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PROJECT NARRATIVE
For
MCGRATH MULTI-FAMILY HOUSING & RETAIL
SITE PLAN & REZONING SUBMITTAL

SWI Project # 17113

Section 22, T 21 N, R 07 E, G&SRM
City of Flagstaff,
Coconino County, Arizona

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I. INTRODUCTION

This Narrative is written to support the site plan and zoning map amendment applications for the McGrath Real Estate Partners (“McGrath”) Multi-Family Housing and Retail development project (the “Project”). McGrath is proposing a new mixed-use development at the intersection of Sawmill Road and Butler Avenue. An earlier version of this project was reviewed by the Planning and Zoning Commission and City Council and this application is a revised version of the same project. The Project will include a retail component at the north end of the site along the Butler Avenue frontage that is being developed by Accelerated Development Services. The balance of the Project is a multi-family housing component along Sawmill Road that is being developed by McGrath. The Project will revitalize an old dilapidated industrial area by removing outdated warehouse buildings and providing new multi-family housing and shopping opportunities for the residents of the City of Flagstaff.

II. EXISTING CONDITIONS/SURROUNDING ZONING AND LAND USES

The Property is approximately 14.51 acres, comprised of 7.31 acres of Coconino County Assessor’s Parcel no. 104-13-002B (east parcel) zoned light industrial (LI) and 7.20 acres of Coconino County Assessor’s Parcel no. 104-03-005B (west parcel) zoned heavy industrial (HI). Both parcels are currently owned by Wendt Business Park, LLC and serve as a space for a large warehouse, two secondary storage buildings, several material stock piles, and associated parking. The existing conditions are described in further detail below based on the proposed development layout.

The east parcel is currently developed and consists of approximately half of the warehouse, paved parking, multiple material stock piles, one of the secondary buildings, and a large portion of the Project’s natural resources and vegetation. There are existing Ponderosa pines in the northeast and southeast corners of the east parcel. The northern portion of the east parcel slopes towards E. Butler Avenue. The southern portion of the east parcel slopes towards the southeast corner of the Property.

The west parcel is currently developed and consists of approximately half of the warehouse, paved parking, multiple material stock piles, one of the secondary buildings, and a small portion of the Property’s vegetation. The southern portion of the west parcel slopes towards the south property line and toward E. Sawmill Road. The northern portion of the west parcel mainly slopes towards E. Butler Avenue.

A Letter for Historic Resources Study of 825 and 829 E. Butler Avenue in Flagstaff, dated April 30, 2018, was prepared by Cornerstone Environmental. Results of the investigation found no evidence that the existing buildings were constructed prior to 1971; therefore, a Phase 1 Historic Resource Study is not necessary.

The properties directly west of the Property are zoned High Density Residential (HR) and Highway Commercial (HC). The properties to the south are zoned Heavy Industrial (HI) and Public Facilities (PF). The properties east of the Property are zoned Light Industrial

Open (LI - O). The properties to the north are zoned Light Industrial (LI). Surrounding land uses include: industrial/commercial uses to the north and east; a shopping center, luxury multi-family housing, and student housing to the west; and, open space, the L.E.A.F. facility, and the Coconino County Juvenile Court to the south of the Property.

III. PROJECT PROPOSAL

McGrath envisions the Project providing a horizontal mix of uses including residential and retail. The Project was planned with input from the City of Flagstaff Planning Department to be in line with High Occupancy Housing Plan (HOH Plan) as well as the General Plan and Activity Center designations. The General Plan under land use states, *“The community vision is to focus infrastructure investments where they will have the most impact – in reinvestment areas of activity centers and corridors, as well as preservation of existing neighborhoods, and to make walking and bicycling from and to all place types an opportunity for residents and visitors.”* McGrath Multi-Family Housing & Retail has been planned as a pedestrian friendly development that emphasizes multi-modal travel through the use a new FUTS connection to the Rio De Flag trail, adjacent NAIPTA bus stops, and connectivity to the adjacent Sawmill development. Additionally, the Project will provide secure indoor bike storage for the multi-family residents as well as additional bike racks outside.

The two existing parcels will be combined and split into a 2.24 acre parcel along Butler Avenue and a 12.27 acre parcel on the south portion of the site. The Site Plan includes two multi-family housing buildings generally located in the middle of the site on the south 12.27 acre parcel. The residential buildings will include 333 units and an integral clubhouse, leasing facility, and fitness center. The building layout defines multiple exterior courtyards that will be utilized as tenant recreation areas along with a community garden area with raised planter beds. Courtyard amenities will include a pool, shade structures, seating, grilling stations, a sand volleyball court and an exterior fitness area. Public civic spaces shall be integrated into the design including: a main street with enhanced paving that can be closed off for special events, benches, shade structures, open lawn, bike parking and 2,000 square feet stand-alone flex building. The two residential buildings will be connected by a covered walkway on Level 2 to provide connectivity for residents. These residential buildings include surface parking as well as a parking structure located on the east side of the site which will be hidden from the main view looking in from E. Butler Avenue. The highest ridge line of the five-story multi-family housing buildings will be 65’ with a few tower elements that approach 67’ in height. Site access will be provided from two driveways on Sawmill Road.

The multi-family housing portion of the Project will include a mixture of Efficiency, Studio, 1, 2, 3, and 4-bedroom unit types. The Project also includes a 2-bedroom, 2.5 bath townhome-style apartment units with private backyards. This unit mix was selected to provide a variety of unit types leased at different price points, some of which are not available at The Grove or the Village at Aspen Place residential projects nearby. A heavy emphasis was placed on smaller units including efficiency and studios. The increase in project density allows the Project to pass on real savings to the community. This unit mix

will appeal to a broad range of tenants to better serve the Flagstaff community. Smaller units will allow more residents to live for less monthly rent in perhaps a development they otherwise couldn't afford.

McGrath was asked to consider incorporating affordable housing units into the multi-family project or to consider paying a fee in lieu of including affordable units. Neither of these were a requirement during the entitlement process, but city officials stressed the current need for affordable housing options in Flagstaff. As a result, McGrath has elected to designate 10% of the multi-family housing units, 34 units in total, as affordable and will work with city officials to set rates for these units at a discounted level. In addition, McGrath will also donate \$500,000 to the City to help fund future affordable housing projects for the residents of Flagstaff.

In addition to the multi-family housing, the Project is supported by two retail buildings that flank the west and east sides of a central parking field at the north 2.24 acre parcel (the "Retail Parcel"). A shops building parallel to Sawmill Road has been designed with flying roofs and storefronts that face towards an anchor and its entry facade to the east. The shops include a secondary entry with a flying roof and storefront that engages the intersection. An internal drive-through has been designed at the south end of the shops to maximize civic space amenities such as seat walls, patio areas and landscaping at the north end of the shops. The anchor has been designed with a south facing loading dock and a drop-off area at the east end of the Retail Parcel. Loading will be sufficiently screened from Butler Avenue. Site access will be from a shared driveway on Butler Avenue with a secondary cross access through the multi-family housing project from Sawmill Road. Pedestrian connections provide inner-connectivity between the Retail Parcel and the remainder of the Project.

The multi-family housing portion consists of 307,573 net rentable square feet of housing. The Retail Parcel consists of 22,300 square feet of gross leasable area. The lot coverage for the Retail Parcel is 23% or .23 FAR. The residential density of the Project is 27.1 dwelling units per acre.

The mix of uses provides residential and retail opportunities in close walkable proximity to Downtown Flagstaff establishments and businesses as well as Northern Arizona University (NAU) which will support new and existing Flagstaff residents. A new FUTS trail will be constructed through the site along the southwest portion of the property. It will extend to the southeast corner of the site where a currently planned City project will extend the trail to make a connection with the existing FUTS trail in the Rio De Flag.

IV. LOT SPLIT/COMBINATION

The two parcels are adjacent to each other with a north-south property line bisecting the two parcels. The east parcel (APN 104-13-002B) is currently zoned Light Industrial (LI) and the west parcel (APN 104-03-005B) is currently zoned Heavy Industrial (HI). These two parcels will be combined into one and split according to the proposed Site Plan with an east-west property line bisecting the two parcels. Once the property has been rezoned,

McGrath will apply for the lot split/combination. The north parcel will be zoned Highway Commercial (HC) and the south parcel will be zoned High Density Residential (HR) upon the completion of the zoning map amendment (rezone). The rezone will allow for the retail and multi-family residential land uses on this property.

V. ENTITLEMENTS REQUIRED

As proposed, development of the Project will not require an amendment to the Flagstaff Regional Plan 2030 (FRP30). However, it will require rezoning to Highway Commercial and High Density Residential. This narrative is supplemented with appendices as indicated below to provide for a unified document that governs the Property and consolidates the discussion of the FRP30 conformance with regard to the entitlements proposed.

