

Agenda Item 4

Tempe Depot
Tempe Planning Case No. PL19_____
300 S. Avenue

Applicant's Letter of Explanation for:
Planned Area Development Overlay, Development Plan Review and
Use Permit Applications

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Applicant and Introduction

E&R Holdings, LLC and RED Development (“RED”) (collectively, the “Applicant”) are proposing to redevelop the approximate 2.53-acre property located at the northwest and southwest corners of S. Ash Avenue and the W. 3rd Street alignment in downtown Tempe (the “Site”). The Site, which is bisected by the Valley Metro Rail light rail line and is bounded by Old Town Square to the north, Ash Avenue and the future Tempe streetcar line to the east, and the Union Pacific Railroad line to the west, is depicted on the aerial photograph provided in **Exhibit A**. The Site currently accommodates Macayo’s Depot Cantina restaurant and a train depot built in 1924. The intent of the Applicant is to preserve and rehabilitate the train depot as part of the proposed redevelopment for the Site.

A wholly integrated commercial real estate company, RED is a mixed-use developer that maximizes asset value and performance for its mixed-use portfolio and high-quality retail properties that total 29 properties with over 12 million square feet in 11 states. Most notably, RED is the developer behind CityScape, the first vertically integrated mixed-use project in downtown Phoenix. RED is also the master developer of The Union Dallas in Uptown Dallas, TX, which brought the first urban grocery store to Dallas and won D CEO’s 2019 award for Best Mixed-Use Project. For more than 20 years, RED has been a preferred partner for class A office tenants, national retailers and investors. RED is a privately held company headquartered at CityScape in downtown Phoenix.

Redevelopment Proposal

The Applicant’s redevelopment proposal for the Site is a commercial project comprised of office and hotel towers, a shared parking structure and amenity deck, and active street-level uses. More specifically, the Applicant is proposing a commercial project including the following (collectively, the “Project”) for the Site:

- the preservation and rehabilitation of the train depot structure built in 1924 located along the Site’s western perimeter for retail / restaurant use;
- a class A 17-story office tower providing approximately 319,410 square feet of office space;
- a five star, full-service 18-story hotel tower providing up to 280 guest rooms and approximately 10,310 square feet of conference meeting space;
- approximately 13,715 square feet of indoor retail / restaurant use space at street-level;
- up to approximately 5,310 square feet of outdoor dining space at street-level;
- up to approximately 21,670 square feet of public gathering / plaza space at street-level;
- a six-level shared parking structure on the 2nd through 7th levels of the Project providing 1,087 vehicle spaces;
- a covered parking courtyard adjoining the office tower’s lobby providing six vehicle spaces; and,
- substantial landscape (soft and hardscape) enhancements

Applications

To accommodate the redevelopment of the Site with a high-quality commercial project within

an urban, mixed-use and downtown environment, the Applicant is submitting the following applications (collectively, the "Applications"):

- a planned area development ("PAD") overlay to establish site specific development standards;
- a development plan review ("DPR") application for the proposed development's design, including site and landscape plans and building elevations and materials;
- a use permit to allow tandem parking in the City Center zoning district; and,
- as part of the DPR application, a request for an administrative finding that the Project's design, while not meeting all literal standards of the Transportation Overlay District's ("TOD"), generally conforms to the intent of the TOD

A separate letter detailing the administrative general conformance finding request is included as part of the Applications submittal package.

The Site is zoned City Center and is located within the Station Area of the TOD. The Site is located approximately 485 feet west of the light rail station at 3rd Street and Mill Avenue and is located along the route of the future Tempe streetcar. The goal of the Applications is to accommodate a commercial development within a mixed-use area that will increase the commercial office, hospitality and restaurant / retail mix within the Downtown Tempe District and to enhance pedestrian street activity within downtown Tempe.

The Site is a prime opportunity for redevelopment given its location within the Downtown Tempe District and its proximity to the future streetcar, the light rail station at 3rd Street and Mill Avenue, Tempe Beach Park and Tempe Town Lake. The Site's location also provides an opportunity to make a significant statement along Ash Avenue, the main western gateway into the Downtown Tempe District, with the introduction of a high quality, commercial project representative of the ongoing private and public investment occurring in downtown Tempe.

Considering its downtown location, the Site is underutilized. The Site currently accommodates the one-story Macayo's Depot Cantina restaurant, the one-story train depot structure built in 1924, and associated surface parking.

The goals of the Project are to:

- promote a sustainable concept of working, staying, eating, shopping and playing in downtown Tempe;
- expand commercial office and hospitality choices within downtown Tempe;
- preserve and rehabilitate the train depot structure built in 1924;
- enhance pedestrian street activity through the provision of active street-level restaurant / retail uses, public gathering / plaza spaces, and landscape enhancements; and,
- enhance both the visual and physical access / connections between the Site's Ash Avenue frontage and the 1924 train depot structure

Based on prior experience, the Applicant anticipates strong and sustainable demand for class A commercial office space and a high quality, modern hotel at this location.

The Applications are representative of emerging development patterns in downtown Tempe and the private and public investment continuing to occur within the Downtown Tempe District and along Tempe Town Lake.

Site Area

The Site is comprised of three parcels totaling approximately 2.53 acres in size at the northwest and southwest corners of S. Ash Avenue and the W. 3rd Street alignment in downtown Tempe. The formal address is 300 S. Ash Avenue. A legal description of the Site is included in the Applications submittal packet.

Area Context

As mentioned above, the Site is located at the northwest and southwest corners of S. Ash Avenue and the W. 3rd Street alignment in downtown Tempe. As expected for an urban downtown environment, the area surrounding the Site consists of a mix of existing and planned uses. Existing and approved uses and features in the immediate area surrounding the Site include:

- the Valley Metro Rail light rail line bisecting the Site;
- the future Tempe streetcar line and a future streetcar station along the Site's Ash Avenue frontage;
- the Union Pacific Railroad line adjoining the Site to the west;
- Old Town Square and the RVi / LVA office building adjoining the Site to the north;
- the 144-foot tall 111 West Rio / ADP office building to the northeast across Ash Avenue;
- the six-level 201 Ash Avenue parking garage to the east across Ash Avenue;
- the Mill Avenue / 3rd Street light rail station located approximately 485 feet east of the Site; a surface parking lot and the three-story Hayden Square condominiums above a podium parking garage to the east across Ash Avenue;
- the approved five-story office building and adjoining parking structure known as The Beam on Farmer to the southwest across the Union Pacific Railroad line;
- The Yard at Farmer Arts District and Culinary Dropout restaurants to the northwest across the Union Pacific Railroad line;
- the approved 229-foot tall 100 Mill commercial development at the southwest corner of S. Mill Avenue and W. Rio Salado Parkway;
- the 132-foot tall Tempe Gateway mixed-use building at the northwest corner of W. 3rd Street and S. Mill Avenue;
- the 83-foot tall Hayden Square office tower near the southwest corner of W. 3rd Street and S. Mill Avenue; and,
- Tempe Beach Park and Tempe Town Lake to the north beyond W. Rio Salado Parkway

Other existing and approved uses and features in the surrounding downtown and lakefront areas include:

- the 258 and 348-foot tall West Sixth apartment towers at the southwest corner of W. 6th Street and S. Maple Avenue within the Centerpoint mixed-use development;
- the 252-foot tall multifamily residential and commercial tower known as The Collective on 7th & Myrtle / OLIV under construction at the southeast corner of E. 7th Street and S. Myrtle Avenue;
- the 250-foot tall Mirabella at ASU development under construction at the southwest corner of E. University and S. Myrtle Drives;
- the Union Tempe mixed-use development at the northeast corner of E. University Drive and S. Myrtle Avenue consisting of hospitality, commercial and residential uses and building heights up to 240 feet;
- the approved 235-foot tall mixed-use tower development known as 707 S. Forest Apartments located at the southeast corner of E. 7th Street and S. Forest Avenue;
- the 225-foot tall Westin Tempe hotel under construction along the south side of 7th Street between S. Mill Avenue and S. Myrtle Road;
- the approved 179-foot tall Omni Tempe Hotel development located at the southeast corner of S. Mill Avenue and E. University Drive;
- the approved 170-foot tall hotel development known as 6th & College Hotel at the northwest corner of E. 6th Street and S. College Avenue;
- Hayden Flour Mill, including the 161-foot tall silos, at the southeast corner of S. Mill Avenue and E. Rio Salado Parkway;
- the 146-foot tall Residence Inn by Marriott hotel at the southwest corner of E. 5th Street and S. Forest Avenue;
- the 118-foot tall mixed-use development known as The Local located at the northwest corner of S. Ash Avenue and W. University Drive;
- the 109 and 81-foot tall Centerpoint Chase office towers at the northeast corner of S. Ash Avenue and W. University Drive within Centerpoint;
- the 96-foot tall Brickyard mixed-use building at the northeast corner of E. 7th Street and S. Mill Avenue;
- the 85-foot tall multifamily residential development known as Emerson Mill Avenue at the southwest corner of W. 5th Street and S. Maple Avenue within Centerpoint;

See **Exhibit B** for an aerial photograph depicting the location of existing and approved uses and features in the surrounding area. The Applicant envisions the Project enhancing the area's urban and mixed-use environment and serving as a catalyst for future redevelopment opportunities in the Downtown Tempe District.

