



City of Apache Junction
Development Services Department



**PLANNING AND ZONING COMMISSION
PUBLIC HEARING STAFF REPORT**

DATE: June 23, 2026

TO: Planning and Zoning Commission

THROUGH: Rudy Esquivias, Development Services
Director
Sidney Urias, Development Services Deputy
Director

FROM: Nicholas Leftwich, Principal Planner

CASE NUMBER: P-26-4-PZ "Banyan Apartments"

OWNER: Prestige Partners, LLC, C/O: Zach Pebler
3100 W. Ray Road #100
Chandler, AZ 85226

APPLICANT: Banyan Residential, LLC
Represented by Nick Woods and Noel
Griemsmann of Snell & Wilmer LLP

REQUEST: Proposed planned development rezoning of approximately 6.7 net acres currently zoned High Density Multiple-Family Residential ("RM-2") to High Density Multiple-Family Residential by Planned Development ("RM-2/PD") with a new planned development overlay to authorize an amendment to the development plans approved in Ordinance No. 1526 for the development of a 146 unit, two and three-story apartment complex.

LOCATION: The subject site is located near the southeast corner of N. Rennick Drive & W. Virginia Street. (APN 101-13-108D)

GENERAL PLAN**DESIGNATION:** Downtown Mixed Use**ZONING DESIGNATION:** High Density Multiple-Family Residential ("RM-2")

SURROUNDING USES: North: RM-2 ("High Density Multiple-Family Residential") & RS-20M (Medium Density Single-Family Detached Residential) residential properties;

South: B-2 "Old West Commercial" Arnold's Auto Center commercial property;

East: RVP ("Recreational Vehicle Park") Lost Dutchman RV Resort & MHP ("Manufactured Home Park") Apache Junction Mobile Home Park;

West: RS-20M Single-Family Residences.

PROPOSALS

P-26-4-PZ is a proposal by Banyan Residential, LLC to rezone approximately 6.7 net acres, currently zoned High Density Multiple-Family Residential ("RM-2"), with a new planned development ("PD") to amend to the development plans approved in Rezoning Case P-22-29-PZ through Ordinance No. 1526 with modified site plans and architecture in order to facilitate the development of a 146 unit, two and three-story apartment complex. While the High Density Multiple-Family Residential "RM-2" base zoning district would remain the same, the zoning designation would become High Density Multiple-Family Residential by Planned Development ("RM-2/PD").

The applicant requests a planned development to allow a parking requirement reduction from 317 parking spaces (the minimum parking requirement for 146 units of the proposed distribution) to 290 parking spaces, a reduction of 27 spaces, or an 8.5% deviation.

BACKGROUND

Pinal County Assessor Parcel Number 101-13-108D is a vacant, undeveloped parcel, approximately 6.7 net acres (6.9 gross acres) that is located at the southeast corner of N. Rennick Drive & W. Virginia Street. The property was previously rezoned in September 2022 to High Density Multiple-Family Residential "RM-2" from General Rural Low Density Single-Family Detached

Residential "RS-GR" through Rezoning Case P-22-29-PZ and the Ordinance No. 1526. This rezoning occurred as part of a development proposal for a two-story, 124-unit multi-family residential apartment complex, at a density of approximately 18 dwelling units an acre.

The Rezoning Case P-22-29-PZ was approved with conditions that required the development of the property to be in accordance with the plans included with the case and presented to the Planning and Zoning Commission and City Council, with many of the specifics of the site plan having been adjusted to respond to neighborhood concerns expressed in the neighborhood and public hearings.

Following the approval of the rezoning, the previous applicant-developer cancelled their purchase of this property, leaving it in a status with approved rezoning plans, but no builder. However, Rezoning Ordinance No. 1526 included a requirement (condition of approval #10) that the property would begin the building permit process within two (2) years of the approval of the rezoning effective date, and so, in order to maintain the zoning entitlement of the property, the existing property owner initiated the building permit process in 2023.

The project had been progressing through the building permit planning and review process, while also being marketed to new buyers, until eventually halting the planning efforts when a new developer with a different idea for plans looked to acquire the property.

At this time, Banyan Residential, LLC seeks to develop the property with modifications to the site plans and architecture of the project and has applied for Rezoning Case P-26-4-PZ to receive City Council approval of the amended plan set and for approval of their request for the noted parking reduction.