A. Flagstaff Regional Plan

The Property has an Area Type designation of Urban in the FRP30. Appropriate uses for the Urban Area Type are “Larger, mixed-use centers at intersections of Regional Travel and Circulation Corridors; with direct access of multiple residential developments; with entertainment and cultural amenities; public spaces; with transit-accessible employment opportunities; serves regional residents and visitors.” FRP30 § IX-36. The McGrath Project provides high-density multi-family housing and retail development with access surrounding neighborhoods and to transit and F.U.T.S.; therefore, the proposed development is consistent with the Area Type.

The Property is located near the Regional Urban Activity Center (RUAC) at Piccadilly and Regent Street. The FRP30 expects that RUAC’s will feature a mix of uses, including higher density residential and retail uses. A full discussion of the Project’s compatibility and consistency with the FRP30 is provided in the Regional Plan Analysis as Appendix A to this Narrative.

B. Zoning Map Amendment

The Project is proposing changing the current LI and LI-O zoning to Highway Commercial (HC) for the retail component and High Density Residential (HR) for the multi-family component. The proposed zonings are consistent with adjacent properties in the area as there are very few industrial land uses in the immediate vicinity of the Project

The ALTA for the Project is provided. Legal descriptions for the lot combination and split are also provided. These documents are provided as Appendix B to this Narrative.

VI. SITE PLAN

As previously discussed, the Site Plan for the Project includes two Lots. These lots will be created based on the Coconino County (County) and City lot split and combination process as explained in Section IV.

A. Architectural Design

This development has been designed to blend into both the natural and built environment of Flagstaff. The architectural massing has been broken into smaller segments to diminish the overall size of the Project and maintain a similar language to the surrounding multi-family projects in the Sawmill Development. The architectural style is a mountain lodge aesthetic, paying homage to the surrounding scenery as well as other architecturally noteworthy buildings. With large gables, heavy timber detailing, and a combination of stone and siding, these buildings have a rich and materially diverse quality. The architecture is meant to blend in with the mountain aesthetic, referencing projects like The Village at Aspen Place or Fremont Station. Furthermore, the colors were selected to pull from the natural browns of the trees and greys of the mountains. The architecture will exude the strength and stability inherent to the City of Flagstaff. In addition to respecting the natural aesthetics, this project will be designed to be environmentally friendly, placing an equal focus on recycling and trash so that the residents in both buildings can easily utilize a recycling chute when needed.

B. Civic Space/Natural Open Space

Non-residential developments larger than 20,000 square feet in gross floor area and residential developments over 50 units are required to provide a minimum of 5% Civic or Public Space. See Code § 10-30.60.090.B.1.a. The project exceeds the 5% Civic Space requirement and has additional natural open space incorporated into the Project. The Retail parcel includes 6,213sf of Civic Space (6.4% of site area). The Residential parcel includes 27,672sf of Civic Space (5.2% of site area) and 101,615sf of Open Space (19.0% of site area). The significant amount of Civic/Open Space provided will encourage pedestrian and bicycle connectivity throughout the Project and encourage residents to make use of multi-modal options instead of their cars.

The residential Main Street is an extension of Kensington Drive that runs through the heart of the Project terminating at the parking structure with enhanced landscape and a feature wall. This street shall be activated with several amenities including enhanced landscape, seating nooks with benches, litter receptacles, raised planters, bicycle parking and 2,000 square feet stand-alone flex building. Open lawn flanks the street at the courtyards and is a versatile space that residents and the public can enjoy. Enhanced paving through the entire length of the street shall tie this civic space together. Removable bollards on either end of the street close off vehicular traffic and allow for special community events, like 1st Friday Art Walk and Farmer's Market.

Generous sized civic plaza space around the retail buildings includes amenities such as seat walls, public patio areas with tables and umbrellas, benches and litter receptacles. Awnings extending off of the building provide additional shaded civic space. Enhanced paving including concrete cross walks in these areas ties these spaces together.

The Project designates a large 1.93 acre natural open space on the southern portion of the site. This steeply sloping land is adjacent to the Sinclair wash open space where the Arizona Trail snakes through. The Project shall include a FUTS trail section to eventually be connected to the Arizona Trail by the City. Portions of this open space are disturbed and piles of rock and soil dot the area. These disturbed areas shall be cleaned up and restored. Existing Ponderosa Pines shall be preserved.

C. Parking

Parking for the two uses for the Project will be subtly separated. A surface lot will provide 99 parking spaces, including 5 ADA accessible parking stalls for the proposed Retail Parcel. Five exterior bike racks that can hold two bikes each will be provided in the retail area. For the multi-family housing, approximately 401 surface parking spaces and 318 structured parking spaces, including 16 ADA accessible parking stalls, will be provided along with 256 secure, covered grade-level bike parking spaces. 22 exterior bike racks that can hold up to two bikes each shall also be provided. .

D. Traffic Impact Analysis

Lee Engineering was hired by SWI to prepare a comprehensive traffic impact analysis (TIA) to fulfill the requirements associated with rezoning and site plan approvals. The baseline goal of the TIA was to identify the impacts that the Project would have on the regional transportation system.

Vehicular access to the retail component and residential component of the Project is provided by a right-in; right-out driveway with a right turn lane along E. Butler Avenue. A full access driveway will also be provided near the northwest corner of the Property along E. Sawmill Road to provide vehicular access to the retail space and the multi-family housing. A third full access driveway will be provided south of the second access point along E. Sawmill Road to provide vehicular access to the residential units.

E. Pedestrian and Bicycle Access

The McGrath Project creates an atmosphere of connectivity through promoting pedestrian and bicycle access throughout the entire site and beyond the Project.

Consistent with the City's future FUTS plans, a portion of a new 10-foot wide FUTS trail connection shall be constructed as a part of this Project. This FUTS trail shall run through along the southwest side of the site starting at Kensington Drive, then eventually into the Sinclair Wash area and connect to the Arizona Trail. This Project will include the FUTS trail to the property line and the City shall construct the remainder of the trail. Several

walk connections to this FUTS trail from the multi-family building are proposed. Residents will have easy access to the Arizona Trail that runs through Flagstaff and will add an extraordinary alternative avenue of mobility.

Internally pedestrian circulation consists of a network of concrete walks crisscrossing through the parking lots, encircling the buildings, connecting building entrances and plaza spaces. One can walk through the entire site without setting foot on asphalt. At the heart of the Project is the residential Main Street. Main Street includes various civic space amenities and can be blocked off with bollards for public community events, like 1st Friday Art Walk, Farmer's Market, etc. Bike parking shall be strategically located throughout the project. When the weather is not ideal, activities can be moved into the 2,000 square foot flex-building also fronting Main Street.

F. Utilities

A Water and Sewer Impact Analysis (WSIA) was completed by the City on May 4, 2018. We have not seen the final Water & Sewer Impact Analysis (WSIA). The adjacent/offsite water and sewer infrastructure has adequate capacity to serve this project. No offsite water or sewer improvements will be required. We will, however, have to run both water and sewer mains into the site in order to serve the project.

Sewer will be provided by 6" sewer services that will discharge to the 8" sewer main that runs across E. Butler Avenue to the north. Water services will be provided by 3" domestic water service lines that will connect to the proposed 8" water loop. The water loop will connect to the existing 10" water main in E. Sawmill Road.

G. Stormwater and Floodplain

The Project will be designed to meet the City's Stormwater Management Design Manual (SMDM) and the City's LID Manual to provide positive drainage away from the proposed buildings and will not adversely affect the drainage characteristics of the adjacent offsite properties. The parcels are within Zone X of FEMA Firm Map #04005C6809G, effective September 2, 2010. Zone X is described as areas determined to be outside the 0.2% annual chance floodplain.

A drainage easement runs along the southwest side of the site to convey the flows from the site to the Upper Rio de Flag Watershed. The southern portion of the site currently drains to the south toward a drainage swale which outlets to the south in the Rio de Flag. The northern portion currently drains to the north to storm drain in E. Butler Avenue which ultimately discharges to the Rio de Flag.

The City's SMDM requires detention and low impact development (LID) for all commercial developments or any developments greater than ¼ acre in size and increases in impervious area of greater than 5,000 square feet. The existing site has approximately 310,174 square feet of impervious area. With the proposed improvements to the north basin region, approximately 9,456 square feet of impervious area will be added. With the

proposed improvements to the south basin region, approximately 32,923 square feet of impervious area will be added. The site will require both detention and LID to mitigate post developed peak flow rates as well as the increase in runoff volume for the site. A 24,397 cubic foot detention/LID basin is proposed to be located in the southwest corner of the site for the multi-family housing portion of the Project. A 1,583 cubic foot LID basin is proposed to be located on the north side of the site for the retail portion of the Project.

A Drainage Impact Analysis (DIA) and Preliminary Drainage Report (Preliminary DREP) have been prepared and are included with the Site Plan submittal. The possible locations for LID and detention facilities have been identified in the DIA and Preliminary DREP.

