Rancho Mercado
Planned Area Development

CITY OF SURPRISE
PLANNING AND ZONING DEPARTMENT
APPROVED
Case No.: PAD06-276
City Council Approval: 10/11/2007
B.O.A. Approval: 
Stipulations: a-u

Approved PAD
October 2007

LVA urban design studio
CMX GROUP INC.

TASK ENGINEERING
Rancho Mercado
A Master Planned Community

By William Lyon Homes, Inc. &
Arizona State Land Department

Planned Area Development
APPROVED PAD

City of Surprise, Arizona
Zoning Case Number: PAD06-276

TAC Submittal Date: July 2006
Revised PAD Submittal: December 2006
2nd Revision: April 2007
Approved PAD: October 2007

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Rancho Mercado
Planned Area Development
Approved PAD: October 2007
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Tax Parcel ID #’s: 503-54-006F; 503-69-010B

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c/o Mercado Management, Inc.
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Rancho Mercado
Planned Area Development
Approved PAD: October 2007
# Rancho Mercado

## Master Planned Community

## Planned Area Development

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INTRODUCTION AND EXECUTIVE SUMMARY

Rancho Mercado is an approximately 1,310 acre PAD located in the northwest Phoenix metropolitan area. The property has been entitled as a Development Master Plan and Zoning within Maricopa County, but will be annexed into the City of Surprise prior to approval of this PAD. The property is generally bounded by Jomax Road to the north, McMicken Dam to the south, west of 147th Avenue to the west, and east of 139th Avenue to the east. The Rancho Mercado property is currently within Special Planning Area 2 (SPA 2) of the Surprise General Plan. The General Plan designates the property primarily as Low Density Residential with a small portion of the property at the southeast corner south of the McMicken Dam as Employment.

The property is currently primarily vacant land. Land uses immediately adjacent to the property include a combination of large lot residential development and undeveloped desert land to the north and west, approved small lot residential planned community to the east, and the McMicken Dam and Loop 303 Freeway to the south.

The Rancho Mercado property has recently received approval of a Development Master Plan (DMP) and Zoning for the property within Maricopa County. This PAD request to the City of Surprise is very similar to the Development Master Plan and Zoning plan that was approved by Maricopa County. Further, at the time of review of the Development Master Plan and Zoning applications, the City of Surprise issued a letter of support for the project to Maricopa County and indicated its desire to annex the property into the City of Surprise (See letter from the City of Surprise in the Appendix).

The Rancho Mercado development is designed to offer a broad range of housing types, including single family and multi-family residential, retail/commercial services, employment, parks, schools and an open space network meandering throughout the community. The land use plan includes an overall target density of 3.5 dwelling units per acre. 4,641 dwelling units are proposed with a projected population of just over 12,000 residents. The projected population is anticipated to be served by two elementary schools and three neighborhood parks including recreational opportunities such as community soccer/softball/baseball fields and traditional neighborhood parks. Numerous additional pocket parks will be provided throughout the development within the individual residential subdivisions as they are developed. The three neighborhood parks will be connected with a multi-use trail system that meanders throughout the community utilizing the Padelford Wash corridor, the Beardsley Canal and various residential subdivisions. Connections will also be made to the planned Maricopa County Regional Trail immediately south of the property along the McMicken Dam corridor.

Ingress and egress to the Rancho Mercado community will initially be oriented from the west along Happy Valley Road via Sarival Road. Additional access to the community will be provided along Jomax Road, Bullard Road and Litchfield Road, all of which may ultimately connect to the future Loop 303 Freeway east and south of the site in the future. The Rancho Mercado PAD anticipates the regional design and construction of these roadways as necessary to support projected community traffic demands for transportation service.
Rancho Mercado PAD

This document is organized into four major sections with supporting appendices. These sections include a review of the site's location and regional context, the physical characteristics of the site (site analysis), the proposed master plan elements and regulatory development standards. This document has been prepared to satisfy the project narrative requirements for a Planned Area Development.
A. LOCATION AND REGIONAL CONTEXT

1. Property Description and Location

Rancho Mercado is a 1,310-acre PAD within the northwest Phoenix metropolitan area. It is anticipated that the project will be annexed into the City of Surprise prior to approval of this proposed PAD. The property is located south of Ionax Road and 147th Avenue alignment. The property is generally bounded by Ionax Road to the north, McMicken Dam to the south, west of 147th Avenue to the west, and east of 139th Avenue to the east. The east property boundary is adjacent to the Rancho Cabrillo subdivision (See Figure 1, Regional Vicinity Map and Municipal Boundaries).

2. Property Legal Description

The property consists of portions of Sections 3, 4, 5, 8, and 9 of Township 4 North, Range 1 West and Section 32 of Township 5 North, Range 1 West, of the Gila and Salt River Base and Meridian, Maricopa County, Arizona. The property is more specifically described in the Appendix.

3. Ownership, Control and Applicant’s Interest

The property contained within this PAD application is owned by various private land owners and the State of Arizona. The managing member of the property is William Lyon Homes. William Lyon Homes has received authorization from all affected property owners to represent them through this PAD application request.

4. Discussion Regarding Existing Property Entitlement

In May, 2004, the applicant submitted a proposed DMP and Zone Change Application to Maricopa County for the subject property. Over the past 1 ½ years, the applicant has been working closely with Maricopa County and other applicable agency staff to review and refine the DMP and Zone Change applications. The DMP and Zone Change Applications were both approved by the Maricopa County Board of Supervisors on July, 11 2006, nearly two years after the original submittal to the County. During this time, the applicant, the State Land Department and the City of Surprise mutually expressed a desire for the property to be annexed into the City of Surprise.

The current entitlement approved by Maricopa County includes a mix of residential of varying densities, commercial, schools, parks, employment, and natural open space. The total number of units approved within the DMP and Zone Change is 4,605 units on 1,310 acres for an overall gross density of 3.5 dwelling units per acre. The plan also includes approximately 163 acres of commercial and employment land uses, as well as two elementary school sites and three neighborhood parks. The proposed PAD is very similar to the DMP and Zoning as approved in the County, with minor adjustments primarily to address different requirements between the two jurisdictions.
5. Surrounding Property Ownership

The property ownership pattern within the site and surrounding area is provided in Figure 2, Property Ownership. Property ownership within the site is owned by various land owners and State Trust Lands. In general, the property to the north is owned predominately by State Trust Lands and various smaller privately owned parcels. Property to the east is owned by Robson Communities (Rancho Cabrillo Development). The property to the south is owned by the Maricopa County Flood Control District. The property to the west is owned by State Trust Lands and various private land owners.

6. Regional Plans and Facilities

a. Municipal Boundaries

Rancho Mercado is currently within the jurisdiction of Maricopa County, although the property is approximately one mile from the City of Surprise to the west and approximately one mile from the City of Peoria to the east. This property will be annexed into the City of Surprise prior to approval of this PAD with adjoining State Land to the west. Figure 1, Vicinity Map and Municipal Boundaries, shows the Rancho Mercado property within the context of the existing City of Surprise and City of Peoria jurisdictions.

b. Surprise General Plan and Other Land Use Plans

Surprise General Plan
Although currently located in Maricopa County, the property will be annexed into the City of Surprise prior to approval of this PAD. In 2005, the City of Surprise approved a City-sponsored General Plan Amendment on the subject property to modify the land use designation for the southern portion of the site from Suburban Residential to Low Density Residential, to modify the Planning Boundary to include the eastern portion of the property (with cooperation from the City of Peoria), to modify the Jomax Road alignment to veer north around the topographic feature at the northwest end of the property, and to slightly shift the open space designation onto the Maricopa County Flood Control District property where it was originally intended. The amendment also included changing the land use designation on some adjacent State Trust Land from Suburban Residential to Low Density Residential in anticipation of annexation of the State Trust Land.

Based on this recent amendment, the land use designation on the subject property is primarily Low Density Residential (3-5 Du’s/Ac) with a small amount of Employment land use for the employment parcels at the southern end of the property south of the McMicken Dam. The property is located within Special Planning Area 2 (SPA 2) of the Surprise General Plan and is consistent with the general description of SPA 2.

Maricopa County Comprehensive Plan
The Development Master Plan (DMP) approval for Rancho Mercado modified the previous land use designations for the property to the land use designations
as defined within the approved DMP. Therefore, the proposed land use plan as defined within the PAD is consistent with the Maricopa County Comprehensive Plan.

c. Regional Transportation Planning

The *Northwest Area Transportation Study, Final Report* dated September, 2003 is the defining regional traffic study for the northwest valley. This study was commissioned by the Maricopa Association of Governments (MAG) in order to prepare a Regional Transportation Plan for the northwest valley. The Northwest Area Transportation Study examined and had input from the following agencies: El Mirage, Glendale, Litchfield Park, Peoria, Surprise, Wickenburg, Youngtown and the unincorporated portions of Maricopa County. The results and projections of the Northwest Area Transportation Study have also been included into the MAG regional traffic model. The following is a summary of the classification of major roadways near Rancho Mercado as projected by MAG and the Northwest Area Transportation Study.

- Loop 303 will be initially constructed as a four-lane arterial between Grand Avenue and Lake Pleasant Road. This construction of the initial roadway is complete. Loop 303 is projected to be a six-lane grade separated freeway by Year 2030.

- Jomax Road is planned as a six-lane parkway in the future. Jomax Road will have a six-lane cross-section west of Loop 303 and continue as six lanes throughout the City of Surprise and west through to the Town of Buckeye.

- Happy Valley Road is planned as a four-lane minor arterial in the future near the Rancho Mercado site, but is planned to be a six-lane facility east of Loop 303 and for one mile west of Loop 303.

- Bullard Avenue and Litchfield Road are planned to be future four-lane minor arterial roadways. Bullard Road is planned to have future traffic interchanges with Loop 303 south of Rancho Mercado. It has yet to be determined if Litchfield Road will continue south of Happy Valley Road to connect to the Loop 303 freeway.

- Dysart Road is assumed to be a four-lane facility adjacent to the Rancho Cabrillo development. Dysart Road is not expected to connect to Loop 303 and will most likely not extend north of Jomax Road unless designed by other development. Recent information is that an extension north of Jomax Road may be expected at some time in the future.

d. Airports and Other Land Use Impacts

The Rancho Mercado property is not located within a zone of influence of any of the significant Phoenix metropolitan area civilian airports. The Pleasant Valley Airport is the closest airport to the property located approximately eight miles to the northeast and provides small propeller aircraft service to the Lake Pleasant
area. The property does not lie within the Luke Air Force Base noise contours or accident potential zone, however the site is located within the territory in the vicinity of a military airport, and as such may occasionally experience high altitude over-flights. According to information provided by James Mitchell with the Department of the Air Force, the property is located under a flight path to Luke Air Force Base, and will be subject to approximately 13,000 flight operations per year as low as 1,500 feet above the ground. A Luke Air Force Base Auxiliary Airfield is located approximately two miles to the east of the property, although this airfield has been decommissioned and is no longer used. The applicant will include the following language on every final plat in order to provide the Air Force with an avigation easement.

OWNER HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (“USAF”) AN AVIGATION EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE.

Applicant will also include the following language on every plat in order to provide potential buyers with notice.

PUBLIC NOTICE
THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LUKE AIR FORCE BASE AND MAY BE SUBJECT TO OVERFLIGHTS BY JET AIRCRAFT. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE 1988 MAG NOISE CONTOUR LINES IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

Other notable land uses within proximity to the site include the Beardsley Canal, which runs through the property from east to west, and provides a physical separation through the property. The McMicken Flood Control Dam is located immediately adjacent to the south property line, and the future Loop 303 freeway is located approximately ½ mile south of the property. At the northwest corner of the property, along the Jomax Road alignment is a small topographic feature that will impact the roadway alignment of Jomax Road.

There are also various existing and planned residential and mixed use developments within the immediate vicinity of the property. Some of the developments include Rancho Cabrillo, a residential development located immediately east of the property, Coldwater Ranch, a residential development approximately 2-miles to the east, Vistancia, a master planned community to the northeast, Clear Skies West, a residential development approximately 1-mile to the west, Asante and Asante North, two master planned communities located approximately 2-miles to the west, and Sun City West and Corta Bella, two active adult communities to the south of the property.
e. School Districts

The Rancho Mercado property is split between two elementary and high school districts, east and west of Litchfield Road. East of Litchfield Road, the property is within the Peoria Unified High School District and the Peoria-11 Elementary School District. West of Litchfield Road, the property is within the Dysart Unified High School District and the Dysart-89 Elementary School District. There are no existing current or proposed educational facilities on the property other than what is proposed as part of the Rancho Mercado project. There is a planned elementary school within the Peoria-11 Elementary School District located within the Rancho Cabrillo development immediately east of the property.

The applicant spoke with Janell Brandhorst with the Peoria School District on August 16, 2004. Ms. Brandhorst indicated that the Peoria School District will be constructing a new K-8 school within the Rancho Cabrillo development immediately east of the Rancho Mercado property (see letter from Peoria School District dated August 16, 2004 in the Appendix). Prior to this school being constructed, K-8 students within this district will attend Zuni Hill Elementary School, located at 10851 Williams Road, approximately 6-miles to the southeast of the property. Ms. Brandhorst also indicated that the Peoria School District will be constructing a new high school (Camino Lago H.S.) at 95th Avenue and Deer Valley Road, approximately 7-miles from the site. Once this school is built (estimated to be late 2006), Rancho Mercado high school students will attend this school. In the mean time, students within the Peoria School District will attend Sunrise Mountain High School, located at 21200 N. 83rd Avenue, approximately 9-miles southeast of the property.

The applicant met with Vern Wolfley with the Dysart School District on January 8, 2005. Mr. Wolfley indicated that prior to the construction of the schools proposed within the Rancho Mercado development, K-8 students will either attend Kingswood Elementary School, an existing school located a 15150 W. Mondell Road, approximately 5-miles from the property near Bell Road and Reems Road, or, if and when completed, one of two new planned elementary schools within the Asante Planned Community at 163rd Avenue and Grand Avenue, approximately 2-miles from the subject property. Dysart School District is currently searching for a location for a 5th high school in the north portion of their district, closer to the Rancho Mercado development. In the mean time, high school students living within Rancho Mercado will attend Willow Canyon High School, located at 1705 W. Lundberg Street, approximately 6-miles from the property near Bell Road and Litchfield Road.

f. Water and Wastewater Service Districts

Currently, there is no private utility holding a Certificate of Convenience and Necessity (CC&N) for water or wastewater service on the site; however, the entire property was recently included in the City of Surprise municipal planning area. Arizona American Water Company (AAWC) is the water service provider for Rancho Cabrillo directly to the east, and will have future water facilities located adjacent to Rancho Mercado. Although AAWC had previously
expressed willingness to pursue extending their CC&N for water service to include the Rancho Mercado property, the City of Surprise has stated their desire to provide both water and wastewater service to the project. Therefore, the plan to provide water service to Rancho Mercado is through a system that will be owned and operated by the City of Surprise.

As stated above, there is no private utility holding a Certificate of Convenience and Necessity (CC&N) for wastewater service for Rancho Mercado. The current MAG 208 Water Quality Management Plan shows that the Rancho Mercado property is located within three different jurisdictions for wastewater service. The MAG 208 has recently been amended to show that the City of Surprise is the jurisdiction for the property west of Litchfield Road and north of the Beardsley Canal, the City of Peoria is the jurisdiction east of Litchfield Road north of the Beardsley Canal and Maricopa County is the jurisdiction south of the Beardsley Canal. Similar to the arrangement being proposed for water service, the City of Surprise has stated their desire to provide wastewater service to the entire project. Therefore, the plan to provide wastewater service to Rancho Mercado is through a system that will be owned and operated by the City of Surprise. As in the case of the water system, the City of Peoria has no desire to be the wastewater provider and a letter confirming their willingness to allow a MAG 208 amendment to occur giving the City of Surprise the ability to be the sewer provider for all of Rancho Mercado has been received.

g. Refuse Collection Districts

The City of Surprise will provide residential refuse collection services for the subject property.

h. Fire Service

The City of Surprise will provide fire service to the subject property. The City of Surprise has a Temporary Fire Station #4 located at 22443 North 163rd Avenue, approximately 3 miles southwest of the subject property. This station will likely service the property until a permanent station is provided for in the area.

Additionally, Sun City West currently provides fire protection services within proximity to the Rancho Mercado property. A service station currently exists at 135th Avenue and Deer Valley Road, a couple miles south of the property.

The Rural Metro Corporation also provides fire protection services within proximity to the Rancho Mercado property. A service station (Station #33) is currently located at 10024 N, 136th Avenue (north of Peoria Avenue). Station #33 is approximately eight miles south of the subject property.

i. Law Enforcement Services District

The City of Surprise will provide law enforcement services to the subject property.
Rancho Mercado PAD

j. Library Services

The City of Surprise will provide library services to the subject property. The closest library facility is approximately 8-miles to the southeast located at 15844 N. Hollyhock Street, south of Bell Road between Dysart Road and El Mirage Road.

