



The Commercial Core (“FIVE NORTH at Vistancia”) has been entitled for twenty (20) years as a 320-acre high-quality lifestyle hub of the award-winning Vistancia community. The current entitlements allow a mix of residential, commercial, employment and lifestyle uses. There has been little movement on the lifestyle (restaurants, shops, etc.) and employment uses because of market conditions. The current market demand and growth of the Northwest region confirms the timing is right to move forward. We believe we have created a water conscious and residential land use upgrade to the overall master planned community with our latest amendment request.

Vistancia’s zoning entitlement or master plan, (called a Planned Community District) (“VPCD”), created the framework on how to implement the vision, land uses and development standards throughout the community. Vistancia Development LLC , its subsidiaries, and its development partners have implemented the requirements of the VPCD since its inception creating great neighborhoods, trails, golf, parks and commercial amenities for its residents. As with any evolving and maturing planned community, there are refinements to the vision and overall plan. These refinements are often responsive to regional influences (such as the L303), evolving market conditions or other factors, which affect the evolution of the community. The VPCD has been amended several times throughout its 20+-year history to enhance its position as a livable community.

A Master Planned Community of this size and scale (9.5 square miles) takes decades to develop and as such, it is normal and customary for plans to evolve and change over time to meet the current conditions and needs of the surrounding area. In order to protect the long-term property values and maintain the high level of quality the Vistancia Master Plan has always achieved, it is important to shape the 320+ Commercial Core acres in Vistancia with the same adherence to quality design and to attract the highest quality development. This takes time and patience and as a result of both, we are now in a position to match the market demand and methodically develop the Commercial Core at the highest possible level. The Commercial Core at Vistancia has always been planned to contain a mix of retail, office, lifestyle focused multi-family and other complementary uses to serve the diverse needs of Vistancia and the City of Peoria residents and visitors. While Vistancia has consistently and continually kept the Master Planned Community intact and development consistent with the overall vision, over the life of a project it is important to continually refine the vision to retain its position as a top planned community.

Below is the data and information that supports the development proposal:

1. FIVE NORTH has long been envisioned as a dynamic mixed-use project including an employment center, for northwest Peoria.

Much work and careful planning has been invested in the balanced land use plan that has been created in support of this vision and current market conditions:

- a. In preparation of the balanced land use plan, it was important to the Developer to include the components of proven successful mixed-use developments. The Developer commissioned a private study, analyzing successful similarly sized mixed-use projects in the Sunbelt Region as well as conducted interviews with the site selectors for large job creating employers of the targeted industries for the FIVE NORTH mixed-use project:
  - i. The commonality of these mixed-use developments is their success of incorporating a blend of higher density residential and employment generating land uses, which creates a sense of place that is attractive for employers and their workforce.
  - ii. The workforce within the desired sectors desire highly amenitized areas to live and work, proximity to restaurants, bars, recreation.
  - iii. Missing from the immediate area of FIVE NORTH is diversity in housing type and price point.
  - iv. Given the demographics within the commute shed, combined with a land plan that blends uses that are walkable, it could be possible to attract a mix of locally serving commercial tenants and high density residential to serve as a magnet for the siting of technology companies, corporate office, hospitality and entertainment.
  - v. There needs to be a catalyst to seed the overall development, multi-family residential, along with the strong core of existing and planned single-family residences could be the catalyst to trigger desirable commercial development within FIVE NORTH
- b. The Developer concurrently conducted a survey of the residents and surrounding area to understand their vision, current shopping habits, and the type of retail and restaurants they desire to have within the Commercial Core:
  - i. The key findings of the survey have been carefully evaluated and incorporated into the balanced land use plan.

2. Vistancia is located directly between two major employers (TSMC to the east and BSNF to the west), both of which are new to the Valley. It is smart to include additional housing options within the FIVE NORTH development for the employees of these major employers, which will in turn enhance the critical mass needed to support the desired retail and restaurants. The location, along a major freeway corridor and not within the majority single-family neighborhoods of Vistancia is sound planning for the success of FIVE NORTH.
3. Finally, it is a known formula of MANY successful mixed-use development projects in the Valley, that high-density residential development is a key component to the success of the projects.

The following is a list of highly successful mixed-use projects. Each of these projects includes a large number of high-density residential in the immediate vicinity and started out with high-density residential development in the first phases:

a. **Kierland: 351 Mixed-Use Acres**

|                                     |              |
|-------------------------------------|--------------|
| Existing Apartment Units:           | 2,118        |
| Apartment Units Under Construction: | 906          |
| <u>Apartment Units Planned:</u>     | <u>360</u>   |
| <b>Total Units</b>                  | <b>3,384</b> |

b. **San Tan Village North: 275 Mixed-Use Acres**

|                                     |              |
|-------------------------------------|--------------|
| Existing Apartment Units:           | 1,342        |
| Apartment Units Under Construction: | 159          |
| <u>Apartment Units Planned:</u>     | <u>274</u>   |
| <b>Total Units</b>                  | <b>1,775</b> |

c. **Cooley Station: 232 Mixed-Use Acres**

|                           |              |
|---------------------------|--------------|
| Existing Apartment Units: | 1,727        |
| <u>Apartment Planned:</u> | <u>926</u>   |
| <b>Total Units</b>        | <b>2,653</b> |

d. **Westgate: 357 Mixed-Use Acres**

|                                     |              |
|-------------------------------------|--------------|
| Existing Apartment Units:           | 2,156        |
| Apartment Units Under Construction: | 308          |
| <u>Apartment Units Planned:</u>     | <u>685</u>   |
| <b>Total Units</b>                  | <b>3,149</b> |

In addition, regarding the restaurant and retail portion of FIVE NORTH; ownership took a thoughtful and detailed approach to this portion of the project. The Developer first hired experts in retail and restaurant development that have worked on successful valley projects such as Kierland, Scottsdale Fashion Square, Agritopia and Uptown Plaza. The Developer also utilized these experts to modify the retail and restaurant site plan, first creating a Main Street approach to the project, eliminating a median, and narrowing the street in order to enhance the pedestrian experience and encourage cross shopping and engagement in the Main Street area. The width and length of the Main Street in this area was deliberately designed to mimic the Main Street in Kierland Commons. The brokers selected for this portion of the project have the best relationships in the state with the major restaurant tenants the Developer is seeking to attract to the FIVE NORTH project. The Developer has hosted multiple tenant tours and received very positive feedback from the market. There is a deliberately phased approach to this portion of the project in order to protect the Main Street and preserve the best possible spaces for the highest caliber of tenants. The total square footage for the restaurant and retail portion of FIVE NORTH was calculated to be commensurate with other Class A quality retail projects in the Valley. The high caliber restaurants that the Developer and brokers are actively engaging in the project will require the critical mass that the lifestyle focused multi-family as well as employment users will bring, in order to locate within FIVE NORTH and be successful long term.