H. Landscape and Irrigation

The Project will incorporate a variety of landscape and irrigation LID techniques. Surface runoff and overflow roof drains will filter into planting beds where possible. An irrigation system that complements and utilizes LID design principals will be designed to incorporate efficient water application technologies. This system will include incorporating the newest and most cost effective irrigation technology such as 'Smart' controllers as well as soil moisture sensors, rain / freeze shut off devices and strategies that allow water to be applied where, and when the landscape requires it.

The Project will use plant material that is either native or naturalized to the region per the City low water use list of plants. These low water consumptive plants will provide a balance of interest throughout the seasons. The Project will emphasize the planting composition on solar orientation, landscape grading, and layout and massing of similar water consumptive plants. The planting design will also incorporate the use of soil amendments to provide a more suitable soil for moisture retainage and the growth of the plants.

A turf area is incorporated at the heart of the Project as an amenity for the residents and public to enjoy. This high water use zone is approximately ½ of the square footage allowed for the size of this Project.

Wherever possible, native vegetation including Ponderosa pines will be preserved. Most of the native vegetation is located at the northeast corner and the southern side of the Property. Disturbed native areas shall be cleaned up and restored with native seeding.

VII. PROPOSED DEVELOPMENT AGREEMENT ITEMS

The Project received Site Plan approval on September 21, 2018. A draft Development Agreement (DA) is currently being formed by McGrath Real Estate Partners and the City.

Appendix A

McGrath Multi-Family Housing and Retail Regional Plan 2030 Analysis

The City of Flagstaff (City) uses the Flagstaff Regional Plan 2030 (FRP30) as a guidance aid for enforcing its policies and goals to enhance the Flagstaff community. The McGrath Multi-Family Housing and Retail project (Project) is on approximately 14.51 acres of property located on the south side of E. Butler Avenue and east of E. Sawmill Road (Property). As part of the zoning map amendment (Rezone), the Project must be evaluated for conformance with the goals and policies of the FRP30.

According to the FRP30, the Property is located next door to a Regional Urban Activity Center (RUAC) at Piccadilly and Regent Street. Regional Urban Activity Centers are defined as, “*Larger, mixed-use centers at intersections of Regional Travel and Circulation Corridors; with direct access of multiple residential developments; with entertainment and cultural amenities; public spaces; with transit-accessible employment opportunities; serves regional residents and visitors.*” (FRP30 § IX-36). Butler Avenue and Sawmill Road are considered to be “existing Circulation Corridors” and Butler Avenue is also designated as a “Great Street” according to FRP30 Map 25: Road Network Illustration and FRP30 Map 12: Great Streets and Gateways, respectively. Also, direct access to the Property from multiple residential developments along Butler and Sawmill. Refer to Table 1 below for information on requirements of a Regional Urban Activity Center and the development being provided with this project.

Table 1. Project Information

	Regional Urban Activity Center Requirements	McGrath Multi-Family Housing & Retail Project
Residential Density	Min. 13 units/acre	27.1 units/acre
Commercial FAR	Max. FAR = 3.0	0.24 FAR
Building Height	Min. 2 stories	Commercial = 1 story (32'-8" to top of tower) Residential = 5 stories (max 65')
Pedestrian & Transit Oriented Design to Support Workforce and Student Housing	Yes	Yes – FUTS, sidewalks, 4 NAIPTA Bus Stops

The McGrath Project was compared alongside the FRP30 policies and goals to ensure a thorough analysis for conformance. The analysis to follow explains the consistencies between the Project and FRP30 guidelines.

The following analysis provides a breakdown of the policies and goals assembled together by topic to decrease redundancy throughout the narrative.

Topic: Urban Regional-scale Activity Center Characteristics

- *Goal LU.18. Develop well designed activity centers and corridors with a variety of employment, business, shopping, civic engagement, cultural opportunities, and residential choices.*
- *Policy LU.18.1. Design activity centers and corridors appropriate to and within the context of each area type: urban, suburban, or rural.*
- *Policy LU.18.2. Strive for activity centers and corridors that are characterized by contextual and distinctive identities, derived from history, environmental features, a mix of uses, well-designed public spaces, parks, plazas, and high-quality design.*
- *Policy LU.18.3. Redevelop underutilized properties, upgrade aging infrastructure, and enhance rights-of-way and public spaces so that existing activity centers and corridors can realize their full potential.*
- *Policy LU.18.4. Encourage developers to provide activity centers and corridors with housing of various types and price points, especially attached and multi-family housing.*
- *Policy LU.18.5. Plan for and support multi-modal activity centers and corridors with an emphasis on pedestrian and transit friendly design.*
- *Policy LU.18.6. Support increased densities within activity centers and corridors.*
- *Policy LU.18.8. Increase residential densities, live-work units, and home occupations within the activity center's pedestrian shed.*
- *Policy LU.18.9. Plan activity centers and corridors appropriate to their respective regional or neighborhood scale.*
- *Policy LU.18.12. Corridors should focus commercial development to the corridor frontage and residential to the back.*
- *Policy LU.5.5. Plan for and promote compact commercial development as activity centers with mixed uses, allowing for efficient multi-modal transit options and infrastructure.*
- *Policy LU.6.4. Provide appropriate recreational and cultural amenities to meet the needs of residents.*
- *Policy LU.7.1. Concentrate urban development in locations that use land efficiently, and are served by roads, water, sewer, and other public facilities and services, and that support transit, reduced vehicle trips, and conservation of energy and water.*
- *Goal ED.8. Promote the continued physical and economic viability of the region's commercial districts by focusing investment on existing and new activity centers.*

The McGrath Project is part of a larger scale Regional Urban Activity Center which includes Aspen Place at The Sawmill. The Project will provide a design similar to the existing mixed-use development to the west (Aspen Place at The Sawmill) as well as redevelopment of an industrial space, integrate horizontal mixed-use development with higher densities, develop in smaller block sizes, and connect bike, pedestrian, and transit options to support multi-family and student housing. This design will expand on the existing urban uses within the region in line with the goals and policies of the Regional Urban Activity Center as explained in the FRP30.

The McGrath Project is part of a nearby activity center which means the development design should include civic spaces and provide public bicycle and pedestrian connections through the Property to support existing and new residents. By providing sufficient civic space and bike and pedestrian connections, the McGrath Project is further consistent with the goals and policies of the FRP30.

Generally located in the middle of the Property, there are two residential buildings with approximately 333 units. The residential buildings will include an integral clubhouse, leasing facility, and fitness center. The building layout defines multiple exterior courtyards that will be utilized as tenant recreation areas along with a community garden area with raised planter beds. Courtyard amenities will include at least two different outdoor recreation areas. The residential buildings are planned for 5 stories with efficiency, studio, 1-, 2-, 3-, and 4-bedroom units. The unit types and sizes are provided in the unit matrix on page A-01 of the Architectural Plans and are also provided in the table below:

	NUMBER	NUMBER		NET SQ. FT.		
UNIT TYPE	OF UNITS	OF BEDROOMS	NRSF	PER UNIT TYPE	NUMBER	%
A-E Efficiency	60	60	308	18,480	116	35%
A-S Studio	28	28	449	12,572		
A1: 1bdr/1bath	28	28	659	18,452		
B1: 2bdr/2bath	51	102	971	49,521	77	23%
B1a: 2bdr/2bath	20	40	1,087	21,740		
TH1: 2bdr/2.5bath	6	12	1,200	7,200		
C1: 3bdr/3bath	66	198	1,155	76,230	66	20%
D1: 4bdr/4bath	74	296	1,397	103,378	74	22%
TOTAL/AVG	333	764	924	307,573	333	100%

In conjunction with the residential units, approximately 22,300 square feet of retail space is proposed on the north side of the Property. The two retail pads will also provide added employment opportunities for tenants of the community. The retail pads will provide great pedestrian connectivity to the public and residential pedestrian connections. This design focuses commercial development to the frontage with residential development to the back which is consistent with FRP30.

The Project's focal point will emphasize connectivity for walking and biking, civic spaces including a 2,000 square feet stand-alone flex building and local commercial uses within the pedestrian shed of the nearby activity center. Moreover, a Flagstaff Urban Trail System (F.U.T.S.) path will be constructed along the southwest corner into the most southern portion of the Project down the existing natural slope to a future F.U.T.S. path to be constructed by the City. This will allow residents ease of access to the Arizona trail which runs through Flagstaff therefore providing another extraordinary avenue of mobility.