The Maricopa County Library Services District also has the Northwest Regional Library within the vicinity of the subject property, located in the Surprise Recreation Complex at 16089 N. Bullard Avenue, roughly 8-miles from the site.
B. SITE ANALYSIS

1. Existing General Plan Analysis

The Surprise General Plan Land Use and Transportation Elements were recently amended through a City-sponsored amendment application in the area within and surrounding portions of the Rancho Mercado property. The amended General Plan Map designated the land uses on site primarily Low Density Residential (3-5 Du’s/Ac) with a small portion of the property along the southern boundary designated as Employment. The transportation element was amended to modify the alignment of Jomax Road to generally follow the existing alignment to the north of the small topographic feature immediately northwest of the Rancho Mercado property. The Rancho Mercado property is located within Special Planning Area (SPA) 2.

The land use designations immediately adjacent to the property include Low Density Residential (3-5 Du’s/Ac) to the north, Suburban Residential (1-3 Du’s/Ac) and Low Density Residential (3-5 Du’s/Ac) to the west, and Employment and Open Space along the McMicken Dam to the south. The property to the east is in the Peoria planning area and is designated as Residential Estate (0-2 Du’s/Ac).

2. Infrastructure

The existing roadways near the Rancho Mercado project are Jomax Road and Bullard Avenue (147th Avenue). Both roadways exist as two lane county facilities. Jomax Road runs east from 163rd Avenue to Bullard Road while Bullard Road runs from Jomax Road to approximately 1,100 feet north of Jomax Road. According to the Maricopa County Assessor website the existing total right of way on Bullard Avenue is ±110 feet and the existing total right of way on Jomax Road is ±95 feet. The Loop 303 interim improvement (including two at-grade lanes in each direction) has been completed south of the Rancho Mercado property.

The City of Surprise and various developers have been working on the design of a new wastewater treatment facility for SPA-2 near Grand Avenue and Pinnacle Peak Road. The developer for the Rancho Mercado project has been a participant in the planning and design of this regional wastewater treatment facility, which will serve the Rancho Mercado community once completed. A sanitary sewer collector system will be required in connection with the SPA-2 wastewater treatment facility. The developer for the Rancho Mercado project has been a participant in the planning and design of this collector system.

3. Existing Land Uses

Existing land uses on the site consists largely of vacant desert lands. There are a few existing improvements on the site related to ranching and/or cattle grazing activity, such as a water-filled stock tank and various cattle fences. The Beardsley Canal dissects the property south of the Happy Valley Road alignment. The intent is to provide a community trail system along the north side of the Beardsley Canal with at least two connections across the canal to the south. There are two siphons near
the east and west sides of the property to allow water runoff to cross the canal from the north to the south. Vegetation is thick along the north side of the canal due to the water runoff pooling against the north side of the canal before it feeds through the siphons. There are also various dirt roads throughout the property, as well as an abandoned dirt race track routed with old car tires.

Various power transmission lines run through or adjacent to the site, including a 12KV line running north/south through the property along 147th Avenue (Bullard Road) alignment, a 69KV line running east/west along the Jonax Road alignment, a 500KV power line along the north side of the McMicken Dam, two 500KV power lines and one 69KV power line running along the south side of the McMicken Dam.

Surrounding land uses to the north include vacant land and rural residential development. To the east is vacant land currently planned as small lot residential development. To the south is the McMicken Dam and various power line corridors running east/west. Beyond the McMicken Dam is rural residential, the interim Loop 303 freeway corridor, and Sun City West, a small lot residential age restricted community. To the west is vacant land.

4. Existing Zoning

The Rancho Mercado site has recently been zoned through Maricopa County's Development Master Plan and Zone Change process. The zoning on the site includes a Planned Area Development (PAD) overlay over the entire property with a mix of the following zoning districts: Rural-43 RUPD, R1-8 RUPD, R1-7 RUPD, R1-6 RUPD, R-2 RUPD, R-4 RUPD, C-S, C-2, and C-3. The zoning designated on the site allows up to 4,605 dwelling units for a density of 3.5 dwelling units per acre. Figure 4, Existing Zoning, shows the zoning on the Rancho Mercado property and the surrounding areas.

The property immediately to the north, south and west of the subject property is zoned Rural-43 in the County. The property to the east of the site has various zoning categories, including R1-18 RUPD PAD, R1-7 RUPD PAD, R1-6 RUPD PAD, R-2 RUPD PAD, R-4 RUPD PAD and C-1 PAD. These zoning categories allow a range of residential densities and commercial development as part of the Rancho Cabrillo development. Further to the south, across the McMicken Dam and Future Loop 303 freeway is the Sun City West development, which has multiple residential and commercial zoning districts, such as R1-7, R1-6, R-2, C-1 and C-2.

5. Topographic Contours

Rancho Mercado primarily lies north of the McMicken Dam in Maricopa County Arizona (with the exception of two employment parcels south of the McMicken Dam adjacent to the Loop 303 freeway). The natural ground of the project site slopes to the south and east towards the dam and the Beardsley Canal at a slope of approximately 0.5%. The property elevation ranges from 1,320 feet at the low point to 1,400 at the high point (See Figure 5, Topography, Drainage and Other Physical Features). The canal flows east to west across the southern portion of the project site. Two large washes, the Padelford Wash and the 5-East Wash, flow southeast towards the dam.
6. Vegetation and Wildlife

The Rancho Mercado property may be characterized as “high” Arizona desert with slight topographic relief. Vegetation is typical of an Upper Sonoran environment, characterized by the Palo Verde, Bursage, Barrel, Cholla and Saguaro cactus vegetation types within the Central Arizona Basin and Range province. Species distribution plant density varies with slope, moisture retention and soils.

Special status animal species with the potential to occur on site include the loggerhead shrike, burrowing owl and desert tortoise. No known surveys have been conducted within the project area at this time to determine whether these species exist on site. A Riparian and wildlife corridor exists along the McMicken wash corridor.

7. Major Rock Outcroppings, Streams and Ponding Areas

There are no major rock outcropping or year round streams located on the Rancho Mercado property. There is one topographic feature, a small hill at the far northwest corner of the site. There are two major washes that traverse the site in a north to south direction. Additionally, there is a small man-made stock pond near the western edge of the property.

8. Existing Drainage

The site is currently undeveloped and predominantly undisturbed. The FEMA Flood Insurance Rate Map (FIRM) Panel Number 040131155 F 4350 1155, dated December 3, 1993, shows that due to the Pdelford Wash and 5-East Wash flows, the majority of the assemblage property south of the Beardsley Canal is located within Flood Hazard Zone A, as determined by approximate methods.

The primary washes which impact the Rancho Mercado site are the Pdelford Wash and the 5-East Wash (as labeled in the Wittmann ADMS Study – 1989). Several hydraulic structures are located in proximity to the project site including the McMicken Dam Outfall Channel, the Beardsley Canal, Lake Bonita, and the Central Arizona Project (CAP) Canal.

The CAP Canal is located approximately 3 miles north of the property. The Canal influences flows to the property by controlling wash flows and distributary flow conditions north of the CAP and conveying them to various over-chutes which localize discharge and form the primary flow condition for the Pdelford Wash and the 5-East Wash.

The existing Lake Bonita Dam structure located approximately 1 mile north of the Jomax Road further influences flows north of the property boundary. This structure currently retains upstream flows and throttles discharge through current outlet works on the dam structure. The Flood Control District of Maricopa County (FCDMC) is currently preparing to breach the Lake Bonita Dam upstream of the project. The breach will increase flows to a local wash corridor during the 100 year storm event, but will not increase flow rates at the Beardsley Canal crossings or the McMicken Dam outfall channel.
Siphons are located to convey Beardsley Canal's flows under the 5-East Wash and the Padelford Wash. For the portion of the property south of the Beardsley Canal, the Flood Insurance Study 1988 (FIS) estimated the peak flow resulting from the 100-year storm event to the Beardsley Canal siphons. The study determined that flow capacity over the siphons was not adequate to convey the predicted 100-year flow. Flow in excess of the capacity of the canal siphons, backs up behind the canal and is expected to discharge flow into the canal structure. The Beardsley Canal has limited capacity and is not intended as a flood control conveyance structure and may overtop during the 100-year flow event. The FIS assumed that the overtopping flow would distribute over the length of the channel between the Padelford and 5-East Wash locations relative to the Rancho Mercado project site.

Flood Hazard Zone A delineations north of the Beardsley Canal have been established for both the Padelford and 5-East Washes. A portion of the Padelford Wash is controlled by an existing levee, which directs flow to the Beardsley Canal siphon. The levee has been breached in several locations and likely overtops in others, rendering the structure less effective for the 100-year flow event. During the FIS, a Flood Zone A was established south of the levee structure to suggest the overtopping flow condition. The Rancho Mercado developer is currently evaluating, enlarging the siphon structure at both the 5-East Wash and Padelford Wash.

9. Utilities

The Rancho Mercado project site is currently undeveloped desert and thus there are no existing utilities serving the property. However, there are various power transmission lines that run through or adjacent to the site, including a 12KV line running north/south through the property along 147th Avenue (Bullard Road) alignment, a 69KV line running east/west along the Jomax Road alignment, a 500KV power line along the north side of the McMicken Dam, two 500KV power lines and one 69KV power line running along the south side of the McMicken Dam. There are existing water, wastewater, electric, telephone, cable, and natural gas facilities located south of the McMicken Dam in the Sun City West active adult community. Existing water, wastewater, electric, telephone, cable, and natural gas facilities are also located north of Jomax Road in the Vistancia master planned community and will soon be located in the Rancho Cabrillo development immediately east of the property. Water and sewer service will be provided by the City of Surprise as this property will be annexed into the City of Surprise prior to development. The project is located within the APS service area for electricity, the Qwest service area for telephone, and the Southwest Gas service area for natural gas.

10. Cultural Resources

Two archaeological studies were prepared specifically for the Rancho Mercado property by SWCA Environmental Consultants1 in April 2004. One study was

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1 SWCA Environmental Consultants. An Archaeological Survey of 795 Acres of Private Land near the Northwest Intersection of Jomax Road and 147th Avenue, Maricopa County, Arizona: April 2004 and an

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prepared for the 795 acres of private land, and the second study was prepared for the 552 acres of State Trust land. The survey found eight potential archaeological sites within the 1,347 acre survey area. Of the eight sites, six are not recommended as eligible for listing in the National Register of Historic Places (NRHP) under any criterion and no further archaeological work is recommended for these six sites.

The historic Beardsley Canal (AZ T:3:55[ASM]) is a NRHP eligible property that dates back to 1888. Additional, one of the five prehistoric Hohokam sites AZ T:7:324(ASM) is recommended as eligible for listing in the NRHP under Criterion D for its potential to yield information on Hohokam subsistence and settlement strategies in the lower Agua Fria River drainage.

The developer has had preliminary discussions with the State Historic Preservation Officer and will continue to coordinate with SHPO prior to development commencing on the property. At least 6 month prior to development for each phase of the project, all applicable information related to potential historic sites and proposed preservation and/or mitigation will be submitted to the State Historic Preservation office for review and comment in order to mitigate any potential adverse effects from the project. In coordination with SHPO, steps will be taken to avoid potential prehistoric Hohokam sites as the individual subdivision plats are developed and possibly maintain the areas as natural open space. If disturbance is unavoidable, the project will obtain approval and comply with all applicable laws and ordinances related to historic structures and/or sites in coordination with the SHPO.
Planned Area Development

LEGEND

Rural-43 / PAD (47 Acres)
R1-8 RUPD / PAD (325 Acres)
R1-7 RUPD / PAD (201 Acres)
R1-6 RUPD / PAD (267 Acres)
R-2 RUPD / PAD (245 Acres)
R-4 RUPD / PAD (62 Acres)
C-S / PAD (79 Acres)
C-2 / PAD (26 Acres)
C-3 / PAD (58 Acres)

Property Boundary

Date: 06/26/06
Drawn By: DM

LVA
Urban Design Studio L.L.C.
Rancho Mercado
City of Surprise, Arizona

Planned Area Development
Figure 5
Topography, Drainage, and Physical Features

- DRAINAGE SIPHON
- BEARDSLEY CANAL
- 2 FOOT CONTOURS
- 10 FOOT CONTOURS

APPROXIMATE SCALE: 1"=1200'

Date: 06-26-06
Drawn By: DM
C. MASTER PLANS / PLAN DESCRIPTION

1. Project Overview

Rancho Mercado is an approximately 1,310 acre PAD located in the northwest Phoenix metropolitan area. The Rancho Mercado development is designed to offer a broad range of housing types, including single family and multi-family residential, retail/commercial services, employment, as well as an open space network meandering throughout the community. The projected population is anticipated to be served by two elementary schools and three neighborhood parks including recreational opportunities such as soccer, softball/baseball fields and traditional neighborhood parks. The development will also include a series of smaller pocket/mini parks within various residential development parcels throughout the community. The three neighborhood parks will be connected through a series of multi-use trails that meander throughout the community utilizing the Padelford Wash corridor and the Beardsley Canal which dissect the site. In coordination with Maricopa County Trails Coordinator, connections will also be made to the planned Maricopa County Regional Trail immediately south of the property along the McMicken Dam corridor.

The Rancho Mercado PAD anticipates taking advantage of the tremendous employment opportunities planned within the immediate vicinity of the site. One mile to the east, Maricopa County has designated approximately 500 acres of property as mixed use employment within the White Tank / Grand Avenue Area Future Land Use Plan. This property, located between Dysart Road, Happy Valley Road, and the future Loop 303 Freeway is an ideal location for major employment uses within the region. Additionally, the property immediate south of the Rancho Mercado PAD is an ideal location for additional future employment opportunities with the close proximity and visibility to the Loop 303 freeway. Rancho Mercado residents will have a tremendous opportunity both to establish demand for employment uses in the area as well as take advantage of the close proximity of these future employment opportunities.

Ingress and egress to the site will initially be oriented to the west from Sarival Avenue along Happy Valley Road. The initial entrance to the community will be located at the intersection of Happy Valley Road and Bullard Avenue. Additional ingress and egress to the property will be located along Jomax Road, Bullard Avenue, and Litchfield Road.

2. Land Use Plan

The Rancho Mercado Land Use Master Plan achieves the following planning objectives:

- Provides a mix of land uses and a diversity of housing types;
- Promotes an appropriate distribution of residential units to assure project diversity;
- Provides a balanced distribution of parks and school facilities;
- Provides interconnectivity and linkages to neighborhoods and open spaces;

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- Locates higher residential densities adjacent to major perimeter arterial streets minimize walking distances to future multi-modal transportation opportunities;
- Preserves open space for its visual, economic, hydrological, ecological and quality of life benefits;
- Locates residential units adjacent to open space amenities for direct access to recreational opportunities;
- Maximizes the project's land use compatibility with adjacent land uses; and
- Provides for design flexibility through standards and guidelines that allow a creative and innovative project.

These planning objectives are achieved through a balanced PAD that includes a mix of land uses, specifically residential of varying densities, retail/commercial, employment, open space, and educational facilities. The Rancho Mercado PAD also plans to take advantage of the nearby future employment opportunities, including the approximate 500 acre employment district one mile to the east of the property and the potential additional future employment area immediately east of the proposed employment parcel within the Rancho Mercado development along the north side of the Loop 303 freeway.

The Rancho Mercado PAD proposes an overall residential density target of 3.5 dwelling units per acre. **Table 1, Density/Intensity Table** provides proposed land uses, parcel gross and net acres, maximum density per parcel, target unit count and projected lot size per parcel for residential parcels. **Figure 6, Land Use Master Plan**, provides a graphic depiction of the proposed land uses identified within **Table 1**.

a. Residential

A variety of housing types and lot sizes are proposed for the Rancho Mercado Master PAD. Homes will vary in character and size to meet the diverse needs of the projected community population. Higher residential densities are proposed adjacent to major arterial streets and commercial services to minimize walking distances to community services and future multi-modal transportation opportunities. For all residential development parcels, specific architectural and design guidelines will be established (as defined within **Section D** of this PAD document) to ensure the highest quality design for all residential housing product, and establish compliance with the Single Family Residential Design Guidelines as defined within the PAD. Compliance with Single Family Design Guidelines will be defined on a project-wide basis, not an individual development parcel basis. Compliance will be demonstrated on a phased basis as preliminary and final plats, site plans, and building permits requests are submitted for approval within each phase.

Gross densities for single family residential parcels range from 2.0 dwelling units per acre for single family parcels to as high as 21 dwelling units per acre for high density residential parcels. These densities are represented by the Low Density Residential (LDR, maximum 5 dwelling units per acre), Low/Medium Density Residential (LMDR, Maximum 6 dwelling units per acre), Medium Density Residential (MDR, maximum 8 dwelling units per acre), and High
Rancho Mercado PAD

Density Residential (HDR, maximum 21 dwelling units per acre) land use categories. Overall, a maximum unit count of 4,641 units is planned, for an overall project density of 3.5 dwelling units per acre.

