

# Staff Report: Z-38-16-8 (Courtesy Washington PUD)

September 8, 2016

**Central City Village Planning** 

**Committee Meeting Date** 

September 12, 2016

Planning Commission Hearing Date October 6, 2016

**Request From:** A-1 TOD-2 (0.62 acre), R-4 TOD-2 (1.80 acre)

**Request To:** PUD (2.42 acres)

Proposed Use Planned Unit Development to allow a mix of

uses including automobile inventory,

dealership, repair/maintenance, and food and

beverage manufacturing.

**Location** Northeast corner of 22<sup>nd</sup> Street and Adams

Street

Owner William Gruwell/Courtesy Chevrolet

Jay Olson/Sun-Pac International, LLC

**Representative/Applicant**Adam Baugh, Withey Morris PLC **Staff Recommendation**Approval, subject to stipulations

General Plan Conformity			
General Plan Land Use Designation		Commercial	
Street Map Classification	Adams Street	Local	30- to 33-foot north half street
	22 <sup>nd</sup> Street	Local	30-foot east half street

CONNECT PEOPLE & PLACES CORE VALUE; INFILL; LAND USE PRINCIPLE: Promote and encourage compatible infill development with a mix of housing types in neighborhoods close to employment centers, commercial areas, and where transit or transportation alternatives exist.

The site is a short distance from the 24th Street light rail station and this PUD zoning allows an existing use to remain while positioning the site for redevelopment of a mix of uses including multifamily and retail.

CONNECT PEOPLE & PLACES CORE VALUE; TRANSIT ORIENTED DEVELOPMENT; LAND USE PRINCIPLE: Encourage high-density housing and high intensity employment uses to locate adjacent or close to transit stations per adopted transit district plans.

Page 2 of 10

The 24<sup>th</sup> Street light rail station is nearby to the southeast. This PUD zoning allows the site to be redeveloped with a mix of uses including multifamily and retail.

STRENGTHEN OUR LOCAL ECONOMY CORE VALUE; LOCAL & SMALL BUSINESS; LAND USE PRINCIPLE: Encourage land uses that promote the growth of entrepreneurs or new businesses in Phoenix in appropriate locations.

The majority of the site is used by a local automobile dealership for vehicle inventory and associated uses. A portion of the site contains a beverage and food manufacturing company. This PUD allows these local businesses to remain at this location while positioning the site for future redevelopment consistent with the mix of land uses found in areas near light rail stations.

TRANSIT ORIENTED DEVELOPMENT STRATEGIC POLICY FRAMEWORK – MINOR URBAN CENTER: Balanced commercial and residential, retail, entertainment, some employment. Low-rise office, less than 40,000 square foot single tenant. Medium to low intensity, 2-5 stories and 7 stories with incentives.

The site is located within the area of influence for this place type. The PUD utilizes language from Chapter 13 of the Zoning Ordinance, the Walkable Urban (WU) Code. It allows buildings up to 56 feet in height with a mix of uses and promotes a walkable environment with the building and entrances along the street frontages. See discussion in points 4 through 7 below.

#### Area Plan

Gateway Transit Oriented Development Policy Plan. See discussion in points 4, and 6 through 9, below.

#### Background/Issues/Analysis

#### SUBJECT SITE

1. This request is to rezone a 2.42 acre site. located at the northeast corner of 22<sup>nd</sup> Street and Adams Street from A-1 (Light Industrial) TOD-2 (Interim Transit-Oriented Zoning Overlay District Two and R-4 (Multifamily Residence District) TOD-2 to PUD (Planned Unit Development) to allow for a mix of uses including automobile inventory and automobile dealership and a beverage and food manufacturer. The site is located within the 1/4 mile/5 minute walk radius of the 24th Street and Washington Street light rail station. The site has frontage on both 22<sup>nd</sup>



Beverage manufacturer

Source: Google Maps

Page 3 of 10

Street and Adams Street. Currently, the majority of the site is used as staging of vehicle inventory for a local automobile dealership. The only structures on the site, in the southeast quadrant, house a beverage and food manufacturer.