The applicant notes that this project will be subject to the Section 42 Low-Income Housing Tax Credit (LIHTC) program, which allows developers to offer affordable housing to residents earning up to 60% of the area's median income (AMI). Rental rates are set annually by the U.S. Department of Housing and Urban Development (HUD).

June 21, 2026 Update:

Following the scheduling of Case P-26-4-PZ for the April 28, 2026 Planning and Zoning Commission Hearing, the applicant requested continuances of the public hearing in order to address the concerns expressed in the April 28, 2026 staff report.

On June 11, the applicant submitted revised and updated site plans, landscape plans, and building architecture plans that have reduced the parking space deficit from an approximately 20% deviation to an 8.5% deviation from the zoning ordinance's minimum parking requirement. The applicant has also provided a revised traffic statement and parking study to support their request.

These revised plans have rearranged some elements of the site to provide more space for parking, most significantly by shrinking the footprint of the smaller, east buildings (Building Types B and C in the architecture plans), but retaining the overall unit count by making these building types three-story buildings.

PLANNED DEVELOPMENT REQUEST

The applicant requests the use of a planned development (PD) overlay to modify the minimum parking requirement from 317 parking spaces to 290 parking spaces, a reduction of 27 spaces, or a 8.5% deviation. The minimum parking requirement has increased by three (3) spaces since the prior staff report to account for the change in the ratio of one-bedroom units to two-or-more-bedroom units.

The Apache Junction Zoning Ordinance § 1-7-3 Parking Standards: require the following:

- Each one-bedroom apartment shall provide 1.5 parking spaces per dwelling unit. 38 of the 146 units are one-bedroom units, resulting in a resident parking requirement of 57 parking spaces for these units.
- Each two or more-bedroom apartment shall provide two (2) parking spaces per dwelling unit. The remaining 108 units are of this classification, resulting in a resident parking requirement of 216 parking spaces for these units.
- There is also an additional requirement for .3 parking spaces per unit for guest parking, calculated from the total 146 units, resulting in 44 guest parking spaces.

The total parking requirement is a minimum of 317 parking spaces.

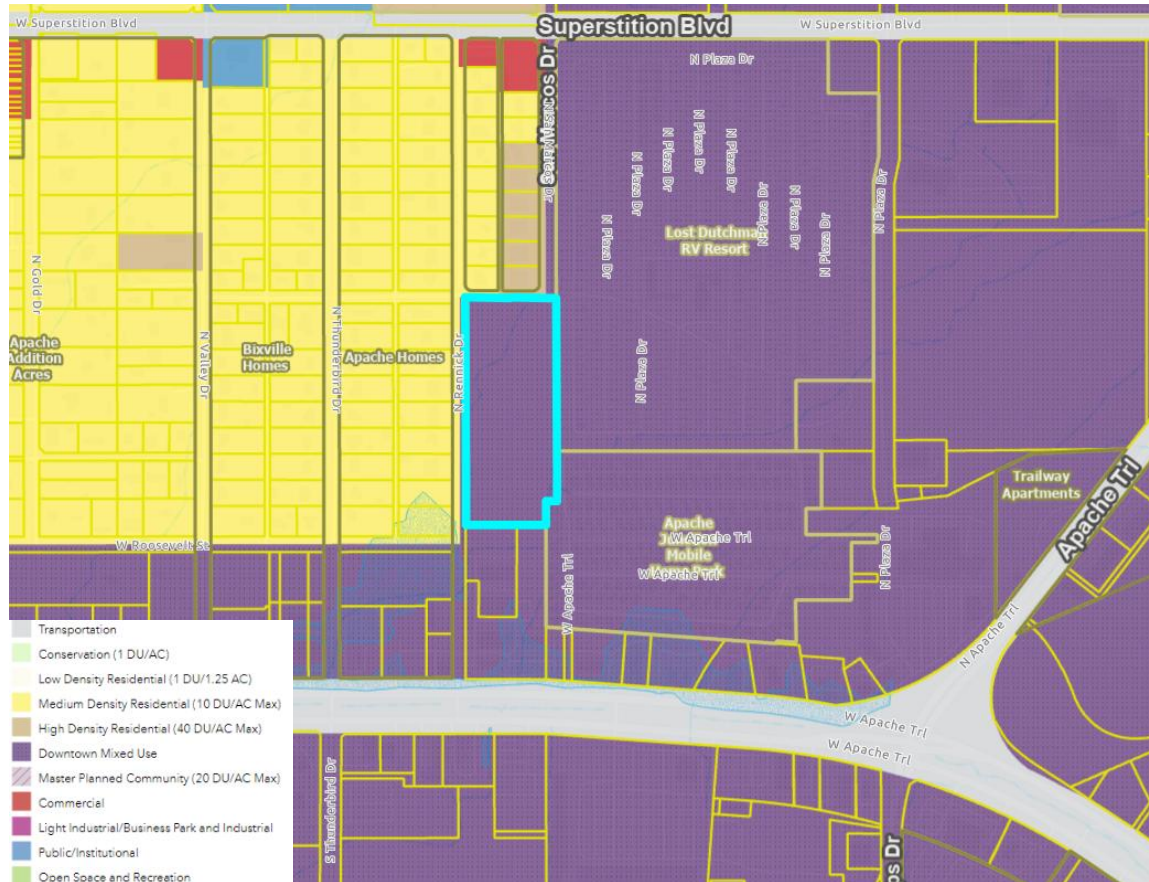
The applicant provides their rationale for this deviation in their project narrative (Exhibit #1), in the included Planned Development Findings of Fact, and with their Parking Study (Exhibit #8). The revisions provided in the June 11, 2026 submittal have shrunk the deficit from approximately 20% to 8.5%, however planning staff still hold the previously noted concerns that a shortage of parking spaces does not appear appropriate at this site.