Planned Area Development Overlay Approval Criteria and Planning Context

Pursuant to Zoning and Development Code ("ZDC") Section 6-305, the Applicant is requesting a PAD overlay to establish site specific development standards to accommodate the

development of the Project. As discussed below, the Project satisfies the formal PAD overlay approval criteria specified by ZDC Section 6-305.D:

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.

General Plan 2040 & Proposed Urban Core Master Plan

As shown by the map provided in **Exhibit C**, the land use projected for the Site by General Plan 2040 is mixed-use. As shown by the map provided in **Exhibit D**, the residential density projected for the Site by General Plan 2040 is currently high density (up to 65 units per acre). However, as part of the City's Urban Core Master Plan ("UCMP") planning process, a major amendment to the General Plan is currently being processed. As reflected by the portion of the proposed General Plan projected residential density map provided in **Exhibit E**, the pending amendment proposes to change the residential density projected for the Site to high-density urban core (greater than 65 units per acre), a designation consistent with high-rise development. Additionally and as reflected by the maximum building heights map provided in **Exhibit F**, the pending UCMP designates the Site for development with maximum heights exceeding 200 feet.

According to General Plan 2040, the mixed-use land use category is designed to accommodate a mixture of commercial and residential uses. The mixed-use category encourages creatively designed developments that create a living environment which reflect a "village" concept where there is opportunity to live, work and play within one development or area. The Project, which will provide opportunities to work, stay and play within one development, in combination with existing and planned residential, commercial, entertainment and recreational uses located throughout the downtown and lakefront areas will provide opportunities to live, stay, work, eat, shop, and play in the Downtown Tempe District. The Project, including the proposed office and hotel towers, will add to the mix of uses envisioned for the area by General Plan 2040 and the UCMP. The Applicant is proposing high quality, modern office and hotel towers that will further energize Ash Avenue.

Downtown / Mill Avenue District and Vicinity Community Design Principles

The Site is located in the Downtown / Mill Avenue District (the "Downtown Tempe District" or the "District") planning area. In April 2006, design principles were accepted for the District with the intent of encouraging the ongoing redevelopment of this portion of the community toward the achievement of a high quality built environment with a special sense of place. The foundation of the design principles includes encouraging mixed-use designs, pedestrian movement, architecture that will withstand changes in style and economy, responding to climatic factors and human comfort, and the provision of opportunities for interaction and observation. The Project represents a substantial

reinvestment in the District with a viable hotel and commercial office project that will further foster an enjoyable and vibrant environment within the District. The proposed office and hotel towers will fit well into the physical environment, create visual interest and provide a secure environment that will stand the test of time. The Project's design encourages pedestrian movement and interaction through the provision of multiple public gathering / plaza spaces at street-level and pedestrian walkways, including walkways extending to the train depot structure, trees, enhanced landscaping and appropriate streetscape landscaping that will establish a comfortable year-round environment. The Project is the type of product and design envisioned for the Downtown Tempe District.

*Character Area 3 - Downtown Tempe, Rio Salado, ASU and NW Neighborhoods
Character Area Plan*

In order to further the goals and implement General Plan 2040, the City of Tempe adopted a character area plan for the downtown Tempe, Rio Salado, ASU and Northwest Neighborhoods areas (the "Character Area Plan"). The Site is located within the Character Area Plan's boundaries. The general vision of the Character Area Plan is to create a seamless patchwork of destinations that meld downtown Tempe, the Rio Salado corridor / Town Lake, ASU / Novus Innovation Corridor, and Tempe's Northwest Neighborhoods by connecting people to places through active, walkable, and transit-oriented environments. The Project is designed within the context of the Character Plan's design guidelines and place-making principles. Specifically, the Project will further the following performance measures associated with the Character Area Plan's design guidelines and place-making principles:

- increase the number of employees in downtown Tempe and the TOD;
 - connect people to places for living, employment, education, transportation hubs, open space, cultural and recreation, restaurant and retail through well-designed streetscapes, shade and active ground floors;
 - support human health, economic development, and livability through the creation of a walkable, bikeable and transit-oriented environment;
 - improve the quality, accessibility and connectivity of redevelopment and infill projects; and,
 - foster economic development throughout the area through an engaging pedestrian realm
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 Project's building and landscape elements and associated standards have taken into consideration the context of the area. The Project's building heights, setbacks and landscape area are all of an appropriate scale for the area in the context of:

- the Valley Metro Rail light rail line bisecting the Site;

- the future Tempe streetcar line and a future streetcar station along the Site's Ash Avenue frontage;
- the Union Pacific Railroad line adjoining the Site to the west;
- the Mill Avenue / 3rd Street light rail station located approximately 485 feet east of the Site;
- the 144-foot tall 111 West Rio / ADP office building located northeast of the Site across Ash Avenue;
- the six-level 201 Ash Avenue parking garage located east of the Site across Ash Avenue;
- the 258 and 348-foot tall West Sixth apartment towers at the southwest corner of W. 6th Street and S. Maple Avenue within the Centerpoint mixed-use development;
- the approved 229-foot tall 100 Mill commercial development at the southwest corner of S. Mill Avenue and W. Rio Salado Parkway;
- the 132-foot tall Tempe Gateway mixed-use building at the northwest corner of W. 3rd Street and S. Mill Avenue;
- the 118-foot tall mixed-use development known as The Local located at the northwest corner of S. Ash Avenue and W. University Drive;
- the eight-level 720 S. Ash parking garage located north of The Local along Ash Avenue; and,
- the existing employment, commercial, residential, hospitality, educational and transportation uses in proximity to the Site

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

The Project's design appropriately mitigates transitional impacts on immediate surroundings, as:

- the buildings and landscape elements have been designed in the context of:
 - the existing light rail and future streetcar transportation facilities bisecting and adjoining the Site, respectively;
 - the 144-foot tall 111 West Rio / ADP office building located northeast of the Site across Ash Avenue;
 - the six-level 201 Ash Avenue parking garage located east of the Site across Ash Avenue;
 - the 258 and 348-foot tall West Sixth apartment towers at the southwest corner of W. 6th Street and S. Maple Avenue within the Centerpoint mixed-use development;
 - the approved 229-foot tall 100 Mill commercial development at the southwest corner of S. Mill Avenue and W. Rio Salado Parkway;
 - the 132-foot tall Tempe Gateway mixed-use building at the northwest corner of W. 3rd Street and S. Mill Avenue;

- the 118-foot tall mixed-use development known as The Local located at the northwest corner of S. Ash Avenue and W. University Drive; and,
 - the eight-level 720 S. Ash parking garage located north of The Local along Ash Avenue
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- the lighting will be compatible with adjoining and nearby buildings and uses;
 - the vehicular circulation has been designed to minimize conflicts between pedestrians and vehicle movements to the extent possible; and,
 - the Project's provision of integrated structured parking will minimize the asphalt area on-site, which in return will significantly reduce the typical heat-island effect that could otherwise occur on surrounding properties

Zoning & PAD Standards

The Site is located within the City Center ("CC") zoning district and the Station Area of the TOD. See **Exhibits G.1** and **G.2** for zoning maps noting respective zoning classifications for the Site and surrounding area.

The CC district permits a wide variety of uses, including hotels, offices, restaurants and retail shops. The Applicant is requesting a PAD overlay to establish site-specific standards based on the development proposal to accommodate the development of the Project. According to the Zoning and Development Code, the CC district "fosters employment and livability in Tempe's city center by providing retail, office, moderate- and high-density residential uses, entertainment, civic uses, and cultural exchange in a mixed-use environment that supports the public investment in public transit and other public facilities and services". The Project's provision of high quality office and hotel towers combined with the preservation and rehabilitation of the 1924 train depot structure, active street-level restaurant / retail uses, and public gathering / plaza spaces at street-level within the context of the mixed-use downtown Tempe area is consistent with the CC district.

