



## Memorandum

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Date: August 12, 2016

To: Mayor and City Council

Through: Steven Methvin, Deputy City Manager

From: Ryan Levesque, Deputy Community Development Director (8441)  
Alex Smith, Deputy Community Development Director (2708)  
Donna Kennedy, Economic Development Director

SUBJECT: Downtown Development Vision

### Purpose

Staff is seeking Council input and guidance on enhancing the Character Area 3 planning process to include a Downtown Development/Urban Core Strategy that would incorporate Council's vision for Downtown, various regulatory documents (General Plan 2040, Tempe Zoning and Development Code, Historic Preservation Ordinance, etc) and the multiple Downtown initiatives (Tempe Beach Park & Rio Salado Master Plan, Rio Salado Transportation Study, Tempe Streetcar, etc) into a single planning document.

Maricopa County has few urban areas like downtown Tempe, with its unique mix of historic neighborhoods and buildings, a robust entertainment district, a concentration of Class-A office buildings, desirable hotels and tourists destinations as well as the nation's largest university and its 330-acre Stadium District. Possibilities are endless in Downtown Tempe but so are the complexities that come with being a highly sought out area for companies and residents.

Under the guidance of City Council, Community Development staff has embarked on a city wide Character Area planning process to convey the vision and goals of eight distinct areas throughout the city. This process is currently underway in Character Area 3, which is irregularly bordered by Priest to McClintock and the Loop 202 to Broadway.

While the Character Area Plan is a means of conveying the vision and goals of an area to create positive change, the Downtown Development/Urban Core Strategy will serve to incorporate the many regulatory and downtown initiatives with the City Council's vision for Downtown into a consolidated single document for use by residents, developers and staff.

As one of Tempe's longest and most valued partners, staff has engaged Arizona State University (ASU) in hosting a Downtown Development/Urban Core Strategy planning session in the University's award-winning Decision Theater Network. The Network actively engages participants in "visualizing solutions to complex problems". They provide expertise in collaboration, the latest computing and display technologies for data visualization, modeling and

simulation. The Network addresses cross-disciplinary issues by drawing on ASU's diverse academic and research capabilities.

## Existing Planning Documents

### Regulatory Documents

The documents listed below provide the regulatory framework by which development projects are processed. These documents are adopted by ordinance, and in some cases ratified by Tempe voters. While these documents provide standards for items such as lot coverage, residential density and height, they do not provide detailed design standards for Downtown.

- *Tempe Zoning and Development Code (ZDC)*—existing zoning, which establishes a property's standards for residential density, lot coverage, landscape, and setbacks. The ZDC also defines appropriate methods of building design, circulation, parking, lighting and signage. The process procedures and decision-making authorities are also identified within this code.

<http://www.tempe.gov/city-hall/community-development/planning/zoning-and-development-code>

- *Transportation Overlay District*—an overlay consisting of alternate standards that support alternate modes of transportation along our light rail corridor as well as pedestrian-oriented design standards.

<https://www.tempe.gov/home/showdocument?id=1913#page=19>

- *General Plan 2040*—projected land use and projected residential density. This document is not adopted by ordinance, but rather by Council resolution and subsequently ratified by a majority of Tempe voters (March 2014)

<http://www.tempe.gov/city-hall/community-development/general-plan-2040>

- *Historic Preservation Ordinance*—properties can be designated as “Historic” with a zoning overlay. This overlay is intended to provide an additional level of review for properties of historical significance to Tempe’s past. A lot of Tempe’s history is found within the Downtown, but not all properties have a historic designation.

<http://www.tempe.gov/home/showdocument?id=8675>

Selected maps and exhibits from the list above are provided in **Attachment A**.

## Guideline Documents

These documents are in many cases more detailed than the regulatory documents listed above, but are not enforceable law—using words such as “may”, “consider” and “encourage”. However, they are used to inform decisions made by developers, architects and staff related to the appropriate use of height, streetscape design and building design.

