

AGENDA ITEM #: _____

DATE: September 16, 2020

CAR #: 2020-6986



**PLANNING AND ZONING COMMISSION
ACTION REPORT**

SUBJECT: Rezoning from PAD (Planned Area Development) and AG (Agricultural) to PAD (Planned Area Development) for the Innovation Centre

STAFF PRESENTER(S): Steve Careccia, Principal Planner

OTHER PRESENTER(S): Wendy Riddell, Berry Riddell LLC

Summary: Rezoning of property from the PAD (Planned Area Development) and AG (Agricultural) zoning districts to the PAD (Planned Area Development) zoning district to facilitate the development of light industrial and commercial uses for a project to be called the Innovation Centre. The subject property is located south of Interstate 10, between the Loop 303 and Citrus Road.

Recommendation:

1. Conduct a public hearing to consider a rezoning from Planned Area Development (PAD) and AG (Agricultural) to Planned Area Development (PAD).
 - a. Open the Public Hearing
 - b. Staff Presentation
 - c. Applicant Presentation (10 minutes)
 - d. Receive Public Comment (3 minutes)
 - e. Close the Public Hearing
2. Alternative Actions
 - a. Recommend denial of the request to rezone property from the PAD (Planned Area Development) and AG (Agricultural) zoning districts to the PAD (Planned Area Development) zoning district; or,
 - b. Recommend approval of the request to rezone property from the PAD (Planned Area Development) and AG (Agricultural) zoning districts to the PAD (Planned Area Development) zoning district, as set forth in the draft of Ordinance No. 2020-1472, attached hereto; or,
 - c. Continue the request to rezone property from the PAD (Planned Area Development) and AG (Agricultural) zoning districts to the PAD (Planned Area Development) zoning district to a future Planning and Zoning Commission public hearing.

Fiscal Impact: Although a fiscal impact analysis has not been conducted on this specific project, all new development will have an ongoing fiscal impact on the city. The development is responsible for construction of infrastructure necessary to serve the site and will generate one-time revenue for the city through payment of permits, construction sales tax and development impact fees. Longer term fiscal impacts include increased demands for municipal services, the costs of which may or may not be offset by increased property values/tax levies, city sales tax, state shared revenues and the increased demand for commercial and retail development.

Background and Previous Actions

The subject property consists of approximately 224 acres generally located south of Interstate 10 between the Loop 303 and Citrus Road.

The General Plan Land Use Plan designates the subject property as ‘Business and Commerce’. The ‘Business and Commerce’ land use category provides for the growth and development of shopping, office and entertainment areas along with high-density residential and public and community facilities. Light industrial uses may also be appropriate in this land use category under certain conditions.

In accordance with the General Plan, Chapter 5 – Physical Growth and Development, the subject property is located within a designated growth area identified as the Interstate 10 Corridor. This growth area is intended to promote the development of office, entertainment, and hospitality uses that can maximize and leverage the access and visibility inherent in a transit corridor.

The subject property is zoned PAD and AG (Agricultural). The portion of the property zoned PAD is part of the Cotton Lane RV/Mobile Home & Golf Resort PAD, which was initially approved on May 28, 1996, with the adoption of Ordinance No. 96-551. The PAD provides for the development of 1,500 residential sites along with complementary commercial uses. Portions of the PAD north of Van Buren Street have been developed with residential and commercial uses in accordance with the PAD development plan. Other portions of the subject property had been developed as a trotter park, but those facilities have since been demolished. No residential development has occurred on the subject property.

Staff Analysis

Current Policy:

A request to amend the boundaries of a zoning district requires review by the Planning and Zoning Commission and final decision by the City Council through the public hearing process. To be approved, the rezoning amendment must be found in conformance with the General Plan and to not adversely impact the surrounding area as outlined in the Zoning Ordinance. If the rezoning amendment is denied by the City Council, then the Planning and Zoning Commission may not consider an application for the same rezoning amendment within one year from the date of the original hearing.

Details of the Request:

The request is to rezone the approximate 224-acre subject property from PAD and AG to PAD. The rezoning will create a new PAD to be known as the 'Innovation Centre'. The PAD will permit the development of commercial and light industrial uses upon the subject property.

