



City of Apache Junction

Development Services Department



PLANNING AND ZONING COMMISSION PUBLIC HEARING STAFF REPORT

DATE: April 23, 2024

CASE NUMBERS: P-23-63-PZ & P-23-64-GPA

OWNERS: Jason Barney and John Hartman,
Recker/Guadalupe Properties LLC.

REPRESENTATIVE: Greg Davis, Iplan Consulting Corporation

REQUEST: P-23-63-PZ: Proposed Rezoning of approximately 18 acres from General Commercial by Planned Development ("B-1/PD") (Ordinance No. 1144) and B-1/PD (Ordinance No. 1146) to High Density Multiple-Family Residential by Planned Development ("RM-2/PD")

P-23-64-GPA: Proposed Major General Plan Amendment to redesignate approximately 18 acres from Commercial to High Density Residential

LOCATION: The property is generally located near the Southeast corner of US-60 and Goldfield Road

**GENERAL PLAN/
ZONING DESIGNATION:** Commercial; currently zoned B-1/PD

SURROUNDING USES: North: US-60;

South: Manufactured Home Park ("MHP") (Dolce Vita);

East: MHP (Dolce Vita);

West: Recreational Vehicle Park by Planned Development ("RVP/PD") (Golden Vista RV Resort).

BACKGROUND

There are currently two (2) planned development Ordinances which govern the subject property. Ordinance No. 1144 (PZ-09-00) applies to the six (6) parcels north of Resort Blvd. (APNs: 103-01-0110, 103-01-0130, 103-01-0140, 103-01-0150, 103-01-0160, 103-01-0170). This ordinance was approved in 2000 and permitted the development of a commercial project consisting of a gas station/convenience mart, hotel, restaurants, medical or office buildings and retail shops.

Ordinance No. 1146 (Case PZ-13-00) governs the one (1) parcel south of Resort Blvd. (APN 103-01-0180). This Ordinance was also approved in 2000 and permitted the development of the Apache Junction Medical Center, a 60-bed hospital campus including a single-level emergency unit and central lobby, a 3-story main hospital unit and medical office building on either side of the lobby, and a helipad on the northwest corner of the property.

The only development that came to fruition was a gas station/convenience mart, located on APN 103-01-0120, which is not part of this rezoning/major general plan amendment request. All seven (7) parcels that are part of this request are currently undeveloped.

PROPOSALS

P-23-63-PZ Is a Planned Development (PD) Rezoning request by Greg Davis with Iplan Consulting, representing the property owner, Jason Barney with Olsen Recker/Guadalupe Properties LLC, to rezone approximately 17.96 acres from General Commercial by Planned Development ("B-1/PD") (Ordinance No. 1144) and B-1/PD (Ordinance No. 1146) to High Density Multiple-Family Residential by Planned Development ("RM-2/PD") near the SEC of the US-60 and Goldfield Road. The subject site is proposed to be developed with approximately 270 rental units to be known as Silveray on Goldfield.

P-23-64-GPA Is a proposed Major General Plan Amendment of APNs 103-01-0110, 103-01-0130, 103-01-0140, 103-01-0150, 103-01-0160, 103-01-0170 and 103-01-0180, located near the Southeast corner of Goldfield Rd. and US-60, from Commercial to High Density Residential (40 du/ac).

PLANNING STAFF ANALYSIS

Relationship to General Plan:

The subject site is designated by the city's General Plan as "Commercial".

The proposed use constitutes a Major General Plan Amendment from the land use type "Commercial" to "High Density Residential". The change of use is considered a Major Amendment due to the subject size being over 10-acres in size.

Zoning/Site Context:

The approximate 18-acre property is surrounded by residential properties on the west (Golden Vista RV Subdivision), east and south (Dolce Vita Manufactured Home Park) and US-60 on the north.

Planned Development Zoning:

The developer is requesting one (1) deviation from the Zoning Ordinance. They are requesting a 12-foot reduction in the rear setback from 20' to 8' to better organize the units on the northeastern corner of the project due to the existing wash corridor.