PLANNING STAFF ANALYSIS

Relationship to General Plan:

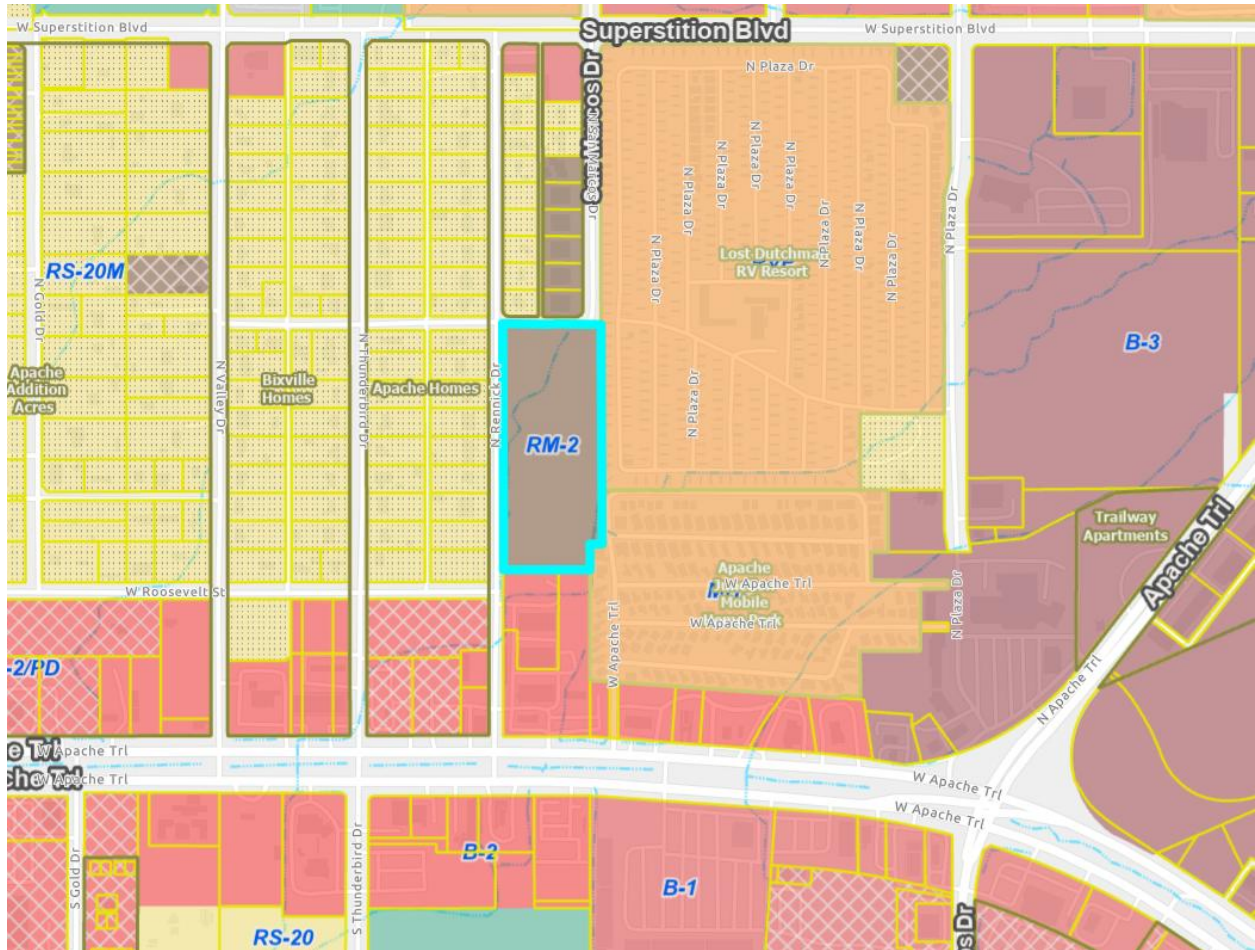
The subject site is designated by the city’s General Plan as part of the “Downtown Redevelopment Area”, and is categorized for “Downtown Mixed Use,” which supports residential densities between 10 dwelling units per acre to 40 dwelling units per acre.

