Project and Applications and/or participated in the public review process to date.

North Tempe Neighborhood Association Meeting:

The Applicant's legal representative will be presenting the Project during the February 13, 2017 North Tempe Neighbohrood Association ("NTNA") meeting for review and discussion. An update to this report will be provided via e-mail subsequent to the NTNA meeting on Feruary 13th.

Continued Outreach:

The Applicant and the Applicant's legal representative intend to continue to meet with community members who express an interest in the Project. In the event that any additional correspondence or meetings occur, an update to this report will be provided as we get closer to public hearings.

Please let us know if you require any additional information in regard to the summary of meetings and public outreach provided above.

Sincerely,

GAMMAGE & BURNHAM P.L.C.

Solut B. Fre

By

Rob Lane Land Use Planner

Enclosures

GAMMAGE & BURNHAM

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW
TWO NORTH CENTRAL AVENUE
15TH FLOOR
PHOENIX, ARIZONA 85004
January 3, 2017

TELEPHONE (602) 256-0566 FACSIMILE (602) 256-4475

WRITER'S DIRECT LINE (602) 256-4439 rlane@gblaw.com

Re: Carvana

PAD Overlay, DPR and UP Applications Planning Case Number 160462

Dear Neighbor:

Gammage & Burnham represents Carvana (the "Applicant"). The Applicant has submitted a planned area development ("PAD") overlay application to the City of Tempe (the "City") for approximately 2.03 acres located at the northwest corner of the intersection of the Loop 202 / Red Mountain Freeway and N. Scottsdale Road (the "Site") in Tempe. The Applicant has also submitted a development plan review ("DPR") application to the City for the design of a vehicle fulfillment center building and associated parking and landscape improvements proposed for the Site, as well as two use permit ("UP") requests to allow vehicle sales in the General Industrial zoning district and to allow surface parking in excess of 125 percent of the minimum required parking amount.

The Applicant would like to meet with neighbors to discuss the proposed project at a **Neighborhood Meeting** on **Monday, January 23, 2017** from **6:00 p.m. to 7:00 p.m.** The meeting will be held at the **Best Western Inn Tempe** located at **670 N. Scottsdale Road; Tempe, AZ 85281**.

Carvana, which was founded in 2012, is an online automotive retailer that was created with the specific intent of disrupting the pre-owned car industry. In 2015, Forbes magazine ranked Carvana fifth on its "Most Promising Companies" list. Through a robust, user-friendly website (www.carvana.com), Carvana offers pre-owned vehicles for sale and provides buyers the opportunity for a 360° view of the vehicle prior to purchase. Through the use of a coin-operated "vending machine / vehicle display tower", Carvana delivers vehicles to buyers in an entertaining and memorable way. Customers are given a seven-day test drive and delivery of the vehicle can be made in as little as 24 hours.

The purpose of the PAD and DPR applications and UP requests is to accommodate the redevelopment of the Site with a vehicle fulfillment center featuring a vehicle display tower (approx. 90 feet) and associated parking and landscape improvements (the "Project"). The Project, which will expand automobile purchasing choices within Tempe, includes a building area of approximately 8,300 square feet, 38 surface parking spaces, four bike spaces, and more than ample landscaping enhancements along street frontages and within interior parking areas.

Carvana January 3, 2017 Page 2

Subsequent to the scheduling of public hearings for the Project, you will receive a mailing notice from the City advising of Development Review Commission and City Council meeting dates and times for the Project. Subsequent to the scheduling of public hearings for the Project, Development Review Commission and City Council meeting dates and times will also be listed on a public hearings notification sign posted on the Site. You are welcome to attend the public meetings to learn about the Project and make your opinions known. Please call the City of Tempe Community Development Department at (480) 350-8331 to verify listed meeting and hearing dates and times.

If you have any questions, comments or concerns regarding the Project, you are more than welcome to contact me anytime at (602) 256-4439 or rlane@gblaw.com. We look forward to discussing the Project with you and hope to see you at the neighborhood meeting on the evening of Monday, January 23rd.

Sincerely yours, GAMMAGE & BURNHAM

By

Rob Lane Land Use Planner

Solut B. Fre

Encl: Aerial photograph of site and surrounding area Site and landscape plans

Building elevations

Carvana (Tempe Planning Case Number PL160462)

Best Western Inn Tempe 670 N. Scottsdale Road Tempe, AZ 85281

On Monday, January 23, 2017 at 6:00 p.m.

I SUPPORT

I DO NOT SUPPORT

I AM NEUTRAL

I HAVE NOT DECIDED

COMMENTS: Darley Justus NAME: ADDRESS: CITY: TELEPHONE EMAIL: PLEASE FILL OUT AND TURN IN OR MAIL TO: **GAMMAGE & BURNHAM** ATTN: ROB LANE

TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

OR EMAIL COMMENTS TO:

Carvana (Tempe Planning Case Number PL160462)

Best Western Inn Tempe 670 N. Scottsdale Road Tempe, AZ 85281

On Monday, January 23, 2017 at 6:00 p.m.