The Project will revive this section of the Butler Avenue circulation corridor as a Great Street of Flagstaff by providing much needed housing and retail for the community and

pedestrian and bike connections to the existing Flagstaff Urban Trail System. The Project will allow for enhancement of this section of Butler Avenue by providing similar commercial frontage as the Aspen Place at The Sawmill. The 5-foot parkway and 6-foot sidewalk along Butler will create an urban feel consistent with the neighboring mixed-use development. Additionally, there are a handful of NAIPTA bus stops within the vicinity to bring residents and community members to and from the proposed development. With this region developing into a Regional Urban Activity Center, Highway Commercial (HC) and High-Density Residential (HR) are certainly more appropriate land uses than the existing industrial land use.

Along Sawmill, our pedestrian and vehicular connections will align with the property to the West, encouraging the connection from residential units to retail establishments. Our residential “Main Street” will have strong architectural multi-family towers flanking both sides, enhanced paving such as concrete pavers and colored/stamped concrete or asphalt, amenities including enhanced landscape, seating nooks with benches, litter receptacles, raised planters and bicycle parking creating a truly urban civic space. The architecture is meant to blend in with the mountain aesthetic, referencing projects like The Village at Aspen Place or Fremont Station. The use of large wood beams and detailing pays homage to the heavy timber aesthetic employed on these similar projects.

Topic: Compatible Urban Design

- *Policy LU.10.5. Consider vacant and underutilized parcels within the City’s existing urban neighborhoods as excellent location for contextual redevelopment that adds housing, shopping, employment, entertainment, and recreational options for nearby residents and transit patrons.*
- *Policy LU.10.6. In mixed use developments, encourage residential uses located above and behind commercial uses within urban areas as well as a variety of housing types where appropriate.*
- *Policy LU.10.9. Civic spaces must be well designed, accessible, and central to the urban fabric.*
- *Policy LU.5.3. Promote compact development appropriate to and within the context of each area type: urban, suburban, and rural.*
- *Policy LU.1.1. Plan for and support reinvestment within the existing city centers and neighborhoods for increased employment and quality of life.*
- *Policy LU.5.2. Promote infill development over peripheral expansion to conserve environmental resources, spur economic investments, and reduce the cost of providing infrastructure and services.*
- *Policy NH.6.1. Promote quality redevelopment and infill projects that are contextual with surrounding neighborhoods. When planning for redevelopment, the needs of existing residents should be addressed as early as possible in the development process.*
- *Goal ED.9. Promote redevelopment and infill as a well-established means to accomplish a variety of community economic, planning, and environment goals.*

Already within an existing Regional Urban Activity Center, the Project will allow true infill and redevelopment of an existing industrial warehouse with multi-family housing,

commercial property, recreation in the form of a F.U.T.S. path connection, civic spaces including a 2,000 square feet stand-alone flex building in an area with existing public infrastructure, and employment opportunities – genuinely a better framework for the urban area. Furthermore, the site is designed to have the commercial use at the frontage of Butler Avenue with the residential use behind. Also, the residential buildings will feature centrally-located, public space along “Main Street”– i.e., public benches, lawns, etc. – for residential tenants and Flagstaff community members to interact and build connections. The courtyards will be fenced off for private use of the residential amenities.

Topic: Site Design

- *Goal LU.6. Provide a mix of land uses.*
- *Policy LU.6.1. Consider a variety of housing types and employment options when planning new development and redevelopment projects.*
- *Policy CC.4.2. Design utilities and infrastructure to be contextual and considered as part of the overall design aesthetics.*
- *Policy CC.4.4. Design streets and parking lots to balance automobile facilities, recognize human-scale and pedestrian needs, and accentuate the surrounding environment.*
- *Policy CC.5.3. Encourage the integration of art into public and private development projects.*
- *Policy LU.4.2. Utilize the following as guidance in the development process: Natural Environment maps, Environmental Planning and Conservation policies, Considerations for Development, Cultural Sensitivity, and Historical Preservation maps, and Community Character policies, while respecting private property rights.*
- *Policy T.6.5. Provide short- and long-term bicycle parking where bicyclists want to travel.*
- *Policy NH.3.4. Reuse former brownfields, vacant buildings, and commercial buildings to provide new mixed-use and/or housing options.*
- *Policy CD.1.5. Require that new development pay for a fair and rough proportional share of public facilities, services, and infrastructure.*
- *Policy LU.7.3. Require development proposals to address availability of adequate public services.*
- *Policy LU.8.1. Available water resources should be a consideration for all major development and subdivision applications.*
- *Policy LU.8.2. Impacts on the City’s water delivery infrastructure should be a consideration for all residential and nonresidential development proposals.*
- *Policy E&C.6.8. Disturbed areas for improvements and landscaping for new developments shall emphasize the use of native, drought-tolerant or edible species appropriate to the area.*
- *Policy E&C.6.9. Develop guidelines to minimize the use of herbicides, insecticides, and similar materials.*
- *Policy E&C.7.1. Design development proposals and other land management activities to minimize the alteration of natural landforms and maximize conservation of distinctive natural features.*
- *Policy CC.4.5. Encourage local landscaping using Xeriscape, low-impact principles, and native vegetation wherever possible.*

- *Policy CC.4.6. Use landscaping to benefit the environment and improve aesthetics, in order to maximize the economic benefit that a well landscaped community provides.*
- *Policy WR.5.4. Develop any necessary stormwater infrastructure improvements consistent with City of Flagstaff stormwater master plans or studies as adopted by the City.*

The Project is consistent with the goals and policies of included with the topic of Site Design as described in the FRP30 by providing a mix of residential and commercial uses; designing water, sewer, and stormwater infrastructure to be consistent with City standards and the aesthetics of the Project and activity center; building new sidewalk, parkway, a new right turn lane on Butler and \$200,000 towards a future traffic light at the Lone Tree/Sawmill intersection; offering both long term and short term bicycle storage; recognizing human scale and pedestrian needs; analyzing the impacts to the existing public water and sewer infrastructure; and, using various drought tolerant species and state of the art irrigation techniques.

The water, sewer, and stormwater infrastructure is designed to serve the residential and commercial uses without a negative impact on the overall aesthetics of the development. Additionally, reclaimed water infrastructure is available in the area. A significant amount of infrastructure would need to be constructed with this project, if necessary. The ability to use this resource will be determined during final design. All stormwater detention and low impact development (LID) will be designed as underground chamber systems beneath the proposed development parking in order to maximize the urban densities as well as connectivity through the site.

A Water and Sewer Impact Analysis (WSIA) was completed by the City on May 4, 2018. We have not seen the final Water & Sewer Impact Analysis (WSIA), but we have been told that the adjacent/offsite water and sewer infrastructure has adequate capacity to serve this project. No offsite water or sewer improvements will be required. We will, however, have to run both water and sewer mains into the site in order to serve the project.

The Project will provide a new 6 ft. sidewalk on Butler with a 5 ft. parkway in addition to 5 ft. sidewalk and parkway on Sawmill. According to the TIA, a right turn lane is warranted into the development off Butler Avenue. In addition to the aforementioned public improvements, the Developer will also contribute \$200,000 towards the future traffic light at the intersection of Lone Tree and Sawmill.

The Project will address human-scale and pedestrian needs, by providing ground floor access to bicycle storage, a study lounge, fitness center, club room, and many other on-site amenities for the residents. Furthermore, the residential "Main Street" running down the core of our development will provide an urban civic space for the residents and adjacent visitors to socialize and enjoy the public infrastructure. Main Street shall include enhanced paving such as concrete pavers and colored/stamped concrete or asphalt, amenities including enhanced landscape, seating nooks with benches, litter receptacles,

raised planters and bicycle parking. The idea is to be able to close off the street to vehicles and host vendors who would be associated with established Flagstaff community events, like 1st Friday Art Walk and Farmer's Market. Finally, the property will assist in the connection to the F.U.T.S. path, providing an engaging experience for those who seek comfort in the outdoors.

Bicycle storage will be provided for the both uses in the development. The residential buildings will house secured interior bike storage for the students and additional bike parking will be provided outside for the general public to use as well.

The majority of the vehicle parking will be placed behind the building (east and south) where it will have the least amount of impact on the bicycle and pedestrian accessibility. This allows bicycles and pedestrians direct access to the buildings rather than navigating through the parking to gain access.

Public art, possibly in the form of a mural on the parking garage at the end of Main Street will be incorporated.

Landscaping and irrigation practices will add to the overall natural aesthetics of the Project. Drought tolerant landscaping will be used to not only reduce water consumption but to also provide landscaping that is native and conducive to the City.

Blending in with existing developments in the neighborhood is important to McGrath Real Estate Partners. The proposed project is being constructed on an existing hill from the perspective of the bottom of Sinclair Wash. Therefore, the south residential building and parking lot will be only slightly visible from Sinclair Wash. Additionally, the site has been designed to preserve natural features and land forms where possible. The FUTS connection is being cut into the existing slopes to maintain the natural features along the southern property line.