The Applicant is requesting a PAD overlay to increase the maximum allowed height in the City Center zoning district (the "CC District") from 50 to 250 feet. The Project's commercial office and hotel towers have been designed in the context of existing and approved development in the downtown Tempe and lakefront areas, including:

- the 258 and 348-foot tall West Sixth apartment towers at the southwest corner of W. 6th Street and S. Maple Avenue within the Centerpoint mixed-use development;
- the 252-foot tall multifamily residential and commercial tower known as The Collective on 7th & Myrtle / OLIV under construction at the southeast corner of E. 7th Street and S. Myrtle Avenue;
- the 250-foot tall Mirabella at ASU development under construction at the southwest corner of E. University and S. Myrtle Drives;
- the Union Tempe mixed-use development at the northeast corner of E. University Drive and S. Myrtle Avenue consisting of hospitality, commercial and residential uses and building heights up to 240 feet;

- the approved 235-foot tall mixed-use tower development known as 707 S. Forest Apartments located at the southeast corner of E. 7th Street and S. Forest Avenue;
- the approved 229-foot tall 100 Mill commercial development at the southwest corner of S. Mill Avenue and W. Rio Salado Parkway; and,
- the 225-foot tall Westin Tempe hotel under construction along the south side of 7th Street between S. Mill Avenue and S. Myrtle Road

Considering the City's investment in developing an urban, mixed-use and pedestrian-oriented downtown Tempe with a supporting multi-modal transportation system, we strongly believe that the proposed height is both reasonable and appropriate for an urban downtown environment.

Project Description

The Site's location at the western gateway to downtown Tempe will allow the Project and proposed office and hotel towers to make a significant statement. The purpose of the Applications is to further energize downtown Tempe and to provide needed high quality, modern commercial office and hospitality opportunities in proximity to employment, restaurant, retail and entertainment uses. The Project is designed to appeal to anyone seeking to stay, work, eat and/or play within a vibrant downtown environment. The Site's location at the intersection of Ash Avenue and 3rd Street, as well as the intersection of the Valley Metro Rail light rail line and future Tempe streetcar line, provides a unique opportunity:

- to activate the Site's frontage along Ash Avenue;
- to enhance pedestrian connections between the Site and future Tempe streetcar station to be constructed along the Site's Ash Avenue frontage, as well as between the Site's Ash Avenue frontage and the 1924 train depot structure located along the Site's western perimeter; and,
- to add to the hospitality, office and commercial mix within downtown Tempe

In order to activate the Site's Ash Avenue frontage, the proposed office and hotel towers design orients lobby, retail, dining (indoor and outdoor), and public gathering / plaza use spaces at street-level towards Ash Avenue.

Specifically, the Applicant is proposing a high quality, modern commercial project comprised of:

- the preservation and rehabilitation of the approximate 3,370 square foot train depot built in 1924 located along the Site's western perimeter for retail / restaurant use space;
- approximately 13,715 square feet of total indoor retail / restaurant use space, up to approximately 5,310 square feet of outdoor dining space, approximately 21,670 square feet of public gathering / plaza space, approximately 2,020 square feet of office lobby space, approximately 860 square feet of hotel lobby space, and six vehicle parking spaces at street-level;

- six levels of above-grade structured parking providing 1,087 vehicle parking spaces, including 120 tandem spaces for hotel valet use;
- approximately 2,175 square feet of hotel lobby space, approximately 6,045 square feet of indoor hotel restaurant and bar space, approximately 630 square feet of outdoor hotel restaurant and bar space, approximately 10,310 square feet of hotel meeting space, approximately 25,020 square feet of leasable office space, and a shared amenity deck with a pool and lounging areas on the 8th floor / level;
- an approximate 1,080 square foot hotel fitness center on the 9th floor of the hotel tower;
- up to 280 hotel guest rooms on the 9th through 18th floors of the hotel tower;
- approximately 251,430 square feet of total leasable office space on the 9th through 17th floors of the office tower; and,
- substantial landscape improvements

Considering the Site's location along the Ash Avenue corridor within the Downtown Tempe District, the proximity of the 3rd Street / Mill Avenue light rail station, the future streetcar within Ash Avenue and the proximity of Tempe Beach Park and Tempe Town Lake to the northeast across Ash Avenue and Rio Salado Parkway, Ash Avenue will continue to see increases in pedestrian traffic in the near future. The Project includes covered public gathering spaces / plazas with decorative hardscape, pedestrian walkways, trees, and enhanced landscaping extending into the Site from the Ash Avenue frontage. The public gathering spaces / plazas will serve as an amenity for the Project's guests, tenants and patrons and pedestrians passing through or by the Site. The public gathering spaces / plazas in combination with the pedestrian walkways will also enhance the physical and visual access / connections between the 1924 train depot located along the Site's western perimeter and the Site's Ash Avenue frontage. As a result, the plazas and pedestrian walkways will provide a linkage between the past, present and future by providing visual and/or physical connections between the 1924 train depot, the light rail line bisecting the Site and the streetcar line and station being constructed along the Site's Ash Avenue frontage.

Project Vision and Design Intent

According to the Tempe Tourism Office and the 2018 Tourism Economic Impact Study, the City of Tempe receives over 3.7 million visitors a year. With a steady increase of visitors to downtown Tempe, Tempe Town Lake and surrounding attractions, a high quality commercial development that both caters to visitors and attracts working professionals, while also celebrating the local community, is needed in downtown Tempe.

Once a vibrant Amtrak station, the Site offers immense opportunities to enhance the Tempe community and economy. The complexity and location of the Site, combined with the right mix of amenities, will create a thriving, urban environment. The 1924 train depot landmark runs along an active rail line and the Site offers unique opportunities to create the most publicly connected project in Tempe. With the proximity of the light rail line, future streetcar, and current bus line, the Project also looks to promote alternate modes of transportation to create a sustainable, livable environment.

The Project's engagement starts at the street-level by creating a unique public experience. Restaurant / retail space will seamlessly integrate with the existing train depot, celebrating and preserving the Site's history, while creating a destination off Mill Avenue. A central courtyard will be inviting to hotel guests, office tenants, and locals alike. While embracing the intersecting public transportation routes, the Project will create additional downtown parking for both vehicles and bicycles. The development will leverage the benefits of the TOD to further create an urban, pedestrian friendly community. The landscape design and site lighting are being developed in unison with standards set by the City to enhance the safety and security of the development while creating a welcoming pedestrian experience specially found in the desert.

From the ground floor rises six levels of structured parking with an amenities deck above. The amenities deck provides outdoor space for both the office and hotel towers that sit above it. The office tower, with 10 stories of commercial office space, occupies the north portion of the site and will take advantage of views of downtown Tempe and the Valley beyond. The hotel tower on the south portion of the Site will also take advantage of views while also drawing material inspiration from the historic depot.

The need for more hotel rooms within downtown Tempe to accommodate a growing number of visitors, the Site's location within downtown Tempe and proximity to Tempe Town Lake, and the convenience of public transportation, make the Site an ideal location for a high-quality commercial office and hotel development. The proposed hotel will host visitors while also creating conference and event spaces. The restaurant / retail spaces and public gathering / plaza spaces at street-level aim to engage the community with a blend of indoor and outdoor spaces dispersed throughout the Site. To further attract a local crowd, the Project will provide an elevated amenity deck to connect both the office and hotel towers into a cohesive development.

Both the hotel, and conjoined office space, benefit from stunning views of the surrounding Valley. The design will maximize their site orientation to capture the great views of downtown Tempe. The office space looks to entice creative tenants to meet today's market need and future growth who can benefit from the booming downtown district. To plan the Site to its fullest potential, building forms, materials, and articulation have been studied to provide appropriate solutions for the Site with respect to each product type and variety at the street level. Energy efficiency will seamlessly be threaded throughout the Project's design, with key strategies including proper building orientation, the use of low water desert landscaping and ample shading of the Site to reduce the heat island effect.

Tempe Depot is a tremendous opportunity to promote downtown Tempe, create job opportunities, and to create a "stay and play" destination not just for visitors, but also for the local community. The Project's design thoughtfully integrates the 1924 train depot with new construction and embraces the public transportation systems to create a true and unique urban experience.

Hotel Brand and Vision

The Project's hotel component will be part of the Hilton Hotels & Resorts collection. As Hilton's flagship brand with resorts in 94 countries, Hilton Hotels & Resorts welcome travelers from

across the globe. As one of the most recognized hospitality brands in the world, Hilton leads the way in hospitality innovation and enhancing the guest experience. Stylish, modern and at times unexpected, Hilton Hotels & Resorts embody locally inspired social spaces. In order to provide the unique and memorable experience desired by today's traveler, the design for each Hilton Hotels & Resorts property is inspired by the place it calls home.

The goals for the proposed Hilton Hotel and Conference Center in Tempe are twofold. The first is to provide a best-in-class lodging destination for corporate and conference visitors to meet the demand generated by the business growth that Tempe has realized to date and will continue to realize to in the coming years. The second is to provide, in conjunction with the Project's restaurant / retail use components, the 1924 train depot structure and the public transportation hubs at the Site's doorstep, a compelling sense of place and activity for the local community. To that end, the street-level restaurant / retail use areas, street-level plazas, the 1924 train depot structure, the building's compelling architecture, and the elevated amenity deck with unparalleled views of Tempe will all serve as a social hub for both guests and the local community.

