

Plan for luxury units near SkySong faulted

Planners want adjustment to Mark-Taylor development

By Edward Gately
The Republic | azcentral.com

A developer who wants to build a gated, luxury apartment complex east of SkySong, the Arizona State University Innovation Center, received some unexpected resistance at Wednesday's Scottsdale Planning Commission meeting.

The commission recommended City Council approval of the rezoning and a site plan with amended development standards so Mark-Taylor can build the 536-unit complex. However, the vote was 4-2, with Chairman Michael D'Andrea and Vice Chairman Ed Grant dissenting. Commissioner Matthew Cody was absent.

D'Andrea said the city has a stake in how the property is developed, and he wants more than just "let's do whatever to get something going." He said the commission is an advisory board to the council on land use and this proposal isn't for the right land use.

"Personally, I think mixed use works better there," he said. "I don't think this site lends itself to this. I'd rather see something commercial that ties into SkySong and says innovation."

Mark-Taylor is acquiring land along the south side of McDowell Road between 74th Street and Miller Road for the nearly 25-acre complex. Most of the acreage is occupied by the abandoned Los Arcos Crossing shopping center.

The proposed three-story, resort-style complex would bring about 900 residents to the area with an estimated \$45 million in household income, said Scott Taylor, Mark-Taylor's president. Existing retail along McDowell — a car wash, auto-parts store and auto repair shop — would remain in place.

Grant said the site plan should include all retail along McDowell with the apartment complex behind it. The site plan now includes portions of the complex next to existing retail along McDowell.

Lynne Lagarde, a zoning attorney representing Mark-Taylor, said she and her client were surprised by D'Andrea's reaction to the proposal, which is "real and now," and will revitalize the McDowell corridor.

"For nine months we tried to make something mixed use happen," she said. "We're dealing with the real world and a project that can get built."

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MICHAEL D'ANDREA

Chairman of Scottsdale Planning Commission

own the land. If he owned the land, he'd want a project that he could use his land."

Paul Gilbert, an attorney representing SkySong, said the site plan doesn't conform to design guidelines adopted as city policy and referenced in the General Plan.

"These design guidelines call for intense mixed use on the property ... and they specifically require connectivity between SkySong and this project," he said. "This plan provides for no interconnectivity with SkySong. If we're not going to get intense mixed use, we should at least get that interconnectivity."

Lagarde said that there was never intended to be a pathway or street through the middle of the land and that the complex would have a prominent entry facing SkySong. The project represents a residential connection to SkySong, she said.

The commission's recommendation included a stipulation that Mark-Taylor and SkySong address the issue of connectivity before the council considers the case, tentatively on Nov. 1.

"If we're making a compromise in allowing a use that is not consistent with the guidelines, then there's got to be some compromise on (Mark-Taylor's) part, if it means relaxing part of the gated community or making some adjustments there, they ought to be doing that," Gilbert said.

Commissioner David Brantner said if the property was so important to SkySong, then the ASU Foundation should have purchased it so it could control its development.

"We need something there," he said. Commissioner Erik Filsinger said the greater concern is revitalization of the McDowell corridor and "we need the rooftops, the residential" to make that happen sooner rather than later.

Airport panel nixes apartments

By Peter Corbett

The Republic | azcentral.com

The Scottsdale Airport Commission rejected three Scottsdale Airpark apartment proposals last week, fearing that nearby residents would complain about aircraft noise and push for flight restrictions.

The commissioners recommended that the Scottsdale City Council reject all three apartment projects. Wednesday's vote was 4-2 on all the apartment proposals, which include a combined 1,565 units.

"Housing and an airport are the most incompatible land uses," Commissioner John Washington said.

Apartments is one sector of the housing market that is ramping up for development. Close to 3,500 apartment units have been proposed across the city.

The airpark projects are Zocallo Residential, with a plan of 240 units northeast of Scottsdale Road and Greenway-Hayden Loop; the Crackerjax site, for 720 units southeast of Paradise Lane and Scottsdale Road; and 605 units at the former car dealership next to Costco on Hayden Road.

Zoning attorney John Berry said residential units already have been approved in the Airpark at the Scottsdale Quarter.

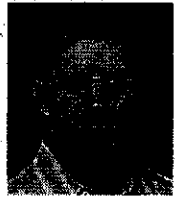
Zocallo residents would have to sign a disclosure statement making them aware of the airport proximity and potential aircraft noise, he said.

The developer would add soundproofing to the units and agree to never convert the apartments to condominiums, Berry said, adding that apartment dwellers are far less likely to complain about aircraft noise than homeowners.