- The General Plan Land Use Map designation for this property is Commercial. The PUD proposes to allow the continued use of the existing automobile inventory and dealership uses, as well as the beverage and food manufacturer, and to allow future redevelopment of the site for a mix of uses including multifamily and retail consistent with the Walkable (WU) Urban Code (Chapter 13 of the Zoning Ordinance). Although not wholly consistent with the Commercial General Plan designation, multi-family residential units are allowed in commercially zoned districts and the small size of the site does not require an amendment to the General Plan Land Use Map.
- 3. The majority of the site is zoned R-4 (Multifamily Residence) and a portion is zoned A-1 (Light Industrial). The automobile inventory use has occurred for many years on the residentially zoned portion of the site, however that use was established without proper zoning in place. The residentially zoned land was occupied with housing beginning in the 1940s. By the mid-1990s the residences had been cleared from

the parcels and the automobile inventory and staging use had commenced. The beverage and food manufacturer intends to expand its operation onto the vacant residential parcel to the east of its existing building.





1979



Source: Maricopa County Historical Aerial Photography

#### TRANSIT ORIENTED DEVELOPMENT STRATEGIC POLICY FRAMEWORK

1949

4. The recently adopted Gateway TOD Policy Plan provides policy guidance for land use decisions in the light rail corridor. The WU Code is designed to implement many of those policies and to replace the Interim Transit-Oriented Zoning Overlay Districts One and Two along the light rail corridor. Section 1312.A.2. provides accommodation for land uses in C-3, A-1 and A-2 to continue to be allowed once the WU Code is adopted in the Gateway Character Area. This provision does not provide relief for the residentially zoned portion of this site since it does not have the A-1 zoning needed to permit the current land use. In keeping with the policies of the TOD Policy Plan, it is not recommended that the site be zoned to A-1 as that zoning district is not consistent with the goals of a transit oriented development pattern.

Page 4 of 10

5. The Transit Oriented Development (TOD) Strategic Policy Framework was adopted in 2013 as an amendment to the City of Phoenix General Plan. The policy framework is intended to improve the investment environment around key nodes in the Phoenix transit network and guide sustainable urban development to benefit all residents. Compact development, when focused near transit stations, helps increase public transit fare recovery and requires fewer roads, utility lines, parks, police stations and other infrastructure. Other benefits to compact development near transit include: improved public health and creating new markets for business formation.

The TOD Strategic Policy Framework also established TOD place types for areas surrounding existing and planned light rail stations to establish a city-wide framework to improve the linkage between land use and transportation. The place types help to describe urban environments by categorizing related characteristics to avoid a one-size-fits-all approach to planning. The place types are intended to accomplish these basic objectives: specify a general range of possibilities for new development near light rail stations; provide guidance for rezoning decisions; and guidance for transit system planning by coordinating land use intensity with regional transit accessibility.

- 6. The place type policy established by the TOD Strategic Policy Framework for the 24th Street and Washington Street/ Jefferson Street stations is the Minor Urban Center. The Minor Urban Center envisions mid-rise development of apartments, town houses, row houses and live work units in the 2 to 5 story range.
  - a. Policy E.2: Increase heights and intensities only for proposals that meet or exceed the standards of the Walkable Urban (WU) zoning district or the interim TOD Zoning Overlay if proposed prior to the adoption of the WU zoning district.

The proposal is crafted to allow the automobile inventory/dealership use to remain on the site, as well as to allow the beverage and food manufacturer to expand its operation slightly to the east. These uses are in addition to those identified in the WU Code for the T5:5 transect district. The document has been crafted so that standards associated with light industrial properties are applicable as long as those light industrial uses remain in place, and to apply the standards of the Walkable Urban Code to the site once the industrial uses cease.

b. Policy E.5: Increase heights and intensities in accordance with adopted District Plans. If there is a conflict between the District Plan and the Place Type, the District Plan prevails.

Page 5 of 10

During the ReinventPHX process when the Gateway Transit Oriented Development Policy Plan was being crafted, the Gateway TOD District Steering Committee worked with staff to develop a conceptual transect-based zoning map for the TOD area around the light rail stations. The recommendation of the Policy Plan shows the site with a T5:5 designation, providing for maximum heights of 56 feet. The PUD has been written to reference the T5:5 designation. This transect reference is appropriate at this location given its proximity to the light rail station.