Table 1, Density/Intensity Table identifies the projected lot size and target unit count for each residential development parcel. The total number of units is based on a projection of the number of lots that can reasonably be platted within each development parcel based on projected lot sizes and density requirements as defined within Table 1. Although 4,641 units is the maximum number of units allowed for the entire PAD, within each individual development parcel, the target unit count is just that, a target. The maximum unit count within any development parcel is determined by calculating the gross acreage of that development parcel by the maximum land use density listed in the table for that parcel. For example, development parcel A4 is 42 acres with a LDR (maximum 5 du/acre) land use density range. The target unit count is 146 units; however development unit A4 can develop up to 210 units by multiplying 42 acres by the maximum density of 5 units per acre as defined within Table 1. However, the total number of units for the project as a whole shall not exceed 4,641. To that end, if one development parcel develops below the target unit count, the remaining units can be transferred to other development parcels so long as the total unit count for the project as a whole does not exceed 4,641 and the maximum density allocated for any individual development parcels is not exceeded.

In the same manner, the projected lot size has been identified for each development parcel. As Rancho Mercado develops, the lot sizes can vary from parcel to parcel so long as the overall percentage of a particular lot size throughout the project does not exceed the projected overall percentage of that particular lot size as defined within Section D of this PAD by more than 3%. More detailed provisions for the unit count, percentage mix of various lot sizes and the flexibility provisions related to the location of various lot sizes on a parcel by parcel basis are defined within Section D of this PAD.

b. Commercial

Approximately 103 acres of commercial land use is proposed to serve the Rancho Mercado PAD and immediate surrounding area. Demand for basic retail and commercial services is anticipated within the area to support the planned residential population. The commercial centers have been located at the major arterial to arterial intersections within the community to heighten retail/commercial exposure to the public and minimize traffic impacts within the neighborhoods.

All of the commercial development parcels are less than 25 acres in size and are scaled to serve as neighborhood retail/commercial centers. The neighborhood commercial centers are planned to provide Rancho Mercado residents and nearby residents with day-to-day services including but not limited to uses such as grocery, drug, dry cleaning, banking, dining, and video rental establishments.
c. Employment

Approximately 58 acres of employment land use is proposed along the southern edge of the PAD south of the McMicken Dam and immediately north of the Loop 303 freeway corridor. This employment land use is consistent with the City’s General Plan for employment, and will provide excellent access and visibility being located immediately adjacent to the Loop 303 freeway corridor. As growth continues in this area, the need for employment land use is important to provide employment opportunities, to minimize commute time and to provide the opportunity for alternative mode of transportation, such as bicycling, for local residents. The employment land uses are appropriately buffered from existing and planned residential land uses, but provide close proximity to future residents to live near where they work.

In addition to the proposed employment uses within the development, the Rancho Mercado PAD anticipates taking advantage of the tremendous employment opportunities planned within the general vicinity of the site. One mile to the east, Maricopa County has designated approximately 500 acres of property as mixed use employment within the White Tank / Grand Avenue Area Future Land Use Plan. This property, located at between Dysart Road, Happy Valley Road, and the future Loop 303 Freeway, is an ideal location for major employment uses within the region. Additionally, a couple miles to the west, the Surprise General Plan has a substantial amount of employment land use identified within the proposed Sunhaven PAD. Rancho Mercado residents will have a tremendous opportunity both to establish demand for employment uses in the area as well as take advantage of the opportunity to work near where they live.

d. Schools

The Rancho Mercado property is split between two elementary and high school districts, east and west of Litchfield Road. East of Litchfield Road, the property is within the Peoria Unified High School District and the Peoria-11 Elementary School District. West of Litchfield Road, the property is within the Dysart Unified High School District and the Dysart-89 Elementary School District.

For the property east of Litchfield Road within the Peoria School District, there is not sufficient demand on site for an elementary or high school on the property. Demand within this area is expected to generate approximately 24% of the demand for an elementary school site and only 3% of the demand for a high school site. This is based on the following formulas provided by the Peoria School District:

- Single Family: 0.5 K-8 students per unit and 0.2 high school students per unit.
- Townhome/Medium Density attached: 0.35 K-8 students per unit and 0.1 high school students per unit.
- Apartments: 0.2 K-8 students per unit and 0.08 high school students per unit.
Rancho Mercado PAD

The applicant spoke with Janell Brandhorst with the Peoria School District on August 16, 2004 and on January 11, 2004. Ms. Brandhorst indicated that the Peoria School District will be constructing a new K-8 school within the Rancho Cabrillo development immediately east of the Rancho Mercado property (see letter from Peoria School District dated August 16, 2004 in the Appendix). She indicated that this school will have capacity for the projected students generated from the Rancho Mercado development. Prior to this school be constructed, K-8 students within this district will attend Zuni Hill Elementary School, located at 10851 Williams Road, approximately 6-miles to the southeast of the property. Ms. Brandhorst also indicated that the Peoria School District will be constructing a new high school (Camino Lago H.S.) at 95th Avenue and Deer Valley Road, approximately 7-miles from the site. Once this school is built (estimated to be late 2006), Rancho Mercado high school students will attend this school. In the mean time, students within the Peoria School District will attend Sunrise Mountain High School, located at 21200 N. 83rd Avenue, approximately 9-miles southeast of the property. Caroline Ruiz with the Peoria School District provided a letter to Matt Holm, Planner with Maricopa County dated April 18, 2005 regarding the proposed plan and arrangement for schools within the Peoria District. This letter is attached as part of the Appendix.

West of Litchfield Road, the Rancho Mercado PAD proposes to provide two elementary schools within the Dysart-89 Elementary School District to respond to student population projections. A high school is not warranted on the property based on projected high school population projections. The estimated school projections are based on formulas provided by the Dysart School District as indicated below:

- Single Family: 0.5 K-8 students per unit and 0.2 high school students per unit.
- Multi-Family: Equivalent per-acre ratio as provided for single family projections. (example: for a 100-acre single family residential parcel with 3 units per acre for a total of 300 units, the single family school projection for K-8 is 300 x 0.5 = 150 k-8 students. This translates to 1.5 students per acre. For multi-family, for a 50-acre multi-family development parcel, the projected demand would be 1.5-student per acre or 45 students).

The applicant has met with the Dysart School District to discuss the number, size, and location of the proposed schools within the development. The school district has indicated their support for the two proposed school sites as proposed on Figure 6, Land Use Master Plan. Prior to these school sites being developed, students will attend either Kingwood Elementary School, located a 15150 W. Mondell Road, or one of two planned schools within the Asante Development, 2-miles west of the Rancho Mercado property.

The Dysart School District has also indicated that as continued growth occurs within this area, demand for a fifth high school will be warranted. In the mean time, high school students within the Rancho Mercado development will attend Willow Canyon High School, located at 1705 W. Lundburg Street, approximately 6-mile from the property near Bell Road and Litchfield Road.
The developer has executed a Developer Assistance Agreement with the Dysart School District and a letter of support for the project from the Dysart School District is included as part of the Appendix.

e. Parks, Open Space & Trails

The Rancho Mercado PAD will include numerous opportunities for active and passive recreation through the natural open space/wash corridor areas, the Beardsley Canal right-of-way, and developed parks and trails proposed throughout the community. Figure 7, Open Space and Trails Master Plan, proposes a network of community multi-use trails to enhance recreational opportunities and promote alternative means of mobility throughout the community. The proposed trails will be designed to connect the schools, neighborhood parks, the McMicken Dam Regional Trail, and various residential and commercial development parcels throughout the community.

Three neighborhood parks totaling approximately 47 acres will be provided throughout the community. The three neighborhood parks are dispersed throughout the community and are linked together through the proposed community trail system as shown graphically on Figure 7. The neighborhood parks will include amenities such as soccer, softball, and/or baseball fields, playgrounds, sport courts, tables, seating areas and open space, and are located such that residential units are all within approximately ½ mile of a neighborhood park.

In addition to the neighborhood parks, a series of smaller pocket/mini parks will be provided throughout the development within the individual residential development parcels to be located and designed at the time of plat. An estimated 30 pocket/mini parks will be located to provide for approximately ¼ mile distance to ensure every residential unit is within close walking distance of a park/open space amenity. The pocket/mini parks will include active and passive amenities such as turf areas, tot lots, picnic areas, benches, grills, ramadas and trails. Approximately 4-5% of each residential development parcel will be dedicated to pocket/mini parks for a total of approximately 48 acres in addition to the 47-acres of neighborhood parks. This will provide for a total of approximately 95-acres of active and passive park facilities within the Rancho Mercado PAD. Figure 8, Pocket/Mini Parks, Trails and Wash Connection Details provides examples of the mini/pocket parks, treatment of trail access within the subdivisions, trail cross sections and pedestrian footbridge over the Beardsley Canal.

Two school sites are also proposed within the community totaling 32 acres. The two school sites will serve the projected population at build out and have been strategically located throughout the community to address project phasing as well as proximity to residential subdivisions. The schools are each located immediately adjacent to a neighborhood park to provide additional open space and recreational benefit to students and residents. The open spaces, ball fields, playground facilities, as well as meeting rooms within the school will be available to residents of the Rancho Mercado community during non-school hours to provide additional recreational benefits and community gathering.
place. It is estimated that approximately 30% or 10 acres of the total school sites will be dedicated as open space and/or usable community amenities.

A community loop trail is also proposed as part of the overall open space network within the community. Approximately 6 miles of trails are proposed as part of the community loop trail system. This loop trail system will connect all three neighborhood parks, the two school sites, the McMicken Dam Regional Trail system, as well as to various development parcels and mini/pocket parks throughout the development.

The project proposes to preserve the significant wash corridors, drainage corridors and steep sloped areas throughout the property as open space that may be used as passive recreational opportunities and/or trail connections throughout the development. The implementation of wash corridor preservation and open space will be based on detailed hydrologic analysis during the subdivision plat process. In general, these corridors will conform to the configuration identified within the wash corridor/open space designation defined on Figure 6, Land Use Master Plan. However, some refinement will occur during the platting process based on the characteristics of the wash within the immediate vicinity of the proposed plat. Approximately 62 acres of wash corridors and other passive open space areas will be provided within the community. In addition, although not specifically included in this PAD as the property is an exception, the open space created by the Beardsley Canal will be an integral part of the community and will provide substantial recreational amenity to the residents of the Rancho Mercado PAD. The Beardsley Canal includes regional walking/jogging paths, and the Rancho Mercado trail system will provide connection opportunities for access to the canal and regional trail system. The Beardsley Canal includes approximately 18 acres of additional open space that will provide a direct benefit to the community (although not included in the open space calculations).

All arterial streets will include landscape tracts to create a sense of openness, visual aesthetics and design theme throughout the community. 15’ wide average landscape tracts will be provided along all arterial streets within the community. This equates to approximately 11 acres of total landscape tracts area along arterial streets.

In total, between the neighborhood parks, the pocket/minis parks, schools, trails, natural and improved open space areas, landscape tracts and the Beardsley Canal, the project is estimated to include approximately 196-acres of parks and open space. This translates to approximately 15% of the total gross area of the project. Excluding the Beardsley Canal from the calculation, the total open space is approximately 178 acres, or 14% of the total area of the property. A breakdown of the various open spaces, acres and percentage of total open space for the project as a whole and the gross acreage for residential acerage is provided in the table below. As mentioned previously, excluding the Beardsley Canal, this represents approximately 14% of the total gross area of the project and 19% of the total net residential acerage of the property. In accordance with the City of Surprise General Plan policy guidelines, approximately 6 acres per 1,000 population should be provided for parkland and 6 acres per 1,000
population should be provided for open space. Based on a projected population of 12,391, the policy would suggest approximately 74 acres of parks and 74 acres of open space. The Rancho Mercado PAD includes approximately 105 acres of parks and 73 acres of open space, clearly exceeding the intent of the guidelines as defined within the Surprise General Plan. Additionally, the Surprise PAD guidelines suggest at least 7% open space. This plan substantially exceeds this requirement as well by providing approximately 14% open space per the gross project acreage and 19% open space per the net residential acreage.

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f. Fire / Emergency Response

The City of Surprise will provide fire protection services for the property. The City of Surprise has Temporary Fire Station #4 located at 22443 N. 163rd Avenue, approximately 3-miles southwest of the project. A permanent fire station site has been identified approximately 1 mile north of the existing temporary station along 163rd Avenue one-mile north of Grand Avenue. This future fire station is within 1.5 miles of the Rancho Mercado development and will be located such that it will provide adequate service to the entire Rancho Mercado development. It is anticipated that this fire station will be operational prior to the first homes being purchased within Rancho Mercado.
Rancho Mercado
City of Surprise, Arizona

Planned Area Development
Figure 6
Land Use Master Plan

LEGEND

- Low Density Residential (LDR)
  2.0-5.0 d/f/acre
- Low Medium Density Residential (LMDR)
  4.0-6.0 d/f/acre
- Medium Density Residential (MDR)
  5.0-10.0 d/f/acre
- High Density Residential (HDR)
  15.0-40.0 d/f/acre
- Community Commercial
- Commercial / Employment
- Educational/School
- Recreational Open Space
- Open Space/Wash Corridor
- Fire Station
- Proposed Park/Loop 303 Interchange
- Neighborhood / Community Trail
- Property Boundary
- Proposed Multi Parks
  (Locations TBD at time of plan)
- Well Site
- Water Campus

Date: 08-26-06
Drawn By: MR
Revised: 02-23-07
Rancho Mercado PAD

(Insert Table 1, Density/Intensity Table page 1 here)

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## Table 1: Density/Intensity Table

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**Total Project Area:**

| 1,310 | 1,151 | 4,641 |

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Rancho Mercado
Planned Area Development
Approved PAD: October 2007
Rancho Mercado
City of Surprise, Arizona

Planned Area Development
Figure 7
Open Space and Trails
Master Plan

LEGEND

- Recreational Open Space
- Open Span/Walk Corridors
- Fire Station
- Proposed Future Loop 303 Interchange
- Neighborhood / Community Trail
- Property Boundary
- Proposed Mini Parks (Locations TBD at time of plat)
- Well Site
- Water Campus
- Monument Signs

Date: 06-26-06
Drawn By: DM
Revised: 07-17-06

LVA Urban Design Studio L.L.C.
**Typical Subdivision Open Space**

* Improvements to Mini/Pocket Parks not shown, but are described in the text.

---

**Rancho Mercado**

City of Surprise, Arizona

**Planned Area Development**

Figure 8

Mini Parks, Trails and Wash Connection Details

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**Typical Multi-Use Trail Cross Section**

**Beardsley Canal Pedestrian Crossing**

**Typical Wash Corridor Treatment**

---

Date: 06/26/06
Drawn By: DM
Revised: 07/06/06
3. Circulation

The implementation of an efficient circulation system within the Rancho Mercado project is highly important to the overall quality of life for future residents. The efficient and safe movement of vehicular and non-vehicular traffic within and throughout the project and adjacent to the project will enhance the overall value of the community, promote mobility and reduce the potential for traffic conflicts. Balancing the project’s land use plan with the transportation plan has been a key component in the planning of the Rancho Mercado project design. The intent of the proposed circulation system is to create safe and efficient transportation opportunities for vehicular, bicycle and pedestrian user groups.

a. Vehicular

The Rancho Mercado project proposes the use of a public street system with standard street cross sections in support of the arterial, collector and local street classification categories. A Traffic Impact Study for the project has been prepared and is included in the Appendix. The report analyzes the impacts of the proposed land use plan and provides a detailed analysis of trip generation rates, traffic flow modeling results and a discussion of the relationship between on-site and off-site traffic.

Vehicular traffic from Rancho Mercado will be served by a variety of streets that will facilitate movement from residential areas, schools, parks and commercial parcels. The collector street system designed for Rancho Mercado bisects the core portion of the site in both the east-west and north-south directions. This design will allow traffic to flow from the central part of the site to the nearest arterial. These central collector roads provide a smooth transition for access to both Rancho Cabrillo to the east and future development to the north. These core collector streets were designed to intersect the arterials near the half-mile point between section line intersections. This will facilitate traffic signal timing if traffic signals are warranted under future traffic scenarios. A collector street is also planned to connect Bullard Avenue to Litchfield Road via Happy Valley Road south of the Beardsley Canal. This collector street provides east-west access for parcels south of the canal.

The arterial streets located near the perimeter of Rancho Mercado will help move vehicular traffic within and through the property. These adjacent arterials will also be capable of moving large volumes of traffic to other nearby developments in the future. The four arterials surrounding the site provide two efficient routes for traffic in each direction.

The Loop 303 Freeway south of the site will provide a regional freeway for Rancho Mercado to access the Phoenix metropolitan region. Loop 303 is expected to play a vital role in opening up the northwest valley to development. Loop 303 will provide a route to all parts of the Valley.
b. Bicycle and Pedestrian

**Figure 9, Circulation Plan**, identifies the planned bicycle and pedestrian circulation within the Rancho Mercado PAD. The Rancho Mercado PAD will incorporate detached sidewalks on all streets to promote pedestrian safety and comfort. Minor arterial and collector roadways will also be designed to incorporate on-street bicycle lanes in compliance with the Surprise street cross sections and to promote the use of bicycles as a viable means of mobility throughout the community.

In addition to bicycle and pedestrian routes affiliated with the planned roadways, the Rancho Mercado PAD also proposes a comprehensive off-street loop trail system using a combination of concrete paths and natural surface trails. These routes are planned in support of the regional Maricopa County Trails Plan to meet and address regional trail goals, as well as provide a recreational amenity that connects the three major open space amenities planned throughout the community (See **Figure 9, Circulation Plan** for the location of the trail system).