The PAD proposes to establish three land use districts, with each district having established uses and development standards. The three districts include:

1. District A – Commerce Park District

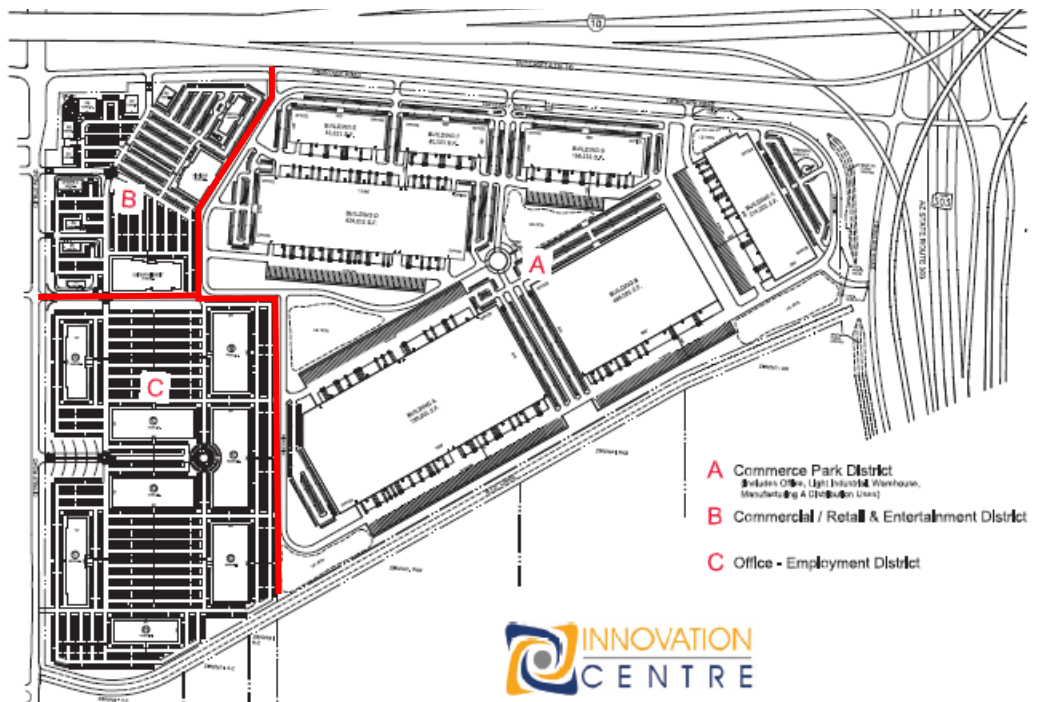
This district encompasses approximately 139 of the 224 acres (62% of total acreage) comprising the rezoning area, and is the predominant district proposed in the PAD. It is intended for the development of light industrial uses, including warehousing and large distribution facilities with dock doors and trailer storage. Uses and development standards will be based on the city's I-1 (Light Industrial) zoning district, as modified by the PAD. Building heights within this district are intended from 40 feet up to a maximum of 150 feet.

2. District B – Commercial/Retail and Entertainment District

This district encompasses approximately 26 acres (12% of total acreage) located in the northwest portion of the property. It is intended for the development of commercial uses, including retail, service and entertainment uses. Uses and development standards will be based on the city's C-2 (General Commercial) zoning district, as modified by the PAD. Building in this district will observe a maximum height of 56 feet.

3. District C – Office/Employment District

This district encompasses approximately 59 acres (26% of total acreage) located in the southwest portion of the property. It is intended for the development of office and employment uses, but would also permit entertainment, restaurant and other services. Uses and development standards will be based on the C-2 (General Commercial) zoning district, as modified by the PAD. Building in this district will observe a maximum height of 56 feet.



With the rezoning request, the PAD is proposing deviations from city standards. The following is a list of the requested deviations:

1. Building Height – The maximum building height in the city’s I-1 (Light Industrial) zoning district is 50 feet while the PAD is proposing a maximum building height up to 150 feet within District A (Commerce Park).
2. Landscape Setback from Freeway – The city’s design guidelines require a 30-foot wide landscape buffer adjacent to freeway rights-of-way while the PAD is proposing a 20-foot wide buffer.

A set of design guidelines have been included within the PAD, and provide general direction on the development of the property. Given that the ultimate end users of the property have yet to be determined, specific design details have not been provided at this time.