Landscape Design

The landscape coverage percentage for the Site at street-level is approximately 49 percent, a very significant amount for an urban development. The proposed landscape palette will establish a pedestrian friendly environment along the street frontage. The selected tree species will provide ample shade for pedestrians. Appropriate landscape and hardscape materials for creating an aesthetically pleasing and comfortable environment throughout the Project's street-level and amenity deck will be provided. A landscape plan for the Project is included as part of the Applications package.

Site Circulation and Parking

In consideration of the Site's unique conditions (e.g. the light rail line bisecting the Site, the Union Pacific railroad line adjoining the Site's entire rear property line, clearances required by multiple utility easements and train depot structure located along the rear property line), the Project has been designed to minimize conflicts between pedestrians and vehicles to the extent possible.

The Project's parking structure, a small parking courtyard adjoining the office tower's lobby, and the office tower loading areas will all be accessed via a single driveway at the north end of the Site's Ash Avenue frontage. The hotel tower's passenger loading area to be serviced by professional valet attendants will be accessible via a single driveway aligned with 3rd Street near the midpoint of the Site's Ash Avenue frontage. The provision of an access controlled vehicular crossing over the light rail line bisecting the Site to be used by hotel valet attendants to move guests' vehicle between the hotel tower's passenger loading area and the Project's parking structure will further minimize conflicts between pedestrian and vehicular traffic along the Site's Ash Avenue frontage. Also, the driveway to access the hotel tower's loading areas has been placed at the very south end of the Site's Ash Avenue frontage away from the Project's active street-level use areas.

The Project includes 1,087 vehicle parking spaces to be provided within a six-level parking structure to be shared by the proposed office and hotel towers. Six on-site spaces will also be provided within a small covered parking courtyard adjoining the Project's office tower lobby to further serve the parking needs of patrons. In addition, 100 bicycle spaces, will be provided for use by the Project's tenants, guests and patrons.

There are also a multitude of public transit options available in the vicinity of the Site. The Site is located within the Station Area of the TOD. The Valley Metro Rail light rail line bisects the Site and the 3rd Street / Mill Avenue light rail station is located just 485 feet east of the Site. The future Tempe streetcar will also travel within the segment of Ash Avenue adjoining the Site and a streetcar station will be located along the Site's Ash Avenue frontage. The Site is also located within 150 feet of two bus stops located along Ash Avenue and approximately 835 feet of an Orbit Earth route stop near the intersection of 3rd Street and Mill Avenue. In addition, the Site is located approximately 2,000 feet northwest of the Tempe Transportation Center, which circulates the Valley Metro light rail, bus routes 30, 48, 62, 65, 66, 72 and 511 and Orbit routes.

A traffic impact analysis and parking management plan for the Project prepared by CivTech, Inc. is included as part of the Applications submittal package.

Development Plan Review Approval Criteria

Pursuant to Zoning and Development Code 6-306, the Applicant is requesting DPR approval for the architectural drawings, including site and landscape plans, building elevations and building materials, associated with the Project. As discussed below, the Project is an appropriately scaled and aesthetically pleasing design that will encourage, protect, and enhance the functional and attractive appearance of the Site and surrounding area.

1. *Placement, form, and articulation of buildings and structures provide variety in the streetscape*

The Site provides a tremendous opportunity to promote downtown Tempe, create job opportunities, and to create a "stay and play" destination for visitors, tenants and the local community. The design thoughtfully integrates the 1924 train depot with new construction, while embracing the public transportation systems to create a true urban experience. This uniqueness of the Site alone, with its configuration, intersecting transportation routes, and historic fabric lends itself to an expression that is particular and expressive of its distinct location and opportunities.

Engagement starts at the ground floor creating a unique public experience. Retail / restaurant space will seamlessly integrate with the existing depot, celebrating and preserving the Site's history, while creating a destination along Ash Avenue. A central courtyard will be inviting to hotel guests, office tenants, and locals alike. The layers of proposed site elements, including landscaping, hardscape, and pathways, are representative of the Site's unique experiences.

2. *Building design and orientation, together with landscape, combine to mitigate heat gain/retention while providing shade for energy conservation and human comfort*

The siting of the building bridging over the Valley Metro Rail light rail line and the 1924 train depot structure along with the use of shade trees at street-level will provide a shaded, desirable and comfortable experience for pedestrians. The Project's amenity deck level also incorporates shade trees and inviting landscape elements to bring the outdoor experience to both the hotel guest, office tenants and patrons. The use of high performance insulated glazing on the hotel and office towers also allows for energy conservation while maintaining daylight access and views.

3. *Materials are of a superior quality, providing detail appropriate with their location and function while complementing the surroundings*

The Project's materials are of both superior quality and influenced by the Site itself. The 1924 train depot is celebrated with the brick veneer of the hotel, while the metal accents are inspired by the Site's industrial past and the adjoining operating railroad line to the west. The high performance glazing will not only provide views of downtown Tempe and the landscape beyond, but will also allow for energy conservation.

4. *Buildings, structures, and landscape elements are appropriately scaled, relative to the site and surroundings*

The Site is located within an urban downtown environment that consists of a mix of existing and planned uses of varying building heights and intensities, including existing buildings up to 144 feet in height and approved buildings up to 229 feet in height in the immediate surrounding area and buildings up to 348 feet in the downtown area. The Project's buildings and landscape elements are designed with the context of the area in mind. In the context of the following existing and approved development in the downtown Tempe and lakefront areas, the Project is of an appropriate scale for the area:

- the 258 and 348-foot tall West Sixth apartment towers at the southwest corner of W. 6th Street and S. Maple Avenue within the Centerpoint mixed-use development;
- the 252-foot tall multifamily residential and commercial tower known as The Collective on 7th & Myrtle / OLIV under construction at the southeast corner of E. 7th Street and S. Myrtle Avenue;
- the 250-foot tall Mirabella at ASU development under construction at the southwest corner of E. University and S. Myrtle Drives;
- the Union Tempe mixed-use development at the northeast corner of E. University Drive and S. Myrtle Avenue consisting of hospitality, commercial and residential uses and building heights up to 240 feet;
- the approved 235-foot tall mixed-use tower development known as 707 S. Forest Apartments located at the southeast corner of E. 7th Street and S. Forest Avenue;

- the approved 229-foot tall 100 Mill commercial development at the southwest corner of S. Mill Avenue and W. Rio Salado Parkway; and,
- the 225-foot tall Westin Tempe hotel under construction along the south side of 7th Street between S. Mill Avenue and S. Myrtle Road

The provision of approximately 49 percent landscape coverage at the Project's street-level is more than appropriate for an urban down environment. The proposed landscape palette will also further establish and contribute to a pedestrian friendly environment along street frontages within downtown Tempe.

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 masses are articulated in such a way that the base enhances and promotes a pedestrian experience while embracing the unique convergence of transportation modes at the Site. Not only is there literal movement across the Site with these modes of transportation, but this will be further enhanced through appropriate lighting design. The central courtyard, with the 1924 train depot as the backdrop, creates a truly urban experience that honors the past at the same time.

Building off the vibrant base is a layer of articulated parking that incorporates the building's quality materials and colorful signage. Transitioning from this, an amenity deck level denotes the top tier that divides itself into the 2 distinct towers – one office and one for the hotel.

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 varying design of the facades will delineate the different uses within the Project, reduce the overall scale of the development into smaller components, and provide architectural detail and interest. The office and hotel towers and the garage podium are congruent in their overall design language but also different enough to convey their individual uses. The wall to wall glazing of the office tower is designed to take full advantage of the views, as well as to harvest daylight and conserve energy. The provision of punched windows within the hotel tower better serves its function by providing views and daylight but also privacy for guests. Because the hotel tower's main axis runs north to south, the smaller punched windows are also responsive to the path of the sun. The office building façade includes extended mullion caps that provide some shading appropriate to its orientation.

7. Plans take into account pleasant and convenient access to multi-modal transportation options and support the potential for transit patronage;

The goals of the Applications are to create a commercial development that will increase the hospitality and commercial office mix within the Downtown Tempe District and to enhance pedestrian street activity within downtown Tempe. As noted above, the Site is located approximately 485 feet west of the 3rd Street / Mill Avenue light rail station and Tempe Beach Park is located approximately 375 feet to the northeast.

Considering the Site's location along the Ash Avenue corridor within the Downtown Tempe District, the proximity of the 3rd Street / Mill Avenue light rail station, Mill Avenue and Tempe Beach Park, as well as Tempe Town Lake, Ash Avenue will continue to see significant increases in pedestrian traffic. To enhance the pedestrian environment and multi-modal transportation usage, the Project will energize the Site's street-level through the provision of active restaurant / retail, lobby, outdoor dining and public gathering / plaza spaces oriented towards and/or located in proximity toward an oversized walkway located along the street frontage. Furthermore, the noted public gathering spaces / plazas in combination with on-site pedestrian walkways will enhance activity and interest at the Project's street-level by providing physical and visual connections between the 1924 train depot located along the Site's western perimeter and the Ash Avenue frontage.