Infrastructure Improvements:

The surrounding infrastructure for the project is substantially developed, however, there are certain offsite improvements that are being requested by the City Engineer.

The four curb returns along the intersection of Goldfield Road and Resort Boulevard and Chevron Gas Station shall be updated to current ADA standards. Also, concrete sidewalk shall be added from the north existing access drive heading north to tie into the existing sidewalk located within the Arizona Department of Transportation ("ADOT") right-of-way.

Resort Boulevard is an existing roadway that was developed at the time of development of the Dolce Vita community. This roadway is substandard in size and, as such, will remain a private road and will not be dedicated as public right-of-way.

Furthermore, all other necessary on-site and off-site improvements, such as community amenities, retention basins, accessible routes, and landscape buffers, will be built at the time of development. Please see project narrative to see a detailed list of all proposed infrastructure improvements.

Availability of Water:

The subject site is not being developed as a subdivision and, as such, is not required to obtain a 100-year certificate of assured water supply through the Arizona Department of Water Resources ("ADWR"), however, this project is under the jurisdiction of the Apache Junction Water District and has been reviewed by their Staff to ensure that there is enough water available to serve the project.

For context, the District has what is known as a "Designation of Assured Water Supply" issued by ADWR. This means that the District has proved it has enough capacity/supplies to serve water up to a certain point. As development occurs, they track the water usage and report annually to ADWR. This is different from the Arizona Water Company

who does not have this designation. As such, The Arizona Water Company places the burden of proving there are enough water supplies on the developer to obtain a certificate of assured water supply from ADWR.

Public Input:

Neighborhood meeting notification letters were sent from the applicant to all property owners within a 300-foot radius. The applicant hosted multiple neighborhood meetings regarding this project.

The first formal Public Neighborhood Meeting was held on 10/24/23 at the Golden Vista RV Park. Approximately 90+ individuals were in attendance. Most of these individuals were residents of Golden Vista.

Another meeting was held on 11/06/24 at Dolce Vita Community Meeting. This meeting was well attended by Dolce Vita Residents, as this meeting was held during their weekly meeting.

Staff received multiple emails, as well as a protest petition from primarily residents located within Golden Vista, regarding the rezoning request. All emails and the petition have been attached to this report.

Primary concerns that were discussed during the meetings and within the emails to Staff include the availability of water, traffic, road improvements, and concerns regarding the height of the development and its impact on view sheds.

FINDINGS OF FACT

As required by the Apache Junction Zoning Ordinance, a Planned Development request may be approved by the City Council after consideration has been given to three different criteria. The criteria is outlined in the text below:

1. That a better design cannot be achieved by applying the strict provisions of the underlying zoning district.

Applicant Response: The current zoning is specific to the development plans for a regional hospital and commercial uses which are no longer market viable at this location. Furthermore, maintaining the B-1 underlying zoning would allow the introduction of land uses that are incompatible with a residential neighborhood in terms of height, noise, light, odors, etc.

2. That strict adherence to the provisions of the zoning ordinance is not required in order to ensure the health, safety and welfare of the inhabitants of the proposed development.

Applicant Response: The proposed development plan is in strict adherence to the zoning ordinance (RM-2) with one exception which is a setback deviation for a small portion of the property that is adjacent to a 50-foot wide wash, thus the distance provided still meets the intent of the setback requirement and thus the zoning ordinance.

3. That strict adherence to the ordinance is not required to ensure that property values of adjacent properties will not be reduced.

Applicant Response: As aforementioned, the proposed development plan is in strict adherence to the zoning ordinance (RM-2) with one exception which is a setback for a small portion of the property that is adjacent to a 50-foot wide wash, thus the distance provided still meets the intent of the setback requirement and thus the zoning ordinance. Furthermore, the continuation of the PD overlay use will provide the area residents reliance that the approved plans cannot be amended without a public hearing process. This is especially important in terms of the proposed project density and the proposed building height, both of which are significantly reduced from the maximum allowed in the RM-2 zoning district.

FINDINGS OF FACT FOR MAJOR GENERAL PLAN AMENDMENT

As required by the Apache Junction General Plan, a Major General Plan request may be approved by the City Council after consideration has been given to specific criteria. The criteria is outlined in the text below:

1. Whether the amendment proposes a land use designation that the Land Use Plan Map does not adequately provide optional sites to accommodate.