The McMicken Dam Regional Trail is located immediately south of the Rancho Mercado property. The internal trail system proposed throughout the community will connect to the McMicken Dam Regional Trail at the east and west ends of the Rancho Mercado community.

c. Transit Opportunities

The Rancho Mercado PAD has been designed to accommodate for multi-modal transportation and future transit opportunities. Higher density residential developments are adjacent to arterial roadway alignments in order to minimize walking distances to future transit stops and promote transit opportunities. Internal trail systems will also provide pedestrians easy access throughout the community to future transit locations along the major roadway alignments. Bus stops and bus bays along the major roadway alignments may also be provided as the demand for transit service becomes available.
Planned Area Development
Figure 9
Circulation Plan

LEGEND

- Multi-Use trail (primary loop trail) (8' - 12' width)
- Multi-Use trail (connectivity trail) (8' - 12' width)
- Collector Road
- Maricopa County Regional Trail
- Bicycle Lane
- Parkway
- Minor Arterial
- Excluded From PAD
- Project Boundary

Date: 06/26/06
Drawn By: DM
Revised: 11/01/06
4. Drainage

a. Drainage Concept / Plan

A Master Drainage Study for Rancho Mercado was prepared by CMX, L.L.C. The drainage design for Rancho Mercado has been prepared in accordance with the design guidelines in the Drainage Design Manual for Maricopa County, Arizona, Volume I, Hydrology, January 1995 and the Drainage Design Manual for Maricopa County, Arizona, Volume II, Hydraulics, January 1996.

As part of the Master Drainage Study for Rancho Mercado, an existing condition hydrology model was developed, based on the Area Drainage Master Study Update (ADMSU) for the Wittmann Area. A number of previous hydrologic and hydraulic studies have addressed the drainage area impacting the Rancho Mercado project site. A regional study of the area was prepared by the Flood Control District of Maricopa County (FCDMC) to identify regional flows relative to the McMicken Dam and the associated Outlet Channel. The study entitled the "Wittmann Area Drainage Master Study" (ADMS), was prepared by WLB Group Inc., for the FCDMC in March 1989. The study summarized flow rates for the watersheds originating in the Wickenburg, Hieroglyphic, and White Tank Mountains. Drainage infrastructure relative to flow crossings for the CAP and Beardsley Canal were identified. Flow rates for the major washes including the Padelford, Trilby, Iona and 5-East Washes were also established. This early study was prepared using SCS TR-55 input parameters for soil and vegetation conditions and topography data obtained from USGS 7 ½ minute quadrangle maps of the region. The FCDMC with its consultant, Entellus, is currently finishing the "Wittmann Area Drainage Master Study Update" (ADMSU), which re-evaluates the region to update hydrologic study information to more precise topographic data and include more detailed soil and vegetation information through the use of Green & Ampt input parameters.

As part of the Master Drainage Study for Rancho Mercado, a developed conditions hydrology model was prepared. The hydrologic model was created using the existing conditions as a base and supplemented with developed conditions land use data. This HEC-1 model assumed that off-site flows will influence the site for Rancho Mercado. Offsite flows from the Padelford Wash will be conveyed through the site via channel and fill construction adjacent to the Padelford Wash, maintaining a flow depth of no more than 3 feet along with at least 1 foot of freeboard from the 100-year Water Surface Elevation (WSEL). Off-site flows from the 5-East Wash entering the northwest end of the site will be channelized along the western border of the site to the historic drainage path. Flows from the 5-East Wash will be conveyed to the Beardsley Canal siphon. The routing of storm water runoff from on-site to off-site will occur via existing washes or channels. Bullard Avenue is proposed as the primary access to Rancho Mercado. This requires Bullard Avenue to be extended over the McMicken Dam outfall channel to connect to the Loop 303. An elevated crossing will be required to convey the storm water flow tributary to the outfall channel.
Much of the Rancho Mercado property is identified within a Zone A Flood Hazard Area which is largely created by the Beardsley Canal structure constructed across Padelford Wash and the sheet flow area west of the property. The Zone A flood hazard was delineated by approximate methods using best available data at the time of the 1989 Wittmann Area Drainage Master Study. The recent update to this study discussed previously focused primarily on revising the hydrology information for the region and did not modify the floodplain limits for this portion of the study area. The original study recognized that the Beardsley Canal provided limited capacity to convey 100-year flow through the provided canal siphons which allow flood water to discharge over the canal at specific locations. The study used limited topographic data and assumed that floodwater which was unable to discharge through the siphon locations of the structure would back up behind the canal to its height and ultimately break over the canal. The topographic data available could not precisely identify where break-over flow would occur, so the FCDMC delineated the entire area under the canal as a potential flood hazard. The area above the canal affected by the backwater condition was estimated by projecting the maximum height of the canal structure up the slope above the canal.

To remove the flood hazard from the Rancho Mercado property, the canal siphon which allows flow from the Padelford Wash over the canal will be widened to remove the backwater affect above the canal and effectively eliminate the flood hazard above and below the canal structure. Where the 5-east wash crosses the canal, the over chute has adequate capacity to convey the stormwater flow estimated by the ADMSU. More precise topography shows that flow is adequately contained above the canal structure and freely discharges through the current opening in the structure. Combined the 5-east and widened Padelford Crossing will remove the flood hazard which dominates the Rancho Mercado property as delineated on the effective firm panel for the property. The remaining flood hazard will be associated with the Padelford and 5-east riverine formation through the over chute structures.

Retention basins will retain the 100-year, 2-hr storm runoff from Rancho Mercado. These basins will be distributed throughout Rancho Mercado, as necessary, to satisfy engineering requirements but may be concentrated in large open spaces such as neighborhood parks. Retention ponds will be drained within 36 hours of the end of each storm event by infiltration, drywells, and/or bleed-off to adjacent washes or channels.

Erosion will be effectively controlled through the use of landscaped channels and drop structures, where necessary, to reduce channel velocities. Riprap outlet protection will be provided at all culvert and storm drain discharge points. Sedimentation analyses will be performed for the preserved washes within Rancho Mercado to determine how best to design the bank protection structures and utility crossings.

Refer to the Rancho Mercado Master Drainage Report (submitted to FCDMC under separate cover) for a detailed account of the information described above.
5. Streetscape and Landscape

a. Streetscape Concepts and Plant Materials

The Rancho Mercado PAD will be designed and developed with a consistent landscape theme. The theme will set the standard for the treatment of the street environment within the public right-of-way and landscape tracts. Design guidelines for Rancho Mercado will incorporate provisions for landscape treatment on private property as well as within the public right-of-way.

The street environment will reflect the character of the Sonoran Desert. Plant material and density will be selected and installed to reflect existing conditions within the Rancho Mercado context. Landscaping within the Rancho Mercado public rights-of-way will be in compliance with the Arizona Department of Water Resources low water use plant list.

b. Entry Monuments and Signs

Figure 7, Open Space and Trails Master Plan, identifies the proposed locations for entry features intended to announce entry into the Rancho Mercado Community. These monuments are proposed as low profile monument type community identification signs that incorporate theme materials and form established by the community design guidelines. The primary entry features into the project will be located at the following intersections as indicated on Figure 7:

**Primary Entry Monuments**
- Bullard Avenue and Happy Valley Road
- Bullard Avenue and Alameda Road
- Bullard Avenue and Jomax Road
- Litchfield Road and Happy Valley Road
- Litchfield Road and Jomax Road

c. Water Conservation

The intent of the general parameters and criteria listed above for landscaping are to conserve water. The landscaping planned for Rancho Mercado will meet Arizona Department of Water Resources (ADWR) requirements for low water use. Low water use, climate sensitive plantings will be used throughout the community for residential and non-residential uses along with accent planting (not necessarily native and near-native, as long as they are biologically compatible), that may be used for strategic areas such as entries and private rear yards, in limited amounts, for color enhancement. Residents will also be required to use plants from the Arizona Department of Water Resources approved plant lists.

d. Native Plant Preservation

The developer intends to preserve the majority of high value native plant material located within the major wash corridors. To the extent practical,
additional high value native plant material will be preserved and/or salvaged as plats are processed. All Saguaroos will be preserved in place or salvages and relocated in compliance with applicable laws.

6. Utilities and Services

a. Water

A Master Water Study for Rancho Mercado was prepared by CMX L.L.C. The site lies within the City of Surprise municipal planning area, and will be annexed into the City prior to approval of this PAD. As such, the City of Surprise will provide water service to the Rancho Mercado development.

Initially, the water network for the project will be designed as a stand-alone system, with five well sites and one storage tank facility, along with supply and transmission mains running through the arterial and collector roadways. The water system will be designed to tie into adjacent properties as they develop. The approximate locations of the five well sites are shown in the Water Facilities Master Plan included in the Appendix.

The design criteria used for Rancho Mercado water system were obtained from the City of Surprise Water Infrastructure Master Plan. Refer to the Master Water Study for Rancho Mercado, submitted to the City of Surprise under separate cover for a more detailed account of the proposed water system.

b. Wastewater

There is no private utility holding a Certificate of Convenience and Necessity (CC&N) for wastewater service for Rancho Mercado. The current MAG 208 Water Quality Management Plan shows that the Rancho Mercado property is located within three different jurisdictions for wastewater service. The MAG 208 has recently been amended to show that the City of Surprise is the jurisdiction for the property west of Litchfield Road and north of the Beardsley Canal, the City of Peoria is the jurisdiction east of Litchfield Road north of the Beardsley Canal and Maricopa County is the jurisdiction south of the Beardsley Canal. Similar to the arrangement being proposed for water service, the City of Surprise has stated their desire to provide wastewater service to the entire project. Therefore, the plan to provide wastewater service to Rancho Mercado is through a system that will be owned and operated by the City of Surprise. As in the case of the water system, the City of Peoria has no desire to be the wastewater provider and a letter confirming their willingness to allow a MAG 208 amendment to occur giving the City of Surprise the ability to be the sewer provider for all of Rancho Mercado has been received.

The wastewater collection system within Rancho Mercado will be comprised of trunk lines aligned in the major arterial streets, with manholes at line intersections and at sewer inflow points, as indicated on the Wastewater Master Plan. The main lines vary in size from 8-inch to 24-inch diameter.

The minimum permissible sewer main size is 8-inches. The onsite flows will be
conveyed via gravity sewer to the intersection of Bullard Avenue and Alameda Road, with the exception of Parcels A27 and A28. Analysis of these parcels indicates that draining these parcels north will create depths in the system greater than 40 feet. This master report recommends that a lift station be provided to tie into the trunkline system north of the McMicken Dam outlet channel.

As indicated previously, wastewater flows from Rancho Mercado will ultimately drain into a main collection line at the intersection of Bullard Avenue and Alameda Road. From here it will be conveyed along the southern boundary of Parcel A1 to an adjacent state land parcel. It will then follow the southern boundary of the state land parcel abutting the Maricopa County Flood Control District property to Pinnacle Peak Road where it will be redirected west to the WWTP which will be located at approximately Pinnacle Peak Road and Reems Road.

According to the current land use plan, an average daily flow of approximately 1.75 MGD will be conveyed to the WWTP. An additional average flow of 0.15 MGD generated by parcels A27 and A28 will be lifted into this system by a lift station as described above.

The design criteria used for the Rancho Mercado wastewater system were taken from the City of Surprise Water Infrastructure Master Plan (City Master Plan, September 2004) and Maricopa County Design Codes. Refer to the Appendix, Wastewater Master Plan for a more detailed account of the proposed sewer system.

c. Electric
   Electricity will be provided by APS. As requested by the City of Surprise, all light poles will be painted a neutral color to match with the overall color theme of the development subject to APS approval.

d. Telephone
   The phone provider for the project site will be Qwest.

e. Cable Television
   Cox Communications will offer telephone, cable and high speed internet access to the Rancho Mercado PAD.

f. Natural Gas
   Rancho Mercado is located within the Southwest Gas certified service area.
7. Development Schedule

Six projected development phases are proposed for the build-out of the Rancho Mercado Master PAD. Figure 10, Development and Infrastructure Phasing Plan, shows the location of the proposed project phasing. The extension of project infrastructure to each of the development phases will be accomplished in a manner consistent with the need for such infrastructure within each phase. The Development Phasing Plan anticipates staging the project within six phases with each phase anticipated to occur at approximately three year intervals. The current development schedule is projected as follows:

- Phase 1 – 2008 through 2010
- Phase 2 – 2010 through 2012
- Phase 3 – 2012 through 2014
- Phase 4 – 2014 through 2016
- Phase 5 – 2016 through 2018
- Phase 6 – 2018 through 2020

It is estimated that the total project build-out will take approximately 12 years. This estimate may vary depending upon the influence of various external factors such as overall market conditions and housing demand. It should also be noted that while areas are grouped into general phases as depicted on Figure 10, some development parcels with each phase may be developed at earlier or later phases, depending on market conditions (particularly as it relates to non-residential and/or multi-family development parcels). As these adjustments in phasing occurs, the infrastructure phasing will adjust with it to ensure all necessary and appropriate infrastructure is in place as each development parcel is developed. Adjustments to phasing shall not constitute a major amendment to the PAD, but an administrative modification to be address at the staff level.
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City of Surprise, Arizona

Planned Area Development
Figure 10
Development and Infrastructure Phasing Plan

LEGEND

- Phase 1 (2008 - 2010)
- Phase 2 (2010 - 2012)
- Phase 3 (2012 - 2014)
- Phase 4 (2014 - 2016)
- Phase 5 (2016 - 2018)
- Phase 6 (2018 - 2020)
8. Management and Maintenance

a. Community Association Responsibility

A master community homeowners association (Master Association) will be created to manage all common open space facilities owned by the Master Association and govern the affairs of the Master Association through a formal governance structure to be established in the Master Associations bylaws. In addition to common tracts owned by the Master Association, the Master Association will assume the maintenance responsibility for median landscaping and landscaping within the roadway easements within the collector and loop roadway, community entry and other facilities deeded to the Association. The purchasers of property within the Rancho Mercado community will automatically become members of the Master Association and will be required to pay annual dues for the operation and maintenance of community facilities owned by the Association. The dedication and acceptance process will coincide with the public approval of the facilities through the regulatory development review process. Once accepted, it will become the Association Board’s responsibility to manage and maintain the facilities under the purview of the bylaws and project design review requirements.

b. Local Association Responsibility

Local neighborhood associations (Local Association) may be created to manage and maintain small tracts and/or private street networks within individual subdivisions if warranted by subdivision design. Local Associations however, will not have the responsibility to maintain regional or community facilities that are immediately adjacent to the subdivision. Resident participation in a Local Association will not negate their mandatory participation in the Master Association.

9. General Plan Policy Checklist

1. LAND USE

A. Locate higher density/intense residential land uses & transportation dependent uses near major roadway corridors to promote an efficient transportation system. Page 27

Response: Higher density residential development parcels are adjacent to arterial roadways.

B. Does the project involve cluster development? Encourage clustering for preservation of natural open space within residential neighborhoods. Page 28

Response: The project may include cluster development within the MDR parcels. Additionally, the project proposes to protect major wash corridors as natural open space in accordance with Section 404 requirements.
C. Is the project located near any of the following areas - Daimler-Chrysler, Volvo, NW Valley Landfill, White Tank Mountains, Surprise Center, Luke AFB? If so, analyze policies that pertain to each individual location (see pages, 28, 29, 30, 96, 111, 146)

Response: The project is not located near any of the above mentioned facilities.

D. Is the project located near a designated “Gateway Area”? Is it a mixed use?  
Page 28

Response: The project is not near a designated Gateway Area.

E. Discourage strip commercial developments and free standing pads except where expressly permitted.  Page 29

Response: The project does not proposed strip commercial development. Freestanding pads are allowed within the commercial development parcels in conformance with the proposed development standards.

F. Use building envelopes that provide for natural buffers between buildings in order to protect sensitive landforms, vegetation and/or wildlife corridors.  Page 28

Response: The hillside areas along the northwest portion of the property will be left primarily in its natural condition, with no development on the steep slopes. The project proposes to conserve the major wash corridors in accordance with Section 404 requirements, including important vegetation and wildlife corridors within those areas. The preservation in place and/or salvage of other important native vegetation throughout the site will be reviewed on a phased basis as site plans and subdivision plats are prepared.

G. Locate regionally oriented retail and service uses or other high intensity employment uses along major roadways with proper access, transitioning to lower intensity uses buffered adequately from residential uses.  Page 29

Response: All commercial parcels are directly accessible from adjacent arterial roadways in order to maximize exposure and access while providing adequate buffers from local residential neighborhoods.

H. Are planned trails and functional open space indicated as neighborhood connections?  Page 29

Response: Yes, the plan includes multiple trail connections and open space corridors to connect residential development parcels to other land uses as well as recreational amenities throughout the community.

2. TRANSPORTATION:

A. Provide service coordination that can ensure that transportation services connect as efficiently as possible, minimizing wait times.  Page 62
Response: A traffic impact analysis has been prepared as part of this PAD to analyze traffic impacts throughout the community. Additionally, the applicant has worked closely with Maricopa County and the City of Surprise transportation staff on the proposed roadway alignments for the project.