- *Community Design Principles: Downtown/Mill Avenue District and Vicinity* (April 2006)—provides an overview and observation of Tempe’s historical context, identifies a vision for Downtown development, and focuses on relevant issues and key character defining principles for place-making. This plan also contains, the Downtown Building Heights Concept Study, identifying specified areas for maximum heights and step-backs in downtown for consideration in future development proposals.

<http://www.tempe.gov/home/showdocument?id=6225>

- *Urban Open Space Plan* (September 2007)—drafted by PPS, Project for Public Spaces, identified additional place-making principles and identified methodologies to bring together stakeholders.

<http://www.tempe.gov/home/showdocument?id=6218>

- *Mill and Lake District Streetscape Principles and Guidelines* (February 2011)—a guide for future redevelopment and on-going maintenance within the public rights-of-way. The document emphasized key principles and objectives: Building Facades, Furnishing/Accessories (such as benches, receptacles, news racks, utility structures, way-finding signage). This document also identifies the differing characteristics of streets in the Downtown, which includes a selection guide for sidewalk paving, trees, street lights, and other desired streetscape amenities, although not a prescriptive guide.

<http://www.tempe.gov/home/showdocument?id=6219>

## **Current Initiatives**

The initiatives listed below are being undertaken by a variety of Downtown stakeholders, including Arizona State University (ASU), Downtown Tempe Authority (DTA), City of Tempe Public Works Department and the City of Tempe Community Development Department.

- *Character Area Plan 3* (February 2016)—A Character Area Plan is a way of conveying the vision and goals of an area to create positive change. Each Plan is firmly rooted in place-making principles and design guidelines. Area 3 consists of Downtown, Town Lake, ASU properties, and the surrounding residential neighborhoods.
- *ASU Athletics Facilities District* (on-going)—a 330 acre property owned by ASU. A preliminary master plan for land use has been shared with the community, led by master developer, Catellus. Created by the state legislature in 2010, the district is both a real estate development opportunity and an innovative funding mechanism for ASU athletic facilities.

- *Tempe Beach Park & Rio Salado Park Master Plan* (TBD)—A future RFQ would create a “renovation roadmap” for desired uses and programmatic strategies for the park.
- *Small Area Transportation Study* (pending)—ASU and Tempe’s joint effort to study traffic impacts and best practices for a limited area including the Downtown and the ASU Athletic Facilities District.
- *Transit Oriented Development Grant & Affordable Housing Strategy Grant* (2016 – 2018)—Tempe received a federal grant to conduct a planning effort to develop a Transportation Overlay District for the Tempe Streetcar and to prepare an Affordable Housing Strategy within the District.
- *Tempe Streetcar* (projected late 2019)—the Valley’s first streetcar line reached a significant funding milestone when included in President’s budget for Fiscal Year 2017, for \$75 million. The next steps include design, preliminary engineering, utility assessments and vehicle procurement.
- *Downtown & Municipal Complex Solar Projects* (TBD)—evaluating entire campus that is large enough to provide solar and shade on City property in downtown.
- *5th Street Streetscape Project* (2016-2017)—a comprehensive effort to redesign 5<sup>th</sup> Street from College Avenue to Farmer Avenue, designed to make a more multi-modal street, with an assigned consultant (Collectiv) and future CIP budget anticipated.
- *Tempe Butte Management Plan* (pending)—a comprehensive effort to clean up and repair, improve functionality, improve aesthetics, and implement long-term management practices appropriate for a municipal desert preserve.
- *Bike Share Program* (Spring 2017)—seeking Council direction for approval of vendor contract for an estimated 300 bikes and 31 stations clustered around Downtown, light rail, ASU and other outliers.
- *Downtown Renovations-five-year Capital Improvement Projects* (CIP)—Consisting of the approved CIP for the Downtown.
- *Downtown Tempe Authority (DTA) Draft Downtown Master Plan*, (pending)—DTA hired Biederman Redevelopment Ventures and Katalyst, to create a vision for the future of Downtown Tempe with the goal of making the Downtown a globally recognized destination, while activating open spaces as an economic development tool that creates value.
- *ASU Sun Devil Re-Invent Effort* (TBD)—an effort underway by ASU to re-think how Sun Devil Stadium can be more than just a football stadium.