Applicant Response: Although the General Plan does provide alternative HDR sites, many are developed and /or in areas of the City already being served by higher density residential uses.

2. Whether the amendment constitutes an overall improvement to the General Plan, will not solely benefit a particular landowner or owners at a particular point in time, and is consistent with the overall intent of the 2020-2050 General Plan.

Applicant Response: The Commercial land use classification of the subject property was specific to a previous plan which proved to be non-viable and other than one parcel developing as a fuel station, the rest of the site has remained vacant. The proposed amendment to a residential use will activate this property, bringing in a housing product that will benefit the community and residents that will spur additional economic growth in the area. The proposed amendment is more consistent with the quieter character of the neighboring communities, thus more compatible from a general Plan perspective. Since Commercial

land is significantly more valuable, the amendment does not solely benefit the land owner and instead benefits the community which is consistent with the intent of the General Plan.

3. Whether the proposed amendment is justified by an error in the 2020-2050 General Plan as originally adopted.

Applicant Response: The proposed amendment is justified by a change in how commercial development occurs and is not tied to an error of the General Plan. The commercial market has adapted to the post-COVID world of fewer commercial centers and the clustering of uses in regional nodes versus on "every street corner". That change in market has made sites like this better suited for other land uses such as the HDR proposed.

4. Whether the proposed change is generally consistent with goals, objectives, and other elements of the 2020-2050 General Plan.

Applicant Response: As demonstrated later in this narrative, we strongly believe the proposed change is consistent with the goals and objectives of the General Plan. The proposal is also consistent with the adjacent properties which share the same HDR classification.

5. Whether the proposed change is justified by a change in community conditions or neighborhood characteristics since adoption of the Plan.

Applicant Response: Yes, as aforementioned, this property has proven to be non-viable for the current Commercial classification and in analyzing other land uses available, the HDR designation is the most appropriate given the surrounding land uses.

6. Whether the amendment will adversely impact a portion of, or the entire community by:

- a. Significantly altering acceptable existing land use patterns, especially in established neighborhoods.

Applicant Response: The proposed HDR classification is more compatible with the established neighborhoods, many which also utilize the HDR land use designation. Furthermore, the Commercial designation and specifically the approved hospital use would certainly adversely impact this quiet residential area via the regular high levels of noise and light caused by ambulances & helicopters coming and going.

- b. Significantly reducing the housing to jobs balance in the Planning Area.

Applicant Response: Although a Commercial classification is more associated with jobs, that only matters if the property can be developed under that land use designation. The commercial

classification (and commercial zoning) has been in place for almost 25 years and only produced one small fuel station. It is clear the property would continue to sit vacant producing no jobs for the foreseeable future. The HDR classification will allow the property to be developed immediately, create a handful of jobs, but more importantly, will provide a housing product for employees that not only will help the City attract employers, but also will spur economic growth in this otherwise under-developed part of town.

- c. Substantially decreasing existing and future water supplies.

Applicant Response: The proposed HDR classification and resulting residential community will use significantly less water than the current Commercial classification and approved uses would.

- d. Replacing employment with residential uses.

Applicant Response: As previously mentioned, this site, although currently designated for commercial use, is not viable and will remain vacant. Developing an HDR land use will help bring people here and will likely spur economic and job growth in the area by activating an otherwise vacant property.

- e. Requiring additional and more expensive improvements to infrastructure systems and/or proximity to municipal facilities and/or services than are needed to support the prevailing land uses and which, therefore, may impact the level of service for existing and proposed developments in other areas.

Applicant Response: As an infill parcel, this site is already served by adequate infrastructure which means the City will bring in more revenue on systems already in place, increasing their efficiency. Furthermore, the proposed HDR land use will actually use LESS utilities than the Commercial approved land uses would producing lower stress levels on the City's infrastructure systems.

- f. Increasing traffic (without mitigation measures) on existing roadways beyond the planned level of service, and that negatively impact existing and planned land uses.