Topic: Adjacent Connectivity

- *Policy E.1.5. Promote and encourage the expansion and use of energy-efficient modes of transportation:*
 - a) *Public transportation*
 - b) *Bicycles*
 - c) *Pedestrians*
- *Policy CC.4.1. Design streetscapes to be context sensitive and transportation systems to reflect the desired land use while balancing the needs of all modes for traffic safety and construction and maintenance costs.*
- *Policy LU.10.1. Prioritize connectivity within all urban neighborhoods and activity centers.*
- *Policy LU.18.18. New development within existing activity centers should enhance the existing street pattern to meet the goals and policies of the Regional Plan related to connectivity and complete streets.*
- *Policy LU.18.20. Major streets in urban activity centers should have urban-form buildings with their primary pedestrian entrances facing the major street.*

Secondary entrances could be located to meet other access needs for the building use.

- *Policy T.5.2. Improve pedestrian visibility and safety and raise awareness of the benefits of walking.*
- *Policy T.5.4. Design streets with continuous pedestrian infrastructure of sufficient width to provide safe, accessible use and opportunities for shelter.*
- *Policy T.6.2. Establish and maintain a comprehensive, consistent, and highly connected system of bikeways and FUTS trails.*
- *Policy LU.19.4. Balance automobile use, parking, bicycle access, while prioritizing pedestrian safety along all corridors.*
- *Policy NH.1.3. Interconnect existing and new neighborhoods through patterns of development, with complete streets, sidewalks, and trails.*
- *Policy NH.1.4. Foster points of activities, services, increased densities, and transit connections in urban and suburban neighborhoods.*
- *Policy NH.4.6. Consider and integrate public transportation when possible in planning housing developments, to help reduce a household's transportation costs and minimize impact on the community's roads and transportation system.*

The residential portion of the development was strategically placed to the Northwest of the site (just South of the retail buildings) to get the residents close to the intersection of Butler and Sawmill for public transportation, and to ensure that our pedestrian connections across Sawmill align with adjacent residential and retail infrastructure. There are 2 NAIPTA bus stops to the east within 1000 feet of the project and 2 NAIPTA bus stops to the west within 1000 of the project.

The driveways for the proposed development are consistent with the ideal connectivity for an urban neighborhood which 300x300 or 300x600 according to the Regional Plan. The use of driveways instead of public streets allows for parking to be better integrated into the commercial and residential streetscape which can slow down vehicular traffic and helps create a barrier between the pedestrians and traffic. Additionally, pavers will be placed at the intersections between the Project and the Aspen Place at The Sawmill in order to promote safe pedestrian connectivity between the two developments. This will also create a sense of safety which allows for more people to feel comfortable to walk between the two developments.

Moreover, a F.U.T.S. path will be constructed along the southwest corner into the most southern portion of the Project down the existing natural slope to a future F.U.T.S. path to be constructed by the City. This will allow residents ease of access to the Arizona trail which runs through Flagstaff; therefore, providing another extraordinary avenue of mobility for residents and Flagstaff community members.

Topic: Community Connectivity

- *Policy WR.5.2. Incorporate pedestrian access, trails, and watchable wildlife opportunities into natural watercourses when practical.*
- *Policy T.1.3. Transportation systems are consistent with the place type and needs of people.*

- *Policy T.1.4. Provide a continuous transportation system with convenient transfer from one mode to another.*
- *Policy T.1.6. Provide and promote strategies that increase alternate modes of travel and demand for vehicular travel to reduce peak period traffic.*
- *Policy T.2.1. Design infrastructure to provide safe and efficient movement of vehicles, pedestrians, bicycles, and pedestrians.*
- *Policy T.3.3. Couple transportation investments with desired land use patterns to enhance and protect the quality and livability of neighborhoods, activity centers, and community places.*
- *Policy T.4.2. Design all gateway corridors, streets, roads, and highways to safely and attractively accommodate all transportation users with contextual landscaping and appropriate architectural features.*
 - *From Page VIII-4 “Great Streets” - Commercial corridors in Flagstaff have historically lacked cohesive planning, as they are a product of our automobile-oriented society, and reflect the piecemeal nature of development along the corridors. They cut across different place types within the region and are not conducive to pedestrian safety or transit-oriented design because the qualities of pedestrian placemaking have been overlooked in favor of automobile access (with the exception of the FUTS expansion along a number of corridors)...Flagstaff’s Great Streets - The corridors illustrated on Map 12 have been identified as having potential for reinvestment, retrofit, and revitalization to make them more appealing to pedestrians (and shoppers), enhance transit potential, and make them ultimately safer. This Plan envisions our corridors setting the stage in ways unique and appropriate to their role.*

The pedestrian and vehicular connections across Sawmill facilitate the public use of the surrounding retail and civic spaces. Our buildings are broken up into blocks to align with these roads so that the architecture reflects the connection at the ground plane. Furthermore, the southern entry to the development has our residential “Main Street” flanked by architecturally dominant towers that further define the importance of this alignment with our development and surrounding Flagstaff businesses and apartments. This “Main Street” can be blocked off from vehicular traffic with temporary bollards to host Flagstaff community events like 1st Friday Art Walk and Farmer’s Market to further draw the Flagstaff community together.

Along Butler Avenue a six foot detached walk shall run the length of the property. The parkway shall be landscaped with shade trees and drought tolerant shrubs consistent with City requirements. This walk and landscape will replace an existing narrow walk and inconsistent landscaping. Along this new detached walk, there are multiple pedestrian connections that lead directly to civic spaces and provide inner-connectivity between the Project.

Topic: Housing

- *Policy LU.18.4. Encourage developers to provide activity centers and corridors with housing of various types and price points, especially attached and multi-family housing.*
- *Goal NH.3. Make available a variety of housing types at different price points, to provide housing opportunity for all economic sectors.*
- *Policy NH.3.1. Provide a variety of housing types throughout the City and region, including purchase and rental options, to expand the choices available to meet the financial and lifestyle needs of our diverse population.*
- *Policy NH.3.5. Encourage and incentivize affordable housing.*
- *Policy NH.4.3. Address accessibility issues and other housing barriers to persons with disabilities or special needs.*

The Project will redevelop the longstanding, existing warehouse site to bring in an inviting and lively mixed-use development in accordance with the existing Regional Urban Activity Center goals and policies. The existing Regional Urban Activity Center includes The Grove Apartments, Whole Foods, REI, Pita Jungle, Wildflower Bread Company, and Alliance Bank to name a few. The existing warehouse is approximately 45-50 feet high and the Village at Aspen Place Luxury Apartments are 5 stories. The Grove student apartments are 4-story apartments and 2-story townhome-style apartments. Therefore, the proposed scale of the McGrath Project is consistent with the surrounding urban neighborhood.

The multi-family housing portion of the Project will include a mixture of efficiency, studio, 1, 2, 3, and 4-bedroom unit types leased at varying rates. The Project also includes a 2-bedroom, 2.5 bath townhome-style apartment units with private backyards. Most of these floorplans are not available at The Grove or the Village at Aspen Place residential projects nearby. This unit mix was designed differently than any other residential project in the City to appeal to a broad range of tenants and income levels to better serve the Flagstaff community. A heavy emphasis was placed on smaller units including efficiency and studios. The increase in project density allows the Project to pass on real savings to the community. Smaller units will allow more residents to live for less monthly rent in perhaps a development they otherwise couldn't afford.

In addition to the natural affordability that smaller units will provide, McGrath has elected to designate 10% of the multi-family housing units as affordable and will work with city officials to set rates for these units at a discounted level. In addition, McGrath will also donate \$500,000 to the City to help fund future affordable housing opportunities for the residents of Flagstaff.

Refer to the additional memo provided by McGrath Real Estate Partners for more information on the market analysis of this Project.

Topic: Community Character

- *Policy CC.1.1. Preserve the natural character of the region through planning and design to maintain views of significant landmarks, sloping landforms, rock*

outcroppings, water courses, floodplains, and meadows, and conserve stands of ponderosa pine.

- *Policy CC.2.3. Mitigate development impacts on heritage resources.*
- *Policy LU.19.3. Enhance the viewsheds and frame the view along the corridors through design.*
- *Goal CC.3. Preserve, restore, enhance, and reflect the design traditions of Flagstaff in all public and private development efforts.*
- *Policy CC.3.3. Emulate the most celebrated design traditions of Flagstaff, particularly the pre-Route 66 and early Route 66 eras.*
- *Policy NH.1.7. Develop appropriate programs and tools to ensure the appropriate placement, design, and operation of new student housing developments consistent with neighborhood character and scale.*
 - *Consider Goal 1 in the HOH Plan about Complete and connected activity centers and reference the Urban Regional Activity Centers Illustration in Chapter 3 for some guidance on this policy.*
- *Policy ED.7.1. Support planning, design, and development that positively, creatively, and flexibly contribute to the community image.*

The Project will improve and expand on the current community character by increasing the span of the existing Regional Urban Activity Center viewshed and providing commercial use for existing and new residents of the activity center. The High Occupancy Housing (HOH) Plan states that student housing belongs in Regional Urban Activity Centers. While this is not solely a student housing project, it is anticipated that a large number of residents will be students due to the close proximity to NAU. The setback of the larger, residential buildings to the middle of the site is similar to The Sawmill at Aspen Place. This creates a consistent urban form on the corridor. The redevelopment of the Property will not obstruct existing viewsheds, like the San Francisco Peaks, any more than the existing warehouse.