## **Existing Regulatory Framework**

The majority of the Downtown is zoned City Center District (CC), excluding a few ASU-owned parcels, Hayden Flour Mill and property along Farmer Avenue. There are also CC zoned outlier parcels south of University extending along Mil Avenue. The existing framework allows the City to regulate building height, density, form, lot coverage, parking, and building design. However, the City cannot restrict land uses that are otherwise allowed by existing zoning.

The CC zoning district has a maximum building height of 50 feet with no standards for lot coverage/landscape areas and allows all residential types with no standard for density (**Attachment B**). The Zoning and Development Code defines three categories of residential—Single-Family, Multi-Family and Mobile Homes. Single-family is an attached or detached dwelling unit on its own lot (single-family home or townhome). Multi-family consists of multiple dwelling units on a lot (apartments, condominiums, assisted living, student housing)

If a developer wishes to deviate from the standards established in the ZDC or modify prior entitlements, the project would require a Planned Area Development Overlay (PAD). Projects using a PAD can be evaluated based on the ordinance criteria for compatibility with the surrounding area and any goals/objectives established for an area. PADs may also be denied on the same grounds.

General Plan 2040 projects Mixed-Use (Residential and Commercial) and High Density Urban Core with greater than 65 dwelling units per acre for Downtown. When a zoning change is sought, or required by the ZDC, a property must conform to the General Plan projected maps otherwise an amendment to the plan would be required. This action requires a City Council two-thirds majority decision.

## **Development Vision**

Downtown Tempe, which is roughly defined as the area bounded by the Salt River, University Drive, College Avenue and Farmer Avenue, has grown into an urban core within the larger Character Area 3. While still in the early stages of development, this urban core presents a unique set of design and development challenges.

While all unique, successful urban environments share many factors with each other. These include walkability, transit options, connectivity, a diverse mix of uses/housing types and quality architecture/urban design. Tempe specific information related to many of these items is contained in the regulatory/guideline documents referenced above. However, there is no one document that speaks to all of them at the same time and in a comprehensive manner. Staff is seeking Council direction related to the consolidation of the standards, guidelines and ideas that specifically address the further development of Tempe's urban core—providing a single source of information for staff, developers and residents.

The questions below were designed to frame the issues that will impact the development of the Downtown Development/Urban Core Strategy and provide Council with a starting point for more detailed conversation in which their vision for Downtown can be used as a guide for future staff work.

## Questions for Council

1. Does Council want to consolidate/update the existing standards and guideline documents into one document that specifically address Downtown Tempe as part of the Character Area 3?
2. Does Council have any interest in revising the existing guidelines for Downtown building heights?
3. What type of qualities/uses/amenities would Council like to see in future residential developments (**Attachment C**)?
4. What other parameters should be a factor in future Downtown developments (e.g., quality streetscape, maintaining existing alleys, open space and connectivity)?

## Moving Forward

If Council chooses to move forward with the process outlined above, staff anticipates following the steps outline below:

1. Staff will work to consolidate the existing regulatory and guideline documents into a comprehensive document, specific to Downtown, that details the existing regulatory framework.
2. Start an outreach component of the Character Area 3 process that includes business owners, land owners, developers, neighborhoods and the general public. This process would focus specifically on the built environment and be aimed at soliciting input related future guidelines/standards.
3. Combine input from Council and the outreach process into a set of recommendations for Council review
4. Execute on the direction provided by Council in Step 3—creating a comprehensive guideline/standard document for Downtown development.