Applicant Response: Although Goldfield Road sees very little traffic today, it is an arterial street that is designed to accommodate significantly more traffic. The traffic study prepared for the proposed HDR land projects an acceptable LOS (Level of Service), meeting the City's guidelines. Furthermore, the proposed amendment actually reduces the traffic load on the area streets by over 70% from the projected traffic of the currently approved Commercial land uses.

- g. Affecting the existing character (i.e., visual, physical and functional) of the immediate area.

Applicant Response: The surrounding area is largely residential with a hybrid rental/ownership home community to our east and south (Dolce Vita) and an RV community to our west (Golden Vistas), both of which have the same HDR land use classification that is proposed for the subject property. As such, our low intensity rental home community is consistent with the character of the area and may even enhance the built aesthetics. The current Commercial designation would significantly change the character of the area as hospitals, office buildings, and hotels are large blocky structures that would look foreign to the area and block view corridors.

- h. Increasing the exposure of residents to aviation generated noise, safety and/or flight operations.

Applicant Response: This proposal does not have an aviation component, but also does not generate the noise, light, and potential safety issues that a commercial development might. The current Commercial classification included a hospital complex that likely would have a helicopter service which would expose residents to aviation noise, safety, and/or flight operations.

- i. Materially diminishing the environmental quality of the air, water, land, or cultural resources.

Applicant Response: The proposed HDR classification will result in a development that is much more sensitive to the environmental quality of the area than the current Commercial classification would allow for as we are building a neighborhood for families to live in which requires a longer-term vision in terms of the environment for our residents.

- j. Significantly altering recreational amenities such as open space, parks, and trails.

Applicant Response: The current Commercial classification and approved plans make no mention of recreational amenities whereas the proposed HDR land use heavily focuses on recreational amenities for the residents which is detailed in the concurrent PD Rezoning application package.

PUBLIC HEARING ON MARCH 26, 2024

On the meeting of the 26th, Staff made a presentation and introduced the preliminary recommended conditions of approval for the Planned Development Rezoning and Major General Plan Amendment. The applicant also made a presentation and answered questions asked by the Commission.

Eight (8) residents of Golden Vista Resort spoke during the meeting. Their primary concerns included:

1. The two-story height of the development
2. Water pressure concerns
3. Increased density
4. Property value concerns
5. Maintaining commercial land
6. Increased traffic

PLANNING DIVISION PRELIMINARY RECOMMENDATION

Staff is supportive of the proposed project due to the enhanced features such as the building elevations, community amenities and overall site design, however, it is Staff's recommendation that a portion of the property remain commercial for a future use.

Per the City Council and resident adopted General Plan, the subject site is currently designated commercial. As Staff reviews each proposed development within the City, we use the General Plan as a guide for our recommendations.

Throughout the review of this project, and with the guidance of the General Plan, Staff noted a few primary factors that make this property a candidate for commercial use.

1. US-60 Freeway Frontage:

Commercial businesses look for highly visible and easily reachable locations to attract and serve potential customers. The northern six (6) parcels (+/- 6 acres) are located directly south of the US-60. Not only are these properties visible from the freeway, but they have full access to the freeway allowing easy access to the site.

2. Recent Rezoning Trends and Concerns:

Staff is cognizant of both the Planning and Zoning Commission's and City Council's hesitation to rezone commercial property to residential. While providing a diverse housing stock is important to diversify the City's population, the City relies heavily on sales tax since the City does not have a property tax.

This is especially important to point out now that the City will no longer be able to collect rental tax as of 2025. This means that the City will only be able to collect a one-time development fee during construction from a residential rental product. While the City will benefit from the additional residents living within the City, there is no guarantee that these residents will spend money within Apache Junction.

3. North-South Corridor:

The proposed North-South Corridor is expected to connect to the US-60 just east of the proposed Silveray development. This connection will travel south and connect to the SR-24 and continuing to Arizona Farms South. This new roadway will connect this area of Apache Junction with communities further south and provide additional traffic to the area, which is needed for successful commercial development.