B. Bicycle & pedestrian facilities should be incorporated into the planning, design and operation of transportation systems. Page 62

Response: Bicycle lanes will be provided as shown on Figure 9: Circulation Plan included in this PAD. Curb separated pedestrian sidewalks will be provided on all streets within the community. Additional, numerous multi-use trails will be provided for both pedestrian and bicycle user groups.

C. Require pedestrian circulation plans to be submitted, along with vehicular circulation plans, as part of the review process. Page 63

Response: The PAD will comply with the City of Surprise street cross sections which incorporate pedestrian sidewalks throughout the development. Additionally, Figure 7: Open Space and Trails Master Plan is provided which includes additional pedestrian sidewalks and trails throughout the development.

D. Encourage walkways near roads, but separate them from the curb whenever possible or provide a bike lane as a buffer. Page 63

Response: Walkways and bicycle lanes will be provided per the City of Surprise street cross sections, which include curb-separated sidewalks.

E. Provide adequate bicycle storage at all major employment centers, commercial centers, and transit centers. Page 63

Response: Bicycle storage facilities will be provided at major commercial and employment centers to be determined during the site plan approval process.

F. Promote the use of traffic calming techniques in pedestrian areas to make vehicular speed limits self-enforcing. All traffic calming techniques will be evaluated by and will require the approval of the City Engineer. Page 64

Response: The roadway network has been designed with vehicle travel speeds in mind. At the time of subdivision platting, local roads will also be designed to address vehicle speeds so as not to require additional “after the fact” traffic calming. Techniques may include ensuring street length is appropriate to discourage speeding, avoiding long through movements and by providing curves or other natural traffic calming measures.

3. ECONOMIC DEVELOPMENT:

A. Avoid placing non-compatible uses adjacent to designated employment and commercial areas that will make future development of these uses
difficult/unappealing (e.g., single-family homes abutting a business park without buffering). Page 94

Response: Employment and commercial uses are adequately buffered from residential areas. Additionally, the proposed development standards provide adequate setbacks and landscape buffers to further protect residential neighborhoods.

B. Maintain employment and commercial related land uses as prescribed in each Special Planning Area. Page 96

Response: The proposed land use plan is consistent with Special Planning Area 2.

4. HOUSING:

A. Locate residential areas that are appropriately sited and protected from incompatible uses yet integrated through both pedestrian and vehicular linkages. Appropriately site these areas with minimal adverse impact on the natural environment. Page 99

Response: The overall land use plan, circulation plan, open space system and development standards have been very well thought out as it relates to land use compatibility and circulation issues, while minimizing impacts to the important natural features.

B. New developments within or next to existing residential areas should enhance or contribute to the character or qualities of that area. Page 99

Response: The only existing residential properties adjacent to this site are north and west of the property. To the north, Jomax Road, a planned 200-foot wide parkway provides the buffer. To the west, the plan includes an open space/drainage buffer between the property line and the planned residential development. The property to the east is planned as residential as part of Rancho Cabrillo Development Master Plan in the County, and the land uses and intensities are similar to what is proposed within the Rancho Mercado project.

C. Encourage developers to cooperate and communicate with residents and homeowners’ associations during the development review process prior to the official public hearings. Page 99 (Refer to Citizen Participation Ordinance).

Response: As this property was originally planned in Maricopa County, public notification, on-site signage, and a public meeting were held as part of the proposed Development Master Plan and Zoning in the County. We have had various contacts with property owners and homeowners groups in the area. Additionally, now that we are proposing to annex into the City of Surprise, we have held an additional public meeting regarding the PAD in compliance with the City’s Community Outreach Process guidelines.

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D. Housing developments should be adequately provided with community facilities and services. Desirable community facilities and services include: parks with tot lots, benches, larger retention areas with ramadas, shade trees, etc. Page 99

Response: The project will include extensive community facilities, including three neighborhood parks, numerous pocket parks, trails, natural open spaces and two school facilities.

E. Promote the following qualities: durable materials in construction that are compatible with the area’s climatic and energy factors, encourage exterior detail and positive site-design features, utilization of open spaces, creation of a pedestrian environment, buffers between density transitions, minimize through or overflow vehicular traffic. Page 99

Response: Durable materials and quality design features will be used throughout the development, both in the overall community design and in the specific home and commercial product provided by builders.

5. OPEN SPACE AND RECREATION:

A. Define a park as a tract of land that contains a mix of active and passive recreation facilities potentially including tot lots, defined and improved play field and/or sport courts areas, and picnic/seating/shade areas that are landscaped/hardscaped in a pleasing manner. Parks should generally be located in the center of their service area and can be developed jointly with schools & serve as retention basins for storm water. Page 109

Response: Extensive parks and open space facilities are provided throughout the community. The details related to design and amenities are provided within the PAD narrative and graphic figures.

B. Strive to achieve an open space standard of six acres per 1000 residents. Establish a standard of six acres of parkland per 1000 population. Pages 109 & 111

Response: The Rancho Mercado Community will provide approximately 105 acres of parks and recreational areas, exceeding the current adopted standard of 74 acres in accordance with six acres per 1,000 population (total projected population of 12,391 residents). Rancho Mercado will also provide approximately 73 acres of open space, not including the Beardsley Canal that dissects the property. Although the Beardsley Canal is not technically part of the project, the residents of the community will directly benefit from this facility as it was part of the development as it is located through the middle of the project. Including the Beardsley Canal, the project includes an additional 91 acres of open space, exceeding the requirement of 74 acres. The total acreage for open space and parks and recreational areas is 178 acres, approximately 14% of the total gross PAD area and 19% of the net residential acreage.
C. Review the Open Space and Recreation Element in the city's consideration of development proposals to determine the need for new parks and their requirements generated by the proposed project. Page 109

Response: The General Plan does not identify any parks within this area as this area had been newly annexed into the City; however, the Rancho Mercado PAD proposes three neighborhood parks.

D. Increase the amount of park and open space identified in the city's development agreements to total 13 percent (equally divided between parks & open space areas) of the net project area. Page 109

Response: The total amount of parks and open space as a percentage of the total net residential area of the project is approximately 19%, almost 50% higher than the goal of 13% goal as identified above.

E. Neighborhood or school parks proposed as an amenity in a subdivision shall be developed in conjunction with the first phase. Page 110

Response: Numerous parks will be provided throughout the community. The construction of the parks are identified in the Phasing Plan provided within the PAD document. It should be noted that in addition to the neighborhood parks, various pocket/mini parks will be developed within each subdivision within that applicable phase and/or sub-phase. A school site will be available in the first phase, but the timing of construction will be determined by the school district. It is assumed that before a school can open, a minimum critical mass of students must be generated within the area which may or may not occur within the first phase of development.

F. Utilize natural washes as part of the trail system. Protect 10% slope areas and Palo Verde-Saguaro vegetation areas as open space. Page 111

Response: An extensive trail system will be provided throughout the community, including trails within the wash corridors. Other than various wash banks and the sloped area at the far northwestern edge of the site (which will be preserved), there are no slopes in excess of 10% on the property, nor is there any extensive Palo-Verde or Saguaro vegetation on the property.

G. Protect ridge/crestline, steep-sloped (more than 10%) and Palo Verde-Saguaro vegetation areas as open space through the use of density transfer or purchase of development rights, acquisition, donation, or other acceptable methods. Page 111

Response: There are no ridges/crestlines on the property. The only steep slopes are along the far northwest corner of the property. The steep slopes within this area will be preserved.

H. Discourage development within 100-year floodplains, encourage dedication of a continuous 25 foot min. setback on both sides. Development within
100 feet of floodplains will require a hydrology study to determine setbacks greater than 25 feet. Page 111

Response: The project will not develop within a 100-year floodplain. Adequate buffering will be provided at the time of subdivision plat.

I. Ensure that natural drainage channels are protected and used as a connected trails system to link open space, parks, schools etc. Page 111

Response: Natural drainage channels will be protected and used as part of a larger community-wide trail system to link open spaces, parks, schools and other amenities within the development.

J. Development near floodplains (i.e. within 100 feet) will require a hydrology study to determine appropriate setbacks greater than 25 feet. Page 111

Response: A hydrologic analysis will be provided at the time of plat to ensure protection of the wash areas and to determine appropriate setbacks.

6. PUBLIC SERVICES/COST OF DEVELOPMENT:

A. Require developers to construct and pay for drainage facilities when their need precedes or exceeds the need of the city. Page 122

Response: The developer will construct the necessary drainage facilities in phases as appropriate as the project is constructed.

B. Ensure that major drainage channels are designed to convey the 100-year storm, that local streets can accommodate a 10-year storm, that collector streets can carry 10-year storm flows between curbs, and carry 50-year storm flows between property lines. Ensure that arterials and major arterials are designed to carry 10-year storm flows with one dry land in each direction, and that retention/detention basins on all new developments can store water from a 100-year 2-hour storm event. Page 122, #’s 7 thru 11

Response: All drainage and retention facilities will be constructed in accordance with City requirements.

C. Require private developers to install all public utilities & facilities to state and municipal standards, as required. Page 123

Response: Public utilities and facilities will be installed by the developer and/or service provider in accordance with applicable standards.

D. When evaluating the development proposal, all indirect costs shall be considered (e.g. recreation programs, public safety). Page 124

Response: Noted.
E. All developers requesting project approval must work with the local school district to determine impact on the school system and strategies to address impact. Page 125

Response: The developer has worked with the school system to ensure their needs are addressed as it related to demand generated by the proposed PAD and the number and location of proposed schools. A letter of support has been provided by the Dysart School District and the Peoria School District and are included in the Appendix.

F. Channel growth in areas that have existing infrastructure. Page 125

Response: This project is in an active growth area and infrastructure will be provided as required. Rancho Mercado is a fully zoned and entitled development approved in Maricopa County, and will be annexed into the City of Surprise prior to development commencing. The Rancho Mercado PAD provides the opportunity for the City to annex the property and provide City services in this growing area.

7. ENVIRONMENTAL PLANNING/WATER RESOURCES:

A. Require development to provide the equivalent of 3,000 gallons per minute of well capacity and a 1,000,000-gallon water supply facility for every square mile of land developed. Page 143

Response: The project will adhere to well capacity and water storage requirements as defined within an approved Conceptual Water Master Plan for the project.

B. Utilize tank farm water supply facilities wherever possible. They will have multiple storage tanks and service large pressure zone defined areas. Page 143

Response: The project will meet the City’s water supply and pressure requirements.

C. Require sixteen-inch and larger “plant-to-plant” water lines that connect the common water supply facilities. Page 143, #’s 11 & 12

Response: The project will adhere to water line and looping requirements as defined within an approved Conceptual Water Master Plan for the project.

D. Ensure that all roadways are paved and maintained to reduce particulates in the air. Page 143

Response: All roadways will be paved in accordance with City standards.

E. Avoid development in flood prone areas and limit grading practices that contribute to flooding and erosion. Page 144
Response: Development will not occur in flood prone areas and drainage facilities will be provided to prevent flooding.

F. Encourage water conservation in all new development through the utilization of drought tolerant plant materials, efficient irrigation system (drip/low flow), and through water conserving fixtures in all new residential and commercial construction. Page 144

Response: Drought tolerant plant materials will be used. Appropriate water conservation fixtures will be provided to residents.

G. Ensure noise mitigation along all high-volume roadways (e.g., SR 303, Grand Avenue, Sun Valley Parkway). Page 146

Response: There are no single family residential development parcels proposed immediately adjacent or within a few hundred feet of the Loop 303 freeway.
D. Regulatory Development Standards

1. Purpose and Intent

This section sets forth the regulatory zoning provisions that are proposed to implement the community “vision”. In accordance with Section 17.28.140 of the Surprise Zoning Ordinance, Planned Area Developments are designed to allow flexibility and innovation related to zoning district standards and guidelines in order to promote quality master planned communities without being bound to a “one-size-fits-all” approach to development. The Rancho Mercado PAD will take advantage of this flexibility provision by proposing modifications to the existing development standards, while at the same time ensuring that the spirit and intent of the standards are met. As an example, the purpose of limiting lot sizes to 58’ wide minimum is primarily related to concerns regarding garagescape. This PAD includes design guidelines to address and mitigate many of the concerns typically inherent with small lots, such as garagescape and “cookie-cutter” or repetitive building form and architecture.

The development regulations will govern the land use densities, intensities, and location criteria in the Rancho Mercado PAD. This section includes development standards related to property use, building and landscape setbacks, building heights, lot coverage requirements and single family residential design guidelines that will apply to the various land use categories. The intent of these standards is to establish clear minimum standards, allow for the orderly progression of development, and provide flexibility over time without compromising the overall vision for the Rancho Mercado PAD. Unless otherwise specified herein, all development within the Rancho Mercado PAD shall conform to all Ordinances, Codes, and Regulations of the City of Surprise.

2. Zoning Base Districts

The entire Rancho Mercado PAD falls under the “Planned Area Development” (PAD) Zoning District in accordance with Section 17.28.140 of the Surprise Zoning Ordinance. Within this section of the PAD document, development standards and zoning regulations will be defined based on the land use categories as identified on Figure 6, Land Use Master Plan.

The development regulations that will guide the development of the Rancho Mercado PAD fall into three overall districts: Residential, Commercial and Employment. The residential district is further defined into four density categories: LDR, L/MDR, MDR, and HDR. Each of these zoning districts will establish a unique set of development standards and/or design guidelines that will govern the regulatory development process during the multi-year implementation of the PAD. The sub-sections that follow will define the regulatory standards for each of the zoning districts identified above.

a. Residential Zoning Districts

There are four distinct residential land use districts within the Rancho Mercado PAD. The four districts include Low Density Residential (LDR), Low/Medium...
Density Residential (L/MDR), Medium Density Residential (MDR), and High Density Residential (HDR). Each residential district has its own distinct set of development regulations as defined below.

1. LDR Land Use District
The LDR land use district is designed to allow a broad mix of low density residential development up to a maximum of 5 dwelling units per acre. Various lot sizes are proposed within the LDR land use district in order to attract a broad spectrum of housing choices and residential lifestyles within the Rancho Mercado community. All development within the LDR land use district will comply with the Single Family Design Review Guidelines as defined within this section of the PAD.

Table 1, Density Table identifies each of the development parcels designated within the LDR land use district. Within Table 1, information is provided that identifies the parcel gross and net acreage, maximum land use density, target number of units, and projected lot size for each LDR development parcel. This table defines the general distribution of residential units throughout the PAD District. The representative distribution is particularly relevant to the evaluation of the planned infrastructure facilities (roadways, water lines, sewer lines, electrical distribution lines, etc.).

As discussed in the Master Plan section of this PAD, the target number of units is an estimated projection of the average number of units within each development parcel in order to project a maximum number of units for the project as a whole. The project will not exceed 4,641 total dwelling units overall. However, within each LDR development parcel, the actual unit count may vary on a parcel by parcel basis within the maximum designated density of 5 dwelling units per acre. No development parcel within the LDR land use district can exceed a gross density of five dwelling units per acre.

Additionally, Table 1 indicates the estimated number of units for each LDR development parcel. The various lot sizes, total projected units by lot size, and percentage overall of each lot size is provided in Table 2 below. Since this project includes 1,310 acres with numerous LDR development parcels, flexibility over time is critical to ensure the success of the project. As such, the projected lot size within each development parcel may change to any lot size defined within the LDR land use district, so long as the overall percentage of lot size mix does not change by a variance of more than 3%. This will provide flexibility for the occasional shifting of lot sizes from parcel to parcel without any significant change to the overall percentage lot size mix. The only exception to this is that if smaller lots are replaced with larger lots, no restriction is tied to percentage change in overall lot mix as the percentage of larger lots will drive down the percentage of smaller lots.

LDR Principally Permitted Uses
The LDR land use district shall conform to the principally permitted uses provided within the R1-8 zoning district of Section 17.24.020A of the Surprise Zoning Ordinance, with the following exceptions:

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- Temporary Model Homes (up to 4 years) shall be permitted as a principally permitted use;
- Water production, treatment, storage, pump stations or related facilities, sewer lift stations, treatment and other related facilities, and other public infrastructure facilities shall be permitted as a principally permitted use;
- Manufactured housing and/or modular housing subdivisions shall not be permitted.

LDR Conditionally Permitted Uses
The LDR land use district shall conform to the conditionally permitted uses provided within the R1-8 zoning district of Section 17.24.020B of the Surprise Zoning Ordinance, except as provided for under LDR Principally Permitted Uses above.

LDR Permitted Accessory Uses
The LDR land use district shall conform to the permitted accessory uses provided within the R1-8 zoning district of Section 17.24.020C of the Surprise Zoning Ordinance.

LDR Development Standards
Table 2, LDR Development Standards provides the development standards for all development within the LDR land use district as defined within the PAD. The proposed development standards are established based on proposed lot sizes, and have been created to provide a level of design and development flexibility to allow for diverse and varied product types and to allow for changing market conditions, while ensuring a high quality of design for all lot sizes through design guidelines that will apply to the LDR development parcels. The standards identified within Table 2 supercede the development standards provided within the R1-8 zoning district of Section 17.28 of the Surprise Zoning Ordinance as authorized within Section 17.28.140 of the Surprise Zoning Ordinance.