#### GATEWAY TRANSIT ORIENTED DEVELOPMENT POLICY PLAN

- 7. The Gateway Transit Oriented Development (TOD) Policy Plan is a community-based vision aimed at transforming the Gateway TOD District into a walkable community by taking advantage of its location along the light rail system. The plan identifies policies aimed at supporting the introduction of a pedestrian-oriented zoning code, mixed-income neighborhoods, neighborhood compatibility, and infrastructure investment.
- 8. The Gateway TOD Policy Plan includes a conceptual zoning plan for the Gateway Transit Oriented Development District that identifies desired transect zoning districts to replace both underlying zoning and the Interim Transit-Oriented Zoning Overlay Districts One and Two. The Policy Plan recommends a T5:5 transect for the area between 22<sup>nd</sup> and 24<sup>th</sup> Streets from Van Buren to Washington Streets. The WU Code is intended to implement the vision and policy of the Plan by identifying the development standards for property along the light rail corridor based on the transect district assignment. The WU Code was adopted in July 2015 and work has commenced with property owners to rezone properties in the district based on the recommendations of the conceptual zoning plan. The applicant proposes to utilize the PUD zoning to encompass standards of the WU Code and the T5:5 transect.
- 9. The proposal is generally consistent with the Gateway TOD Policy Plan. Eventual development of the site will further many of the policies of the plan including pedestrian oriented and active street frontages, parking area located internal to the site and incorporation of sustainability measures.

Staff Report: Z-38-16-8 September 8, 2016 Page 6 of 10

#### SURROUNDING USES & ZONING

#### 10. **North**

The property to the north of the subject site is occupied by a stone contractor. It is zoned C-3 (General Commercial) and developed with several one story buildings.

#### West

Across 22<sup>nd</sup> Street to the west are residences zoned R-4 (Multifamily Residence).

## <u>South</u>

Properties to the south contain one story industrial buildings and are zoned A-1 TOD-2 (Light Industrial, Interim Transit-Oriented Zoning Overlay District Two).

#### East

The property to the east of the subject site is zoned A-1 TOD-2 (Light Industrial, Interim Transit-Oriented Zoning Overlay District Two) and is also used for automobile inventory/dealership.

#### **PROPOSAL**

- 11. The proposal was developed utilizing the PUD zoning designation, which allows an applicant to propose uses, development standards and design guidelines for a site. One of the goals of this process is to allow the applicant to develop standards that respond to the surrounding environment more so than conventional zoning districts allow. The end result is property rezoned with standards crafted specifically for the site. Where the PUD narrative is silent on a requirement, the applicable zoning ordinance provisions will be applied.
- 12. The PUD is proposed as a mechanism to allow a group of automobile uses and a beverage and food manufacturer from the A-1 district, to occur, in addition to allowed uses in the T5:5 transect of the WU Code, while implementing the standards of the WU Code by reference. The site will then be positioned to transition to a transit supportive use when the site is ripe for such development.
- 13. The attached PUD Development Narrative date stamped September 8, 2016 proposes development standards generally consistent with the WU Code.

#### Land Use

The narrative proposes allowing uses including an automobile dealership and inventory area as well as a beverage and food manufacturer. Additionally, uses associated with the T5:5 transect district of the WU Code are allowed.

### **Development Standards**

The proposed development standards address the interim use or uses as well as future redevelopment of the site. These standards are consistent with promoting a

Page 7 of 10

walkable development. The standards allow the existing buildings to remain, provide for near term improvements to be made, and provides for using the WU Code for redevelopment. In order to properly screen the site from the adjacent residential uses, a solid screen wall is required along the 22<sup>nd</sup> Street and Adams Street frontages. Stipulation #2 addresses this.

#### Circulation

Access to the property is from Adams Street. Additional access to and from Washington Street may occur through the contiguous vehicle inventory lot to the east which is zoned A-1 TOD-2 (Light Industrial, Interim Transit-Oriented Zoning Overlay District Two).

#### Signage

Signage standards will adhere to the standards specified in the WU Code.

#### **MISCELLANEOUS**

- 14. The Aviation Department has reviewed the rezoning application and requests the following, which are addressed in Stipulation #3:
  - a. Provide documentation that Form 7460-1 has been filed and a "No Hazard Determination" has been received from the Federal Aviation Administration.
  - b. If temporary equipment used during future development construction exceeds the height of the permanent structure, a separate "No Hazard Determination" must be obtained from the Federal Aviation Administration.
  - c. An avigation easement should be recorded to the City of Phoenix Aviation Department.
  - d. A Notice to Prospective Purchasers of Proximity to Airport must be recorded to disclose the existence, and operational characteristics of Phoenix Sky Harbor International Airport to future owners or tenants of the property.
- 15. The Water Services Department has provided the following comments regarding water and sewer infrastructure. Water and sewer capacity for the proposed development will be assessed during the site plan review process.

Water There is an 8-inch CIP main in 22<sup>nd</sup> Street and a 6-inch ACP main in Adams Street. A 2-inch substandard main exists in the public utility easement north of the PUD site and this main may not be used.