Evaluation Criteria:

Per the city of Goodyear Zoning Ordinance, the city’s review and recommendation on a zoning amendment is to be guided by the following criteria:

1. Consistency with the General Plan

The Zoning Ordinance, Section 1-3-1-D requires “consistency with the goals, objectives, policies and future land use map of the city’s General Plan;” As previously stated herein, the subject property has a General Plan land use designation of ‘Business and Commerce’. Commercial uses are appropriate in this land use, and the General Plan states light

industrial uses may also be appropriate under certain conditions. As such, an amendment to the General Plan is not required to accommodate the rezoning request.

However, the rezoning request has been found to be inconsistent with several of the goals, objectives, and policies of the General Plan. These provisions of the General Plan that are applicable to this request are stated below along with an accompanying staff analysis:

Objective CC-5-1 Policies A & B

- A. Allow flexibility and creativity in the development process while still protecting existing residents and businesses from incompatible land uses and preserving and enhancing Goodyear's existing character;
- B. Provide for and encourage a wide variety of housing products to suit the needs of existing and future residents.

Staff Analysis: Development that furthers the goals of the city, as established by the General Plan, is encouraged. Such encouraged development includes new development that is compatible with and enhances the existing development in the area. This is especially applicable to any new proposal for non-residential development adjacent to an existing residential development. The proposed non-residential development needs to be developed with sensitivity to the surrounding residential area, and incorporate buffers and land use controls as needed to promote such sensitivity. The city also understands that a variety of housing options are needed for residents in order to create a vibrant, diverse community. This includes residential development of varying densities, housing types, and for-sale and rent. Further discussion on these and other General Plan Policies is provided herein.

Objective CC-5-1 Policy D

Development in transit corridors:

- Allow and encourage taller buildings to support higher densities and employment uses in appropriate existing locations,
- Provide places to park near transit stations,
- Include a mix of uses such as commercial, residential, recreation, and arts,
- Include destinations uses,
- Include pedestrian and bicycle access and connectivity, and
- Integrate bicycling and walking.

Staff Analysis: The property, as it fronts I-10, is located within a transit corridor. The General Plan states development in transit corridors may include taller buildings to support higher residential densities and employment uses in appropriate locations; include a mix of uses such as commercial, residential, recreation and arts; include destination uses; include pedestrian and bicycle access and connectivity; and integrate bicycling and walking. As currently proposed, staff finds the application does not provide sufficient information nor a development plan that demonstrates conformance with the General Plan's intent for mixed-use, transit-oriented development within a transit corridor. Instead, the application

predominately focuses on single-use industrial facilities dependent on heavy truck traffic and, as noted previously, such uses comprise 62% of the entire project. Increased building height for light industrial uses does not meet the intent of this objective.

General Plan Objective GD-2-1

Ensure that new development pays its fair share toward the cost of additional public serve needs generated by that new development.

Staff Analysis: Development of the subject property will need to occur in conformance with all applicable engineering, public works and public safety standards for infrastructure improvements and provision of city services. Such development will require the dedication of all necessary easements, substantial improvements to adjacent infrastructure and the extension of off-site utility lines to serve the property. And in accordance with the General Plan, all such costs will need to be borne by the property owner and/or developer, and not shifted to existing city residents. Stipulations of approval, as noted in the draft Ordinance No. 2020-1472, attached hereto, will require the property owner and/or developer to bear all applicable costs for additional public infrastructure and services needed to serve the development.

General Plan Objective GD-2-2

Focus new growth in the city's designated growth areas to effectively utilize resources, minimize operation and maintenance costs, and attract and efficiently provide new serves such as transit and entertainment opportunities.

Staff Analysis: The General Plan promotes the I-10 Corridor as a designated growth area intended for office, entertainment, and hospitality uses, as these uses can maximize the visibility and access provided by the interstate. The application's predominant focus on industrial uses is not in conformance with the intent of the General Plan for this portion of the I-10 Corridor.

General Plan Objective ED-1-2-b

Designate lands near important assets (Loop 303, I-10, fiber optic, Phoenix-Goodyear Airport) for employment uses.

Staff Analysis: The application does not demonstrate how the proposed light industrial uses (warehousing/distribution), as the predominant use proposed with this rezoning request, qualify as high employment uses nor why such a highly visible location is necessary for the proposed industrial uses. As such, the rezoning request cannot be considered as consistent with this provision of the General Plan.