If there are any conflicts or inconsistencies between the LDR development standards defined within this PAD and the R1-8 zoning district development standards defined within the Surprise Zoning Ordinance, the PAD standards shall apply. Development within the LDR land use district shall defer to the R1-8 zoning district standards for any development or performance standards not defined and/or not in conflict with this PAD.
## Table 2
### LDR Development Standards (7) (8)

<table>
<thead>
<tr>
<th>Lot Size</th>
<th>58' x 110</th>
<th>63' x 115</th>
<th>75' x 120</th>
<th>83' x 125'</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated # Units</td>
<td>493</td>
<td>590</td>
<td>631</td>
<td>251</td>
</tr>
<tr>
<td>% Distribution (1)</td>
<td>25%</td>
<td>30%</td>
<td>32%</td>
<td>13%</td>
</tr>
<tr>
<td>Minimum Area</td>
<td>6,500</td>
<td>7,000</td>
<td>8,500</td>
<td>10,300</td>
</tr>
<tr>
<td>Minimum Width</td>
<td>58</td>
<td>63</td>
<td>68</td>
<td>80</td>
</tr>
<tr>
<td>Minimum Depth</td>
<td>110</td>
<td>115</td>
<td>120</td>
<td>125</td>
</tr>
<tr>
<td>Maximum House Width</td>
<td>45</td>
<td>50</td>
<td>60</td>
<td>65</td>
</tr>
<tr>
<td>Building Setbacks (2) (3) (5) (8)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Front (4)</td>
<td>18' BOS to garage; 12' for living area or side entry garage</td>
<td>18' BOS to garage; 12' for living area or side entry garage</td>
<td>18' BOS to garage; 12' for living area or side entry garage</td>
<td>18' BOS to garage; 12' for living area or side entry garage</td>
</tr>
<tr>
<td>5' / 8'</td>
<td>5' / 8'</td>
<td>5' / 10'</td>
<td>8' / 10'</td>
<td></td>
</tr>
<tr>
<td>Street Side/Cornor Lot</td>
<td>8'</td>
<td>8'</td>
<td>10'</td>
<td>10'</td>
</tr>
<tr>
<td>Rear</td>
<td>15'</td>
<td>15'</td>
<td>20'</td>
<td>20'</td>
</tr>
<tr>
<td>Rear Adjacent to Arterial</td>
<td>20'</td>
<td>20'</td>
<td>25'</td>
<td>25'</td>
</tr>
<tr>
<td>Minimum Distance between Houses</td>
<td>10'</td>
<td>10'</td>
<td>10'</td>
<td>10'</td>
</tr>
<tr>
<td>Maximum Building Height</td>
<td>30'</td>
<td>30'</td>
<td>30'</td>
<td>30'</td>
</tr>
</tbody>
</table>

**Notes:**

(1) As the estimated number of units per lot size is a target and not an actual number of units, the actual number of units per lot size for the project as a whole may fluctuate as defined within Section D.2 of this PAD, so long as the percentage distribution within each lot size does not change by more than 3%. However, if smaller lots are replaced by larger lots, there is no restriction on the percentage change to lot sizes.

(2) Fireplaces, pop-outs, bay windows, eaves, overhangs, patio covers and/or other appendages may encroach 2.5 feet into the front and side setbacks and 10' into the rear setbacks, so long as they do not encroach closer to 3 feet from a side yard or closer than 10 feet from a rear yard.

(3) Building setback shall apply equally to one and two story units

(4) BOS = back of sidewalk

(5) If a landscape tract of at least 10' minimum and 15' average is provided on an arterial street adjacent to a rear yard, or an 8' landscape tract is provided adjacent to a side yard, then the standard side and rear setbacks apply. For side yards, the wider of the two side yards (where applicable) shall be located on the street side.

(6) Pursuant to City application of single family residential design guidelines, lot coverage is not specifically regulated except that maximum lot coverage for this PAD is established by the building envelope created by the application of the required setbacks and allowable projections.

(7) All non-residential development within the LDR land use district (such as churches, recreation center, etc.) shall comply with the development standards in Table 5 (commercial district) with the exception of building height, which shall comply with the residential district building height of 30'.

(8) A maximum of 1/3 of the lots within any subdivision may be less than the minimum standards by as much as 10% to accommodate for irregular shaped lots.
2. L/MDR Land Use District

The L/MDR land use district is designed to allow detached, single family residential lots that are slightly smaller than what is allowed in the LDR land use district, but larger and less dense than the MDR land use district. The maximum density allowed within the L/MDR land use district is 6 dwelling units per acre. The L/MDR land use district is designed to allow a 53’ wide single family lot size, while ensuring that this lot size complies with the general intent and spirit of the Single Family Residential Design Guidelines as defined in the LDR land use district, with the exception of the minimum lot width and lot mix requirement. The development standards for the L/MDR land use district are provided in Table 3: L/MDR Development Standards.

Table 1, Density Table identifies each of the three development parcels designated within the L/MDR land use district (three parcels total). Table 1 provides information regarding the parcel gross and net acreage, maximum land use density, and target number of units for each L/MDR development parcel. The data provided in this table and associated Land Use Master Plan (Figure 6) provides the location of the three L/MDR development units within the PAD District.

L/MDR Principally Permitted Uses

The L/MDR land use district shall conform to the principally permitted uses provided within the R1-5 zoning district of Section 17.24.020A of the Surprise Zoning Ordinance, with the following exceptions:

- Temporary Model Homes (up to 4 years) shall be permitted as a principally permitted use;
- Water production, treatment, storage, pump stations or related facilities, sewer lift stations, treatment and other related facilities, and other public infrastructure facilities shall be permitted as a principally permitted use;
- Manufactured housing and/or modular housing subdivisions shall not be permitted.

L/MDR Conditionally Permitted Uses

The L/MDR land use district shall conform to the conditionally permitted uses provided within the R1-5 zoning district of Section 17.24.020B of the Surprise Zoning Ordinance, except as provided for under L/MDR Principally Permitted Uses above.

L/MDR Permitted Accessory Uses

The L/MDR land use district shall conform to the permitted accessory uses provided within the R1-5 zoning district of Section 17.24.020C of the Surprise Zoning Ordinance.

L/MDR Development Standards

Table 3, L/MDR Development Standards provides the development standards for the three development parcels within the L/MDR land use district as defined within the PAD. The proposed development standards are

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established based on a 53' wide lot size, and have been created to generally be consistent with the standards defined within the LDR land use district with the exception that the lots are slightly smaller in size. The standards are designed to ensuring a high quality of design that will meet the general intent and spirit of the single family residential design guidelines with a slightly smaller lot size. The standards identified within Table 3 supercede the development standards provided within the R1-5 zoning district of Section 17.28 of the Surprise Zoning Ordinance as authorized within Section 17.28.140 of the Surprise Zoning Ordinance.

If there are any conflicts or inconsistencies between the L/MDR development standards defined within this PAD and the R1-5 zoning district development standards defined within the Surprise Zoning Ordinance, the PAD standards shall apply. Development within the L/MDR land use district shall defer to the R1-5 zoning district standards for any development or performance standards not defined and/or not in conflict with this PAD.
| Table 3  
<table>
<thead>
<tr>
<th>L/MDR Development Standards (6) (7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot Size</td>
</tr>
<tr>
<td>Estimated # Units</td>
</tr>
<tr>
<td>Minimum Area</td>
</tr>
<tr>
<td>Minimum Width</td>
</tr>
<tr>
<td>Minimum Depth</td>
</tr>
<tr>
<td>Maximum House Width</td>
</tr>
<tr>
<td>Building Setbacks (1) (2) (4) (7)</td>
</tr>
<tr>
<td>Front (3)</td>
</tr>
<tr>
<td>Side</td>
</tr>
<tr>
<td>Street Side/Cornert Side</td>
</tr>
<tr>
<td>Rear</td>
</tr>
<tr>
<td>Rear Adjacent to Arterial</td>
</tr>
<tr>
<td>Minimum Distance between Houses</td>
</tr>
<tr>
<td>Maximum Building Height</td>
</tr>
</tbody>
</table>

Notes:
(1) Fireplaces, pop-outs, bay windows, eaves, overhangs, patio covers and/or other appendages may encroach 2.5 feet into the front and side setbacks and 10' into the rear setbacks, so long as they do not encroach closer to 5 feet from a side yard or closer than 10 feet from a rear yard.

(2) Building setback shall apply equally to one and two story units

(3) BOS = back of sidewalk

(4) If a landscape tract of at least 10' minimum and 15' average is provided on an arterial street adjacent to a rear yard, or an 8' landscape tract is provided adjacent to a side yard, then the standard side and rear setbacks apply. For side yards, the wider of the two side yards (where applicable) shall be located on the street side.

(5) Pursuant to City application of single family residential design guidelines, lot coverage is not specifically regulated except that maximum lot coverage for this PAD is established by the building envelope created by the application of the required setbacks and allowable projections.

(6) All non-residential development within the L/MDR land use district (such as churches, recreation center, etc.) shall comply with the development standards in Table 5 with the exception of building height, which shall comply with the residential district building height of 30'.

(7) A maximum of 1/3 of the lots within any subdivision may be less than the minimum standards by as much as 10%.
3. MDR Land Use District

The MDR land use district is designed to allow a broad mix of medium density residential development of up to 10 dwelling units per acre. The MDR land use district is designed to allow a variety of product types and design flexibility for medium density residential developments, including such innovative design options as auto-court cluster, green-court cluster, Z-lot and zero-lot line configuration, detached or attached single family, condominium/town home design, etc. Due to the uniqueness and variety of the different types of medium density residential products allowed within the MDR land use district, a unique set of development standards are proposed and are set forth in Table 4: MDR Development Standards.

**Table 1, Density Table** identifies each of the development parcels designated within the MDR land use district. **Table 1** provides information regarding the parcel gross and net acreage, maximum land use density, and target number of units for each MDR development parcel. The data provided in this table and associated Land Use Master Plan (Figure 6) is designed to define the general distribution of MDR development units throughout the PAD District.

**MDR Principally Permitted Uses**

The MDR land use district shall conform to the principally permitted uses provided within the R-2 zoning district of Section 17.24.020A of the Surprise Zoning Ordinance, with the following exceptions:

- Single-family dwelling units, Z-lots, zero lot line lots, and two-family structures shall be permitted as a principally permitted use;
- Cluster developments, such as auto-court, green-court, townhouse, condominium or other similar medium density residential product types shall be allowed.

**MDR Conditionally Permitted Uses**

The MDR land use district shall conform to the conditionally permitted uses provided within the R-2 zoning district of Section 17.24.020B of the Surprise Zoning Ordinance.

**MDR Permitted Accessory Uses**

The MDR land use district shall conform to the permitted accessory uses provided within the R-2 zoning district of Section 17.24.020C of the Surprise Zoning Ordinance.

**MDR Development Standards**

**Tables 4a and 4b, MDR Development Standards** provides the development standards for all parcels within the MDR land use district as defined within the PAD. The development standards are provided to address various different product types in order to provide design and development flexibility while ensuring a high quality of design. In addition to the development standards, all MDR development parcels will be designed with the guidance of specific design guidelines to ensure all builders meet quality standards.
design standards. (See Section D.4 for MDR Design Guidelines). These guidelines are similar to the City of Surprise Single Family Residential Design Guidelines, but are developed to respond specifically to the proposed product types to be developed within the MDR development parcels of this PAD.

If there are any conflicts or inconsistencies between the MDR development standards defined within this PAD and the R-2 zoning district development standards defined within the Surprise Zoning Ordinance, the PAD standards shall apply. Development within the MDR land use district shall defer to the R-2 zoning district standards for any development or performance standards not defined and/or not in conflict with this PAD.

<table>
<thead>
<tr>
<th>Table 4a MDR Perimeter Development Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Setbacks (perimeter of district only) (1) (2) (8)</td>
</tr>
<tr>
<td>Front</td>
</tr>
<tr>
<td>Side (3)</td>
</tr>
<tr>
<td>Street Side/Corner Lot</td>
</tr>
<tr>
<td>Rear</td>
</tr>
<tr>
<td>Rear Adjacent to Arterial</td>
</tr>
<tr>
<td>Perimeter Street Landscape Setback (Arterial) (6)</td>
</tr>
<tr>
<td>Perimeter Street Landscape Setback (Collector) (6)</td>
</tr>
<tr>
<td>Building Height</td>
</tr>
<tr>
<td>Minimum Outdoor Living Area (on lot or common area)</td>
</tr>
</tbody>
</table>

NOTES (some of the note below are referenced in Table 4b):
(1) Attached buildings require no setback between dwellings.
(2) Fireplaces, pop-outs, bay windows, eaves, overhangs, porches/patios and/or other appendages may encroach 2.5' into the front, side and rear yard setbacks, so long as they are not less than 3' from the yard.
(3) Where a side yard is provided for zero lot line product, it shall be a minimum of 5'.
(4) No minimum site depth is required.
(5) Lot coverage is established by the building envelopes created by the required setbacks and allowable projections as defined in this Table.
(6) If a landscape tract of at least 10' is provided on an arterial street adjacent to a side or rear yard, then the standard side and rear yard setbacks apply. For side yards, the wider of the two yards (where applicable) shall be located on the street side.
(7) Building setbacks apply equally to one story and two story units.
(8) A maximum of 1/3 of the lots within any subdivision may be less than the minimum standards by as much as 10%.
(9) Site average area is defined as follows: gross site area minus right-of-way equals net site area divided by total number of units equals site average area per dwelling unit.
(10) Front to garage means back of sidewalk to face of garage door only if the garage is located in the front yard.
(11) Auto/Green Court Cluster yards are defined as follows: front yard is the side with the main front door; rear yard is the side with the garage entrance; side yards are the other two sides, even if those two sides are not opposite each other; rear yard is defined from the center of the private drive.
(12) Townhouse/Condo rear yard is measured to the lot line at the center of the private drive/alley for alley-loaded garages.

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Table 4b
MDR Development Standards

<table>
<thead>
<tr>
<th>Use</th>
<th>Site Average Area per Dwelling Unit (9)</th>
<th>Minimum Lot Width per Unit (4)</th>
<th>Front to Garage (10)</th>
<th>Front to Living Area (2, 7)</th>
<th>Interior Side (1, 2, 6, 7)</th>
<th>Aggregate Side (1, 2, 6, 7)</th>
<th>Corner Side (2, 6, 7)</th>
<th>Rear (2, 6, 7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two-Family Dwelling Structures</td>
<td>3,000</td>
<td>35'</td>
<td>18'</td>
<td>12'</td>
<td>5'</td>
<td>10'</td>
<td>10'</td>
<td>10'</td>
</tr>
<tr>
<td>Three Family Dwelling Structures</td>
<td>3,000</td>
<td>30'</td>
<td>18'</td>
<td>12'</td>
<td>5'</td>
<td>10'</td>
<td>10'</td>
<td>10'</td>
</tr>
<tr>
<td>Four Family Dwelling Structures</td>
<td>3,000</td>
<td>25'</td>
<td>18'</td>
<td>12'</td>
<td>5'</td>
<td>10'</td>
<td>10'</td>
<td>10'</td>
</tr>
<tr>
<td>Zero Lot / Z-Lot (3)</td>
<td>4,000</td>
<td>40'</td>
<td>18'</td>
<td>12'</td>
<td>0'</td>
<td>5'</td>
<td>10'</td>
<td>10'</td>
</tr>
<tr>
<td>Townhouse/Condo (2, 12)</td>
<td>3,000</td>
<td>25'</td>
<td>18'</td>
<td>3'</td>
<td>5'</td>
<td>10'</td>
<td>10'</td>
<td>10'</td>
</tr>
<tr>
<td>Auto/Green Court Cluster (2, 11)</td>
<td>3,000</td>
<td>25'</td>
<td>N/A</td>
<td>8'</td>
<td>5'</td>
<td>10'</td>
<td>8'</td>
<td>10'</td>
</tr>
<tr>
<td>Accessory Structures</td>
<td>n/a</td>
<td>n/a</td>
<td>18'</td>
<td>-</td>
<td>3'</td>
<td>n/a</td>
<td>10'</td>
<td>10'</td>
</tr>
<tr>
<td>Structures for all other principal or accessory uses</td>
<td>n/a</td>
<td>n/a</td>
<td>18'</td>
<td>-</td>
<td>5'</td>
<td>n/a</td>
<td>10'</td>
<td>10'</td>
</tr>
</tbody>
</table>

NOTES:
(1) Attached buildings require no setback between dwellings.
(2) Fireplaces, pop-outs, bay windows, eaves, overhangs, porches/patios, 2nd story cantilevers, and/or other appendages may encroach 2.5' into the front, side and rear yard setbacks, so long as they are not less than 3' from the yard.
(3) Where a side yard is provided for zero lot line product, it shall be a minimum of 3'.
(4) No minimum site depth is required
(5) Lot coverage is established by the building envelopes created by the required setbacks and allowable projections as defined in this Table.
(6) If a landscape tract of at least 8' is provided on an arterial street adjacent to a side or rear yard, then the standard side and rear yard setbacks apply. For side yards, the wider of the two yards (where applicable) shall be located on the street side.
(7) Building setbacks apply equally to one story and two story units.
(8) A maximum of 1/3 of the lots within any subdivision may be less than the minimum standards by as much as 10%.
(9) Site average area is defined as follows: gross site area minus right-of-way equals net site area divided by total number of units equals site average area per dwelling unit.
(10) Front to garage means back of sidewalk to face of garage door only if the garage is located in the front yard.
(11) Auto/Green Court Cluster yards are defined as follows: front yard is the side with the main front door; rear yard is the side with the garage entrance; side yards are the other two sides, even if those two sides are not opposite each other. Rear yard is measured from the center of the private drive.
(12) Townhouse/Condo rear yard is measured from the center of the private drive or alley for rear-loaded garages.
4. HDR Land Use District

The HDR land use district is designed to allow multi-family residential development with a maximum density of 21 units per acre. The HDR land use district is designed to offer a variety of multi-family residential product types, such as multi-family apartments, attached condominium and town homes, and attached cluster product.