The proposed density of 21.8 units per net acre complies with this General Plan designation and does not require a General Plan Amendment.



Zoning/Site Context:

The subject site is located between several different zoning districts and is uniquely situated as a large undeveloped parcel bordering both commercial and residential properties. To the south of the property is the B-2 "Old West Commercial" zone that acts as a commercial corridor along Apache Trail. To the east of the subject site is a Manufactured Home Park with a density of 10.9 units per acre and an RV Park with a density of 17.9 units per acre. To the west of the subject site is an RS-20M residential neighborhood with a density of 2.18 units per acre. To the north of the subject site are both RS-20M residential properties, and RM-2 multi-family residential properties, which currently have the maximum allowable density of 22 units per acre, but which are currently developed with four-plex residences.



The proposed rezoning is not changing the underlying base zone, but the new proposed development plan increases the density from approximately 18.5 units per net acre to 21.7 units per net acre, still within the maximum density of 22 dwelling units per net acre that the High-Density Multiple Family Residential "RM-2" zoning district allows.

June 21, 2026 Update:

The June 11, 2026 submittal does not change the density or unit count, but it does increase the maximum height of the buildings in east half of the property to 40' 3.635", with the addition of a third story. While the maximum height of the RM-2 Zoning District is 40', the zoning ordinance permits an exemption of up to 4' above the maximum permitted building height for mechanical screens/parapets in §1-6-2 Height Exceptions.

While this height change is complaint with the zoning ordinance regulations, staff have noted concerns regarding the heights of 3-story buildings in the area and find their character incongruent with the adjacent RV and MH parks to the east and single-family residential lots to the west.

Infrastructure & Site Improvements:

The applicant will be required to connect to all necessary services, including electricity through SRP, water through the Arizona Water Company, and sewer connections.

The currently existing twenty-five foot (25') utility easement located on the north side of APN 101-13-108D shall be dedicated as part of W. Virginia Street, as previously required in Ordinance No. 1526 (Condition #7) and both the adjacent half-street sections along W. Virginia Street and N. Rennick Drive will be improved according to the Public Works Street Standards, namely with curb, gutter, and sidewalks.

All other necessary and required on-site and off-site improvements, including retention basins, dust-proof surfacing, walls, and landscape buffers will be built at the time of development.

Public Input:

The applicant sent out neighborhood meeting notification letters to the property owners within a three-hundred (300') radius, per the standard requirements of a rezoning, notifying neighbors of the proposed development and providing them contact information to learn more about the project. The advertised neighborhood

meeting was held at the Apache Junction Multi-Generational Center, 1035 N. Idaho Road, on Wednesday, January 7, 2026, at 6:00 PM. Six members of the public attended and asked questions regarding the site planning and concern with current issues of trespassing on the vacant property.