General Plan Objective ED-1-3-a

Work in partnership with landowners, developers, prospective businesses, and other stakeholders to create a visually diverse and captivating architectural environment.

Staff Analysis: As noted above, the intent of the General Plan is to help create a “captivating architectural environment”. This is especially important for such a highly visible location as the subject property. The design guidelines provided with the PAD include several pictures of high-quality development. However, the language in the design guidelines is discretionary, and it would be difficult for staff to enforce such guidelines with future development. A PAD should provide for unique and innovative development, and the design guidelines should be one of the primary mechanisms to achieve such enhanced development. Further, the PAD design guidelines should provide additional design enhancements above and beyond what the city’s design guidelines would require, and should be more prescriptive in nature. Since the provided design guidelines do not achieve the enhanced level of design needed for this property, staff finds the rezoning request is inconsistent with this objective.

Development Standard 37

Light industrial uses such as warehousing or distribution centers are appropriate throughout the Business & Commerce category but should be buffered from residential uses.

Staff Analysis: As noted above, the General Plan states that light industrial uses may be appropriate in the Business & Commerce category, but should be buffered from residential uses. Within the city of Goodyear, there are several examples of developments that incorporated significant measures to promote compatibility between residential and non-residential uses, with such measures explained in greater detail later herein. However, the subject rezoning request does not provide adequate buffering or design standards to promote compatibility between these different land uses. Instead, the application is proposing incompatible development, such as buildings with significant bulk and height (up to 150 feet), dock doors, and truck parking and maneuvering areas, adjacent to an existing residential development while only proposing minimum buffers. As such, staff finds this rezoning will create an incompatible land use situation, and is therefore inconsistent with this Development Standard.

Development Standard 39

Businesses with high employment density are encouraged to locate adjacent to high capacity roadway corridors (freeways, parkways, arterials) and transit corridors (light rail and arterials with bus service) to leverage high visibility and vehicular/pedestrian access.

Staff Analysis: The General Plan generally considers distribution and warehousing facilities as uses with low employment populations. Accordingly, such uses are encouraged within the Luke Compatible Land Use Overlay and Loop 303 Corridor, so as to protect both Luke Air Force Base and to limit the number of people working and congregating in the area. On the other hand, the General Plan promotes the I-

10 Corridor as a designated growth area intended for uses that can maximize the visibility and access provided by the interstate. As such, the application's predominant focus on warehousing and distribution uses within the corridor is not in conformance with the intent of the General Plan for this portion of the I-10 Corridor.

2. *Suitability of the subject property's physical and natural features for the uses permitted under the proposed zoning district.*

The subject property was developed in the 1960s as a trotting park. However, the facility was shortly thereafter abandoned and then ultimately demolished in 2017. Other portions of the property include undeveloped land and a borrow pit. While the majority of the property appears suitable for the uses permitted under the proposed PAD zoning district, the borrow pit and adjacent surrounding area are currently unsuitable for development. As such, prior to any development activities occurring on the subject property, the remediation process for the borrow pit area must occur so as to provide for the safety and welfare of the general public and those working, visiting and residing in the area. It is anticipated that such remediation efforts would include:

- Approval of a Special Use Permit (SUP) for Land Reclamation within 18 months of zoning approval, as stipulated with such zoning approval. The SUP would address:
 - Cleanup of the borrow pit site (removal of dumped material, trash, etc.)
 - Placement of new perimeter fencing and screening mesh, as needed, for increased public safety
 - Ongoing maintenance of property, as needed
 - City Engineer approval of a Geotechnical Report
- Remediation activity milestones tied to building permits for all phases, as approved through the SUP.

3. *Compatibility of all potential uses allowed in the proposed zoning district with surrounding uses and zoning.*

Uses and development surrounding the subject property include:

- North – Interstate 10.
- South – Roosevelt Irrigation District canal and existing residential development within the Cotton Lane RV PAD. The property is designated as Neighborhoods in the General Plan.
- East – Loop 303.
- West – Citrus Road and existing/proposed residential development zoned PAD (Planned Area Development) and RU-43 (Maricopa County). The property is designated as Neighborhoods in the General Plan.