The development will promote alternative transportation choices with 4 NAIPTA bus stops nearby, indoor and outdoor bike storage, pedestrian walkways onsite and offsite, and a FUTS connection to the Arizona Trail to the south. By having so many different avenues of transportation available onsite or nearby, this will allow for easy transfer between different modes of transportation. With the FUTS connection south of the Property, pedestrians, runners, and bicyclists will have a much shorter route to this area from the FUTS trail system besides Lone Tree and Babbitt.

This development has been designed to blend into both the natural and built environment of Flagstaff. The architectural massing has been broken into smaller segments to diminish the overall size of the project and maintain a similar language to the surrounding multi-family projects in the Sawmill Development. The architectural style for the housing component is a mountain lodge aesthetic, paying homage to the surrounding scenery as well as other architecturally noteworthy buildings. With large gables, heavy timber detailing, and a combination of stone and siding, these buildings have a rich and materially diverse quality. The retail component is an urban sawmill design which is a modern take on the mountain lodge aesthetic with similar materials and colors.

Furthermore, the colors were selected to pull from the natural browns of the trees and greys of the mountains. The architecture will exude the strength and stability inherent to the City of Flagstaff.

There are no heritage resources onsite.

Topic: Economic Development

- *Policy LU.6.2. Consider commercial core areas, corridors, activity centers, employment centers, research and development parks, special planning areas, and industrial uses as appropriate place types and area types for employment opportunities.*
- *Policy ED.3.5. Advocate the economic sustainability and growth of businesses with opportunities for transitional commercial space, leased space, and property ownership.*
- *Policy ED.3.8. Protect existing business and industrial land uses from encroachment and allow for their expansion.*

The McGrath Project will extend the existing Regional Urban Activity Center while expanding employment opportunities and economic investment prospects as well. The residents of the McGrath Project will certainly participate in the continued success of the businesses within Aspen Place at The Sawmill; therefore promoting and revitalizing the existing activity center.

The existing industrial warehouses are in a state of disrepair and no longer fit in with the surrounding areas, especially as the surrounding areas are redeveloped. Replacing the existing warehouses will provide additional housing and shopping opportunities for the City as well as a more visually appealing development that fits in with the surrounding properties.

The site currently consists of two parcels, both owned by Wendt Business Park LLC, and have a combined Tax Value of approximately \$77,000. The current property improvements are very old, generating very little tax revenue for the City. Upon stabilization, the multi-family housing portion of the Project has an estimated Full Cash Value of approximately \$55.3 million, an estimated Limited Property Assessed Value of approximately \$4.7 million, and an estimate annual tax burden of \$430,000. This is an annual tax increase of approximately \$350,000 for this site. This tax revenue will help to fund things such as public schools, infrastructure maintenance, governmental administration, police, public safety, libraries and other municipal allocations.

Furthermore, the Project is designed to enhance public improvements including new sidewalks, a turn lane on Butler and contributing \$200,000 towards Future public improvements along the Lone Tree Corridor.

Refer to the additional memo provided by McGrath Real Estate Partners for more information on the economic opportunities for the City of Flagstaff with the development of this Project.

Topic: Sustainability

- Policy E&C.2.1. Encourage the reduction of all energy consumption, especially fossil-fuel generated energy, in public, commercial, industrial, and residential sectors.
- Policy E.1.4. Promote cost-effective, energy-efficient technologies and design in all new and retrofit buildings for residential, commercial, and industrial projects.
- Policy E.1.7. Support policies and programming that reduce electricity, natural gas, and water consumption in order to conserve natural resources and reduce financial costs.
- Policy E.1.10. Incentivize energy efficiency and renewable energy technologies in construction projects.
- Policy E.2.4. Encourage small-scale renewable energy production and use on the local level on appropriate residential, commercial, and industrial parcels.
- Policy ED.4.5. In an effort to promote the sustainability of resources, the City will encourage all new and expanded commercial and industrial development to be energy and water efficient.
- Policy NH.4.4. Encourage green practices in housing construction and rehabilitation that support durable, healthy, and energy efficient homes.
- Policy WR.5.3. Identify downstream impacts as the result of development, and provide for mitigation measures to address impacts. When possible, mitigations should be non-structural in nature.
- Policy WR.5.7. Support healthy watershed characteristics through implementation of practices, consistent with the City of Flagstaff Low Impact Design Manual, that improve flood control and flood attenuation, stormwater quality, and water sustainability; increase groundwater recharge; enhance open space quality; increase biodiversity; and reduce land disturbance and soil compaction.

The Project will implement practices in conformance with the City's Low Impact Development Design Manual (LID Manual) and the Stormwater Management Design Manual (SMDM) by using a multiple underground storm drain systems to support healthy watershed characteristics as explained in the FRP30.

As part of the site plan application, a Drainage Impact Analysis (DIA) was performed for the project. In order to alleviate the increase in impervious cover for the Property based on the proposed development, adequate underground detention/LID volumes will be provided to allow for post-development stormwater runoff rates to be less than or equal to the existing stormwater runoff rates in order to minimize downstream flooding impacts. Based on the increase in infill projects in the last decade, the City has become more concerned with water quality within urban floodplains. The underground detention/LID systems will provide an avenue to increase the water quality of the stormwater runoff by removing oils, sediment, and other pollutants before it leaves the Property and is released back into the Rio de Flag.

The buildings will utilize low flow plumbing fixtures, efficient lighting, and other energy efficient features such as "Energy Star" appliances that are commonly found in LEED

certified buildings. The project will not pursue LEED certification; however, the Owner prioritizes designing and building energy efficient buildings.

The availability of transit and walkability of the area will also provide opportunities for reduced energy consumption.

Refer to the additional memo provided by McGrath Real Estate Partners for more information on the sustainability of the Project.

Topic: Non-compliance

- *Policy WR.5.6. Implement stormwater harvesting techniques to support water conservation strategies by collecting and using local precipitation in the vicinity where it falls to support both human and overall watershed health needs.*
- *Policy WR.3.4. Use reclaimed water and rainwater harvesting wherever appropriate and practical.*

The Project does not comply with the policies and goals noted above.

Stormwater harvesting will not be practiced to support human needs. However, stormwater runoff will be sent to local parking islands, where possible, in order to water the proposed landscaping.

As of this time, reclaimed water will not be connected to this multi-family housing and retail project. However, the use of reclaimed water will be further evaluated during final design.

Appendix B

ALTA/NSPS Land Title Survey of A.P.N. 104-13-002B & 104-03-005B

As recorded in Instrument #3229459, records of Coconino county, situated in the North Half of Section 22,
Township 21 North, Range 7 East, Gila and Salt River Meridian, City of Flagstaff, Coconino county, Arizona.

Legal Description:

LOCATED IN THE East half of the Northwest quarter and the West half of the Northeast quarter of Section 22, Township 21 North, Range 7 East of the Gila and Salt River Meridian (E/2 NW/4 and W/2 NE/4, Sec. 22 T21NR7E, G&SRM) Coconino County, Arizona.

BEING ALL OF that parcel described in Docket 663, page 353(R1) of Coconino County records except that portion conveyed to City of Flagstaff per Docket 1416, Page 559 (R4) of the Coconino County records;

AND BEING MORE particularly described by metes and bounds as follows:

COMMENCING FOR REFERENCE at the center one-quarter of said Section 22 as marked by a 1/2" rebar with tag stamped "LS 13014", which point is the TRUE POINT OF BEGINNING of this description;

THENCE S 88°46' 17" W along the South line of (R1), a distance of 105.52 feet [(R1) = 105.58] to the Southwest corner of (R1) as marked by a NES Aluminum cap stamped "NES LS 14671";

THENCE N 19°33'35" W along the West line of (R1) a distance of 629.14 feet to a point;

THENCE N 05°14'15" E along the West line of (R1), a distance of 715.86 feet to the Southwest corner of the (R4) conveyance, which is on the Southerly Right-of-Way line of Butler Avenue;

THENCE S 78°54'39" E along the Southerly Right-of-Way line of Butler Avenue a distance of 402.29 feet [(R4) = 403.70] to the beginning of a non-tangent curve to the left from which the radius point bears N 12°44'22" E, 1406.24 feet;

THENCE Southeasterly along said non-tangent curve to the left with a radius of 1406.24 feet, through a central angle of 04°17'44", an arc distance of 105.43 feet [(R4) = 104.99 feet] to the Southeast corner of the (R4) conveyance;