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NAME: Leve Carrasy ADDRESS: CITY: Terr TELEPHON EMAIL:

PLEASE FILL OUT AND TURN IN OR MAIL TO:

GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

OR EMAIL COMMENTS TO:

Carvana (Tempe Planning Case Number PL160462)

Best Western Inn Tempe 670 N. Scottsdale Road Tempe, AZ 85281

On Monday, January 23, 2017 at 6:00 p.m.

ISUPPORT

I DO NOT SUPPORT

I AM NEUTRAL

I HAVE NOT DECIDED

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NAME: SHANNON DUTTON
ADDRESS
CITY: T
TELEPHON
EMAIL:

PLEASE FILL OUT AND TURN IN OR MAIL TO:

GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

OR EMAIL COMMENTS TO:

Carvana (Tempe Planning Case Number PL160462)

Best Western Inn Tempe 670 N. Scottsdale Road Tempe, AZ 85281

On Monday, January 23, 2017 at 6:00 p.m.

I SUPPORT

I DO NOT SUPPORT

I AM NEUTRAL

COMMENTS:

I HAVE NOT DECIDED

THE 7	217	E. 5 (CICH CICH OUL	DUT	70 , be (HEDR	USE DEL
NAME: ADDRESS: CITY: TELEPHONE: EMAIL:	DEB	OWAL	-ZA	JA C	- /		

PLEASE FILL OUT AND TURN IN OR MAIL TO:

GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

OR EMAIL COMMENTS TO:

Carvana (Tempe Planning Case Number PL160462)

Best Western Inn Tempe 670 N. Scottsdale Road Tempe, AZ 85281

On Monday, January 23, 2017 at 6:00 p.m.

I SUPPORT

I DO NOT SUPPORT

I AM NEUTRAL

I HAVE NOT DECIDED

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Bacarese	of the	90 FA	1/0892	7

NAME: Warda Majoski'
ADDRESS:
CITY: 12

TELEPHON EMAIL:

PLEASE FILL OUT AND TURN IN OR MAIL TO:

GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

OR EMAIL COMMENTS TO:

Carvana (Tempe Planning Case Number PL160462)

North Tempe Multigenerational Center 1555 N. Bridalwreath Street Tempe, AZ 85281

On Monday, February 13, 2017 at 7:00 p.m.

SUPPORT
DO NOT SUPPORT
AM NEUTRAL
HAVE NOT DECIDED
COMMENTS:
As long as no roads are blocked by
NAME: Deb Gain-Brales ADDRESS: CITY: Ten TELEPHONE

PLEASE FILL OUT AND TURN IN OR MAIL TO:

GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

OR EMAIL COMMENTS TO:

Carvana (Tempe Planning Case Number PL160462)

North Tempe Multigenerational Center 1555 N. Bridalwreath Street Tempe, AZ 85281

On Monday, February 13, 2017 at 7:00 p.m.

I SUPPORT I DO NOT SUPPORT I AM NEUTRAL I HAVE NOT DECIDED COMMENTS: THE FACT THAT THERE WILL NOT A BIG INCREASE OF TRAFFIC AN EXCELLANT PLANNET WELL STATE CYAFFNEY-LOZA 1514 NAME: ADDRESS: CITY: TELEPHONE EMAIL:

PLEASE FILL OUT AND TURN IN OR MAIL TO:

GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

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On Monday, February 13, 2017 at 7:00 p.m.

ISUPPORT
I DO NOT SUPPORT
I AM NEUTRAL
I HAVE NOT DECIDED
COMMENTS:
NAME: Jay SmyTH ADDRESS: CITY: TELEPHO EMAIL:

PLEASE FILL OUT AND TURN IN OR MAIL TO:

GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

OR EMAIL COMMENTS TO:

Carvana (Tempe Planning Case Number PL160462)

North Tempe Multigenerational Center 1555 N. Bridalwreath Street Tempe, AZ 85281

On Monday, February 13, 2017 at 7:00 p.m.

I SUPPORT			
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I AM NEUTRAL			
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ADDRESS:			
TELEPHONE:			
ADDRESS: CITY:			

PLEASE FILL OUT AND TURN IN OR MAIL TO:

GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

OR EMAIL COMMENTS TO:

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On Monday, February 13, 2017 at 7:00 p.m.

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PLEASE FILL OUT AND TURN IN OR MAIL TO:

GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15TH FLOOR PHOENIX, AZ 85004

OR EMAIL COMMENTS TO:

Carvana (Tempe Planning Case Number PL160462)

North Tempe Multigenerational Center 1555 N. Bridalwreath Street Tempe, AZ 85281

On Monday, February 13, 2017 at 7:00 p.m.