The Project will also provide 100 bicycle spaces for tenants, guests and patrons use to further encourage the use of the vast array of transportation options available within downtown Tempe

8. Vehicular circulation is designed to minimize conflicts with pedestrian access and circulation, and with surrounding residential uses

As detailed within the site circulation and parking section provided above, the Project's vehicular circulation has been designed to minimize conflicts with pedestrian access and circulation to the extent possible. The movement of pedestrians is a major element of the Project. The Project will provide an oversized walkway separated and/or delineated from vehicle maneuvering areas along the Ash Avenue frontage. The Project will also feature multiple covered plaza / public gathering spaces located between the Site's Ash Avenue frontage and the 1924 train depot along the Site's western perimeter. The plaza / public gathering spaces in combination with on-site pedestrian walkways will enhance both physical and visual connections between the Site's pedestrian realm along Ash Avenue and the train depot. In order to ensure that conflicts between vehicles and pedestrians do not occur to the extent possible, entrances and exits to the Project's parking garage and loading areas have also been strategically placed away from active street-level use areas. The Project's design further minimizes conflicts between vehicular circulation and pedestrian access through the provision of landscape (soft and hardscape) and lighting treatments to delineate intended circulation uses.

9. Plans appropriately integrate Crime Prevention Through Environmental Design principles such as territoriality, natural surveillance, access control, activity support, and maintenance

The Project's development plan is organized to have strong visibility and natural surveillance from the offices, hotel guest rooms and shared amenity deck above. Furthermore, the activated function of the office and hotel lobbies, dining, retail and public gathering / plaza spaces at street level will create transparency from within the building and/or will enhance activity and natural surveillance at Site's street-level.

10. Landscape accents and provides delineation from parking, buildings, driveways and pathways

The proposed landscape and hardscape improvements along Ash Avenue and vehicular maneuvering areas extending into the Site will delineate walkways from vehicular maneuvering areas, driveways and the proposed commercial office and hotel towers. Appropriate trees and enhanced landscaping (soft and hardscape) materials will be provided along the noted street frontage and driveways to further distinguish pedestrian areas from vehicular maneuvering areas. The selected landscape (soft and hardscape materials) will also create an aesthetically pleasing and comfortable environment for pedestrians passing by and through the Site.

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

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

12. Lighting is compatible with the proposed building(s) and adjoining buildings and uses, and does not create negative effects

As detailed by the lighting plan included as part of the Applications submittal, the proposed lighting will be compatible with the proposed commercial office and hotel towers, as well as adjoining and nearby buildings and uses. The lighting will not adversely impact uses within the Project nor adjoining and nearby uses.

Analysis of Use Permit Request to Allow Tandem Parking

Pursuant to Section 4-602.D.1 of the Zoning and Development Code, the Applicant is requesting a use permit to allow 120 tandem vehicle parking spaces on the 2nd through 7th levels of

the Project's integrated parking structure. The tandem parking, which will be serviced by professional valet attendants, will accommodate the parking needs of the Project's hotel. As discussed below, the provision of tandem parking on the Site will not cause an increase in vehicular or pedestrian traffic in the area, will not cause a nuisance exceeding ambient conditions, and will not attribute to deterioration of the neighborhood. In contrast, the Project's provision of structured tandem parking will maximize the use of the proposed building while screening vehicles from the public realm, thereby minimizing impacts to surrounding properties. Furthermore, the provision of tandem parking will be compatible with surrounding structures and uses.

Use Permit Approval Criteria

1. Not cause any significant vehicular or pedestrian traffic in adjacent areas

The 120 tandem vehicle parking spaces within the Project's structured parking garage will not cause a significant amount of vehicular or pedestrian traffic in adjoining areas. CivTech Inc. has prepared a traffic impact analysis for the Project that is included as part of the Applications submittal package. The analysis determined that nearby intersections will continue to operate at acceptable levels. In order to ensure appropriate guest and employee access coordination, all tandem parking spaces will be managed by a professional valet service.

2. Not cause any nuisance (odor, dust, gas, noise, vibration, smoke, heat or glare etc.) exceeding that of ambient conditions

The Site is located within a vibrant urban downtown environment accommodating a mix of active uses, including multiple parking structures. Allowing 120 tandem parking spaces serviced by hotel valet attendants in such an environment will not cause any nuisance exceeding ambient conditions. All tandem parking spaces proposed will be located within the Project's parking structure on 2nd through 7th levels. As reflected by the elevations and perspectives included as part of the Applications submittal package, the parking structure will be appropriately screened from the surrounding area and seamlessly integrated with the overall building design.

3. Not contribute to the deterioration of the neighborhood or be in conflict with the goals, objectives and policies of the City

The Project, including the proposed tandem parking, represents a significant investment in the Site, neighborhood and City that will continue to improve and encourage additional investment in downtown Tempe. The investment, which will further energize downtown Tempe and the Site's S. Ash Avenue frontage, is fully expected to positively affect property values in the area. Furthermore, as detailed above, the development of high quality, modern office and hotel towers with active street-level uses and a shared parking structure and amenity deck is consistent with the goals, objectives and policies specified by the City's adopted plans.

4. *Be compatible with existing surrounding structures*

As discussed in detail in the area context section provided above, the Site is located within an urban downtown environment that consists of a mix of existing and planned uses of varying building heights and intensities, including multiple developments with structured parking. The Project, including the provision of tandem parking within a parking structure, is compatible with the surrounding area. The Project will also enhance the urban and mixed-use environment envisioned by the City for the downtown area. Again, the traffic impact analysis included as part of the Applications package for the Project determined that nearby intersections will continue to operate at acceptable levels.

5. *Not result in any disruptive behavior which may create a nuisance to the surrounding area or general public*

The proposed office and hotel towers and associated structured parking improvements will not result in any disruptive behavior. The Applicant strongly believes in being a good neighbor and it is not in the interest of the Applicant or the Project to allow behavior that discourages tenants from leasing space within the office tower, guests from staying at the hotel, or patrons from frequenting the Project's restaurant / retail and public gathering spaces.

Conclusion

The Applicant is proposing to build high quality office and hotel towers with active street-level uses that will provide additional modern commercial office and hospitality options in downtown Tempe, preserve and rehabilitate the 1924 train depot structure located on the Site, and establish appropriate relationships with both the urban street environment and adjoining and nearby properties. The Project within the context of the mix of uses envisioned for the downtown and lakefront areas is consistent with General Plan 2040, the Character Plan for Area 3, the Downtown Tempe District and the proposed UCMP. The Project will contribute to the mix of employment / commercial / hospitality uses envisioned for downtown Tempe, as well serve as a catalyst for future development opportunities that will continue to enhance the urban development environment and experience envisioned by the City for both the Downtown Tempe District. We look forward to discussing the requests for this very exciting Project with you in the near future and respectfully request your approval.

TEMPE DEPOT



**TEMPE HISTORIC PRESERVATION COMMISSION MEETING
MAY 13, 2020**



RED DEVELOPMENT
A COMMERCIAL REAL ESTATE COMPANY

**WHOLLY INTEGRATED, PRIVATELY HELD COMMERCIAL REAL ESTATE
COMPANY HEADQUARTERED IN DOWNTOWN PHOENIX**

**PREFERRED PARTNER OF CLASS A OFFICE TENANTS,
NATIONAL RETAILERS AND INVESTORS FOR 20+ YEARS**

**HIGH-QUALITY, MIXED-USE DEVELOPMENT PORTFOLIO TOTALING
29 PROPERTIES WITH OVER 12 MILLION SQUARE FEET IN 11 STATES**

**SIGNATURE DEVELOPMENTS INCLUDE CITYSCAPE AND BLOCK 23
IN DOWNTOWN PHOENIX AND THE UNION DALLAS IN UPTOWN DALLAS, TX**



CITYSCAPE – DOWNTOWN PHOENIX



BLOCK 23 – DOWNTOWN PHOENIX



PROPERTIES



THE UNION DALLAS – UPTOWN DALLAS, TX



44 | CAMELBACK – PHOENIX, AZ



PROPERTIES

SMITHGROUPJJR



Founded 1853

Longest Continuously Running Firm in the
U.S.