Staff have received two e-mails from one of the neighbors to the property noting concerns with the site configuration, and additionally a letter from the Apache Junction Area Chamber of Commerce Board of Directors declining to support the project, which have all been attached as part of the Public Participation Report (Ex.6).

FINDINGS OF FACT FOR PLANNED DEVELOPMENT REZONING

As noted previously, the planned development deviation requested is for the approval of a parking reduction that we measure to be 27 spaces, being the shortfall of the 317 minimum parking spaces required (per the calculations provided above) and the 290 resident parking spaces provided on their site plan. 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 are 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:

Yes, strict provisions would require Banyan to dedicate 23,000 square feet. of Site area to parking field, asphalt and necessary providing increased retention, which would go largely unused and create unnecessary heat island and stormwater runoff impacts. By allowing a zoning deviation/ parking reduction, the project can implement a more intentional site design and support the City in achieving its inclusionary housing and environmental stewardship goals.

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 requested parking reduction will not negatively affect the health, safety, or welfare of the residents. In fact, the zoning deviation will allow Banyan to develop the Site in a way that

better meets the needs of its tenants, by providing more open space and reducing heat impacts from large parking lots.

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

Applicant Response:

The proposed parking reduction will not negatively affect the valuation of the adjacent properties. In fact, the influx of families will likely increase the commercial demand in the area, thus increasing overall property values by increased economic activity from residents.

Additionally, Banyan's Proposed Site Plan is designed to provide a minimum of one covered parking space per unit as a corresponding offset to the requested parking reduction. In summary, the reduction in parking will "right-size" the parking areas to meet real world requirements of workforce families (lower car ownership per household), allowing for the Project to be economically viable (reducing construction and maintenance costs) and will not negatively impact surrounding properties.

PLANNING DIVISION RECOMMENDATION

In review of the project proposal, the site context and the proposed parking deviation, Staff is not supportive of the proposed Rezoning by Planned Development Case P-26-4-PZ respectfully recommends to the Commission a recommendation to deny the zoning amendment and request for a zoning deviation to the City Council. While the applicant has reduced the deficit of the parking spaces to address our previously noted concerns, we find the concerns are not wholly resolved and the increase in building height undergone in order to shrink the building footprints to provide the increase in spaces raises its own concerns with neighborhood sensitivity and impact on the neighboring area.

If the Planning and Zoning Commission chooses to recommend the approval of the case, Commissioners may recommend changes or conditions of approval to the plans which they feel will improve the development plan.

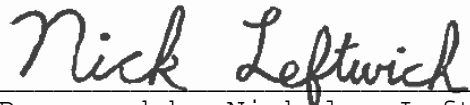
RECOMMENDED MOTION FOR PLANNED DEVELOPMENT REZONING

I move that the Planning and Zoning Commission recommend to the Apache Junction City Council the denial of the proposed Rezoning

Case P-26-4-PZ

June 23, 2026 Planning and Zoning Commission Staff Report

by Planned Development Case P-26-4-PZ, a request by Banyan Residential, LLC represented by Nick Woods and Noel Griemsmann of Snell & Wilmer LLP to rezone Parcel 101-13-108D, currently zoned High Density Multiple-Family Residential ("RM-2"), to High Density Multiple-Family Residential by Planned Development ("RM-2/PD") to amend to approved plans of Ordinance No. 1526 and to permit a parking reduction.



Prepared by Nicholas Leftwich
Principal Planner

Attachments:

- Exhibit #1 - Project Narrative (Includes Ordinance No. 1526 and plans approved in Zoning Case P-22-29-PZ for reference)
- Exhibit #2 - Proposed Site Plan 6/11/26
- Exhibit #3 - Aerial Map
- Exhibit #4 - Proposed Landscape Plan 6/11/26
- Exhibit #5 - Proposed Elevations & Floor Plans 6/11/26
- Exhibit #6 - Updated Public Participation Plan & Report
- Exhibit #7 - Traffic Statement 6/11/26
- Exhibit #8 - Parking Demand Study 6/11/26
- Exhibit #9 - Site Renderings 6/11/26