I SUPPORT	
I DO NOT SUPPORT	
(I AM NEUTRAL)	
I HAVE NOT DECIDE	ED
COMMENTS: I do not see this site.	this development harming nor enhancing
NAME: Bruce ADDRESS: CITY: TELEPHON: EMAIL:	Briefey,
PLEASE FILL OUT A	ND TURN IN OR MAIL TO:
GAMMAGE & ATTN: ROB L	

OR EMAIL COMMENTS TO:

RLANE@GBLAW.COM

PHOENIX, AZ 85004

TWO N. CENTRAL AVENUE, 15TH FLOOR

Carvana (Tempe Planning Case Number PL160462)

North Tempe Multigenerational Center 1555 N. Bridalwreath Street Tempe, AZ 85281

On Monday, February 13, 2017 at 7:00 p.m.

I SUPPORT	
I DO NOT SUPPORT	
I AM NEUTRAL	
I HAVE NOT DECIDED	
COMMENTS:	
NAME: ADDRESS: CITY: TELEPHONE: EMAIL:	
PLEASE FILL OUT AND TURN IN OR MAIL TO:	
GAMMAGE & BURNHAM ATTN: ROB LANE TWO N. CENTRAL AVENUE, 15 TH FLOOR PHOENIX, AZ 85004	

OR EMAIL COMMENTS TO:

Robert Lane

From: Manjula M. Vaz

Sent: Sunday, January 29, 2017 2:03 PM **To:** 'Darlene Justus'; Robert Lane

Cc: Deborah Zajac; Vanessa MacDonald

Subject: RE: Caravan

Hi Darlene,

Sorry for the delay in responding. I talked with Vanessa. The Carvana car hauler is 75 feet in length, similar to a fire truck. If a fire truck can make that turn, so can we. We have discussed the length of the car hauler with the City. The City did not have any specific comments when we showed them the car hauler specifications. Based on our measurement, it looks like the left turn lane is about 85 feet. So, the Carvana car hauler will be able to fit within the left hand turn lane. In addition, since Carvana controls its fleet, they will work with their car hauler employees on the most appropriate time to deliver cars and ensure that they car hauler does not affect the traffic flow. Since Carvana control this aspect of the operation, they can control the delivery of the cars.

Hope that helps. Let me know if you have additional questions.

Manjula

Manjula M. Vaz 602.256.4461 Direct | mvaz@gblaw.com

-----Original Message-----

From: Darlene Justus [

Sent: Thursday, January 26, 2017 6:54 AM

To: Manjula M. Vaz; Robert Lane

Cc: s Deborah Zajac

Subject: Caravan

Manjula,

Thank you very much for the recent public meeting for Carvana. I mailed my comments yesterday.

Shannon Dutton called me afterwards and has pointed out that the northbound left turn lane from Scottsdale Rd onto Gilbert is too short to entirely accommodate a car transport vehicle. The left turn lane will need to be extended so that a transport vehicle, waiting to make a left turn, will not block adjacent northbound lanes on Scottsdale Rd.

Please review this and comment. As you already know, traffic concerns are of a grave concern with all of the new developments and an already extremely busy Scottsdale Rd.

Thank you, Darlene Justus

Sent from my iPad Darlene Justus

WHEN RECORDED RETURN TO:

City of Tempe Community Development Department 31 E. 5th Street Tempe, AZ. 85281

WAIVER OF RIGHTS AND REMEDIES UNDER A.R.S. §12-1134

This Waiver of Rights and Remedies under A.R.S. § 12-1134 (Waiver) is made in favor of the City of Tempe (City) by Vintage Partners (Owner).

Owner acknowledges that A.R.S. § 12-1134 provides that in some cases a city must pay just compensation to a land owner if the city approves a land use law that reduces the fair market value of the owner's property (Private Property Rights Protection Act).

Owner further acknowledges that the Private Property Rights Protection Act authorizes a private property owner to enter an agreement waiving any claim for diminution in value of the property in connection with any action requested by the property owner.

Owner has submitted Application No. PL160462 – **CARVANA**, to the City requesting that the City approve the following:

	_ GENERAL PLAN AMENDMENT
	_ ZONING MAP AMENDMENT
X_	_ PAD OVERLAY
	_ HISTORIC PRESERVATION DESIGNATION/OVERLAY
X_	_ USE PERMIT
	_ VARIANCE
X_	_ DEVELOPMENT PLAN REVIEW
	_ SUBDIVISION PLAT/CONDOMINIUM PLAT
	OTHER
	(Identify Action Requested))

for development of the following real property (Property):

Property Address: 722 N. Scottsdale Road, Tempe AZ

By signing below, Owner voluntarily waives any right to claim compensation for diminution in Property value under A.R.S. §12-1134 that may now or in the future exist as a result of the City's approval of the above-referenced Application, including any conditions, stipulations and/or modifications imposed as a condition of approval.

This Waiver shall run with the land and shall be binding upon all present and future owners having any interest in the Property.

This Waiver shall be recorded with the Maricopa County Recorder's Office.

Owner warrants and represents that Owner is the fee title owner of the Property and that no other person has an ownership interest in the Property.
Dated this day of, 2017.
OWNER: VINTAGE PARTNERS
By Its Duly Authorized Signatory: (Printed Name)
(Signed Name)
Its:(Title, if applicable)
State of)
County or) This instrument was acknowledged before me this day of
2017 by
Notary Public My Commission Expires:
(Signature of Notary)