Table 1, Density Table identifies each of the development parcels designated within the HDR land use district. Table 1 provides information regarding the parcel gross and net acreage, maximum land use density, and target number of units for each HDR development parcel. The data provided in this table and associated Land Use Master Plan (Figure 6) is designed to define the general distribution of HDR development units throughout the PAD District.

HDR Principally Permitted Uses
The HDR land use district shall conform to the principally permitted uses provided within the R-3 zoning district of Section 17.24.020A of the Surprise Zoning Ordinance with the following exception:

- All permitted uses allowed within the MDR land use district as defined within Section D.2.a.2 of this PAD shall be permitted as principally permitted uses within the HDR land use district.

HDR Conditionally Permitted Uses
The HDR land use district shall conform to the conditionally permitted uses provided within the R-3 zoning district of Section 17.24.020B of the Surprise Zoning Ordinance.

HDR Permitted Accessory Uses
The HDR land use district shall conform to the permitted accessory uses provided within the R-3 zoning district of Section 17.24.020C of the Surprise Zoning Ordinance.

HDR Development Standards
Development Standards for the HDR land use district shall comply with the development standards as defined within the R-3 zoning District of Section 17-28-060 of the Surprise Zoning Ordinance with the following exception:

- All development utilizing the permitted uses within the MDR land use district as allowed within the HDR Principally Permitted Uses section above shall conform to the development standards as defined within the MDR land use designation within Section D.2.a.3 of this PAD.

If there are any conflicts or inconsistencies between the HDR development standards defined within this PAD and the R-3 zoning district development standards defined within the Surprise Zoning Ordinance, the PAD standards shall apply. Development within the HDR land use district shall defer to the
R-3 zoning district standards for any development or performance standards not defined and/or not in conflict with this PAD.

b. Commercial District

Approximately 103 acres of commercial land use is proposed to serve the projected population as well as surrounding area. The various commercial parcels have been located along the major arterial roads within the community to heighten retail exposure, promote visibility and access to the public and minimize traffic impacts within the neighborhoods.

The commercial land use parcels are all less than 25 acres in size, and are intended to be neighborhood-scaled commercial development to serve the Rancho Mercado community and immediate surrounding developments. The commercial development parcels are intended to provide neighborhood-scaled day-to-day products and services, with uses such as grocery, drug, hardware, dry cleaning, banking, dining, video rental establishments, etc. The specific design for the commercial properties, include components such as open space, plazas, landscaping, etc. will be determined at the time of development through the site plan review process as required by the development standards defined within this PAD and applicable City of Surprise commercial development standards.

Commercial Principally Permitted Uses
The Commercial district shall conform to the principally permitted uses provided within the C-2 zoning district of Section 17.24.030A of the Surprise Zoning Ordinance, with the following exceptions:

- Pawn shops are not allowed.
- Hardware stores with home garden centers are allowed as a permitted use provided the home garden center is completely enclosed within a building, gate or fence to a height of at least six feet.

Commercial Conditionally Permitted Uses
The Commercial district shall conform to the conditionally permitted uses provided within the C-2 zoning district of Section 17.28.080C of the Surprise Zoning Ordinance, with the following exceptions.

- Recreational vehicle, mobile home and manufactured home parks and overnight campgrounds are not allowed as a Conditionally Permitted Use.

Commercial Permitted Accessory Uses
The Commercial district shall conform to the permitted accessory uses provided within the C-2 zoning district of Section 17.28.080D of the Surprise Zoning Ordinance.

Commercial Development Standards
The standards in Table 5, Commercial Development Standards, shall apply to the Commercial district. Additional building and performance standards not defined within the Commercial Development Standards included within this
section of the PAD shall conform to Section 17.28.080 and Section 17.32 of Surprise Zoning Ordinance as applicable.

If there are any conflicts or inconsistencies between the Commercial development standards defined within this PAD and the C-2 zoning district development standards defined within the Surprise Zoning Ordinance, the PAD standards shall apply. Development within the Commercial land use district shall defer to the C-2 zoning district standards for any development or performance standards not defined and/or not in conflict within this PAD.

### Table 5

<table>
<thead>
<tr>
<th>Commercial Development Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Lot Area</td>
</tr>
<tr>
<td>Minimum Lot Width</td>
</tr>
<tr>
<td>Distance Between Buildings</td>
</tr>
<tr>
<td>Maximum Lot Coverage</td>
</tr>
<tr>
<td>Building Distance from Residential Zone</td>
</tr>
<tr>
<td>Minimum Building Setback from any Street</td>
</tr>
<tr>
<td>Minimum Side Yard Setback (perimeter of district only)</td>
</tr>
<tr>
<td>Minimum Rear Yard Setback (perimeter of district only)</td>
</tr>
<tr>
<td>Maximum Building Height</td>
</tr>
<tr>
<td>Minimum Street Landscape Area</td>
</tr>
<tr>
<td>Minimum Perimeter Landscape Area (perimeter of district only)</td>
</tr>
</tbody>
</table>

(1) all non-residential land uses within the residential zoning districts (such as churches, recreation centers, etc.) shall comply with the development standards defined within Table 5 above, with the exception of building height, which shall comply with the requirements within the residential zoning district in which it is located.

(2) Wall height for commercial development is as follows: 8'-0" maximum height for privacy/screen walls; 4'-0" maximum height for retaining walls; 12'-0" total maximum combined retaining wall/screen wall height.

(3) Building height subject to provisions in Section 17.28.080.1.2 of the Surprise Zoning Ordinance.

(4) All loading bays and trash receptacles shall be fully screened from the public street and adjacent residential land use (if applicable)
c. Employment District

Approximately 58 acres of employment land use is proposed within the Rancho Mercado PAD to serve the projected population as well as surrounding region. The employment parcels are located at the southern edge of the property along the northern side of the Loop 303 freeway, immediately south of the Maricopa County Flood Control District property. This location is consistent with the Surprise General Plan, and will minimize impacts to the proposed residential land uses, allowing more intensive commercial and employment land uses while providing opportunities for residents to live near where they work.

The intent of the employment development parcels is to allow more intensive commercial and employment land uses, such as office development, automobile dealerships, educational institutions, or other land uses typically identified within a General Commercial or employment zone.

Employment Principally Permitted Uses
The Employment district shall conform to the principally permitted uses provided within the C-3 zoning district of Section 17.24.030A of the Surprise Zoning Ordinance, with the following exceptions:

- All Principally Permitted Uses within the General Commercial Zone (C-3) zoning district are allowed;

Employment Conditionally Permitted Uses
The Employment district shall conform to the conditionally permitted uses provided within the C-3 zoning district of Section 17.28.090C of the Surprise Zoning Ordinance.

Employment Permitted Accessory Uses
The Employment district shall conform to the permitted accessory uses provided within the C-3 zoning district of Section 17.28.090D of the Surprise Zoning Ordinance.

Employment Development Standards
The development and performance standards for the employment development parcels shall conform to the standards as defined within the C-3 zoning district, Section 17.28.090 and Section 17.32 of Surprise Zoning Ordinance.

3. Other Development Regulations

a. Walls
Privacy walls within residential areas shall be a maximum of 6'-0" in height measured from finished grade from the outside of the wall or 7'-0" where adjacent to an arterial road. If a retaining wall is required, the retaining portion of the wall shall not exceed 3'-0". The combined total retaining wall and privacy wall shall not exceed 9'-0" in total height or 10'-0" adjacent to an arterial road. Decorative caps and columns are not included in the wall height regulations. Wall height for entry features may be evaluated on a case by case...
basis if proposed to be higher that the standards set forth above, and may be approved administratively if deemed appropriate.

4. Design Guidelines and Development Standards

As a large master planned community, the development of Rancho Mercado will provide many of the features that comprise points for compliance with the City of Surprise Single Family Residential Design Guidelines. The PAD has been designed as a single planned community, with various features, amenities and guidelines that will apply to the entire development, not individual development parcels. For example, parks will be designed to be shared among various subdivisions, with multiple trail connections that meander through the entire community. Improvements such as these are designed and intended for the use and enjoyment of the entire community as opposed to an individual subdivision. With that understanding, the applicability of points for compliance as defined within this PAD will be attributed to the entire Master Plan as opposed to individual subdivision plats or development parcels. Additionally, various design guidelines have been developed to ensure a high quality built environment for all residential developments within the Rancho Mercado community. These will be implemented on a community-wide basis, as opposed to an individual subdivision basis. As such, the design guidelines identified below are intended to be demonstrated at the Master Plan level as part of the PAD. The only exception to this is the single family residential product design, which will demonstrate compliance with Design List C at the time of subdivision plat for the individual development parcels. The sections that follow demonstrate how the Rancho Mercado PAD will apply the Single Family Residential Design Guidelines at the master plan level.

a. Lot Size, Unit Count and Percentage Mix

The various lot sizes, the projected unit count, and the percentage of each lot size are identified in Table 6 below. From the information contained in Table 6, the City of Surprise Single Family Residential Design Guidelines specifies a required point minimum from Design List B of 28 points (plus an additional 2 per the density bonus), and a required point minimum from Design List D of 14 points (plus an additional 2 points per the density bonus).

<table>
<thead>
<tr>
<th>Projected Lot Size Mix (All Categories)</th>
<th>LDR Only (SFDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot Size</td>
<td>Land Use Cat.</td>
</tr>
<tr>
<td>58'</td>
<td>LDR</td>
</tr>
<tr>
<td>63'</td>
<td>LDR</td>
</tr>
<tr>
<td>75'</td>
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</tr>
<tr>
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<tr>
<td>MDR</td>
<td>MDR</td>
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<tr>
<td>HDR</td>
<td>HDR</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

66
Rancho Mercado
Planned Area Development
Approved PAD: October 2007
b. Design List A

The Rancho Mercado PAD will comply with the requirements of Design List A for all LDR development parcels as modified below. Note that the items that have been modified from the existing language provided within the Single family Residential Design Guidelines Manual dated November 14, 2004 are items A, H, I, J and K. The modifications are necessary in order to comply with the specific development standards as defined within this PAD document.

A. Percentage of Lot Sizes: If the width of any one or more lots in a Residential Development Project is less than 70 feet and the size of the lots is less than 7700 sq. ft., the following requirements apply to the entire Residential Development Project (within the LDR land use district):

1) The percentage of the total number of lots in a Residential Development Project that falls within Lot Categories A and B in Table 1 shall not exceed 30 percent in any one such Lot Categories as provided in Section D.2.a.

2) The percentage of the total number of lots in the Residential Development Project that falls within Lot Categories E, F, and G in Table 1 shall not be less than 10 percent in these three categories combined.

B. Required Open Space: No less than 10 percent of the Gross Acreage of a Residential Development Project shall be open space, and not less than 5 percent of such Gross Acreage shall be open space which meets the requirements of Subsection 2 below. For purposes of meeting this requirement, open space shall include the following:

1) A storm water retention area;

2) A tract, other than a private street, which is owned and maintained by a homeowners association;

3) A power line corridor if the corridor is improved and maintained by a homeowners association;

4) A lake;

5) A golf course;

6) A site on which a public school will be constructed, if the site is actually conveyed, and not merely reserved, to the entity responsible for construction of the public school; and

7) Any other similar area which, in the opinion of the City Council, provides a recreational, aesthetic, or other valuable benefit to the City of Surprise or to the Residential Development Project.

C. Project Entry: The Developer of a Residential Development Project shall construct features which provide a sense of neighborhood arrival, such as monument signage, decorative landscaping, specialty pavement, enhanced wall detail, immediate accessibility to open space/trail system, etc., at all points at which a Residential Development Project may be entered from an arterial street.

D. Staggered Perimeter Wall: The Developer of a Residential Development Project shall construct a wall at the perimeter of the project abutting an arterial street which contains staggered or offset sections and/or other breaks to relieve the linear character of the perimeter wall abutting the arterial street.

E. Housing Product Variation: Refer to the SFR Home Product Design Guidelines.
F. Adjacent Elevations and Color Schemes: No house or structure shall have the same elevation or color scheme as those houses or structures located immediately to either side or directly across the street.

G. Adjacent Roof Lines: If two or more houses or structures abut an arterial street in the rear, the rear elevations of such houses or structures shall be geometrically varied and not more than two adjacent houses or structures shall have the same roof line.

H. Garage Configuration: All garages constructed in a Residential Development Project shall accommodate a minimum of two vehicles.

I. Off-street parking/driveways shall be defined in accordance with the requirements as defined with Table 2, Table 3 and Table 4b of this PAD.

J. All lot category requirements shall comply with the standards set forth throughout Section D of this PAD.

K. All setback requirements shall comply with the standards set forth throughout Section D of this PAD.

c. Design List B

The Rancho Mercado PAD will comply with the following design guidelines related to Design List B of the Single Family Residential Design Guidelines for all LDR development parcels.

- Design all corner lots so that the minimum width of each corner lot is at least 10 feet greater than the minimum lot width as defined within that subdivision, or on all corner lots, construct an 8' wide landscaped tract between the property line of the lot and the abutting street right-of-way. Convey such landscape tracts to a homeowners association and require the association to maintain the tracts and the adjacent rights-of-way to the same standard as other tracts and common areas maintained by the homeowners association (2 pts)

- On not less than 20 percent of the lots which fall within Lot Sizes 58', 63', 68' and 75', provide a mix of driveway orientations, e.g. elbow, circular, angled, split, or Hollywood, such that not more than 80 percent of driveways in the LDR Development Parcel are alike (3 pts)

- Design and construct landscape open spaces which are visible from both residential and arterial streets, and require a homeowners association to maintain the landscape open spaces to the same standards as other tracts and common areas maintained by the homeowners association (2 pts)

- Along arterial streets, provide at least 600 feet of open space per mile, as measured along the linear boundary adjacent arterial street right-of-way. The open space will be maintained by the homeowners association (3 pts)

- Design and construct the following:
  o Plant enhanced landscaping along the sidewalk adjacent to all arterial and collector streets, with a canopy tree planted every 50 feet on both sides of the sidewalk. The trees on opposite sides of the sidewalk must be offset to give the appearance that the trees are planted every 25 feet on center. Fifty percent of the trees must be 24-inch box trees or larger. Require a homeowners association to maintain the enhanced landscaping and trees to the same standard as other tracts and common areas maintained by the homeowners association (4 pts).
Design the Residential Development Project so that, at T intersections, no residential building lot is centered directly across the intersection from the end of the street which dead ends at the intersection (the "stem of the T"). In place of such centered lots, at all points which are directly across an intersection from the end of the stem of a T, place one or a combination of the following: 1) a landscape open space area at least twice as wide as the paved portion of the stem of the T, and require a homeowners association to maintain the open space areas to the same standard as other tracts and common areas maintained by the homeowners association; or 2) the side yard boundary between two residential building lots; or 3) the back of a residential building lot, buffered from the street by an eight foot wide landscape area installed by the developer, and require a homeowners association to maintain the landscaped areas to the same standard as other tracts and common open areas maintained by the homeowners association. (4 pts)

- Design and construct paths and trails separate from roadways, which connect all open spaces areas and arterial roadways, and which enable bicyclists and pedestrians to travel throughout the development. (6 pts)
- On perimeter walls, provide berms, tree lines, hedgerows, and/or other similar means of breaking up the linear nature of the perimeter walls. Such features must be in addition to the open space areas along the perimeter and enhanced architectural features on the wall itself. (6 pts, plus the ability to construct walls to height of 7 feet adjacent to arterial roadways).

The projected total number of points that will be achieved for the entire PAD within Design List B is 30 points.

d. Design List C
The Rancho Mercado PAD will comply with the Single Family Residential Home Product Design Guidelines published by the City of Surprise dated November 13, 2003 for all single family residential development within the LDR Land Use District. Compliance with the Single Family Residential Home Product Design Guidelines will be established at the time residential building permits are requested for each subdivision.

e. Design List D
The Rancho Mercado PAD will comply with the following design guidelines related to Design List D of the Single Family Residential Design Guidelines for all LDR development parcels.