1,000+ Professionals in Ten Offices

30 Years in Arizona

2015 AIA Firm of the Year
Western Mountain Region

2011 ASLA Firm of the Year
American Society of Landscape Architects

Leader in Sustainability
Arizona's first net-zero-energy office building

Multiple 2016 Arizona Forward Awards
Commitment to Healthier Communities



 TEMPE DEPOT PROJECT SITE

SITE LOCATION

EXISTING SITE CONDITION



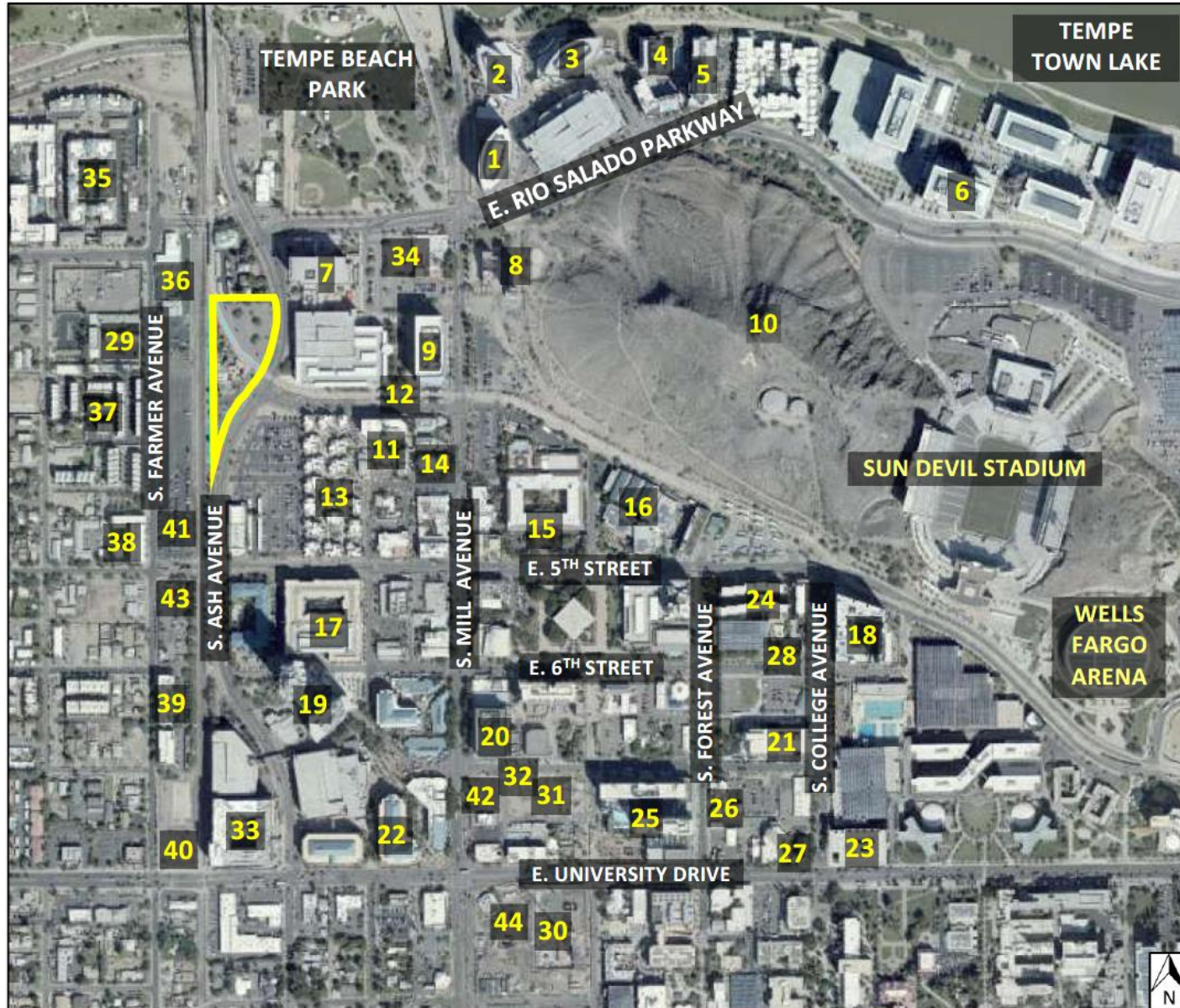
LOOKING NORTHEAST FROM ASH AVENUE

EXISTING SITE CONDITION



LOOKING SOUTHWEST FROM ASH AVENUE

SURROUNDING USES



 TEMPE DEPOT PROJECT SITE

1. Hayden Ferry Phase III (10-stories)
2. Hayden Ferry Phase II (12-stories)
3. Hayden Ferry Phase I (8-stories)
4. Hayden Ferry Edgewater (8-stories)
5. Hayden Ferry Bridgeview (12-stories)
6. State Farm at Marina Heights (253')
7. 111 W. Rio / ADP (144')
8. Hayden Flour Mill (58'-161')
9. Tempe Gateway Mixed-Use (132')
10. Tempe Hayden Butte (333')
11. Hayden Station (83')
12. Light Rail Station at 3rd Street and Mill Avenue
13. Hayden Square Condominiums (3-stories above podium garage)
14. Casa Loma Offices (48')
15. Tempe Mission Palms Hotel (52')
16. Tempe Transportation Center
17. Emerson Mill Avenue (85')
18. University House (195')
19. West Sixth (258'-343')
20. Brickyard (75'-96')
21. College Avenue Commons (5-stories)
22. Centerpoint Chase (81'-109')
23. ASU Foundation Center (72')
24. University Towers (8-stories)
25. Union Tempe (240')
26. 707 S. Forest Apartments (Approved for 235')
27. All Saints Catholic Newman Center
28. 6th & College Hotel (Approved for 170')
29. First and Farmer (Approved for 72')
30. Mirabella at ASU (250' – Under Const.)
31. The Collective (252' – Under Const.)
32. Westin Tempe (225' – Under Const.)
33. The Local (118')
34. 100 Mill (Approved for 229')
35. Regatta Pointe (4-stories)
36. The Yard at Farmers Art District and Culinary Dropout
37. 330 S. Farmer Condos (3-stories)
38. Riverside Offices (3-stories)
39. Encore on Farmer (5-stories)
40. Farmer Arts District – Parcel 1, Lot 1 (85' – Under Const.)
41. The Beam on Farmer (Approved for 5-stories)
42. HILO Tempe (Approved for 136')
43. VIB TEMPE (Approved for 72')
44. Omni Tempe Hotel (Approved for 179')

