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Re: Allowed Uses in the B-3 Zoning District

Dear Larry and Nick:

Thank you for taking time to meet with the Bela Flor team on Monday morning. It meant a lot to the team that you made time for us on short notice.

First, we applaud you and the City Planning Staff for the passion and drive to establish a meaningful downtown that will be an attractive and desirable place to gather. Please know that Bela Flor shares this same vision and that we are united in the end goal.

As expressed during our meeting, we wish to share a few more precise thoughts in response to the current list of proposed uses that Nick sent to us on Monday, August 9th. To help with tracking, we will follow the same order in which these items appear in the August 9th document. Our comments arise from our recent and extensive market analysis of what types of uses would be possible / viable at this location. We further note that over time, we anticipate that uses can evolve and grow within the B-3 zone, as successful building blocks, one by one. Thus, it is critical that we establish successful uses now. As the cliché goes, success breeds success.

Before getting into these specifics, let us state that we agree with the vast majority of all the designations that you have in the B-3 zone. You have invested significant work in this effort and believe that these designations will help provide the right direction for the development of the Apache Junction downtown.

Let's step back and look at the big picture for a moment. Retail businesses are undergoing significant transformation. Covid-19 accelerated changes that may have otherwise taken decades. These changes will continue. None of us can predict perfectly how retail will evolve. Five years

ago, who could have predicted that Amazon would expand into brick & mortar stores, or that Tesla or Lucid would set up new car dealerships in showrooms in more traditional shopping malls like Scottsdale Fashion Square and Fashion Island in Newport Beach! Certainly, we could not have foreseen these developments. Because of this, we believe that the CUP approach is a valid one for several additional uses, where we simply cannot predict the future. This will allow Apache Junction to evaluate the business, specific use, and design as proposed, and make a decision at the relevant time.

With that as background, the following represent our suggested modifications:

- Motor Vehicle Dealers. We suggest that the City allow new motor vehicle dealers in a showroom environment with a maximum sq. footage of 7,000 sq. ft. Doing so would allow new auto dealers the opportunity to showcase their products without the traditional space necessary. As we shared on Monday, Fashion Island in Newport Beach actually has four (4) of these types of uses, Lexus, Lincoln, Lucid and Tesla all within that project. We also just learned that Scottsdale Fashion Square has a new Lucid showroom within that project. These uses are becoming more common in retail environments, though unheard of just a few years ago.
- General Auto Repair. We suggest allowing general auto repair, subject to a CUP, which will allow staff and the decision-making body, the opportunity to ensure that the design, architecture, and location are appropriate and in keeping with the vision of the plan. Obviously, bay doors should be in the back and cars should not be left over night. These uses bring significant retail customers who can patron other sites while their vehicle is being repaired. If built with good design, this can be a positive use.
- Car Washes. For similar reasons, we suggest allowing car washes subject to a CUP. The newer, modern tunnel car washes are attractive, in high demand and bring a large number of people to the area. The location should be near the higher traffic road frontage for obvious reasons.
- Automotive Parts. We can easily envision an AutoZone or O'Reilly's within the B-3 area but would suggest that this use be allowed subject to a CUP for the same reasons stated above. There should not be work done by the company or patrons onsite.
- Appliance Sales & Parts. For similar reasons noted above, we suggest that a CUP be used for this use. We envision small scale appliance stores or computer stores that would fit well into the overall vision for this area. Look at Godar Electronics in the Heritage District of Gilbert, which can be verified by following this link to the Heritage District map: <https://discovergilbert.com/wp-content/uploads/2018/04/HeritageDistrictMap.gif>
- Building Materials. As existing today, there is a hardware store on Apache Trail, which we think is an acceptable use to support the residential uses that are planned for the area. We suggest that a CUP process would be a good approach to allow this type of use. Within the Gilbert Heritage District, is Arizona Hardwood Flooring Supply, which would be a great use in Apache Junction. See Gilbert Heritage District Map, link above.

- Nurseries & Greenhouses. The use of a CUP is appropriate for nurseries and greenhouses. Within the Gilbert Heritage District there is C&J's Antiques and Garden. See Gilbert Heritage District Map, link above.
- Antique Stores. The Gilbert Heritage District also has several antique stores. Accordingly, for similar reasons noted above, we think a CUP is a good method to ensure the location, size, and design of this type of use. See Gilbert Heritage District Map, link above.
- Printing Shops. In our minds, we are thinking of smaller stores like Kinkos or other similar stores that could be allowed with a CUP, limited to under 7,000 sq. ft.
- Personal and Household Goods Repair. We can easily see smaller stores allowed with a CUP, that would cater to the repair of cell phones (such as an Apple Store or Verizon store), which would draw significant traffic to the area for residents both far and near.
- Physician Offices. We note that footnote 6 says that these uses are allowed when not stand alone. Our suggestion is to slightly modify this to say that they are allowed, but a CUP is required when they are stand alone. This will provide appropriate flexibility and control over these uses for many of the reasons noted above.
- Distribution Centers. We suggest that a small-scale distribution centers should be an acceptable use with the issuance of a CUP, subject to a maximum size of 7,000 sq. ft. Examples of these uses are like the store West Elm where one cannot buy most of what's in their stores unless it is ordered online. Perhaps this use fits under a more traditional retail use, but wanted to share this thought with you.

We thank you for the opportunity to share some thoughts on these items. We also hope the foregoing are useful in your deliberations. Finally, we want to share that we are okay with a delay in City Council adoption of this matter. Like you, our preference is to get it right rather than to simply get something done.

If myself, or anyone on the Bela Flor team can be of assistance or if we can answer any questions, please contact me at any time using the method of your preference.

Sincerely,



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PEW & LAKE, PLC

cc: Karl Huish
Hudd Hassell
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