

Infill projects to begin in 2012

Work on Blue Sky planned for 2nd quarter

By Edward Gately
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Scottsdale residents are expected to get their first glimpse next year of construction resulting from the city's controversial downtown infill-incentive district and plan.

Construction on the first phase of Blue Sky, Gray Development Group's apartment complex near the northeastern corner of Scottsdale and Camelback Roads, is to begin late in the second quarter. It will include more than 700 units, three buildings and a maximum building height of 128 feet.

The proposal originally was filed in summer 2010, just after the City Council narrowly approved the district and plan. Those allow property owners downtown to request amended development standards, such as increased height and density, in exchange for public benefits, such as investment in public art and amenities.

The changes established a building-height maximum of 150 feet north of the Arizona Canal and surrounding Scottsdale Healthcare Osborn Medical Center.

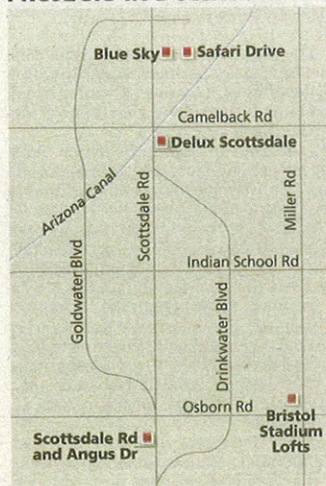
Five proposals have been filed under the changes, the latest being Bristol Stadium Lofts, a multistory apartment complex north of the northwestern corner of Osborn and Miller Roads, and just east of Scottsdale Stadium and the San Francisco Giants training complex. It would tentatively include 224 units with nine stories closest to the stadium, and descending to five stories near Miller.

Dan Symer, senior city planner, drafted the downtown infill-incentive plan. He said Blue Sky, along with the second phase of the Safari Drive condominium complex and other projects, likely wouldn't have been brought forward had it not been for the district and plan.

In August, the council approved ST Residential's proposal for the second phase of Safari Drive, just east of the Blue Sky site. It includes an increase in maximum building height to 105 feet from 65 feet.

"Blue Sky and Safari are doing canal improvements, and those are big-ticket items that if they didn't do them the city would have to do them," Symer said. "For an infill-incentive district to offset those costs, I think it is successful. Blue Sky's canal improvements ... are estimated to be \$400,000-\$500,000, and we

INFILL-INCENTIVE PROJECTS IN DOWNTOWN



Note: The Delux Scottsdale proposal has expired and the property owner has yet to indicate whether the project will go forward.
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get the street improvements, which are quite a bit of money."

Coming up

Last month, Gray Development submitted its design-review application, which could go before the Development Review Board and the council during the first quarter, said Brian Kearney, Gray's chief operating officer.

"The overall design is consistent with what was presented to the council in April, although it has been enhanced in several ways," he said.

They include materials that enhance the exterior, development of all lower roof decks as integrated, active spaces and an improved architectural and shade feature at the top of the main building on Scottsdale Road, he said.

The Development Review Board will look at the proposal at its Dec. 15 meeting, but won't take action until a later meeting, Symer said.

He added that Safari Drive is working on its design-review application.

"They're coordinating with Blue Sky



CF Waterfront Investments LLC wants to replace the partially demolished building at Scottsdale Road and Shoeman Lane with a taller mixed-use project. ELDORADO INVESTMENTS

on utilities and things like that because they're right next to each other," he said.

Other applicants who have benefited from the infill-incentive changes still have a way to go in terms of specific plans.

In June, the council approved an infill-incentive proposal that increases the maximum building height from 50 feet to 90 feet on the property that now houses the U.S. Egg restaurant on the southwestern corner of Scottsdale Road and Angus Drive, and vacant property to the north.

The proposal didn't include a specific site plan or building elevations, said John Berry, the property owners' zoning attorney. The zoning change and amended development standards are needed to make the property more marketable and accelerate development, he said.

Interest in the site is expected to pick up as the economy slowly improves and the banks are willing to lend on good, quality projects, he said.

Scottsdale-based Continental Group, which wants to develop Bristol Stadium Lofts, has been meeting with residents and city planning officials to obtain feedback on its proposal. The proposal will be considered by the Development Review Board at an upcoming meeting.

Numerous residents have said the complex would be too big and tall for the property and the neighborhood. Terry O'Neil, project manager, said the height has been scaled down from 125 feet, and that more changes may be made before the proposal goes to the council.

"We don't need another public outreach, but if any resident would like more information, I'm open to meeting anywhere," he said.

Higher they go

The owner of a partially demolished building near Scottsdale and Camelback roads wants even more building height than originally requested in its infill-incentive proposal.

The original proposal called for replacing the building with a taller, mixed-use development including restaurant and office space along with one residential unit. The owner and developer is CF Waterfront Investments LLC.

The original proposal asked the city to increase the maximum building height to 65 feet from 36 feet.

The application hasn't progressed through the city's approval process, and has expired, Symer said.

"They would have to resubmit," Symer said. "I haven't heard anything. That was one of the ones we were hoping to first come out of the ground to show that this is what can be done, and unfortunately it died."

Bill Wisniewski, who owns Realty Unlimited, represents CF Waterfront Investments LLC. He said the project is far from dead.

The developer plans to ask for a maximum building height of about 90 feet, he said. It purchased the property just east of the site and wants to locate a parking structure there for tenants and patrons of the mixed-use building, he said.

However, the city doesn't want a parking facility on that lot, and that has delayed the project, Wisniewski said.

"We're ready to move forward on that project," he said. "There's plenty of money for the construction and the blueprints are ready to go."

Current zoning does not permit a parking garage as a stand-alone use on the property, Symer said.