4. Location of Future Commercial:

During an internal study of commercially zoned properties back in 2021, Staff discovered that, while we have a similar amount of commercial land in comparison to nearby municipalities, much of our commercial land is not located within an ideal location for development.

There are three commonly referred to types of commercial developments:

1. Neighborhood, which is typically spread throughout the community and provides services to the local population in the form of retail, office and other similar services.
2. Community, which is typically located near major intersections and typically accommodates a larger size development. An example of this type of development would be the Fry's Marketplace at the northeast corner of Idaho Road and Old West Highway.
3. Regional commercial developments tend to be located near freeways or major arterials to have access to high traffic counts and visibility and are the largest commercial developments. An example of this type of development would be the Tempe Marketplace located near the southwest corner of the Loop 202 and Loop 101 in Tempe, AZ.

Many of our existing commercial properties are considered neighborhood commercial and our availability of land to accommodate community commercial developments is becoming increasingly limited. Many of our existing, undeveloped commercial properties are not located at highly trafficked intersections and are not an adequate size to accommodate a community, or regional, development.

Throughout the review process, Staff expressed the need to keep at least a portion of this area as commercial based on the location of the property along the US-60. Staff is recommending that at least 5 acres of land be reserved for a commercial use,

but we have not designated a specific area to allow flexibility in the site design. A 5-acre property could reasonably accommodate a community commercial development.

Respectfully, Staff recommends to the Commission that they include the following conditions of approval as part of a favorable recommendation to the City Council. As always, Commissioners may recommend changes or additional conditions which they feel will improve the development plan.

**RECOMMENDED MOTION FOR P-23-64-GPA
(Major General Plan Amendment)**

I move that the Planning and Zoning Commission recommend to the Apache Junction City Council the (APPROVAL/DENIAL) of General Plan Amendment Case P-23-64-GPA, a request by Jason Barney and John Hartman with Recker/Guadalupe Properties LLC (developer), represented by Greg Davis of Iplan Consulting Corporation (applicant), to redesignate 18 acres, located near the Southwest corner of US-60 and Goldfield Road, from "commercial" to "high density residential."

**RECOMMENDED MOTION FOR P-23-63-PZ
(Planned Development Rezoning)**

I move that the Planning and Zoning Commission recommend to the Apache Junction City Council the (APPROVAL/DENIAL) of Planned Development Rezoning case P-23-63-PZ, a request by Jason Barney and John Hartman with Recker/Guadalupe Properties LLC (developer), represented by Greg Davis of Iplan Consulting Corporation (applicant), for an approximate 270 for-rent single-family residential community to be named Silveray, generally located near the Southwest corner of US-60 and Goldfield Road, from General Commercial by Planned Development("B-1/PD") and B-1/PD to High Density Multiple-Family Residential by Planned Development("RM-2/PD"), subject to the following conditions of approval:

STANDARD CONDITIONS

- 1) All the provisions of the Zoning Ordinance are applicable to this case.
- 2) The development shall reflect substantial compliance and consistency with the Planned Development presented with case P-23-63-PZ, P-23-64-GPA and P-23-65-DR incorporated by reference herein, and as otherwise specified through these

conditions of approval, to include site layout, elevations, setbacks, public and private rights-of-ways, easements and tracts, amenities (including proposed pool and clubhouse), perimeter and interior lot separation walls, model types, landscaping and other improvements.