Properties to the south of the subject property are designated as Neighborhoods in the General Plan and zoned for residential use. As such, any proposal for light industrial development on the subject property must be accompanied by adequate buffers and development controls so as to not adversely impact this existing residential development, or any future residential development that should occur in this area. However, the PAD proposes only a 50-foot wide buffer and would permit 70-foot tall buildings within 175 feet of the south property line and 150-foot tall buildings within 250 feet of the south property line. While the RID canal does provide some separation between the two uses (± 80 feet), by itself, the canal is not considered an adequate buffer since there can be no vertical structures, such as walls, nor landscaping placed within the RID property. Other light industrial projects within the city, such as the Compass Data Centers and PV303, have made provision for and included substantial buffers and development controls to provide for increased compatibility with nearby residential development. For example, the Compass Data Center property is separated from the adjacent Centerra neighborhood by at least 400 feet of open space (300 feet for Bullard Wash along with an additional 100-foot landscape buffer). The PV303 industrial property, north of Charles Boulevard and the Palm Valley Phase V neighborhood, limits buildings to a maximum height of 40 feet within 300 feet of Charles Boulevard. Land uses are also limited to professional office and other less intensive type uses within this area. Without the provision of similar buffers and land use controls, as noted herein, the proposed rezoning and resultant potential uses cannot be considered compatible with the surrounding area.

Given the above, should the Commission decide to forward a recommendation of approval to the Council, staff is recommending several stipulations of approval as noted in draft Ordinance No. 2020-1472, attached hereto, to promote compatibility between the requested uses and development proposed on the subject property and the adjacent residential areas. Such stipulations address limitations on building height and hours of operation, location of dock doors, and provision of landscape buffers for those portions of District A (Commerce Park) adjacent to the existing residential area.

4. *Proposed zoning district's consistency with other land uses within the immediate area and whether uses allowed under the proposed zoning district would be better suited to the subject property than the uses allowed under the current zoning.*

Interstate 10:

The subject property is located adjacent to Interstate 10. The vision for this area is for office and employment uses. The proposed zoning allows for warehouse and other low employment uses.

Luke Air Force Base:

The subject property is located within the vicinity of a military airport. The non-residential nature of the project should not have an adverse impact on base operations. If approved, a stipulation of approval should be included to require the property owner and/or developer to provide notice of base operations to future tenants and/or purchasers of property.

Phoenix-Goodyear Airport:

The subject property is located within the Traffic Pattern area of the Phoenix-Goodyear Airport. The non-residential nature of the project should not have an adverse impact on airport operations. If approved, a stipulation of approval should be included to require the property owner and/or developer to provide notice of airport operations to future tenants and/or purchasers of property.

5. *Demand for the types of uses permitted in the proposed zoning district in relation to the amount of land currently zoned and available to accommodate the demand.*

The city has conducted a market analysis indicating that there is an abundant supply of existing industrially zoned land within the city. As such, the rezoning of the subject property is not considered essential in order to accommodate the demand for industrial property within the city. It should be noted that the market analysis has previously been shared with the applicant's team, and that they disagree with its findings.

6. *Demands for public services that will be generated by the uses permitted in the proposed zoning district.*

Fire Response:

Emergency response times and distances are provided below:

Nearest Goodyear Fire Station	Shortest path		Longest path		2nd Nearest Goodyear Fire Station	Shortest path		Longest path	
	Mins	Miles	Mins	Miles		Mins	Miles	Mins	Miles
#184/181	7.42	3.71	9.57	4.79	#185	11.04	5.52	11.58	5.79

Police Response:

The property is located within an existing police patrol beat and the current level of service within the beat can accommodate the development of the property.

Streets/Transportation:

The subject property will have access to Citrus Road and the I-10 frontage roads, subject to ADOT review and approval. All adjacent half-street improvements will need to be completed with development of the subject property.

Water/Wastewater:

The subject property will be served by the city of Goodyear. All easements and infrastructure necessary to serve the subject property will be required to be dedicated and/or installed by the property owner and/or developer.

7. *Potential adverse fiscal impacts that will result from providing services to areas not in proximity to where existing public services are provided.*

Development of the subject property will require the extension of utility lines needed to serve the property. All such costs will need to be the responsibility of the property owner and/or developer as part of the development process.