THENCE S 00°35'15" E along the East line of (R1) [and the West line of Rio De Flag Business Park per Case 6, Map 32(R3) of Coconino county records] a distance of 1201.44 feet [(R4) less (R1) = 1201.44 feet, (R3) = 1203.55 feet] to the Southeast corner of (R1) marked by an Arenco Aluminum cap in concrete stamped "ARENCO LS 4321";

THENCE S 88°49'45" W [Basis of Bearings per (R3)] along the South line of (R1), a distance of 259.98 feet [(R1) = 260.02 feet, (R3) = 259.91 feet] to the TRUE POINT OF BEGINNING of this description;

EXCEPT the portion conveyed to the City of Flagstaff in document recorded as Instrument 08-3508450 of Official Records of Coconino county, Arizona and more particularly described as follows;

BEGINNING at the Northwest corner of the above referenced parcel;

THENCE S 78°27'32" E, along the North line of said parcel, a distance of 25.00 feet;

THENCE S 53°36'56" W, a distance of 33.50 feet to the West line of said parcel;

THENCE N 05°41'23" E, along said West line, a distance of 25.00 feet to the TRUE POINT OF BEGINNING;

EXCEPT all oil, gas and other minerals, in, on or under or which may be produced from said lands, as conveyed to Southwest Lumber Mills, Inc., an Arizona Corporation by deeds recorded in Docket 164, Page 405 and Docket 385, Page 576, records of Coconino county, Arizona.

A note on Basis of Bearing and Coordinate System:

Linear Unit: International Foot
Geodetic Datum: North American Datum 1983
System: Arizona LDP (Low Distortion Projection)

Projection: Transverse Mercator
Latitude of grid origin: 35° 00' 00" N
Longitude of Central Meridian: 111° 37' 00" W
Northing at grid origin: 0.000 ft
Easting at Central Meridian: 70,000.000 ft
Central Meridian Scale Factor: 1.000333 (exact)

All distances and bearings shown hereon are grid values based on the preceding projection definition. The projection was defined such that grid distances are equivalent to "ground" distances within the project area.

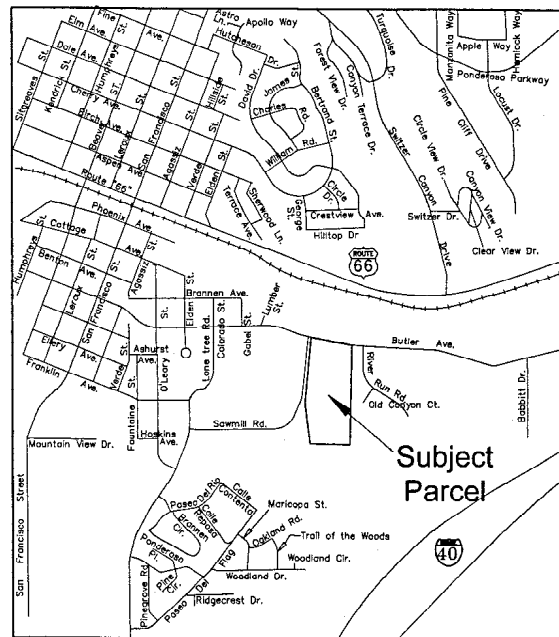
The Basis of Bearings is Geodetic North based on GPS measurements. These bearings have been rotated to grid for the City of Flagstaff Low Distortion Projection. All bearings and distances shown on this map are grid per the preceding definition.

Benchmark: The Benchmark for this survey was derived through GPS RTK observation and are noted.

Legend/Record Information:

- ◆ Found Sectional Corner as noted.
- Found Corner as noted.
- Set Rebar w/ Cap 14671.
- ⊙ Computed Point
- ⊖ Column
- ☐ Mail Box
- ☐ Communication Box
- ☐ Electric Box
- ☐ Water Manhole
- ☐ Water Meter
- ☐ Water Valve
- ☐ Fire Hydrant
- ☐ Sign
- ☐ Street Light
- ☐ Traffic Signal Mast
- ☐ Traffic Signal
- ☐ Hand Rail
- ☐ Gate
- ☐ Electric Meter
- ☐ Guardrail
- ☐ Sewer Service
- ☐ Yard Hydrant
- ☐ Unknown Post
- ☐ Irrigation Control Box
- ☐ Guy Wire
- ☐ Power Pole
- ☐ Gas Valve
- ☐ Gas Meter
- ☐ Gas Posting
- ☐ Fire Dept. Standpipe
- ☐ Guardpost/Bollard
- ☐ Irrigation Control Valve
- ☐ Overhead Traffic Signal
- ☐ Traffic Signal Electric Box
- ☐ Overhead Utility Lines
- ☐ Chainlink Fence
- ☐ Fire Line Water Valve
- ☐ Small Electric Panel
- ☐ Sanitary Sewer Manhole
- ☐ Light Pole Electric Box
- ☐ Unknowns PVC Riser

- (R1)- Instrument #3229459, C.C.R.
- (R2)- Instrument #3508450, C.C.R.
- (R3)- Instrument #3608256, C.C.R.
- (R4)- Instrument #3583171, C.C.R. (Amended Final Plat for Aspen Place at the Sawmill)
- (R5)- Book 23 of Land Surveys, Page 40, C.C.R.
- (R6)- Case 7, Map 42, C.C.R. (Survey & Split of Lot 10)
- (R7)- Instrument #3642889, C.C.R.
- (R8)- Case 7, Map 73, C.C.R. (Minor Land Division Map of Lots 7 & 8)
- (R9)- Case 6, Map 32, C.C.R. (Final Plat of Rio De Flag Business Park)
- (R10)- Book 11 of Land Surveys, Pages 44 & 45, C.C.R.



Vicinity Map
(Not to Scale)

Certification:

To: Wendt Business Park, L.L.C., an Arizona Limited Liability Company and First American Title Insurance Company, issued by Empire West Title Agency

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS and includes items 2, 3, 6(a), 6(b), 7(a), 7(b), 7(c), 8, 9, 13, 14, 16, 17 and 20 from Table A thereof. The fieldwork was completed on March 20-22 and 30, 2017.

Date: March 30, 2017.

Michael J. Stark
Arizona RLS 30364

Schedule "B" Items:

The following Schedule "B" Items are per First American Title Insurance Company issued by Empire West Title Agency Commitment No. 68204EW, dated February 3, 2017, at 7:30 A.M.

4. Easements, restrictions, reservations, conditions and setback lines as set forth on the plat recorded in Book 1 of Maps, Page 12, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC3604(c). There appears to be little to no readable information of the face of Book 1 of Maps, Page 12 (Brannen Addition to Flagstaff).
5. Covenants, conditions, restrictions, liabilities and obligations in the document recorded in Docket 164, Page 405, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c) of the United States Codes. Said document limits the then "Grantees, their heirs and assigns" ability to mine within a certain distance of the then "grantors" properties.
6. An easement for electric lines and poles and incidental purposes as recorded on Book 26 of Official Records, Page 293. Said document, while in the same quarter Section as a portion of the Subject Parcel, is not specific enough to determine if affects said Subject Parcel.
7. An easement for electric lines and appurtenant facilities and incidental purposes as recorded in Docket 329, Page 722, does affect the Subject Parcel and is plotted hereon.
8. An easement for electric lines and appurtenant facilities and incidental purposes as recorded in Docket 959, Page 502 and re-recorded in Docket 962, Page 99, does affect the Subject Parcel and is plotted hereon.
9. A slope and drainage easement together with terms and conditions and incidental purposes as recorded in Instrument #99-3030444 of Official Records does affect the Subject Parcel and is plotted hereon.
10. An easement for Natural gas pipelines and appurtenant facilities and incidental purposes as recorded in Instrument #08-3495685 of Official Records does affect the Subject Parcel and is plotted hereon.
11. The rights of parties in possession by reason of any unrecorded lease or leases or month to month tenancies affecting any portion of the within described property, does affect the Subject Parcels, but not in a surveying manner.

Surveyor's Notes:

- Address- The address of the Subject Parcels are as follows: A.P.N. 104-03-005B is 825 E. Butler Avenue, Flagstaff Arizona, 86001 and A.P.N. 104-13-002B is 829 E. Butler Avenue, Flagstaff, Arizona, 86001.
- Flood Zone- The Subject Parcels lie in Zone "X" per Flood Insurance Rate Map (FIRM) No. 04005C6809G, effective September 3, 2010.
- Zoning- The zoning for the Subject Parcels are as follows: A.P.N. 104-03-005B is zoned HI (Heavy Industrial), A.P.N. 104-13-002B is zoned LI (Light Industrial) and the information is Front Setback = 25.0', Side Interior = 15.0' (adjacent to residential) 0.0' (all others), Side Exterior = 15.0', Rear = 15.0' (adjacent to residential) 0.0' (all others), Building Height = 60.0'. Information taken from the City of Flagstaff Land Development Code.
- Parking Spaces- There are 21 regular parking spaces on the Subject Parcel, but it should be noted that the marked spaces that are shown are very faint and there were more spaces that were even more faint that could not be determined with any accuracy.
- Distance to nearest street - The Subject Parcel is on a street corner.
- Earthwork- There has been some grading and there are piles of various material on the Subject Parcel as shown.
- Right-of-Way- There are no known changes to either of the Right-of-Ways and there was no evidence street or sidewalk repairs or construction observed.