Sewer There is an 8-inch VCP within the alley north of Adams Street (Abandonment application V160039A).

Page 8 of 10

- 16. The Floodplain Management division of the Street Transportation Department determined that the parcel is not in a Special Flood Hazard Area (SFHA), but is located in a Shaded Zone X, on panel 2210 L of the Flood Insurance Rate Maps (FIRM) dated October 16, 2013.
- 17. The project area is located within La Ciudad/AZ T:12:1(ASM), a large prehistoric archaeological village that contains numerous human remains. According to city Archaeology Section records and those of AZSITE, the state's repository of archaeological information, no previous archaeological projects have been conducted within the project area. Archaeological monitoring for ground disturbing work within the area is recommended to assist with compliance with the State Burial Law, ARS 41-865, and Chapter 8, Section 802[B2] of the city's Historic Preservation Ordinance. These provisions are addressed in Stipulation #4.
- 18. Development and use of the site is subject to all applicable codes and ordinances. Zoning approval does not negate other ordinance requirements. Other formal actions such as, but not limited to, zoning adjustments and abandonments, may be required.

#### **Findings**

- The proposed PUD is not wholly consistent with the General Plan Land Use Map Designation of Commercial, however due to the size of the site a General Plan amendment is not required.
- 2. The request is consistent with the policies for the Minor Urban Center Place Type outlined in the Transit Oriented Development Strategic Policy Framework of the General Plan.
- 3. The proposal is generally consistent with and will further the goals of the Gateway TOD Policy Plan.
- 4. The development will allow a thriving locally owned automobile dealership to continue its use of the site while positioning the site for a transition to development consistent with the WU Code in the future.

#### **Stipulations**

1. An updated Development Narrative for the Courtesy Washington PUD reflecting the changes approved through this request shall be submitted to the Planning and Development Department within 30 days of City Council approval of this request. The updated Development Narrative shall be consistent with the Development Narrative date stamped September 8, 2016, as modified by the following stipulations:

Page 9 of 10

- All pages Change the header to read: "Planned Unit Development | Courtesy WASHINGTON Chevrolet"
- Page 7 Change the third bullet point to read: "A minimum of a five-foot wide landscaping strip shall be provided along the property edges of 22<sup>nd</sup>
   Street and Adams Street and the new 6-foot tall solid wall FOR THE AREA DESIGNATED AS SEGMENT A."
- c. Page 8 Change 1309 to read: "Existing property conditions and standards shall be permitted by right and that FOR SEGMENT A a minimum of 10-feet from the existing..."
- 2. The wall for the Adams Street and 22<sup>nd</sup> Street frontages, as outlined in the modified 1305.C.2. section of this PUD, shall be constructed within six (6) months of the City Council approval of this change of zoning in accordance with Section 506.B.1. of the Phoenix Zoning Ordinance.
- 3. The following conditions of this approval shall be required upon redevelopment of the site:
  - a. The property owner shall record documents that disclose the existence, and operational characteristics of Phoenix Sky Harbor International Airport to future owners or tenants of the property. The form and content of such documents shall be according to the templates and instructions provided which have been reviewed and approved by the City Attorney.
  - b. The developer shall provide documentation to the city prior to final site plan approval (of future development) that Form 7460-1 has been filed for the development and that the development received a "No Hazard Determination" from the Federal Aviation Administration.
  - c. If temporary equipment used during (the future development) construction exceeds the height of the permanent structure a separate Form 7460-1 shall be submitted to the FAA and a "No Hazard Determination" obtained prior to the construction start date.
  - d. The developer shall grant and record an avigation easement to the City of Phoenix Aviation Department for the site, per the content and form prescribed by the City Attorney prior to final site plan approval.
  - e. The developer shall record a Notice to Prospective Purchasers of Proximity to Airport in order to disclose the existence, and operational characteristics of Phoenix Sky Harbor International Airport (PHX) to future owners or tenants of the property.

Staff Report: Z-38-16-8 September 8, 2016 Page 10 of 10

4. Archaeological monitoring for ground disturbing work within the area shall be required to assist with compliance with the State Burial Law, ARS 41-865, and Chapter 8, Section 802[B2] of the city's Historic Preservation Ordinance.

## <u>Writer</u>

K. Coles 9/8/2016

## **Team Leader**

Joshua Bednarek

## Attachments Sketch Map

Aerial

Courtesy Washington PUD Development Narrative date stamped September 8, 2016