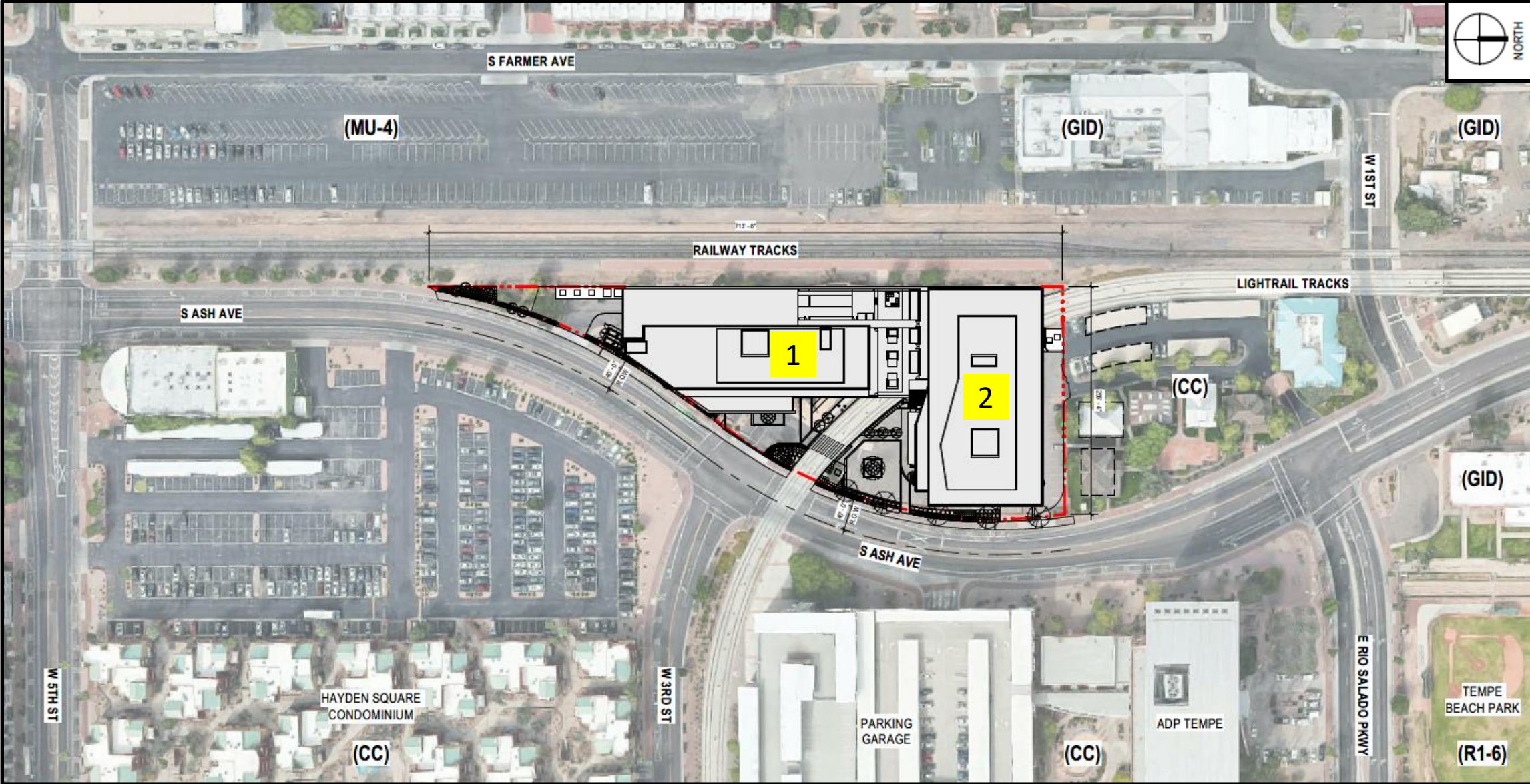
REDEVELOPMENT PROPOSAL OVERVIEW

- Preservation and rehabilitation of train depot structure built in 1924 along site's western perimeter for retail / restaurant use;
- Class A 17-story office tower providing +/- 319,410 square feet of office space;
- Five star, full-service 18-story hotel tower providing up to 280 guest rooms and +/- 10,310 square feet of conference meeting space;
- +/- 13,715 square feet of indoor retail / restaurant use space at street-level;
- Up to +/- 5,310 square feet of outdoor dining space at street-level;
- Up to +/- 21,670 square feet of public gathering / plaza space at street-level;
- Six-level shared parking structure on the 2nd through 7th levels of project providing 1,087 vehicle spaces;
- Covered parking courtyard adjoining the office tower's lobby providing six vehicle spaces; and,
- Substantial landscape (soft and hardscape) enhancements

REQUESTS

1. Approve Planned Area Development (PAD) Overlay to establish site specific development standards
2. Approve Development Plan Review (site and landscape plans and building elevations)
3. Approve Use Permit to allow tandem parking in City Center zoning district
4. Administrative finding that project design generally conforms to intent of the Transportation Overlay District