Northland Exploration Surveys, Inc. 528 West Aspen Avenue, Flagstaff, Arizona 86001 (928) 774-5058 FAX (928) 774-3069		SHEET 1 of 3
SCALE 1" = 30.0'	ALTA/NSPS Land Title Survey of A.P.N. 104-13-002B & 104-03-005B	JOB NO. 17-020
SURVEYOR MJS MRS	As recorded in Instrument #3229459, records of Coconino county, situated in the North Half of Section 22, Township 21 North, Range 7 East, Gila and Salt River Meridian, City of Flagstaff, Coconino county, Arizona.	
DRAWN M. J. Stark		
CHECKED K. A. KRENKE		
DATE March 30, 2017		

BY ARDENGO AC
M/S S2E12HW1E

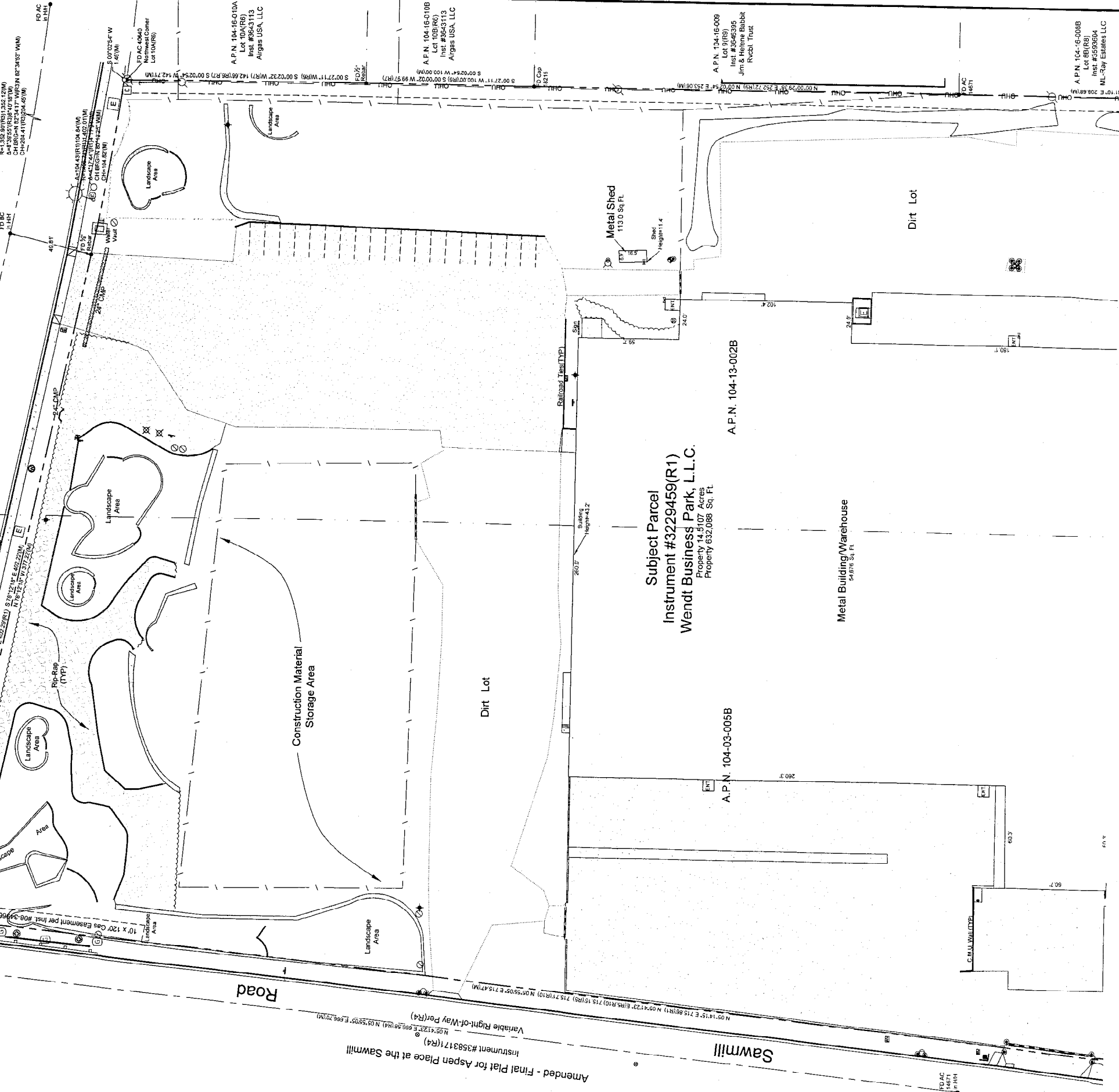
N 00°10'35" E 2,642.22 (M)
N 00°08'37" W 2,462.89 (M)
S 89°51'21" W 2,462.89 (M)
S 89°51'21" E 2,642.22 (M)

LINE	BEARING	DISTANCE	AREA
1	S 71°27'22" E	257.86 (M)	24.12
2	S 71°27'22" E	257.86 (M)	24.12
3	S 71°27'22" E	257.86 (M)	24.12
4	S 71°27'22" E	257.86 (M)	24.12
5	S 71°27'22" E	257.86 (M)	24.12
6	S 71°27'22" E	257.86 (M)	24.12
7	S 71°27'22" E	257.86 (M)	24.12
8	S 71°27'22" E	257.86 (M)	24.12
9	S 71°27'22" E	257.86 (M)	24.12
10	S 71°27'22" E	257.86 (M)	24.12

(Case 2, Maps 86 & 113 and Docket 1416, Page 559)

Avenue

Butler



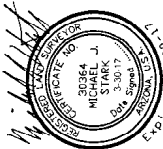
Subject Parcel
Instrument #3229459(R1)
Wendt Business Park, L.L.C.
Property 14.5107 Acres
Property 632,088 Sq. Ft.

A.P.N. 104-03-005B

A.P.N. 104-13-002B

Metal Building/Warehouse
24,800 Sq. Ft.

Dirt Lot



Legend/RECORD INFORMATION:

- Found Sectional Corner as noted
- Found Corner as noted
- Set Back w/ Cap 14671
- Column
- Communication Box
- Electric Box
- Gas Valve
- Gas Meter
- Water Valve
- Fire Hydrant
- Fire Dept. Standpipe
- Guardpost (Board)
- Ingration Control Valve
- Signal Light
- Stack Mast
- Traffic Signal
- Overhead Utility Lines
- Hand Rail
- Chainlink Fence
- Electric Meter
- Small Electric Panel
- Yard Hydrant
- Light Pole Electric Box
- Unknown Post
- Unknown PVC Bearer
- Instrument #3229459, C.C.R.
- Instrument #308450, C.C.R.
- Instrument #308296, C.C.R.
- Instrument #308371, C.C.R. (Amended Final Plat for Aspen Place at the Sawmill)
- Book 23 of Land Surveys, Page 40, C.C.R.
- Book 7, Map 42, C.C.R. (Survey & Split of Lot 10)
- Map 104-03-005B, C.C.R.
- Case 2, Map 12, C.C.R. (Final Plat for Business Park)
- Book 11 of Land Surveys, Pages 44 & 45, C.C.R.

All distances and bearings shown herein are grid values based on the NAD 83 datum. The projection used is the Transverse Mercator projection. The projection was defined such that grid distances are equivalent to ground distances within the project area. The Basis of Bearings is Geodetic North based on GPS measurements. These bearings have been related to grid for the City of Flagstaff, Low Distortion Projection. All bearings and distances shown on this map are grid per the preceding definition.

Benchmarks: The Benchmark for this survey was derived through GPS RTK observation and are noted.

Northland Exploration Surveys, Inc.
528 West Aspen Avenue, Flagstaff, Arizona 86001 (930) 774-5555 FAX (930) 774-3089

ALT/NSPS Land Title Survey

A.P.N. 104-13-002B
of
104-03-005B

As recorded in Instrument #3229459(R1) and as amended in Instrument #3229459(R2), Township 21 North, Range 7 East, Gila and Salt River Meridian, City of Flagstaff, Coconino County, Arizona

SCALE 1" = 30.0'

SURVEYOR: M. J. Stark

DRAWN: K. A. Krentle

DATE: March 30, 2017

SHEET 2 of 3

JOB NO: 17-020