- 3) Landscape, screening and irrigation improvements, planted within a minimum 10-foot-deep strip inside the net property line (but outside of required walls) along the perimeters of the property, shall be provided in compliance with the city's landscape and screening requirements contained in Apache Junction City Code, Volume II, Land Development Code, Chapter 1, Zoning Ordinance, Article 1-8, Landscape Regulations. All required trees shall be 24" box and all required shrubs shall be 5-gallon in size and a decorative 6-foot-tall wall shall be constructed on all roadway frontages.
- 4) Street improvements include but not necessarily limited to, extension of pavement and the provision of sidewalk, curb, gutter, streetlights, underground utilities, fire hydrants, landscaping shall be required as part of this planned development project, and subject to review and approval by the City Engineer.
- 5) All applicable permits shall be applied for and plans shall be designed to current city codes prior to any lot grading or construction on the lots. Inclusively, all applicable development fees, including public art fees, shall be paid at the time of permit issuance. Development fees shall be paid on a per unit basis.
- 6) All common areas, amenity areas, and tracts within and immediately adjacent to the proposed development, including perimeter walls and fences, and interior and exterior common area landscaping, shall be owned and maintained in good condition at all times by the owners or homeowners association of the proposed subdivision.
- 7) The developer's engineer shall meet the civil engineering improvement plans and document requirements, as outlined in the previously provided pre-application and review comments and in accordance of the City's approved engineering standards that are in effect at the time of plan submittal.
- 8) Minor PD modifications or alterations of the approved architecture designs, floor plans, open space, unit mix, unit count, clubhouse location or development plan, shall be administratively reviewed and approved by the Development Services Director or designee.

- 9) Major deviations or proposed changes from the original plans associated with this case will require a Major PD Amendment. The Director or designee shall interpret the proposed modification to be significant/major if, in the Development Services Director or designee's opinion, the modified project density (i.e., units per acre) is proposed to be increased by more than 10%, the quality of project design is diminished, the types of proposed land uses are significantly altered and/or the overall character of the project is contrary to the intent and spirit of the original City Council PD ordinance approval.

PROJECT SPECIFIC CONDITIONS

- 1) The applicant shall reserve, at minimum, 5 acres of contiguous land for General Commercial ("B-1") development.
- 2) The permitted uses in the B-1 zoning district shall be those which are permitted by Zoning Ordinance, Article 1-5, Section 1-5-3: Non-Residential Use Regulations, except that the following uses shall not be permitted herein:

Motor vehicle dealer (new or used vehicles; and similar uses);
Thrift store/used merchandise sales;
Medical marijuana facilities and dual licensees;
Swap meets;
Tattoo and/or piercing services;
Death care services/funeral homes;
Commercial parking lots and garages;
Check cashing stores;
Psychiatric and substance abuse facilities;
Nursing and residential care facilities;
Homeless shelter;
Community food and relief services;
Commercial equestrian boarding, rentals, arenas and academies;
Cemeteries/mausoleum;
Scenic and sightseeing terminal/parking;
Assisted living facility;
Group care home;
Multi-family residential (including apartments, condominiums or townhouses);
Similar uses designated by the Development Services Director not conducive to the City's and community's goals and objectives for successful community commercial development.

- 3) The proposed project must submit a Site Plan and Design Review Application for the revised residential and proposed commercial site for review and approval by Planning Department Staff.
- 4) The maximum height for the site shall be limited to 30-feet.

- 5) A reduced rear setback of 8' shall be permitted on the parcels north of Resort Boulevard.
- 6) The proposed development will not be age-restricted.
- 7) Resort Boulevard will remain a private road and will not be dedicated as public right-of-way.
- 8) The City will transfer ownership, maintenance, and payment of all existing streetlights along Resort Boulevard to the adjacent property owners/commercial homeowner's association.
- 9) The four curb returns along the intersection of Goldfield Road and Resort Boulevard and Chevron Gas Station shall be updated to current ADA standards.
- 10) Concrete sidewalk shall be added from the north existing access drive heading north to tie into the existing sidewalk located within the Arizona Department of Transportation ("ADOT") right-of-way as outlined by the City Engineer.
- 11) Any other future improvements to existing public facilities in Goldfield Road will be per city standards and as requested by the City Engineer.

Kelsey Schattnik

Prepared by Kelsey Schattnik
Senior Planner

Attachments:

Exhibit 1 - Project Narrative
Exhibit 2 - Site Plan
Exhibit 3 - Elevations and Floor Plans
Exhibit 4 - Landscape Plan
Exhibit 5 - Wall Plans
Exhibit 6 - Final Participation Report
Exhibit 7 - GPA External Agency Responses
Exhibit 8 - Resident Emails to Staff
Exhibit 9 - Updated Protest Petition (3.20.24)
Exhibit 10 - Vicinity Map
Exhibit 11 - Traffic Impact Analysis
Exhibit 12 - Markey Study (applicant)