- Provide a trail system that connects all open space areas with the residential development parcels and created pedestrian linkages with surrounding residential and commercial developments. Along the trail system, construct rest areas at every quarter mile, consisting of a seating area which accommodates at least four persons and a shade area composed of an architectural shade structure, or mature landscaping such as a canopy of trees, or a combination of both. Require a homeowners association to maintain the trail system to the same standards as other common areas maintained by the homeowners association. (4 pts)
• Construct and convey to the homeowners association a large open space corridor, with a minimum width of 75 feet, and an average width of 100 feet, through the Residential Development Project. The corridor must be planted with mature trees and other plants listed on the City's approved plant list, and must provide view corridors and a trail system. Lots that back up to the corridor on at least one side shall be bordered with view fences which create view corridors. The view fence may be constructed either completely of wrought iron or of wrought iron and masonry, and must comply with the City's ordinance related to swimming pool fences. Restrict the use of the corridor to pedestrian and bicycle access by residents of the Project. Require a homeowners association to maintain the corridor to the same standards as other common areas maintained by the homeowners association. (4 points will be doubled each time the minimum and average corridor widths are doubled up to 12 pts)

• Provide open space is excess of 10 percent gross acreage for residential development areas. Open space may include homeowners association owned parks or City owned parks within the development. (2 pts for each full 1% of the Gross Acreage of the required Residential Development Project which is provided as open space in addition to the required 10% minimum, up to max. of 10 pts)

The projected total number of points that may be achieved for the entire PAD within Design List D is 26 points. This number represents the total points that may be achieved on a Master Plan level. The actual number of points will be at least the required minimum of 16 based upon a combination of the items identified above.

1. Design Guidelines for L/MDR Development Parcels

The design guidelines for all L/MDR development parcels will comply with the design guidelines as defined for the LDR development parcels with the exception of all items specifically related to the restriction of, limits to, and/or variation on lot sizes. All lots within the L/MDR shall be no less than 53' wide.

2. Design Guidelines for MDR Development Parcels

Architectural Guidelines
In addition to the guidelines identified above, the MDR development parcels will provide architectural design guidelines to ensure a high quality product design. The additional design guidelines applied to the MDR parcels are provided below:

Non-Garage Dominant
• Auto Court Cluster – garages are internal to an auto court with main entrances along a landscaped paseo or courtyard.
• Green Court Product – garages are along an alley with the main entrances along a landscape paseo or courtyard. Garages do not directly face public streets;
• Z-Lot: provides for staggered lot lines allowing for product diversity, including staggered lot widths when viewed from the street, as well as recessed or side-entry garages;
• Townhome or Condominium – garages are internal to the development and not directly facing public streets;

Building Form
• High quality “stylized” or “theme” architecture will be used to add character and quality to the community;
• Visually interesting architecture, including variation in form, massing, heights, roof styles and site orientation will be considered;

Building Façades
• Building facades will reflect the design intent of the community theme and will provide an architectural face that relates to the neighborhood and community character;
• Architectural details related to color, type and application of material and building form will be coordinated for all elevations;
• The rear and sides of elevations visible from the public street or public open space areas will be architecturally enhanced.
• A variety of architectural design features, techniques, patterns, materials, and colors will be used to create variety and visual interest in the facade;

Roof Architecture
• A variety of roof forms and styles will be used to create visual interest and diversity of roof styles;
• Chimneys, roof flashing, rain gutters, downspouts and other roof protrusions will be painted and finished to match the color of the adjacent surface;

Colors and Materials
• Materials applied to a building elevation will wrap around onto adjoining walls of a structure to visually appropriate termination points to provide design continuity and a finished appearance;
• Variation of colors in roof and facade treatment will be provided to maintain harmony and consistency with the overall character of the community;
• Colors will be compatible with the general environment of the community, and should help reduce reflected heat and glare into the surrounding area;
• Colors should be used to accent entry-ways and special architectural features;

Windows and Doors
• Windows and doors will be aligned and sized to bring order to the building façade;
• Windows and doors will be sufficiently recessed to create façade patterns that add variety and visual interest to the design theme of the building.
h. Additional Design Guidelines

- Architectural design themes and styles will be compliant with the Surprise Municipal Code at the time of Preliminary Plat submission and/or Home Product Review submission.
- Design treatment and materials for details such as windows, entries, roofs, parapets, and building forms will be compliant with the Surprise Municipal Code at the time of Preliminary Plat submission and/or Home Product Review submission.
- Typical walkway design and treatment will be compliant with the Surprise Municipal Code at the time of Preliminary Plat submission and/or Home Product Review submission.
- The sign design theme will be compliant with the Surprise Municipal Code at the time of Preliminary Plat submission.
- Light fixtures, including typical type of unit, color, wattage, location and mounting heights will be compliant with the Surprise Municipal Code at the time of Preliminary Plat submission.
- The architectural character and quality will be comparable to that of adjoining developments if any adjoining developments exist at the time of preliminary plat submission.

5. Amendment Procedures

The following provisions are intended to provide criteria for the determination of minor and major amendment procedures for the Rancho Mercado PAD.

Formal amendments to the PAD as represented in the narrative and/or graphics contained within the Rancho Mercado PAD may become necessary from time to time for various reasons to respond to changing market or financial conditions, to update the PAD to reflect new development conditions and/or to respond to the requirements of potential users or builders on the property. Amendments to the approved PAD may be requested by the Master Developer, other developers, a property owner, or property owner's agent. Unless otherwise requested in the application, any proposed change will not affect development units not included in the proposed amendment request. Only the contents of the specific amendment request may be considered and acted upon by the appropriate City staff and/or the Planning Commission and City Council. The plan defines two types of amendments to the PAD, Minor Changes and Major Changes. Below is a description of the criteria and process required for the two types of changes.

Minor Changes
The City of Surprise Community Development Director and/or City Engineer may allow minor changes to the PAD, provided that such changes are not in conflict with the overall intent as expressed in the PAD document. The following items shall be considered as minor changes to the PAD:

- Changes in configuration of individual development parcels to include modifications to boundaries, division of larger parcels, or combinations of
Rancho Mercado PAD

parcels by a maximum of 20%, as long as there is no net loss of open space and no net increase in the total number of units allowable within the PAD;

- Changes to the community infrastructure, such as drainage, water and sewer systems which do not have the effect of increasing or decreasing development capacity in the PAD, nor change the overall intent of the PAD;

- Changes or modifications in lot sizes and setbacks by up to 10% of the required development standard in order to accommodate for unique circumstances or specific site constraints, so long as the change does not conflict with the City of Surprise Building Code or off-street parking requirements as defined within the PAD;

- Any analogous interpretations of the list of permitted, conditional and secondary uses of the property as set forth in the PAD, as determined by the Community Development Director;

- Changes in residential densities or unit count by up to 10% of the maximum allowable in any development parcel, provided the increase does not cause an increase in the total allowable unit count within the PAD;

- Minor modifications or adjustments to roadway alignments and/or parcel configuration so long as the proposed modification does not change the overall intent of the PAD;

- Minor modifications to the location and size of trails and pedestrian paths, so long as the modification meets the general intent of the PAD;

- Relocation of a school or park site, which either enhances the opportunity to create a sense of neighborhood and community, to better centralize school and/or park sites based on actual development densities, or to implement the mutual desires of the school district or city parks department and the developer, so long as the overall size of the park or school site is not reduced by more than 10%, and the land uses and densities of the parcels proposed for the revision do not result in a net increase in total number of units.

- Other changes not identified above, but deemed appropriate by the Community Development Director, as long as the change does not impact the general health, safety, and welfare of the residents of the City of Surprise and does not impact the overall intent of the approved PAD.

Major Changes
A Major change is a change that does not qualify as a minor change as defined above, and that significantly alters the intent of the approved PAD. Major Changes shall comply with the requirement set forth in Section 17.36.060.G.2 of the Surprise Zoning Ordinance.
E. Appendices

A. Rancho Mercado Property Legal Description and Boundary Map (separate cover)
B. Traffic Impact Study (separate cover)
C. Drainage Report (separate cover)
D. Water Master Plan (separate cover)
E. Wastewater Master Plan (separate cover)
F. School District Confirmation Letter
G. City of Surprise Land Use Plan Support Letter
H. Residential Product Examples
I. City Council Approval Letter and Stipulations
Appendix A

Rancho Mercado
Property Legal Descriptions and Boundary Map

Submitted under separate cover
Appendix B

Rancho Mercado
Traffic Impact Study Dated July, 2006

Submitted under separate cover

III
Rancho Mercado
Planned Area Development
Approved FAD: October 2007
Appendix C

Rancho Mercado
Drainage Report Dated July 2006

Submitted under separate cover

IV
Rancho Mercado
Planned Area Development
Approved PAD: October 2007
Appendix D

Rancho Mercado
Water Master Plan Dated July 2006

Submitted under separate cover
Appendix E

Rancho Mercado
Wastewater Master Plan Dated July 2006

Submitted under separate cover
Appendix F

Rancho Mercado
School District Confirmation letter
Thursday, October 27, 2005

Matthew Holm  
Principal Planner  
Maricopa County Planning & Development  
501 N 44th St., Suite 200  
Phoenix, Arizona 85008  
Phone: (602)-506-7162

Re: Rancho Mercado

Dear Mr. Holm,

After reviewing the proposal on the Rancho Mercado project, we have no objections to the proposed project; provided we receive a development agreement from the developer. We currently have a provisional agreement from the developer concerning their intentions to enter into this agreement.

The Rancho Mercado project is proposed primarily south of W Jomax Rd, east of N Bullard Ave, north of McMicken Dam, and west of N Litchfield Rd, comprising approximately 2,022 acres. This project has 4,480 proposed housing units. Our current capture rates in the District are 0.5 for K-8 students and 0.18 for high school students. Base on these projections, the Rancho Mercado project would add approximately 2,240 K-8 students and 807 high school students to the Dysart Unified School District. This project will have significant impact on the District's operations.

Although no formal document has been drawn, though our discussions and their preliminary land use plan we have identified 2 potential schools sites within the Rancho Mercado Project. As the plans continue to develop the District will continue to work with the developers to ensure that the placement of the schools is appropriate within the planned communities. The District fully intends to use these properties for the construction of K-8 elementary schools. Date of construction depends on approval of the school sites by the Arizona School Facilities Board and the installation of appropriate infrastructure.

The responsibility to provide for the education of the community's children rests with all members of the community. We appreciate the value that has been placed upon public schools in your planned communities. We hope that we can continue working together to build attractive communities.

Sincerely,

Vern Wollfley  
Senior Planning Specialist

CC: Scott Thompson – Executive Director of Business Services  
Adriana Kastanza – William Lyon Homes
September 19, 2005

Maricopa County
Planning and Development
Rob Kuhfuss
411 N. Central, 3rd Floor
Phoenix, AZ 85004

Re. City of Surprise Comments - Rancho Mercado, Z2004053 and DMP2004005

Dear Rob:

The Rancho Mercado project is located within the City of Surprise’s General Planning area. The City is currently processing a major General Plan amendment to expand our General Planning area in order to include the two parcels east of the Litchfield Road alignment, and to amend the land use classifications within the General Plan so that they are consistent with the zoning being proposed for the project.

I have reviewed the Rancho Mercado zone change application (Z2004053), and specifically the land use plan included with the application (and attached with this letter), and find that the land use plan is consistent with the City’s General Plan (as amended). I have also reviewed the lot mixture within the project (also attached with this letter) and find the lots sizes to be in general conformance with the City’s current lot mixture guidelines.

The City of Surprise anticipates that the Rancho Mercado project will be annexed into the corporate limits. As such, the City appreciates the opportunity to comment on the project as it moves through the County process. City of Surprise support for projects, such as Rancho Mercado, is contingent upon the developer entering into a Pre-annexation Development Agreement with the City.

I have spoken with the developer’s representative and the developer has made the commitment to enter into a Pre-Annexation Development Agreement. In fact, I am currently reviewing the first draft of the agreement. Additionally, the developer is working with a number of other developers in the area and our Water Services department to design and construct the first phase of the regional wastewater treatment plant. Therefore, having determined that the zoning case and land use plan are consistent and in general conformance with the City’s development rules and regulations, the City affirms the support of the DMP and the zone change application for the Rancho Mercado project is contingent upon the developer entering into a Pre-annexation Development Agreement with the City.

To date, all communications and activities with the developer demonstrate their commitment to comply with the contingency provisions.

If you have any questions, or if I can be of any further assistance, please feel free to give me a call at 623-875-4312.

Sincerely,

LaTonya R. Finch
Community Development Director

cc. Terri Hogan
    Matt Holm
    Jeffrey M. Billie

"We are committed to guiding the community by Planning Wisely, Regulating Consistently and Assisting Professionally."
Appendix H

Rancho Mercado
Residential Product Examples
Rancho Mercado
Mesa County, Arizona
RUPD Product Examples
5-Pack Auto Court Cluster

5-PACK AUTO COURT CLUSTER

NOT TO SCALE
Rancho Mercado

RUPD Product Examples
6-Pack Auto Court Cluster

- 2 car garage set back
- 3 feet from Private Drive (tract)
- Subdivision designs will include common open space tracts.
Rancho Mercado
Maricopa County, Arizona

RUPD Product Examples
Green Court/Alley Loaded

GOLD COURT/ALLEY LOADED

LVA Urban Design Studio L.L.C.

NOT TO SCALE
Appendix I

Rancho Mercado
City of Surprise Approval Letter and Stipulations

X
Rancho Mercado
Planned Area Development
Approved PAD: October 2007
October 15, 2007

Jeffrey Billie
480.429.3100

RE: City Council Approval for PAD06-276
Rancho Mercado

Dear Applicant:

The above-referenced application was approved on October 11, 2007, by the City of Surprise City Council. Attached is a copy of any approved stipulations.

In order to finalize the approval, the applicant must submit the following items within fifteen (15) days of this notice:

1. One (1) copy of the updated PAD, including all adopted stipulations and any modifications approved by the City Council.

The applicant must now remove from the property all signage advertising the public hearings. These signs must be removed within one week after the final disposition of the case.

If you require further information or assistance, please do not hesitate to contact the Planning office at 623.222.3133.

Sincerely,

SURPRISE COMMUNITY DEVELOPMENT
STANDARD STIPULATIONS:

a. Major changes to this Planned Area Development with regard to use and intensity must be processed as a revised application with approval by the City Council upon recommendation of the Planning and Zoning Commission. Minor changes to the Preliminary Plat may be administratively approved by the Community Development Director, City Engineer, Fire Marshall, and Water Services Director;

b. The applicant shall submit 2 revised copies of the PAD to the Community Development Department following the City Council approval with the stipulations attached;

c. All public notice signs shall be removed from the site immediately following a final decision by the City Council as applicable. A signed Affidavit of Sign Removal shall be included within the Stipulation Response Package;

d. If the U.S. Postal Service requires "gang"-type boxes, applicant shall install adequate lighting over said postal receptacles;

SPECIAL STIPULATIONS:

e. Transit stops may be required at the time of platting, roadway dedication, and site planning per the Planning and Community Development Directors and City Engineer's discretion;

f. All sidewalks adjacent to a street shall be curb separated and will be required to be shown at the time of site plan and preliminary plat submission. The developer will be responsible for the installation of all landscaping between curb and sidewalk;

g. All future landscape plan submittals shall comply with the Planning and Design Guidelines Manual. Any changes to the Design Guidelines shall either meet or exceed the standards;

h. Recreational facilities shall be located within a quarter mile from any residential unit at the time of site planning and platting;

i. Bike racks shall be included in the appropriate locations at all parks, commercial, and employment areas;

j. At the time of site planning and platting, Cul-de-sacs shall not end close to an adjacent street. If Cul-de-sacs are used, they shall open onto an open space area with a connection to a trail;

k. All future plats and site plans shall be designed to compliment the surrounding typography and character;

l. Any project adjacent to a school site will need to incorporate a pedestrian network designed to promote safe connectivity to the school site in all areas where appropriate. All sidewalks leading to a school site shall be larger and landscaped heavily to provide shade;
m. All trails shall have lighting to be reviewed and approved by the Planning and Community Development Director;

n. The developer shall construct and landscape the medians where designated at the time of infrastructure improvements;

o. Jomax Road will be a full Parkway classification with 200’ R.O.W. and indirect left turn geometrics;

p. The applicant will work closely with MCDOT to assure that their proposed roadway alignments, and corresponding land use patterns conform to the selected Jomax alignment;

q. At the time of Preliminary Plat submittal a Native Plant survey and preservation/restoration plan will need to be submitted and approved by the City of Surprise;

r. A minimum of two access points shall be provided for each development prior to the issuance of any building permit. Fire access roads leading to and within the development shall be a minimum width of 20 feet and capable of supporting 75,000 pounds in all weather conditions;
   - It is the responsibility of the builder to provide and maintain Fire Access roads.
   - The fire inspector will inspect the roadway leading to the development as part of the required fire access inspection for the project

s. Applicant shall provide a fire station site within the property in accordance with the development agreement. The site depicted in the PAD is subject to further review and approval by the Fire Chief;

t. The applicant agrees to work with the City and ADOT to secure interchanges along the 303 at Bullard Avenue and Litchfield Roads that will provide critical access to the Rancho Mercado area and environs in Surprise and Peoria. Applicant agrees to pay any fees established by the City to finance the construction of additional 303 interchanges, provided the fees are applied non-discriminatory within the benefited region (e.g. as a component of the Roads of Regional Significance development fee);

u. The master drainage report for Rancho Mercado will need to be approved by staff prior to Final TAC submission of any Preliminary Plats for the subject project.