The Scottsdale Planning Commission previously recommended approval of the projects. The City Council will have final say when it meets Tuesday.

One Scottsdale project calls for 677 apartments

Grayhawk and Henkel North America would get hundreds of new neighbors under the latest apartment plan submitted to Scottsdale.



Real Estate
PETER CORBETT
The Arizona Republic

TDI Real Estate Holdings LLC, based in Irving, Texas, wants to build 677 apartments in two phases at One Scottsdale, the mixed-use project northeast of Scottsdale Road and Loop 101.

Development costs for the 388-unit first phase would be about \$65 million, said Gus Villalba, TDI West executive vice president

in San Diego.

There is a growing demand for apartments in the Valley, he said.

"Everybody believes in Phoenix and that it's going to enjoy a strong jobs recovery," Villalba said.

"Right now, the propensity of people to rent is moving in our direction."

TDI's apartment project could breathe some new life into the 120-acre One Scottsdale site that has been largely vacant for three years while retail, residential and office development stalled in the recession.

Henkel, which took over Dial Corp. in 2004, opened its 348,000-square-foot North American headquarters at One Scottsdale in December 2008.

Plans subject to review

One Scottsdale, developed by DMB Associates Inc. of Scottsdale, is planned for 1.8 million square feet of commercial, office and retail uses, 400 hotel rooms and 1,100 residential units.

"This multifamily-residential development aligns with One Scottsdale's vision for a unique mixed-use community," said Charley Freericks, DMB senior vice president.

TDI intends to build on 24 acres east of the 73rd Street alignment between Legacy Boulevard and Thompson Peak Parkway.

The first phase would be on 13.6 acres at the northeastern edge of the One Scottsdale site, next to the Grayhawk community.

TDI's plans must be reviewed by the Scottsdale Development Review Board.

Phoenix attorney Kurt Jones of Gallagher and Kennedy, who is representing TDI, said the company hopes its plan will

APARTMENT BOOM

Developers have proposed building about 4,400 apartments in Scottsdale.

- ▶ One Scottsdale, Scottsdale Road and Loop 101, 677 units.
- ▶ Alliance Residential, Scottsdale Road and Lincoln Drive, 264 units.
- ▶ Zocallo Residential, 15540 N. Greenway-Hayden Loop, 240 units.
- ▶ Crackerjacks site, 16001 N. Scottsdale Road, 720 units.
- ▶ Sunrise Luxury Living, 15333 N. Hayden Road, 605 units.
- ▶ Villa Volterra, Scottsdale Road and Pinnacle Peak, 262 units.
- ▶ Deco Communities, Pima Road and Legacy Boulevard, 224 units.
- ▶ Blue Sky, Scottsdale and Camelback roads, 700 units.
- ▶ SkySong, Scottsdale and McDowell roads, 325 units.
- ▶ Los Arcos Crossing, McDowell Road and 74th Street, 384 units.

be on the board's December agenda.

Construction is slated to begin in April, and the three-story apartment buildings would be completed in 11 to 18 months, Villalba said.

Apartments would range in size from 748 to 1,280 square feet. Rental prices have not been set.

TDI was attracted to One Scottsdale because of its location and DMB's strong development track record, Villalba said.

Its developments include DC Ranch in Scottsdale and Verrado in Buckeye.

TDI's executives developed four apartment projects in Phoenix as JPI Development, including one with 438 units northwest of Scottsdale and Bell roads, completed in 1998.

Apartment boom emerges

Scottsdale is poised for a residential-building surge with developers lining up to construct about 4,400 apartments if all the projects are approved and completed.

Mayor Jim Lane said a shift away from consumer interest in homeownership is driving the apartment sector.

The financial markets will determine how many apartments ultimately are built in Scottsdale, he said.

"I think the market will settle into a reasonable growth rate," Lane added.

He and other Scottsdale City Council

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The third is at 15333 N. Hayden Road, site of a closed car dealership east of the runways and next to Costco.

Last month, the Scottsdale Planning Commission unanimously recommended approval of the three projects.

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REAL ESTATE

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members will decide Tuesday on the fate of three disputed apartment projects in the Scottsdale Airport.

The Scottsdale Airport Commission recommended that the council reject the three projects, with a combined 1,565 units, because the members fear that noise complaints and political pressure would lead to airport restrictions.

Two of the projects are just east of the airport near Scottsdale Road at Greenway-Hayden Loop and Paradise Lane, respectively.