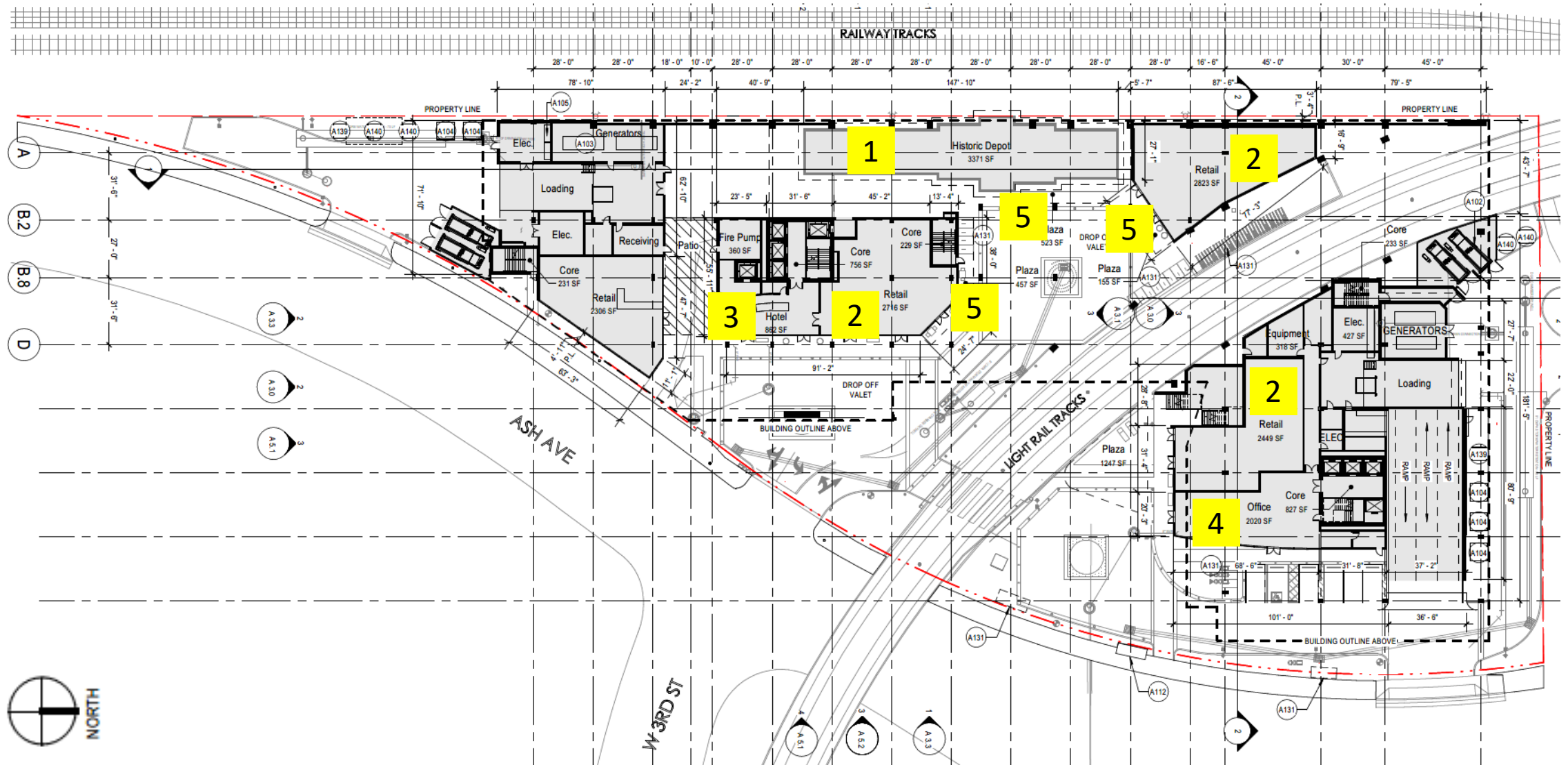
CONTEXT SITE PLAN



1. HOTEL TOWER

2. OFFICE TOWER

STREET-LEVEL FLOOR PLAN



1. TRAIN DEPOT

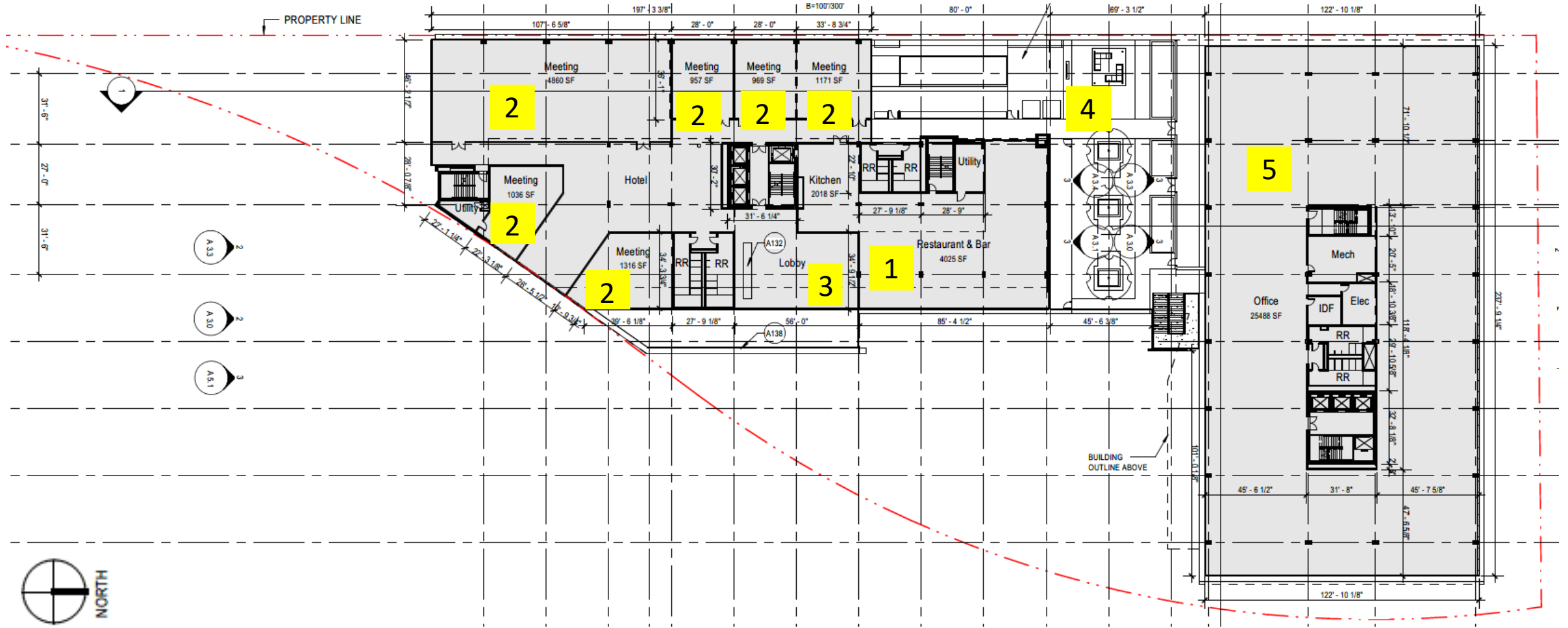
2. RESTAURANT/RETAIL SPACES

3. HOTEL LOBBY

4. OFFICE LOBBY

5. PLAZAS

EIGHTH-LEVEL FLOOR PLAN



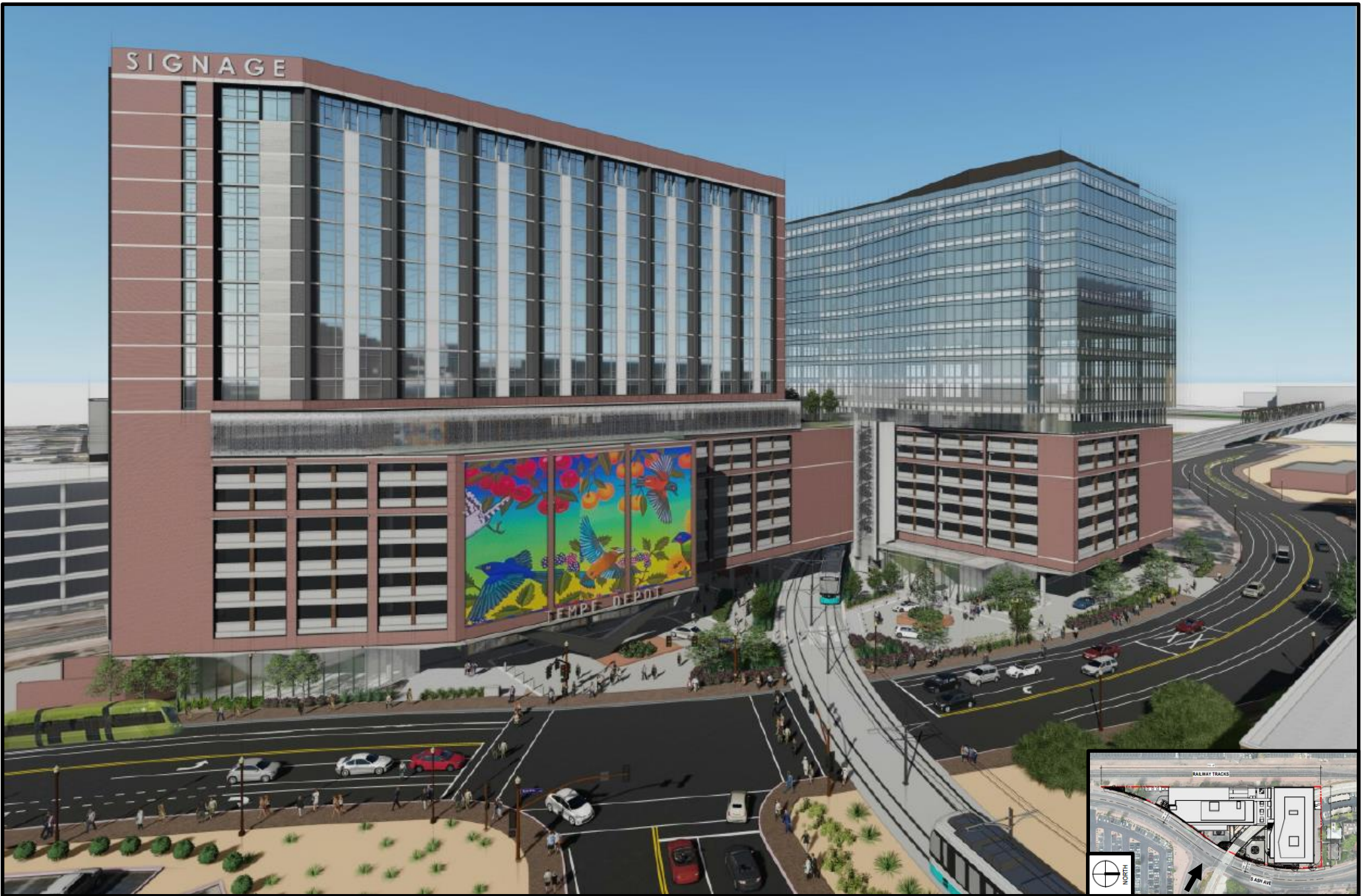
1. RESTAURANT & BAR

2. MEETING SPACES

3. LOBBY

4. AMENITY DECK

5. OFFICE SPACE



PERSPECTIVE
LOOKING NW FROM ASH AVE. & THIRD ST.



**STREET-LEVEL PERSPECTIVE
LOOKING NW FROM ASH AVE. & THIRD ST.**

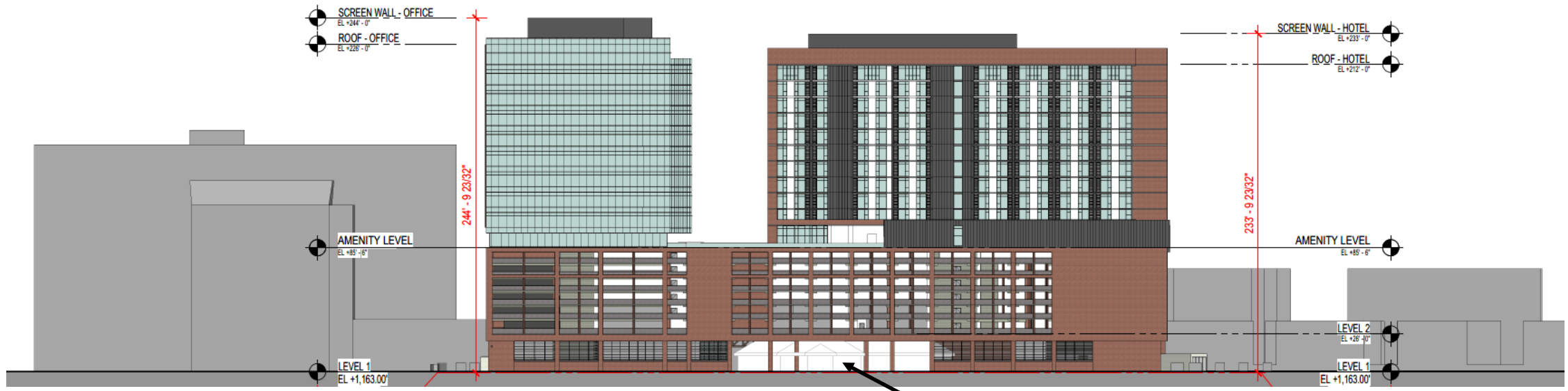
**STREET-LEVEL PERSPECTIVE
LOOKING SW FROM ASH AVE. & THIRD ST.**



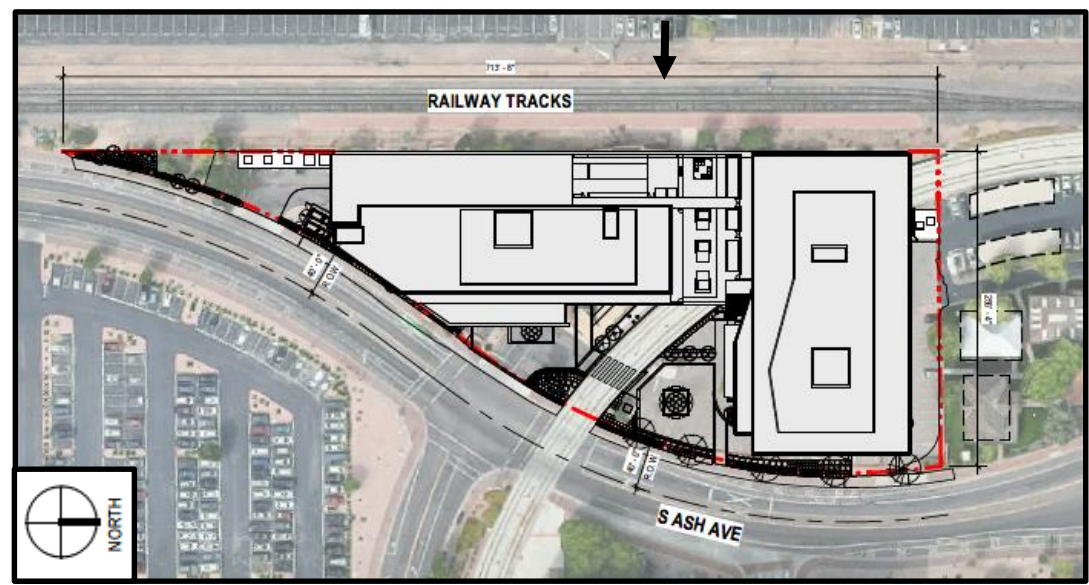
STREET-LEVEL PERSPECTIVE LOOKING SW ALONG ASH AVENUE



WEST BUILDING ELEVATION



TRAIN DEPOT



TEMPE DEPOT



TEMPE HISTORIC PRESERVATION COMMISSION MEETING
May 13, 2020