8. *General public concerns.*

Public Participation:

In accordance with the city's Citizen Review Process and to accommodate State and local provisions for social distancing as a result of COVID-19, an alternative notification process was used for this request. A formal citizen review meeting was not involved, but notice providing information on the request was mailed to surrounding property owners within 500 feet of the subject property and other stakeholders. Staff did not receive any public inquiries as a result of this notice.

Notice for the public hearings before the Planning and Zoning Commission and City Council included a postcard mailed to the owners of property within 500 feet of the subject property; a legal notice published in the Arizona Republic on August 28, 2020; and a notice of public hearing sign posted on the property. Information on the rezoning request and these public hearings was also posted on the city's website. To date, staff has not received any public inquiries as a result of this notice.

9. *Whether the amendment promotes orderly growth and development.*

The uses permitted in each district are set forth in the PAD. With the intent of the PAD to create three distinct land use districts (commerce, commercial/entertainment & employment), staff finds the use list is generally acceptable as proposed, but needs further refinement for clarification purposes concerning drive-through uses. The C-2 (General Commercial) zoning district requires a Use Permit for convenience uses, including restaurants, and other retail/service uses with drive-throughs, but not for financial institutions with drive-throughs or outdoor teller facilities. As such, staff is recommending a stipulation of approval to clarify these uses within the PAD, as noted in Stipulation No. 23 of draft Ordinance No. 2020-1472, attached hereto.

While an infill property, the subject property will require substantial improvements to adjacent infrastructure and the extension of utility lines to serve the property. Such improvements will need to be completed as part of the development of the property, in accordance with city standards, codes and ordinances.

The development of the subject property will be required to adhere to all applicable design, building, and engineering standards of the city of Goodyear. Adherence to these standards will be evaluated during the site plan, civil engineering and building plan review processes.

10. *Any other factors related to the impact of the amendment on the general health, safety and welfare of the citizens of the city and the general public.*

Regarding the requested deviations to city standards, staff recommends the following:

- **Building Height** – The request for additional height can be supported by the General Plan, but only for those areas adjacent to I-10 and for the purpose of increasing employment and residential uses. Areas along the southern property line are not suitable for additional building height given the existing residential development in that area. As such, in the draft stipulations of approval, staff recommends that the maximum 150-foot building height requested for District A (Commerce Park) be limited to only those uses supported by the General Plan, such as office, retail, and entertainment uses while the requested light industrial uses be limited to a maximum building height of 70 feet. Furthermore, to promote greater land use compatibility, staff recommends that building heights be limited to 50 feet for that portion of the district within 300 feet of the south property line. This provision is similar to the height restriction placed on the PV303 development north of Charles Boulevard and the Palm Valley Phase V neighborhood, and is recommended for the subject PAD for purposes of land use consistency and protection. These provisions are addressed in Stipulation Nos. 6 and 25 of draft Ordinance No. 2020-1472, attached hereto.
- **Freeway Landscape Buffer** – The request to reduce the freeway landscape buffer from 30 feet to 20 feet is not supported. The 30-foot buffer provides softening and beautification of the intended freeway right-of-way, and the reduction of this area will reduce the number of trees and amount of landscaping that can be provided. Additionally, the city’s design guidelines require earthen berms within the buffer, and the reduced width will preclude the provision of any significant berms. As such, in the draft stipulations of approval, staff recommends that the freeway landscape buffer remain at 30 feet. This provision is addressed in Stipulation No. 30 of draft Ordinance No. 2020-1472, attached hereto

Staff Recommendation:

The staff recommendation is for denial of this rezoning request for the reasons as stated herein.

Or, should the Commission choose to recommend approval of this request, then staff has provided several stipulations of approval, as discussed previously herein and as noted within draft Ordinance No. 2020-1472, attached hereto. In regards to Stipulation No. 35 as proposed in the draft ordinance, Section 1-3-1 of the Zoning Ordinance states that vertical construction within a rezoned area must occur within two years, or the City Council may act to rescind the zoning. The intent of this provision is to reduce speculative zoning requests, and to promote rezoning actions in conformance with the General Plan. The stipulation reiterates this provision, but also provides that substantial work and expense tied to the remediation of the borrow pit may also satisfy the stipulation.

Or, the Commission may act to continue the request to a future public hearing.

Attachments

1. Draft Ordinance No. 2020-1472
2. PAD Overlay
3. Project Narrative
4. Aerial Photo